

Item 1 – Cover Page

Blue Ocean Portfolios, LLC  
16020 Swingley Ridge, Suite 360  
Chesterfield, MO 63017  
636-530-9393  
[www.BlueOceanPortfolios.com](http://www.BlueOceanPortfolios.com)  
March 29, 2012

This Brochure provides information about the qualifications and business practices of Blue Ocean Portfolios, LLC. If you have any questions about the contents of this Brochure, please contact us at 636-530-9393 or [jim@blueoceanportfolios.com](mailto:jim@blueoceanportfolios.com). 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.

Blue Ocean Portfolios, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Blue Ocean Portfolios, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

The United States Securities and Exchange Commission requires that we provide to all clients an annual summary of material changes in ADV Part 2A. The summary discusses only specific material changes that were made to the brochure since the last annual update. We may further provide other ongoing disclosure information about material changes as necessary, at any time, without charge. A summary of material changes since the last annual update on March 28, 2011 is included as Exhibit A.

Currently, our Brochure may be requested by contacting Sara Meystedt, Portfolio Administrator, at 636-530-9393 or [Sara@blueoceanportfolios.com](mailto:Sara@blueoceanportfolios.com). Our Brochure is also available on our web site [www.BlueOceanPortfolios.com](http://www.BlueOceanPortfolios.com), free of charge.

Additional information about Blue Ocean Portfolios, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Blue Ocean Portfolios, LLC who are registered, or are required to be registered, as investment adviser representatives of Blue Ocean Portfolios, LLC.

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#### **Item 4 – Advisory Business**

Blue Ocean Portfolios, LLC (Blue Ocean Portfolios) was established in 2009. The principal owner is 23 Glen Abbey Partners, LLC, which is a family limited partnership managed by James A. Winklemann, Sr. Blue Ocean Portfolios provides portfolio management services designed to provide supervision to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, endowments corporations and other business entities. Blue Ocean Portfolios assumes a fiduciary role in managing its client portfolios.

The majority of client accounts are expected to consist of index funds, exchange traded funds (Index funds/ETFs), government bonds, Certificates of Deposit, Indexed based Bond Funds/ETFs and from time to time, Variable Annuities. From time to time, due to special circumstances surrounding the individual account, individual common stock and bond holdings may also be included, although they generally will be avoided. Blue Ocean Portfolios at all times will attempt to seek the most efficient exposure to the various asset classes. Blue Ocean Portfolios believes that index funds provide the most efficient wealth management vehicles.

Each prospective client is required to complete an Investment Advisory Contract and Request for Management on which terms and conditions are disclosed. The client will also complete forms disclosing personal data, including information such as age, marital status, income and net worth.

In addition, a prospective client may supply further details to his/her financial plans. Various additional subjects relating to investment objectives may be discussed at this time. Prospective clients who hold pension/profit sharing plans or trusts/estates and corporations may have previously set their own objectives and will simply be retaining Blue Ocean Portfolios as portfolio managers and advisors. Blue Ocean Portfolios is also able to help develop an Investment Policy as part of its ongoing business practices.

Blue Ocean Portfolios may also provide financial planning services, including tax planning, income planning, insurance planning, retirement planning and estate planning. Financial planning services may include consultations and/or written plans, which analyze a client's financial situation and make appropriate recommendations for strategies and methods of implementation of the strategies. The negotiable hourly fee for consultations is up to \$250 and is paid after the consultation. For comprehensive financial planning involving taxes, estate, insurance and investment planning; the overall cost is \$2,500 and involves approximately 10 hours of meeting and planning. For income and retirement planning the cost of plans will be individually based on the client situation but will involve typically 4 hours of planning time and a cost of \$1,000. Tax strategies will be billed on an hourly basis of \$250 per hour. Retirement and Estate planning will involve 4-6 hours of time commitment and the cost will be in most cases based on this time factor, \$1,000.

