

Clearwater Advisors, LLC

Form ADV Part 2 Brochure

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Clearwater Advisors



This brochure provides information about the qualifications and business practices of Clearwater Advisors, LLC (Clearwater).

If you have any questions about the contents of this brochure, please contact Clearwater at 208-433-1222.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Clearwater is also available on the SEC's website at www.adviserinfo.sec.gov.



Material Changes

There have been no material changes to the content of Clearwater's brochure since the August 2010 version of the brochure.



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History

Clearwater was founded in 2001, by treasury and investment professionals focused on providing innovative fixed income investment management solutions. The Clearwater portfolio management team has been managing institutional portfolios since 1995 and have risk management careers dating back to the early 1980s. The experience the team has from managing risk through multiple market cycles and designing risk management platforms for multi-billion dollar fixed income portfolios provides the backdrop for Clearwater's emphasis on risk management. Clearwater's principals have extensive experience designing global investment policies, developing asset allocation strategies and have developed comprehensive proprietary risk analysis tools. Among those tools is Clearwater Analytics, a web-based portfolio reporting software designed to offer Clearwater's clients with daily account transparency, including daily compliance, risk, accounting and performance reports. Sockeye Trading Company, Inc. is the majority owner of Clearwater.

Advisory Services

Clearwater specializes in fixed income investing for separately managed accounts. Clearwater's clients include corporate cash portfolios, state and local governments, insurance companies, endowments, foundations, trusts, family offices and corporate pension plans. Clearwater constructs investment strategies that meet the client's portfolio risk and return objectives. The firm strives to maximize returns through time-tested investment management processes that include constant relative value analysis, careful security selection and efficient trade execution.

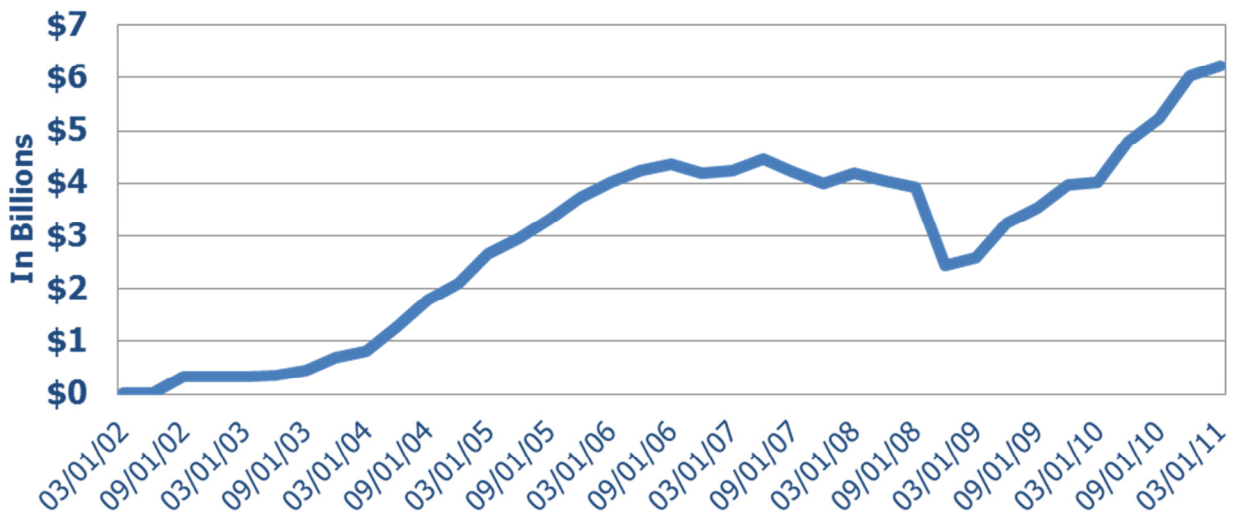
Clearwater's goal is to help clients achieve their portfolio objectives while meeting portfolio liquidity requirements. Since each client has unique needs, the firm tailors each strategy to help clients accomplish their individual goals. While mandates vary by duration and need, the firm uses a top-down, relative value approach utilizing liquid products and focuses on identifying market opportunities within sectors, industries and credits. Clearwater is tenacious in its approach toward minimizing portfolio transaction costs and maximizing portfolio liquidity. The firm does not take large duration bets relative to the benchmark and believes Clearwater's relative value approach using liquid products and minimizing transaction costs best achieves clients' portfolio investment risk and return objectives. With the variety of clients and experience the firm holds collectively, Clearwater prides itself on the ability to listen and understand a client's particular needs and provide tailored investment options and solutions. Clearwater works diligently to enable open communication and become an extension of, and available resource to clients' treasury groups in all aspects of their investing — from investment policy discussion to implementation and specific security allowance and comprehensive reporting and monitoring.



