

Item 1 – Overview



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Part 2A SEC Form ADV Disclosure Brochure March 31, 2015

This brochure provides information about the qualifications and business practices of Colorado Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at (303) 444-9300 or send us an email at info@coloradocap.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. Colorado Capital Management, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about Colorado Capital Management, Inc. is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Colorado Capital Management, Inc. is 114011.

ITEM 2 – MATERIAL CHANGES

Summary of Material Changes

There have been no material changes in this brochure since our last annual update. Our last annual update was dated March 31, 2014.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our operations manager Andy Gilson at (303) 444-9300 or via email to: info@coloradocap.com.

We encourage you to read this document in its entirety.

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ITEM 4 – ADVISORY BUSINESS

This Disclosure document is being offered to you by Colorado Capital Management (CCM) in connection with the investment advisory services we provide. It discloses information about the services we provide and the manner in which those services are made available to you, the client.

We are an investment management firm located in Boulder Colorado, specializing in investment advisory services for individuals, high net worth individuals, families, trusts, corporations, foundations and other charitable organizations. The firm was established by Steven L. Ellis in 2000.

We are committed to helping clients build, manage, and preserve their wealth, and to provide assistance to clients to help achieve their stated financial goals. We may offer an initial complimentary meeting upon our discretion; however, investment advisory services are initiated only after you and CCM execute an engagement letter or client agreement.

Investment Management and Supervision Services

We offer discretionary investment management and investment supervisory services for a fee based on a percentage of your assets under management. These services include investment analysis, allocation of investments, quarterly portfolio statements and ongoing monitoring services for the portfolio. In almost all cases, a written investment policy statement is developed for and agreed to by each new client before any trading is undertaken. This policy statement (and any subsequent direction by Client) guides all asset allocation and investment selection decisions. Discretionary transactions are limited to stocks, bonds, mutual funds, exchange-traded funds, certificates of deposit, government securities, options, and other publicly traded marketable securities of a similar nature. Private or non-traded investments may be purchased only by clients signing the appropriate subscription documents at the time of purchase.

In performing our services, we shall not be required to verify any information received from you or from other professionals. If you request, we may recommend and/or engage the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional.

Once we have determined the types of investments to be included in your portfolio, and allocated them, we will provide ongoing portfolio review and management services. This approach requires us to review your portfolio at least quarterly.

We will rebalance the portfolio, as we deem appropriate, to meet your financial objectives. We will trade these portfolios and rebalance them on a discretionary basis.

Our advisory services are tailored to meet your individual needs. You will have the ability to leave standing instructions with us to refrain from investing in particular industries or invest in limited amounts of securities. However, when using mutual funds or Exchange Traded Funds (“ETFs”) this multi-fund manager approach makes it difficult for us to ensure that your portfolio will not invest in a particular industry or security. We are happy to discuss your preferences regarding socially conscious investment concerns and will try to accommodate them if possible.

In all cases, you have a direct and beneficial interest in your securities, rather than an undivided interest in a pool of securities. We do not and will not have custody of your funds or securities. We do have limited authority to direct the Custodian to deduct investment advisory fees, but only with the appropriate authorization from you.

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that may adversely affect an account's performance. This could result in capital losses in your account.

Third Party Manager Program ("TPAM Program" or "TPAM")

Selected Third Party Managers ("Managers") are evaluated by CCM for Client use. TPAM services may include assisting you in identifying your investment objectives and matching personal and financial data with a select list of Managers that meet the TPAM minimum quantitative and qualitative criteria. The intent of the Program is to have a selected list of high quality and recognizable third party investment management firms from which you select one or more Managers to handle the day-to-day management of the your account(s). Following recommendations by our Investment Adviser Representatives ("IAR"), you will have final authority to select a Manager. The IAR may assist you in completing appropriate documents. Following selection of a Manager, CCM will approve the appropriateness of such Manager.