Client accounts are held at FINRA member firms unrelated to Blue Ocean Portfolios. Any applicable custody fees are charged separately by these firms. Blue Ocean Portfolios has a non-compensated working relationship through Scottrade, Inc. in its advisor programs. The vast majority of the Blue Ocean Portfolios investment advisory clients utilize this arrangement through Scottrade, Inc. From time to time Blue Ocean Portfolios may be retained to manage sub-allocation for clients who have existing long term investments in variable annuity contracts. In these instances, Blue Ocean Portfolios is retained on a similar fee only basis.

Scottrade, Inc., third party life insurance companies or the selected brokerage firm is given, by documents signed, limited power to accept orders from Blue Ocean Portfolios and to withdraw management fees. The client retains total control and ownership of all cash and securities in the managed account. Unless the client consents otherwise, only the client can give instructions to the broker relative to withdrawal of cash or securities from an account. Blue Ocean Portfolios authority is limited to the placement of purchase or sale orders with the broker and withdrawal of management fees. The limited power of attorney can be terminated by the client at any time by notifying either the broker or Blue Ocean Portfolios.

Blue Ocean Portfolios determines clients' investment objectives as well as risk tolerance and provides investment advice to clients and management of their investment portfolios. Blue Ocean Portfolios also provides quarterly performance reports to clients. Blue Ocean Portfolios utilizes a rule based asset allocation system using market sector Index Funds/ETFs, Certificates of Deposit and US Government Bonds based on the concept of "Constant Proportionality". It was developed for individual and institutional investment advisory accounts and consists of pre-set portfolios. These pre-set portfolios are appropriate for many circumstances but Blue Ocean Portfolios can also customize a portfolio for the individual needs of clients. Clients may, at their discretion, impose restrictions on investing in certain securities or types of securities.

Constant Proportionality explicitly requires Blue Ocean Portfolios to maintain constant proportions in pre-agreed asset classes and/or securities. This practice requires Blue Ocean Portfolios to implement and manage a portfolio for the client based on their risk tolerances and investment objectives. The portfolio is monitored and rebalanced when relative valuations deviate past a triggering point. The trigger is dependent on the relative values of the portfolio components. This practice is rule based and forces profits to be harvested from over-performing segments and additional shares to be bought into underperforming segments. The result is a constant proportioned portfolio.

Portfolios are comprised of "components" such as Fixed Income, Value, Equity Index, Growth, Commodity Price Indexes, International, Small Company, Micro Company and Emerging Markets. Components may vary based on the risk tolerances and situation of the individual client.

Equity components will generally be comprised of different combinations of index funds/ETFs. The International component is currently comprised of a combination of Index funds/ETFs representing both emerging and developed foreign markets. Blue Ocean Portfolio components are established and maintained using proprietary rule sets.

The majority of the portfolios include a fixed income component. The fixed income component is typically comprised of laddered maturity US Treasury Bonds, Exchange Traded or Indexed based Bond Funds or Certificates of Deposit. This strategy eliminates credit risk and provides investors with a known outcome.

Depending on the long-term goals and retirement needs of the client and the client's current situation, the portfolio may also include variable annuities.

The client may terminate the investment management agreement with written notice to Blue Ocean Portfolios. If the agreement is terminated during the first five business days from the date of execution, the client's fee will be returned. Thereafter, either party may terminate the investment management agreement by giving thirty days advance written notice.

As of March 29, 2012, Blue Ocean Portfolios discretionary assets under management (AUM) were valued at approximately \$71,200,000.00.

## **Item 5 – Fees and Compensation**

Blue Ocean Portfolios management fees are negotiable and may vary depending on the type of client and assets under management. Management fees are generally charged as a percentage of assets under management according to the following guidelines:

### **Retail Clients:**

First \$500,000	1.00%
\$500,001 - \$1 Million	.75%
\$1 Million +	.50%

### **Institutional Clients (minimum account value at time of inception of \$5 million in total assets):**

First \$5 Million	.20%
Next \$5 Million	.15%
Next \$10 Million	.10%
Over \$20 Million	.05%