Assets Under Management

Clearwater specializes in fixed income investing for separately managed accounts. As of March 1, 2011, Clearwater managed discretionary accounts only and had a total of \$6,218,600,000 in assets under management. The following chart shows the history of Clearwater's assets under management for the past nine years.

Clearwater Quarterly AUM





Fees

Clearwater is compensated for its investment advisory services by receiving a fee based on a percentage of the fair market value of assets under management. Fees are negotiable based on the amount of assets under management, the nature of the client accounts and client's specific investment guidelines and objectives. Management fees typically range between 0.1% and 0.4% of assets under management. Clients will not be responsible to Clearwater for any other fees including brokerage and other transaction costs. However, clients are responsible for separately arranging custody of their assets. Neither Clearwater, nor its employees, accept compensation for the sale of securities or other investment products.

Invoicing

Fees are invoiced in arrears on a monthly or quarterly basis depending on the client. Most invoices are set with a payable date within 30 days of receipt of the day the client receives the invoice. Fees are not deducted from client's accounts.



Performance-Based Fees and Side-By-Side Management

Clearwater does not use Performance-Based Fees for any of its clients so there is not Side-By-Side Management.



Clearwater's clients include:

- Corporate Cash Portfolios
- State and Local Governments
- Insurance Companies
- Endowments
- Foundations
- Trusts
- Family Offices
- Corporate Pension Plans

Subject to limited exceptions, Clearwater does not seek business with accounts sizes less than \$50 million.



Methods of Analysis and Investment Strategies

Clearwater's Investment Strategy Committee is responsible for the macro investment strategy decisions and includes the firm's Principals, portfolio management and research staff. Specialized portfolio management and research staff make the individual credit and security selection decisions.

The experience and abilities of Clearwater's investment team span most securities traded in established markets. As a boutique investment manager, Clearwater works with every major broker-dealer that trades in its clients' investible universe.

Clearwater uses a top-down, relative value approach focused on identifying market opportunities within sectors, industries and credits. The firm is keenly focused on minimizing portfolio turnover, minimizing portfolio transaction costs and maximizing portfolio liquidity. Clearwater does not take large duration bets relative to the benchmark. Its methods of analysis, in order of priority, are:

- 1) Economic analysis
- 2) Sector decision
- 3) Credit research
- 4) Yield Curve Analysis
- 5) Security selection
- 6) Trading
- 7) Best Execution

Clearwater uses proprietary risk management tools that screen and analyze potential investments while providing relevant daily portfolio risk characteristics to clients. The majority of credit research and modeling are accomplished internally. In addition to the commonly available SEC-filed documents, news and research, Clearwater uses Fitch, Moody's and S&P research to provide additional credit investment research the firm applies to proprietary models.

Each member of the portfolio management group is responsible for monitoring industry relevant news and analysis, processing this news to develop viewpoints and insights, discussing it with the other portfolio managers and delivering specifically related information to the client. This delivery takes many forms ranging from phone calls and emails to more formal monthly market commentaries and issue-specific white papers. The more formal white papers and monthly updates are emailed to clients and made available on Clearwater's website.

Risk of Loss

Every investment involves a material risk of loss to the client.



Neither Clearwater nor any of its employees have any disciplinary or legal events to disclose.



