

Cypress Capital Partners, LLC
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This brochure provides information about the qualifications and business practices of Cypress Capital Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 312-397-9090 or at info@cypresscapitalpartners.net. 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 Cypress Capital Partners, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

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Advisory Business

Cypress Capital Partners is a professional investment firm specializing in municipal bond portfolio management. From our office in Chicago, Illinois, Cypress Capital Partners is positioned to serve a diverse national client base, such as corporate executives, small business owners and commercial banks.

Our mission is to create customized municipal bond portfolios based upon each client's objectives, goals, liquidity, income and tax status while maximizing after-tax returns. Using a systematic, proactive approach, our goal is to produce taxable or tax-exempt income, preserve capital and reduce the client's overall portfolio risk.

Cypress Capital Partners will identify customized solutions designated to meet the client's investment needs, while emphasizing the maximization of after-tax returns. Municipal bonds are among the most popular types of fixed-income investments available today because they offer a wide range of benefits:

- High degree of safety regarding payment of interest and repayment of principal
- Predictable stream of income
- Marketability in the event you sell before maturity
- Diversity with a wide range of choices to fit your investment objectives with regard to investment quality, maturity, choice of issuer, type of bond and geographical location
- Tax exempt municipal bonds provide interest income free from federal and in some instances state and local taxes.
- Taxable municipal bonds can be advantageous depending on your tax situation and state of residency.

Cypress Capital Partners, LLC was started in 2006 and is wholly owned by management. The principal owners of Cypress Capital Partners, LLC are Cheryl Laughridge (50%), Andrea Hosbein (25%) and Bill Laughridge (25%).

As of January 1, 2013 Cypress Capital Partners managed approximately \$330,000,000 on a discretionary basis.

Fee and Compensation

Cypress Capital Partners, LLC allows the client to choose between two types of fee compensation methodologies: (1) a fee based upon the assets under management or (2) a fee based upon a percentage of the interest income the client earns. The majority of our clients' fees are based upon assets under management although we have one family relationship in which the fee is based upon the interest income the client earns. This client specifically requested this type of fee structure and the client is aware of the potential conflict of interest inherent with this type of fee structure in which Cypress Capital Partners could be influenced to purchase higher yielding-lower quality bonds to enhance the fees earned. Although Cypress Capital would consider other clients that would request a fee relationships based upon the interest income they earn, our preferred fee structure is based upon the assets under management.

The fee structure based upon assets under management is (the more common method) as follows:

\$2,000,000 to \$14,999,999	0.32%
\$15,000,000 to \$49,999,999	0.27%
\$50,000,000 to \$99,999,999	0.24%

The fee based upon the interest the client earns is individually determined based upon the total assets to be managed by Cypress Capital Partners.

The services included with the fee are as follows:

- The fee includes professional investment management, including research and security selection.
- Custody of securities at a national custodial firm
- Regular comprehensive reporting
- Access to accounts via the custodian's website
- Tax reporting and monitoring of capital gains and losses

The fee is billed quarterly and payable at the end of the quarter for the management services provided (in arrears). The fee is calculated on the market value of the assets under management and is adjusted to reflect additional funds contributed or withdrawn during the quarter. Cypress Capital allows the client to decide whether the fee is automatically deducted from their account or whether they would prefer to remit a check for their fee.

On occasion, special requirements of the client result in advisory contracts with terms or fee arrangements differing from those set forth in Cypress Capital's standard fee arrangement. This includes situations in which the fee may be negotiated.

Types of Clients

Cypress Capital Partners offers an exceptional level of personalized service rarely seen in the industry. We are hands-on managers. Every action we take on our client's behalf is based on their specific needs and circumstances. Our entrepreneurial firm structure allows unparalleled flexibility and dedication to our client's specific goals. Our streamlined decision making process enables swift execution of investment ideas and opportunities. The partners are directly involved in all portfolio decisions and have direct client contact.