**Not for Profit Accounts** less than \$5 million – receive a 25% discount from the standard fees.

### **Defined Contribution Plans (401k and 403b):**

First \$500,000	1.00%
Next \$500,000	.75%
Next \$1 Million	.55%
Next \$3 Million	.35%
Next \$5 Million	.30%
Next \$10 Million	.25%
Over \$20 Million	.10%

The specific manner in which fees are charged by Blue Ocean Portfolios is established in a client's fee schedule and written agreement with Blue Ocean Portfolios. Blue Ocean Portfolios will generally bill its fees on a quarterly basis. Blue Ocean Portfolios fees for management of portfolios are calculated as a percentage of the value of the account as of each billing period. The minimum annual fee is \$500. Clients may pay the quarterly fee in advance either by check, bank wire, or authorize Blue Ocean Portfolios to directly debit fees from the clients' account. If the agreement is terminated during the first five business days from the date of execution, the client's fee will be returned. Thereafter, accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Blue Ocean Portfolios fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Blue Ocean Portfolios fee and Blue Ocean Portfolios shall not receive any portion of these commissions, fees, and costs.

From time to time, based on unique client circumstances, there could be arrangements where a client, typically an individual or business, would pay a one-time fee for the development of an investment policy statement, or to have Blue Ocean Portfolios or one of its' representatives provide expert testimony/consultation in a securities related dispute.

Item 12 further describes the factors that Blue Ocean Portfolios considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Blue Ocean Portfolios does not charge any performance-based fees (fees based on a share of capital gains or on capital appreciation of the assets of a client).

## **Item 7 – Types of Clients**

Blue Ocean Portfolios provides portfolio management services to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, endowments, corporations and other business entities. Blue Ocean Portfolios will assume a fiduciary role in managing its client portfolios. The minimum account size for retail clients is \$100,000, although smaller accounts may be accepted on a case by case basis.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Blue Ocean Portfolios utilizes a “constant proportion” allocation strategy. It is the intent to keep the client portfolios on a constant allocation which requires minor rebalancing trades when relative drift tolerances are exceeded. The allocation itself depends on risk tolerances and objectives of the client. The actual allocation parameters are derived from a proprietary methodology that blends various parts of the domestic and non-US equity markets, commodity markets as well as the intermediate US Treasury market. Blue Ocean Portfolios extensively utilizes index funds and index based Exchange Traded Funds (Index Funds/ETFs) to achieve diversification and mitigate cost and risk.

Blue Ocean Portfolios utilizes the Efficient Market Hypothesis philosophy, which states that all known information is reflected in the current market price of the security, and that attempts to meaningful performance advantages over the market performance is futile. The only thing investors can control is allocation, rebalancing and cost. Blue Ocean Portfolios is a portfolio allocation system designed to manage risk, not chase or predict returns. Additionally, we believe that the outcome of any investment is unpredictable and random. Investing in securities involves risk of loss that clients should be prepared to bear.

Blue Ocean Portfolios utilizes constant allocation models that, from time to time, result in short-term rebalancing of the portfolios. However, it is the intent to keep the client portfolios on a constant allocation which requires minimal rebalancing trades. While short term trading may occur, these trades would be a result of actual market volatility, not market timing. Blue Ocean Portfolios receives no commissions or revenue share of any kind from trading activities.



## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that are material to your evaluation of Blue Ocean Portfolios or the integrity of Blue Ocean Portfolios' management.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Blue Ocean Portfolios, LLC is a licensed insurance agency in the State of Missouri. Some Blue Ocean Portfolios investment advisor representatives are licensed to sell insurance products through various insurance companies and from time to time may effect transactions in insurance products for clients. Insurance commissions are paid directly to Blue Ocean Portfolios.

## **Item 11 – Code of Ethics**

Blue Ocean Portfolios has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Blue Ocean Portfolios must acknowledge the terms of the Code of Ethics annually, or as amended.