Other Financial Industry Activities and Affiliations

Clearwater has a related firm, Clearwater Securities, LLC, which is currently in the application process to become a broker-dealer. When active, Clearwater Securities will market a money market fund portal. Clearwater does not anticipate any material conflicts of interest related to Clearwater Securities because Clearwater does not purchase money market funds for its clients and will not otherwise use Clearwater Securities as the broker in its clients' transactions.



Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

Code of Ethics and Personal Trading

Clearwater Employees are required to indicate their acknowledgement and compliance with the Code of Ethics upon hire and on an annual basis. The firm's Code of Ethics outlines and discusses the following topics:

- Business and Accounting Principles
- Conflicts of Interest
- Personal Securities Holdings Disclosure Procedures
- Insider Trading
- Confidential Information
- Competition, Solicitation and Interference
- Payments to Governmental Officials or Employees
- Foreign Transactions and Payments
- Monitoring of Compliance
- Severability and Judicial Modification

The Code of Ethics requires employees to submit quarterly reports detailing their transactions in certain Reportable Securities, defined by the Code of Ethics. Additionally, the Compliance Department maintains a Restricted Trading List that includes the names of companies that Clearwater has, or is likely to have, material and non-public information. Employees are required to request permission from the Compliance Department prior to purchasing or selling any Reportable Security listed on the Restricted Trading List. The Compliance Department reviews these reports for suspicious trading activity and compliance with the Restricted Trading List policy. Clearwater's Code of Ethics is available for review by its clients upon request.

Conflicts of Interest

Clearwater endeavors to minimize potential conflicts of interest at all times. Clearwater does not recommend securities to clients, or purchase or sell securities for client accounts that Clearwater, or any related companies, have a material financial interest in. Clearwater may from time to time invest funds of the company, affiliates, principals or employees ("Proprietary Funds") in securities or investment strategies similar to those employed on behalf of clients. Proprietary funds will not receive preference over client funds at any time. All transactions involving Proprietary Funds will be executed simultaneously or subsequent to similar transactions for clients. In the event of any potential conflict of interest, client accounts will receive preference over proprietary accounts. All proprietary trading is monitored by two or more principals or officers to ensure compliance with this policy.



Brokerage

Clearwater is delegated authority by its clients to designate broker-dealers for the purchases and sales made on behalf of the accounts it manages. The portfolio managers use brokers that, in their best judgment, offer the best combination of price, execution and long-term liquidity. The portfolio managers do not use the firm or any affiliates as brokers to execute transactions for the accounts. Clearwater does not require directed brokerage and has not ever had a client direct brokerage for its accounts.

In seeking to obtain best execution of portfolio transactions for their accounts, Clearwater's portfolio managers consider all relevant factors, including:

- Price
- Broker-dealer's facilities
- Reliability and financial responsibility
- Ability of the broker to effect specific securities transactions
- Broker's or dealer's record keeping capabilities

Clearwater does not accept any additional services or benefits in exchange for its brokerage selection including client referrals.

Trade Aggregation

Circumstances do arise where a portfolio manager determines that it would be both desirable and suitable to purchase or sell a particular security for more than one of the portfolio manager's clients and there is a limited supply or demand for the security. In such circumstance, Clearwater's policies allow the portfolio managers to aggregate or bunch orders on behalf of two or more clients ("Trade Aggregation"). Any Trade Aggregation is only permissible to achieve best execution and efficiency based on the commonality of the clients' investment objectives. If an order is only partially filled, it is generally allocated on a pro rata basis based on the original Trade Aggregation plan. If the portfolio manager determines in good faith that it is in the best interests of the clients to allocate the order in a way other than on a pro rata basis, the portfolio manager must make a written record of the reasoning behind the final allocation and notify the Compliance Department.



Periodic Reviews with Portfolio Managers

Nearly all accounts are reviewed internally by the portfolio management team on a daily basis. At least quarterly each account is formally reviewed with the client to ensure that the client's investments continue to be appropriate for its particular investment guidelines. A significant change in the markets or a particular security held by a client may trigger additional review of client portfolios with the clients. Clients may also request a review with the portfolio manager at any time.