Managers selected for your investments under TPAM need to meet several quantitative and qualitative criteria established by CCM. Among the criteria that may be considered are the manager's experience, assets under management, performance record, client retention, the level of client services provided, investment style, buy and sell disciplines, capitalization level, and the general investment process. Prior to selection, all Managers are interviewed by a member of the CCM investment committee. Each Client must have a profile that matches the Manager's stated objectives.

You are advised and should understand that:

- A Manager's past performance is no guarantee of future results;
- There is a certain market and/or interest rate risk which may adversely affect any Manager's objectives and strategies, and could cause a loss in a Client's account(s); and
- Client risk parameters or comparative index selections provided to CCM are guidelines only and there is no guarantee that they will be met or not be exceeded.

All accounts are managed by the selected Manager and CCM may or may not have any discretionary trading authority with respect to such accounts. Information collected by our firm regarding TPAM Managers is believed to be reliable and accurate but CCM does not necessarily independently review or verify it on all occasions. All performance reporting will be the responsibility of the respective Manager. Such performance reports will be provided directly to you and CCM. CCM does not audit or verify that these results are calculated on a uniform or consistent basis as provided by a Manager directly to CCM or through the consulting service utilized by the Manager.

Financial Planning Services

Financial advisory services provided by us may include the analysis of your situation and assistance in identifying and implementing appropriate financial planning and investment management techniques to help you meet your specific financial objectives. Such services may include a written financial analysis and specific or general investment and/or planning recommendations.

The main objective of our financial planning work is the review and clarification of client goals, and the projection of potential long-term financial results.

Retirement Plan Advisory Services

Retirement Plan Advisory Services consist of assisting employer plan sponsors establish, monitor and review their company's retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment selection and monitoring, plan structure, and participant education.

We will establish your plan's needs and objectives through an initial meeting to collect data, review plan information, and assist you in developing or updating the plan's provisions. Ongoing services to you may include recommendations regarding the selection and review of unaffiliated mutual funds that, in our judgment, are suitable for plan assets for you to be invested. We periodically review the investment options you select and make recommendations to keep or replace plan investment options as appropriate. We perform a comprehensive review of potential service providers or vendors and will assist you with converting from your incumbent service provider to a new service provider selected by you. You are under no obligation to follow the recommendations we make.

Services available under an Investment Advisory Agreement permit us to provide financial education to your plan participants. The scope of education provided to participants at your request will not constitute "investment advice" within the meaning of ERISA and participant education will relate to general principles for investing and information about the investment options currently in the plan. We may also participate in initial enrollment meetings and periodic workshops and enrollment meetings for new participants as we agree upon.

All Retirement Plan Advisory Services shall be in compliance with any applicable Federal and State law(s) regulating the services provided by our Agreement. This section applies to an Account that is a pension or other employee benefit plan (a "Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If your Account is part of a Plan and we accept appointments to provide our services to your Account, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services described in section 1 of this agreement). You represent that (i) Our appointment and services are consistent with the Plan documents, (ii) You have furnished us true and complete copies of all documents establishing and governing the Plan and evidencing your authority to retain our firm. You further represent that you will promptly furnish us with any amendments to the Plan, and you agree that, if any amendment affects our rights or obligations, such amendment will be binding on us only with our prior written consent. If your Account contains only a part of the assets of the Plan, you understand that we will have no responsibilities for the diversification of the Plan's investments, and we have no duty, responsibility or liability for the assets that are not in the account. If ERISA or other applicable law requires bonding with respect to the assets in your account, you will obtain and maintain at your expense bonding that satisfies this requirement and covers CCM and any of our affiliates.

Consulting Services

We also provide clients investment advice on a more limited basis on one or more isolated areas of concern such as estate planning, real estate, retirement planning, or any other specific topic. Additionally, we may provide advice on non-securities matters in connection with the rendering of estate planning, insurance, real estate, and/or annuity advice.

Wrap Fee Programs

We do not place Client assets into a wrap fee program.