Blue Ocean Portfolios anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Blue Ocean Portfolios has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of mutual fund securities, US Government or Treasury obligations or Certificates of Deposit, in which, its affiliates and/or clients, directly or indirectly, have a position of interest. Blue Ocean Portfolios employees and persons associated with Blue Ocean Portfolios are required to follow Blue Ocean Portfolios Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Blue Ocean Portfolios may trade for their own accounts in securities which are recommended to and/or purchased for Blue Ocean Portfolios clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Blue Ocean Portfolios will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. The Code restricts

trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Blue Ocean Portfolios and its clients. A record is maintained for all securities transactions executed by Blue Ocean Portfolios and its related persons. These transactions are reviewed regularly by an officer of Blue Ocean Portfolios.

Blue Ocean Portfolios clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Sara Meystedt.

It is Blue Ocean Portfolios policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Blue Ocean Portfolios will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

Blue Ocean Portfolios may suggest to clients that securities transactions be executed through Scottrade Advisor Services, a division of *Scottrade, Inc., member FINRA/SIPC*, although clients are permitted to request executions be directed to other broker-dealers. Blue Ocean Portfolios believes that trades executed through *Scottrade*, at commission levels set by Scottrade, are comparable or lower to those of similar securities broker-dealers. Clients directing brokerage may be subject to higher brokerage commissions. Any products, research or services given to Blue Ocean Portfolios by *Scottrade* may be utilized for all clients. Blue Ocean Portfolios does not benefit in any way from the relationship between Blue Ocean Portfolios and *Scottrade*. The relationship between Blue Ocean Portfolios and *Scottrade* is solely for the clients benefit.

Under certain circumstances the purchase or sale of securities may be entered on an aggregate basis across various accounts in compliance with Blue Ocean Portfolios obligation of best execution. In such circumstances, the client accounts will share

commission costs equally and receive securities at a total average price. Blue Ocean Portfolios will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

### **Item 13 – Review of Accounts**

Once a client's initial portfolio is established, the individual holdings are under continuous supervision by Blue Ocean Portfolios' Portfolio Administrators on a daily basis via a synchronized online portfolio management software utility to the broker-dealer/custodian. Daily notifications are received if a portfolio holding deviates from the established tolerance range and the portfolio management software will generate a report recommending rebalancing trades based on the previous day's closing price.

Clients have online access to all account activity in the brokerage account as well as daily access to their actual and relative performance reports through a secure login to the online portfolio management software.

Other special reviews of client portfolios are triggered by large increases/decreases in cash balances, deposits into or requests for withdrawals from a client's cash/securities account, changes in relevant customer profile information, changes in customer investment objectives, etc.

Clients receive from the broker-dealer detailed receipts for all deposits, individual confirmations for every transaction and a month-end statement showing each security holding, the number of shares held and a list of all account activity for the month.

At the end of the quarter in which a new account has been brought under management, and every three months thereafter, the client receives a quarterly performance statement from Blue Ocean Portfolios. This statement lists the securities in the client's portfolio, the number of shares held, the cash balance, the market price as of the date on the broker's month end statement and the total portfolio valuation. A management fee invoice is sent with each quarterly statement. Clients are notified via email when the quarterly reports are available and are able to view/print the reports and billing statements securely online. Clients may also request hard copies of the reports be mailed to them.

### **Item 14 – Client Referrals and Other Compensation**

Registered investment advisers are required to disclose if they compensate any person other than a supervised person for client referrals or if they receive an economic benefit for providing investment advice from someone other than a client.