Daily Online Reporting

Clients have access to daily accounting, compliance, performance and risk reports on a secure password-protected website provided by Clearwater Analytics. Static monthly reports are also available on the website on the first business day following the end of each month.



Clearwater does not receive any economic benefits from any non-client for providing investment advice or other advisory services to its clients.

Neither Clearwater, nor any related company, directly or indirectly compensates any person who is not an employee for client referrals.



Clearwater does not have custody of client funds or securities and works with any custodian the client chooses.



Clearwater has discretionary trading authority over clients' accounts subject to occasional restrictions imposed by clients on a case-by-case basis. Clearwater generally requires clients to provide an investment policy as the basis for creation and maintenance of its portfolio. Within the constraints of the client's investment policy, Clearwater's authority includes selecting the securities to be bought or sold for a client's account, selecting the amount of securities to be bought or sold for a client's account, selecting the broker-dealers to be used for the purchase or sale of securities for a client's account, and selecting the commission rates to be paid to the broker-dealer for a client's securities transactions. However, unless otherwise authorized, Clearwater always obtains specific consent from client before realizing a gain or loss in a client account. Before assuming discretionary authority over clients' accounts, Clearwater obtains an executed investment management agreement which includes language describing the discretionary authority.



Clearwater handles fixed income securities and therefore does not vote client securities.



Clearwater is cash-flow positive and does not have any debt. Therefore, Clearwater does not have a current or reasonably likely financial condition which would impair its ability to meet contractual commitments to clients.



Michael Boren - Chief Executive Officer

Educational Background and Business Experience

Mike co-founded Clearwater in 2001. He held the position of Chief Compliance Officer until 2007 and currently serves as Chief Executive Officer.

Mike's career in fixed income investment management, consulting and analysis began in 1984 when he was appointed director of research at The Geldermann Group, a division of ConAgra. In 1986 Mike started an independent brokerage firm specializing in institutional brokerage of arbitrage and relative value transactions involving futures, spot and forward markets. In 1995, Mike and David Boren founded Sawtooth Investment Management, an investment advisor specializing in limited risk and relative value fixed income investment strategies. In 2003, he partnered to form Clearwater Analytics, an investment and accounting reporting software as a service company, where he serves as Chief Operating Officer. Throughout his career, Mike has focused on providing superior investment advice and innovative financial services to sophisticated institutional clients.

Mike holds a Bachelor of Arts in Economics from Brigham Young University.

Year of Birth: 1962

Disciplinary Information

Mike has no legal or disciplinary events to disclose.

Other Business Activities

Clearwater has a related firm, Clearwater Securities, LLC, which is currently in the application process to become a broker-dealer. Mike will serve as a principal of this firm.

When active, Clearwater Securities will market a money market fund portal. Clearwater does not anticipate any material conflicts of interest related to Clearwater Securities because Clearwater does not purchase money market funds for its clients and will not otherwise use Clearwater Securities as the broker in its clients' transactions.

Mike partnered to form Clearwater Analytics, an investment and accounting reporting software as a service company, where he serves as Chief Operating Officer.

Additional Compensation

Mike does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer and Chief Operating Officer oversee the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Mike is supervised by Brittany Pfister, Chief Compliance Officer. Brittany may be reached by calling 208-433-1222.



David Boren - Chief Investment Officer

Educational Background and Business Experience

Dave co-founded Clearwater in 2001 where he continues to serve as Chief Investment Officer.

Beginning in 1985, Dave led a distinguished ten-year career as a fixed income and derivatives trader with Goldman Sachs. During his tenure at Goldman, Dave organized derivative trading desks in New York and Tokyo, trading global fixed income securities, interest rate swaps, currencies and cross market derivatives. In 1995, Dave co-founded Sawtooth Investment Management, a private investment company specializing in limited-risk, fixed income investment strategies. In 2003, he co-founded Clearwater Analytics, an investment and accounting reporting software as a service company where he serves as Chief Technology Officer. Dave brings a unique perspective on the use of technology to enhance performance, reporting and risk management activities.