We know that no two clients are the same; therefore all accounts are managed independently. Our goal is to maximize the after-tax return through a customized bond portfolio tailored to their particular tax status and cash flow needs. We accomplish superior returns by utilizing established risk management strategies, objective research and experienced trading. We use a sophisticated portfolio management system that provides valuable, up-to-date information enabling us to monitor and evaluate changes in the market. Everything from the structure of our client's portfolio to the quarterly reports they receive are customized.

Reputations are not built overnight. Thanks to our exceptional level of personalized service, most clients have come to us by referral, demonstrating there is substantial value in the services we provide. As a result of such referrals, Cypress Capital will at times accept clients with less than our \$2,000,000 minimum to accommodate an existing client's referral or larger family relationships.

Education and Business Background

Bill Laughridge co-founded Cypress Capital to provide advisory and portfolio management of fixed income securities. Bill is responsible for overall firm management, investment strategy, business development and marketing.

Bill was the President and CEO of a multi-office bank with over a billion dollars in assets located in the Chicago area. As the Chief Investment Officer, Bill established the investment policy, researched the various investment opportunities and executed the investment strategy for the bank. The bank achieved notable success; growing earnings during his 24 year tenure at a rate in excess of 18% compounded annually, one of the highest in the industry.

Bill has his BA from UW-Whitewater, his MBA from Northern Illinois University and received his CPA certificate in 1981.

Andrea Hosbein is responsible for the implementation of investment strategy, portfolio management, research and trading. Andrea has over twenty years of experience in the investment field. Before co-founding Cypress Capital, Andrea spent twelve years as Senior Fixed Income specialist and managed the six billion dollar fixed-income trading desk at Harris Bank. Andrea was responsible for developing overall strategy for tax-exempt accounts and construction of the optimal tax-exempt portfolios.

Andrea began her career at Society National Bank in Cleveland in municipal trading and underwriting; she then worked in mortgage-backed and agency securities at Kemper Securities. Andrea received her B. S. in Finance from Indiana University and received the CFP designation in 1992. Andrea is a Board member of the Children's Memorial Service Board and is a trustee of the Notebaert Nature Museum.

Cheryl Laughridge is responsible for Cypress Capital Partner's financial reporting, payroll and other back office duties. Cheryl has a BS from Northern Illinois University, an MBA from the University of Chicago and received her CPA certificate in 1986.

Disciplinary Information

No one associated with Cypress Capital Partners has ever had any disciplinary event.

Participation or Interest in Client Transactions

Cypress Capital Partners may, from time to time, purchase or sell securities for its employees' own accounts. The securities may at the same time be recommended to clients. However, strict surveillance will be imposed to ensure that the client's interests supersede those of any employee. Position limits will be imposed on employees to be certain that securities held by clients are not influenced by any employee holding or trade.

Code of Ethics

CCP has a Code of Ethics in place which covers, among other things, personal securities trading. A copy of the Code will be provided upon request.

Brokerage Practices

Cypress Capital Partners only purchases bonds from non-affiliated brokers and therefore does not receive any financial compensation from any brokers.

Cypress Capital Partners uses a number of brokers to execute the trades for our clients. The brokers are selected based upon the best offering price to buy or sell a municipal bond. Since Cypress Capital Partners receives no benefit, either direct or indirect, from executing a trade with any specific broker, the broker selected to execute the trade is based solely upon the price of the bond.

Review of Accounts

Cypress Capital Partners reviews each client's account on a quarterly basis. We then prepare and mail a performance report to the client and then visit personally with the client on a periodic basis.

Custody

Cypress Capital Partners does not provide any custody services for any client securities. Although we would consider using a reputable custodian other than Fidelity Services, at this time, all securities are held in custody at Fidelity Services.

Investment Discretion

In most instances, Cypress Capital Partners will be retained on a fully discretionary basis and will be authorized to determine and direct execution of the portfolio transactions. Although CCP would prefer full discretion which is the typical arrangement, it is possible that a client might limit the discretionary authority in terms of the maturity, type, amount, geographical location or the ratings of securities to be bought or sold, or the broker-dealer to be used.

In the event a client directs the use of a particular broker-dealer, there can be no assurance that the most favorable price or execution will be achieved.