Blue Ocean Portfolios has entered into an exclusive marketing/sponsorship agreement with The Financial Coach Show hosted by Bryan Binkholder, dba "The Financial Coach." The Financial Coach Show is a weekly radio show aired in the St. Louis, Missouri market. It is planned that the radio show could be syndicated to other markets in the United States as well. Blue Ocean Portfolios has been the sponsor of the show since January of 2010. The show gives up beat analysis of the economic and political news while providing valuable insights on the traps and cons that typical Wall Street firms sell. The show drives listeners to The Financial Coach website ([www.FinancialCoachShow.com](http://www.FinancialCoachShow.com)) where they can request free information from Blue Ocean Portfolios on retirement, wealth management topics, life insurance, and other investment related topics. Under the agreement, Bryan Binkholder is compensated for being a paid spokesperson of Blue Ocean Portfolios. Overall Mr. Binkholder has impersonal relationships with the clients and/or prospective clients of Blue Ocean Portfolios. Mr. Binkholder receives no direct compensation from any Blue Ocean Portfolio client for investment advisory services or insurance products or revenue of any kind. From time to time, Mr. Binkholder could be directly compensated for speaking engagements or from other unrelated parties. If those other parties would also happen to be Blue Ocean Portfolio clients, it would be purely coincidental and not linked to any relationship that the third party would have with Blue Ocean Portfolios.

Blue Ocean Portfolios uses third party marketing services from AdvisorLeap, Inc. to promote the services of Blue Ocean Portfolios. Services include, but are not limited to, designing and drafting marketing materials, storing, organizing and tracking data on prospective business, providing access to AdvisorLeap, Inc. proprietary marketing technology and business practices and related materials, and initiating contact with prospective Blue Ocean Portfolios clients for the sole purpose of scheduling meetings with Blue Ocean Portfolios representatives. AdvisorLeap, Inc. is compensated for their services based on a percentage of assets managed by Blue Ocean Portfolios for new clients brought to Blue Ocean Portfolios as a direct result of AdvisorLeap, Inc. services. The fee shall be paid solely from Blue Ocean Portfolios investment advisory fee, and shall not result in any additional charge to the client.

## **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, insurance company, bank or other qualified custodian that holds and maintains client's investment

assets. Blue Ocean Portfolios urges its clients to carefully review such statements and compare such official custodial records to the quarterly account statements that we provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

#### **Item 16 – Investment Discretion**

Blue Ocean Portfolios usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Blue Ocean Portfolios observes the investment policies, limitations and restrictions of the clients for which it advises.

Investment guidelines and restrictions must be provided to Blue Ocean Portfolios in writing.

#### **Item 17 – Voting *Client* Securities**

As a matter of firm policy and practice, Blue Ocean Portfolios does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Blue Ocean Portfolios may provide advice to clients regarding the clients' voting of proxies.

#### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Blue Ocean Portfolios financial condition. Blue Ocean Portfolios has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## Brochure Supplements

James Arthur Winkelmann, Sr.,

Registered Fiduciary <sup>TM</sup>

Blue Ocean Portfolios, LLC

16020 Swingley Ridge, Suite 360

Chesterfield, MO 63017

636-530-9393

March 29, 2012

**This Brochure Supplement provides information about James Arthur Winkelmann, Sr. (Jim Winkelmann) that supplements the Blue Ocean Portfolios, LLC Brochure. You should have received a copy of that Brochure. Please contact Sara Meystedt if you did not receive Blue Ocean Portfolios Brochure or if you have any questions about the contents of this supplement.**

**Additional information about James Arthur Winkelmann is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

### Item 2- Educational Background and Business Experience

James A. Winkelmann, born June 2, 1958, is Chief Executive Officer and Principal of Blue Ocean Portfolios. He is a graduate of the University of Missouri (BA-Economics) and completed the Owner/President Management Executive Program at The Harvard Business School in 2009. He has also been awarded the title of Registered Fiduciary <sup>TM</sup> (RF) through Dalbar, Inc.

Mr. Winkelmann is the Business Manager for 23 Glen Abbey Partners, LLC the principal owner of Blue Ocean Portfolios, LLC. 23 Glen Abbey Partners also owns 100% interest of Why Climb Mountains, LLC, which is an apparel distributor company founded by his children, a 50% interest in Blue Ocean ATM, LLC, a regional automated teller machine company and a 20% interest in Carthage Intellectual Capital Management, LLC (CICM), organized in October of 2011. CICM is in the business of assessing the value of intellectual

property held by businesses, not-for-profits and governments. There does not appear to be any conflicts of interest in the role that Mr. Winklemann will be providing for CICM verse the role he serves at Blue Ocean Portfolios. Mr. Winklemann is also the sole Director and Officer of Longrow Holdings, Inc. (LHI), as well as each of its wholly owned subsidiaries. LHI owns Longrow Insurance Agency, Inc., an insurance agency; Huntleigh Capital Management, Inc., a former registered investment advisor and Huntleigh Financial Services, Inc. All of the LHI companies are in good standing but are not currently engaged in any commercial activities. Mr. Winklemann devotes minimal time and attention to these companies.