Dave holds a Bachelor of Arts in Economics from Brigham Young University and a Master of Business Administration from Harvard Business School.

Year of Birth: 1959

Disciplinary Information

Dave has no legal or disciplinary events to disclose.

Other Business Activities

Clearwater has a related firm, Clearwater Securities, LLC, which is currently in the application process to become a broker-dealer. Dave will serve as a principal of this firm.

When active, Clearwater Securities will market a money market fund portal. Clearwater does not anticipate any material conflicts of interest related to Clearwater Securities because Clearwater does not purchase money market funds for its clients and will not otherwise use Clearwater Securities as the broker in its clients' transactions.

David partnered to form Clearwater Analytics, an investment and accounting reporting software as a service company where he serves as Chief Technology Officer.

Additional Compensation

Dave does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

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Dave is supervised by Brittany Pfister, Chief Compliance Officer. Brittany may be reached by calling 208-433-1222.



Douglas Bates - Chief Financial Officer

Educational Background and Business Experience

Doug co-founded Clearwater in 2001 where he held the position of Controller and now serves as Chief Financial Officer.

Doug's financial experience is grounded in his 16-year career with Goldman Sachs in institutional fixed income and derivative sales management. After five years at Goldman Sachs in New York, Doug was asked to establish the Goldman Sachs fixed income and derivatives sales operation on the west coast. The team was assembled to specialize in marketing derivative strategies to large institutional clients. Doug worked with Goldman's largest west coast clients to develop strategies for managing their global currency and interest rate exposures. He joined Sawtooth Investment Management in 1998 and partnered to form Clearwater Analytics in 2003, where he is currently Chief Financial Officer.

Doug holds a Bachelor of Arts in Accounting and a Master of Business Administration from Brigham Young University.

Year of Birth: 1957

Disciplinary Information

Doug has no legal or disciplinary events to disclose.

Other Business Activities

Clearwater has a related firm, Clearwater Securities, LLC, which is currently in the application process to become a broker-dealer. Doug will serve as a principal of this firm.

When active, Clearwater Securities will market a money market fund portal. Clearwater does not anticipate any material conflicts of interest related to Clearwater Securities because Clearwater does not purchase money market funds for its clients and will not otherwise use Clearwater Securities as the broker in its clients' transactions.

Doug partnered to form Clearwater Analytics, an investment and accounting reporting software as a service company, where he serves as Chief Financial Officer.

Additional Compensation

Doug does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer and Chief Operating Officer oversee the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Doug is supervised by Brittany Pfister, Chief Compliance Officer. Brittany may be reached by calling 208-433-1222.



Christopher Growney - Director of Sales and Marketing

Educational Background and Business Experience

Chris partnered to form Clearwater in 2001.

Chris began working in the financial industry in 1996. He spent a year at the Morgan Stanley Dean Witter Reynolds corporate bond desk in New York. Chris then joined Patterson Capital in Los Angeles, where he was responsible for trading and short duration portfolio management. In 1999, Chris joined the team that managed Cisco System's \$18 billion investment portfolio and helped design Cisco's global investment risk management and report infrastructure. Chris co-founded Clearwater Analytics in 2003, where he currently serves as Director of Business Development.

Chris holds a Bachelor of Science in Finance from Southern Methodist University and is a CFA Charterholder¹.

Year of Birth: 1972

Disciplinary Information

Chris has no legal or disciplinary events to disclose.

Other Business Activities

Chris partnered to form Clearwater Analytics, an investment and accounting reporting software as a service company, where he serves as Director of Business Development.

Additional Compensation

Chris does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

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Chris is supervised by Brittany Pfister, Chief Compliance Officer. Brittany may be reached by calling 208-433- 1222.

¹ CFA Charterholder Requirements: Four years qualified investment work experience, completion of the Chartered Financial Analyst (CFA) program, active membership in the CFA Institute, adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, membership to a local CFA member society.