Assets

As of December 31, 2014, we managed just over \$231,000,000 million in client assets on a discretionary basis. The firm does not manage any non-discretionary assets.

ITEM 5 - FEES AND COMPENSATION

Investment Management Fees and Compensation

CCM charges a fee as compensation for providing Investment Management services on your account. These services include advisory and consulting services, trade entry, investment supervision, and other account maintenance activities. In addition, you may incur third party expenses. Our minimum account size is \$500,000 in total assets under management. Our minimum quarterly fee is \$1,250.00. See Additional Fees and Expenses below.

In addition, some mutual fund assets deposited in the account may have been subject to deferred sales charges and 12(b)(1) fees and other mutual fund annual expenses as described in the fund's prospectus. Furthermore, some existing variable annuities may be subject to trailing service fees, deferred sales charges, and mortality and expense fees. These fees are independent of our fees and should be disclosed by the custodian or contained in each fund's prospectus. You should also note that fees for comparable services vary and lower fees for comparable services may be available from other sources.

The fees for accounts are based on an annual percentage of assets under management. The fees are applied to the account asset value on a pro-rated basis, billed quarterly in advance. The initial fee will typically be based upon the date the account is accepted for management by execution of the investment advisory contract by the Firm and the assets are transferred through the last day of the current calendar month.

The fee is charged quarterly and is calculated on the market value of the account on the last day of the calendar quarter and will cover the period from the first day of the calendar quarter through the last day of the current calendar quarter. The market value will generally be determined as reported by the Custodian. Fees are assessed on all assets under management, including securities, cash and money market balances. The advisory fee will be charged according to the following schedule:

Our annual fees are calculated as a percentage of the assets under management. Our rates are 1% for the first \$1 million, 0.7% for the next \$2 million, 0.50% thereafter.

Assets Under Management	Annual Fee
Up to first \$1,000,000	1.0%
Next \$2,000,000	0.7%
Over \$3,000,000	0.5%

Fees are typically paid quarterly in advance. Clients may terminate their relationship with CCM at any time, and any unused prepaid fees will be returned in full. Third party firms, such as independent

custodians, insurance companies (for annuities) or money managers retained by Client, may collect all or a portion of CCM's fees on its behalf.

The specific advisory fees are set forth in your Investment Advisory Agreement. Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. In certain circumstances, our fees and the timing of the fees may be negotiated.

At our discretion, we may add (aggregate) asset amounts in accounts from your same household together to determine the advisory fee for all your accounts. We may do this, for example, where we also service accounts on behalf of your minor children, individual and joint accounts for a spouse, and/or other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total, which could potentially cause your account(s) to be assessed a reduced advisory fee based on the asset levels available in our fee schedule.

You authorize us to debit your account for our quarterly fee. The independent qualified custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to us.

You will provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. Further, the qualified custodian agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from the account including our advisory fees. You are encouraged to review your account statements for accuracy.

Either CCM or you may terminate the management agreement, upon written notice to the other party. The management fee will be pro-rated to the date of termination, for the quarter in which the cancellation notice was given, and any unearned fees will be refunded to you. Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets.

Third Party Asset Management ("TPAM Program" or "TPAM") Fees

Fees and billing methods are outlined in each respective Manager's Brochure and Advisory Contract.

The minimum account size for participating in a TPAM Program will vary from Manager to Manager. All such minimums will be disclosed in the respective Manager's Brochure. CCM may have the ability to negotiate such minimums for you.

You may terminate your relationship in accordance with the respective Managers' disclosure documents. If you terminate your participation in the Program within five business days of inception, you will receive a full refund of the fee. Pre-paid fees will be refunded in accordance with the respective Manager's agreement and disclosure documents.

A Manager relationship may be terminated at your or your Investment Advisor Rep.'s discretion. CCM may at any time terminate the relationship with a Manager that manages your assets. CCM will notify you of instances where we have terminated a relationship with any Manager with whom you are investing. CCM will not conduct on-going supervisory reviews of the Manager following such termination.