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There are no disciplinary issues or events to report on this supervised representative. No information is applicable to this Item.

### **Item 4- Other Business Activities**

The principal business of Mr. Winklemann encompasses duties other than providing investment advice. These duties are directly associated with his involvement in the companies described in Item 2 above. Mr. Winklemann devotes approximately 90% of time to Blue Ocean Portfolios and 10% of time to other business activities.

### **Item 5- Additional Compensation**

Mr. Winklemann does not receive any economic benefit for providing advisory services from anyone other than clients.

### **Item 6 - Supervision**

Mr. Winklemann also serves as the Chief Compliance Officer of Blue Ocean Portfolios and is responsible for approving all client agreements, procedures and controls.

Carey Thomas Mulwee  
Blue Ocean Portfolios, LLC  
16020 Swingley Ridge, Suite 360  
Chesterfield, MO 63017  
636-530-9393  
March 29, 2012

**This Brochure Supplement provides information about Carey Thomas Mulwee (Carey Mulwee) that supplements the Blue Ocean Portfolios, LLC Brochure. You should have received a copy of that Brochure. Please contact Sara Meystedt if you did not receive Blue Ocean Portfolios Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Carey Thomas Mulwee is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

*Born:* October 20, 1950

*Post-Secondary Education:*

University of Memphis - BS in Civil Engineering

*Recent Business Background:*

Blue Ocean Portfolios, LLC, Investment Adviser Representative, 01/2011 – Present

Edward Jones, Financial Advisor, 03/2009 – 01/2011

Mulwee Financial Group, LLC, Managing Member, 08/2007 – 03/2009

Unemployed, 04/2006 – 08/2007

DCSC Partners, LLC, Managing Partner, 10/2003 – 03/2006



### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There are no disciplinary issues or events to report on this supervised representative. No information is applicable to this Item.

### **Item 4- Other Business Activities**

Mr. Mulwee is not actively engaged in any other business activities.

### **Item 5- Additional Compensation**

Mr. Mulwee does not receive any economic benefit for providing advisory services from anyone other than clients.

### **Item 6 - Supervision**

The Chief Compliance Officer of the firm is responsible for supervising the professional activities of Mr. Mulwee. The current Chief Compliance Officer of Blue Ocean Portfolios is James A. Winkelmann.

Gregory Dale Garland  
Blue Ocean Portfolios, LLC  
16020 Swingley Ridge, Suite 360  
Chesterfield, MO 63017  
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March 29, 2012

**This Brochure Supplement provides information about Gregory Dale Garland (Greg Garland) that supplements the Blue Ocean Portfolios, LLC Brochure. You should have received a copy of that Brochure. Please contact Sara Meystedt if you did not receive Blue Ocean Portfolios Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Gregory Dale Garland is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

*Born:* July 29, 1956

*Post-Secondary Education:*

University of Missouri, Columbia – Did not attain a degree

*Recent Business Background:*

Blue Ocean Portfolios, LLC, Investment Adviser Representative, 03/2010 – Present  
American Airlines, Fleet Service Clerk, 07/2011 - Present  
CMS Communications, Account Manager, 11/2004 - Present

## **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There are no disciplinary issues or events to report on this supervised representative. No information is applicable to this Item.

#### **Item 4- Other Business Activities**

The principal business of Mr. Garland encompasses significant duties other than providing investment advice. These duties are directly associated with his employment as an Account Manager with CMS Communications, which provides telecom and data equipment. He devotes approximately 40 – 45 hours per week to CMS related duties. In addition, Mr. Garland is employed as a Fleet Service Clerk with American Airlines and devotes approximately 16 hours per week on related duties. Blue Ocean Portfolios, LLC is not affiliated in anyway with CMS Communications or American Airlines.