James Timothy Dunn - Director, Portfolio Manager

Educational Background and Business Experience

Tim joined Clearwater at its inception in 2001 and has since led the portfolio management group to create unparalleled operational efficiency and client focus.

Tim's career in the financial industry began in 2000, when he joined Sawtooth Investment Management before making the transition to Clearwater. Tim's portfolio trading and risk management experience is deep, ranging from equity hedge funds to fixed income specializing in cash management. Tim brings creative insight and operational efficiency to the management group through his hard science background.

Tim holds Bachelor of Science degrees in both Chemical Engineering and Physical Science from Brigham Young University.

Year of Birth: 1972

Disciplinary Information

Tim has no legal or disciplinary events to disclose.

Other Business Activities

Tim does not engage in other business activities that would create a material conflict of interest.

Additional Compensation

Tim does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

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Tim is supervised by Brittany Pfister, Chief Compliance Officer. Brittany may be reached by calling 208-433- 1222.



Philip Bartlett - Portfolio Manager

Educational Background and Business Experience

Phil joined Clearwater in 2008 and as a Senior Portfolio Manager with oversight of Clearwater's credit analysis efforts.

Phil began his career in Prague working for the American Chamber of Commerce. From 1995 to 1999, Phil worked for two German banks in London, BHF Bank and Bankgesellschaft Berlin, as a desk credit analyst covering global emerging market banks and sovereigns. After taking time to pursue a Master's degree, in 2001, Phil joined GE Financial Assurance in Seattle as a credit analyst covering multiple investment grade sectors totaling \$5 billion in a \$60 billion portfolio. From 2002 to 2008, Phil worked as a State Investment Officer managing the multi-billion dollar short duration liquidity pool for the State of Alaska. Additionally, Phil assisted with the management of the credit sectors in the longer duration, total return pension portfolios totaling \$8 billion.

Phil holds a Bachelor of Arts in History and Political Science from the University of Richmond and a Master of Business Administration in Finance and Accounting from the University of Rochester's Simon School of Business.

Year of Birth: 1971

Disciplinary Information

Phil has no legal or disciplinary events to disclose.

Other Business Activities

Phil does not engage in other business activities that would create a material conflict of interest.

Additional Compensation

Phil does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

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Phil is supervised by Tim Dunn, Director of Portfolio Management and Brittany Pfister, Chief Compliance Officer. Both parties may be reached by calling 208-433-1222.



Rhet Hulbert - Portfolio Manager

Educational Background and Business Experience

Rhet joined the portfolio management team in 2006 and has spent most of his time specializing in portfolios with durations less than one year.

Rhet's work with Clearwater began in 2003. He helped design, build and improve the Clearwater Analytics System, specializing in data quality and custom report building. Rhet brings a strong analytical and technical background to the portfolio management team which enables him to provide the team with operational efficiencies, including the development of proprietary portfolio management tools.

Rhet graduated Cum Laude and holds a Bachelor of Business Administration in Computer Information Systems from Boise State University.

Year of Birth: 1977

Disciplinary Information

Rhet has no legal or disciplinary events to disclose.

Other Business Activities

Rhet does not engage in other business activities that would create a material conflict of interest.

Additional Compensation

Rhet does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

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Rhet is supervised by Tim Dunn, Director of Portfolio Management and Brittany Pfister, Chief Compliance Officer. Both parties may be reached by calling 208-433-1222.



Solomon Lee - Portfolio Manager

Educational Background and Business Experience

Solomon joined Clearwater in 2008 as a junior portfolio manager.

Prior to his work with Clearwater, in 2007, Solomon interned as an analyst in New York with Goldman Sachs in its Sales and Trading Program. Solomon has completed all three levels of the CFA program and is awaiting the required work experience to become a CFA charter holder².

Solomon studied at Brigham Young University from 2002 to 2003 and again from 2005-2008. There Solomon served as the Co-Head of Research for the student-run Global Equity Fund.

Solomon graduated Summa Cum Laude and holds a Bachelor of Science in Management, with a Corporate Finance emphasis.

Year of Birth: 1984

Disciplinary Information

Solomon has no legal or disciplinary events to disclose.

Other Business Activities

Solomon does not engage in other business activities that would create a material conflict of interest.

Additional Compensation

Solomon does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer and Chief Operating Officer oversee the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Solomon is supervised by Tim Dunn, Director of Portfolio Management and Brittany Pfister, Chief Compliance Officer. Both parties may be reached by calling 208-433-1222.

² CFA Charterholder Requirements: Four years qualified investment work experience, completion of the Chartered Financial Analyst (CFA) program, active membership in the CFA Institute, adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, membership to a local CFA member society.



David Richardson - Institutional Sales

Educational Background and Business Experience

David joined Clearwater in 2007 as an Institutional Sales representative.

In 2001, David began his financial career with Goldman Sachs in their New York investment management division and then helped establish the Seattle office. In Seattle he was a founding member of a team managing over \$1.5 billion. Davis has worked with private equity firms in Switzerland and Utah. In 2005, he worked with the land acquisition group of Centrex Homes in Northern California. Later that year, David joined New Day Financial, where he built their over-equity mortgage lending platform and as Vice President of Business Development until 2007.

David holds a Bachelor of Science in Marketing and a Master of Business Administration in Finance from Brigham Young University.

Year of Birth: 1976

Disciplinary Information

David has no legal or disciplinary events to disclose.

Other Business Activities

David does not engage in other business activities that would create a material conflict of interest.

Additional Compensation

David does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer and Chief Operating Officer oversee the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

David is supervised by Tim Dunn, Director of Portfolio Management and Brittany Pfister, Chief Compliance Officer. Both parties may be reached by calling 208-433-1222.



Justin Walton - Research Analyst

Educational Background and Business Experience

Justin joined Clearwater in 2008 as an equity and credit research analyst.

During 2007 and 2008 Justin worked as an intern analyst for Countrywide Capital Markets in New York and Global Financial Advisors. Justin has completed all three levels of the CFA program and is awaiting the required work experience to become a CFA Charterholder³.

Justin holds a Bachelor of Science in Management, with a Corporate Finance emphasis from Brigham Young University.

Year of Birth: 1982

Disciplinary Information

Justin has no legal or disciplinary events to disclose.

Other Business Activities

Justin does not engage in other business activities that would create a material conflict of interest.

Additional Compensation

Justin does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer and Chief Operating Officer oversee the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Justin is supervised by Tim Dunn, Director of Portfolio Management and Brittany Pfister, Chief Compliance Officer. Both parties may be reached by calling 208-433-1222.

³ CFA Charterholder Requirements: Four years qualified investment work experience, completion of the Chartered Financial Analyst (CFA) program, active membership in the CFA Institute, adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, membership to a local CFA member society.



Joshua Hoisington - Institutional Sales

Educational Background and Business Experience

Josh joined Clearwater in 2011 as an institutional sales representative.

Josh began his career in the financial industry in 2006. He worked with Securian Financial Services, CRI Securities and Marathon Advisors as an investment advisor and registered representative. From 2007 to 2011 Josh worked at TransAmerica Capital as an internal wholesaler.

Josh holds a Bachelor of Business Administration in Finance and Accounting from the University of New Mexico.

Year of Birth: 1981

Disciplinary Information

Josh has no legal or disciplinary events to disclose.

Other Business Activities

Josh does not engage in other business activities that would create a material conflict of interest.

Additional Compensation

Josh does not receive any economic benefits from any non-client for providing investment advice or other advisory services to Clearwater's clients.

Supervision

Clearwater has a formal Compliance Program and Code of Ethics designed to prevent violations of government regulations and ethical principles. The Chief Compliance Officer and Chief Operating Officer oversee the enforcement of the Compliance Program and Code of Ethics through regular communication with employees as well as an annual audit. The Compliance Program includes provisions and guidance concerning fiduciary duties, conflicts of interest and portfolio management and trading practices.

Joshua is supervised by Tim Dunn, Director of Portfolio Management and Brittany Pfister, Chief Compliance Officer. Both parties may be reached by calling 208-433-1222.