#### **Item 5- Additional Compensation**

Mr. Garland does not receive any economic benefit for providing advisory services from anyone other than clients.

#### **Item 6 - Supervision**

The Chief Compliance Officer of the firm is responsible for supervising the professional activities of Mr. Garland. The current Chief Compliance Officer of Blue Ocean Portfolios is James A. Winkelmann.

Leo Bernard Pelligreen, III

Blue Ocean Portfolios, LLC

16020 Swingley Ridge, Suite 360

Chesterfield, MO 63017

636-530-9393

March 29, 2012

**This Brochure Supplement provides information about Leo Bernard Pelligreen, III (Lee Pelligreen) that supplements the Blue Ocean Portfolios, LLC Brochure. You should have received a copy of that Brochure. Please contact Sara Meystedt if you did not receive Blue Ocean Portfolios Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Leo Bernard Pelligreen, III is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

*Born:* March 30, 1968

*Post-Secondary Education:*

Saint Louis University (Madrid Campus)

University of Texas at Austin – BA, Spanish

Universidad Pontificia Comillas de Madrid (ICADE) – Graduate Certificate Program – Economic and Business Studies – Masters in European Communities

*Recent Business Background:*

Blue Ocean Portfolios, LLC, Investment Adviser Representative, 06/2011 – Present

Pelligreen Realty, Real Estate Broker, 08/2003 – Present

Lee Pelligreen, Independent Insurance Agent, 11/2002 – Present

Sunset Financial Services, Inc., Registered Representative, 01/2010 – 06/2011

ING Financial Partners, Inc., Registered Representative, 10/2002 – 11/2009

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There are no disciplinary issues or events to report on this supervised representative. No information is applicable to this Item.

### **Item 4- Other Business Activities**

Mr. Pelligreen may devote minimal time (approx. 10 – 12 hours/month during non-trading hours) to duties related to his employment as an Independent Insurance Agent and Buyer's Agent for Pelligreen Realty. Blue Ocean Portfolios, LLC is not affiliated in anyway with Pelligreen Realty.

### **Item 5- Additional Compensation**

Mr. Pelligreen does not receive any economic benefit for providing advisory services from anyone other than clients.

### **Item 6 - Supervision**

The Chief Compliance Officer of the firm is responsible for supervising the professional activities of Mr. Pelligreen. The current Chief Compliance Officer of Blue Ocean Portfolios is James A. Winkelmann.

David John Arns  
Blue Ocean Portfolios, LLC  
16020 Swingley Ridge, Suite 360  
Chesterfield, MO 63017  
636-530-9393  
March 29, 2012

**This Brochure Supplement provides information about David John Arns (David Arns) that supplements the Blue Ocean Portfolios, LLC Brochure. You should have received a copy of that Brochure. Please contact Sara Meystedt if you did not receive Blue Ocean Portfolios Brochure or if you have any questions about the contents of this supplement.**

**Additional information about David John Arns is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

*Born:* July 11, 1974

*Post-Secondary Education:*

University of Missouri – BS, Biology

*Recent Business Background:*

Blue Ocean Portfolios, LLC, Investment Adviser Representative, 10/2011 – Present

TD Ameritrade, Investment Consultant, 12/2007 – 10/2011

Fifth Third Bancorp, R.M., 11/2006 – 12/2007

Fifth Third Securities, Registered Representative, 12/2006 – 12/2007

SBP Image Solutions, Salesman, 08/2006 – 11/2006

American Express Financial Advisors, Employee Financial Advisor, 01/2005 – 08/2006

## **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. There are no disciplinary issues or events to report on this supervised representative. No information is applicable to this Item.

#### **Item 4- Other Business Activities**

Mr. Arns is not actively engaged in any other business activities.

#### **Item 5- Additional Compensation**

Mr. Arns does not receive any economic benefit for providing advisory services from anyone other than clients.

#### **Item 6 - Supervision**

The Chief Compliance Officer of the firm is responsible for supervising the professional activities of Mr. Arns. The current Chief Compliance Officer of Blue Ocean Portfolios is James A. Winkelmann.

Shepard Curtis Swift  
Blue Ocean Portfolios, LLC  
16020 Swingley Ridge, Suite 360  
Chesterfield, MO 63017  
636-530-9393  
March 29, 2012

**This Brochure Supplement provides information about Shepard Curtis Swift (Shepard Swift) that supplements the Blue Ocean Portfolios, LLC Brochure. You should have received a copy of that Brochure. Please contact Sara Meystedt if you did not receive Blue Ocean Portfolios Brochure or if you have any questions about the contents of this supplement.**

**Additional information about Shepard Curtis Swift is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2- Educational Background and Business Experience**

*Born:* May 22, 1962

*Post-Secondary Education:*

Lake Forest College  
University of Vermont – Bachelor of Arts & Sciences

*Recent Business Background:*

Blue Ocean Portfolios, LLC, Investment Adviser Representative, 11/2011 – Present  
ADSS, LLC, Partner, 09/2006 – Present  
Moonlight Press, Owner, 07/1999 – Present  
John S. Swift Co., Vice President/Owner, 09/1985 - Present

## **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised



person providing investment advice. There are no disciplinary issues or events to report on this supervised representative. No information is applicable to this Item.

#### **Item 4- Other Business Activities**

The principal business of Mr. Swift encompasses duties other than providing investment advice. These duties are directly associated with his employment as VP/Owner of John S. Swift Co., Owner of Moonlight Press and Partner with ADSS, LLC. He devotes approximately 36 hours per month to duties related to these positions. Blue Ocean Portfolios, LLC is not affiliated in anyway with John S. Swift Co., Moonlight Press or ADSS, LLC.

#### **Item 5- Additional Compensation**

Mr. Swift does not receive any economic benefit for providing advisory services from anyone other than clients.

#### **Item 6 - Supervision**

The Chief Compliance Officer of the firm is responsible for supervising the professional activities of Mr. Swift. The current Chief Compliance Officer of Blue Ocean Portfolios is James A. Winkelmann.

## Exhibit A – Summary of Material Changes Since Last Annual Update

Following is a brief summary of the material changes that have occurred since our last annual update on **March 28, 2011**. You are encouraged to review any Item numbers referenced for additional information.

1. Item 4 – Advisory Business – This item was updated to include the addition of Financial Planning Services offered by Blue Ocean Portfolios and to update the value of current assets under management. The minimum annual fee was also updated to \$500. In addition, new fee schedules have been implemented for Institutional Clients and Defined Contribution Plans.
2. Item 10 – Other Financial Industry Activities and Affiliations – This item was updated with the removal of David Smith as a Registered Investment Adviser Representative of Blue Ocean Portfolios.
3. Item 14 – Client Referrals and Other Compensation – This item has been updated to include a new solicitor relationship entered into with AdvisorLeap, Inc. and to delete the reference to Item 19 (“Requirements for State Registered Investment Advisors”), since Blue Ocean Portfolios is currently registered as an Investment Advisor with the SEC. In addition, the details of the agreement with The Financial Coach Show have been updated to reflect the fact that The Financial Coach has ceased registration as an Invested Advisor and Bryan C. Binkholder dba The Financial Coach is no longer a solicitor of Blue Ocean Portfolios. Blue Ocean Portfolios continues to sponsor The Financial Coach show which is currently airing in the St. Louis market but no longer airing on FM 97.1.
4. Brochure Supplements – The Brochure Supplements were updated to include the addition of the following Investment Advisor Representatives; David J. Arns, Leo B. Pelligreen and Shepard C. Swift and the removal of the following Investment Advisor Representatives; David P. Smith and Michael J. King. In addition, the brochure for James A. Winkelmann, Sr. has been updated to reflect his other business activities and his designation as a Registered Fiduciary <sup>TM</sup>.