Factors involved in the termination of a Manager may include a failure to adhere to their stated management style or your objectives, a material change in the professional staff of the Manager, unexplained poor performance, unexplained inconsistency of account performance, or our decision to no longer include the Manager on our list of approved Managers.

Financial Planning Fees

CCM Charges a flat fee of \$2,500. The fee is due and payable at the time the financial plan is delivered. Typically, we complete a plan within a few weeks of receiving all information needed to prepare the financial plan.

When both investment management or plan implementation and financial planning services are offered, there is a potential conflict of interest since there is an incentive for the party offering financial planning services to recommend products or services for which CCM may receive compensation. However, CCM will make all recommendations independent of such considerations and based solely on our obligations to consider your objectives and needs. As a financial planning client, you are under no obligation to act upon any of our recommendations or effect the transaction(s) through us if you decide to follow the recommendations.

You may terminate the financial planning agreement by providing us with written notice. Upon termination, fees will be charged at the lower of the contract price or the time expended by our staff at the hourly rate of \$200.00 an hour.

Retirement Plan Advisory Services

For Retirement Plan Advisory Services compensation, we charge an annual fee as negotiated with the client and disclosed in the Investment Advisory Agreement. The compensation method is explained and agreed upon in advance before any services are rendered.

Plan advisory services begin with the effective date of the Agreement, which is the date you sign the Investment Advisory Agreement. For that calendar quarter, fees will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the Agreement was effective. Our fee is billed in arrears on the last business day of the calendar quarter. Invoices are sent out each quarter to either the client or the custodian of the Plan. For clients where our fee is billed to the custodian, the fee is deducted directly from the participant accounts. Written authorization permitting us to be paid directly from the custodial account is outlined in the Investment Advisory Agreement.

Either party may terminate the Agreement at any time upon 90 days written notice. You are responsible to pay for services rendered until the termination of the agreement.

Initial Public Offerings

From time to time we request shares of initial public offerings (IPO's) and secondary offerings for one or more of our clients. These are short-term, speculative investments.

At this time, we typically will only request shares of an IPO for a client that has specifically requested those shares. We may charge an additional fee of up to \$500 per offering for assisting a client with buying and selling these shares.

In the event that multiple clients request shares of an IPO, and we receive fewer IPO shares than were requested, we must allocate those shares among the participating clients. The allocations are typically either equal or in proportion to the number of shares requested (rounded to the nearest hundred). Investing in securities involves risk of loss that clients should be prepared to bear.

Consulting

CCM will negotiate consulting fees with you. Fees may vary based on the extent and complexity of the consulting project.

You may terminate the consulting service agreement by providing us with written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you based on our agreed upon hourly rate.

Third Party Fees and Expenses:

Advisory fees payable to us do not include the fees you may pay when we purchase or sell securities for your Account(s). The following list of fees or expenses are what you may pay directly to third parties, whether a security is being purchased, sold or held in your Account(s) under our management.

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF), and/or Exchange Traded Funds (ETFs)
- Advisory fees charged by sub-advisers (if any are used for your account
- Custodial Fees;
- Deferred sales charges (on MF or annuities);
- Odd-Lot differentials;
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Fees on existing variable annuities that may have been subject to trailing service fees, deferred sales charges, and mortality and expense fees.
- Fees on Mutual fund assets deposited in the account that may have been subject to deferred sales charges and 12 (b)(1) fees and other mutual fund annual expenses as described in the fund's prospectus.

Please refer to the "Brokerage Practices" for discussion of CCM's brokerage practices.

ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

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

ITEM 7 - TYPES OF CLIENTS

CCM provides financial planning and investment management services. Our clients include individuals, families, trusts, corporations, foundations and other charitable organizations.

The minimum account size is \$500,000. Fees and minimums may be adjusted lower at our discretion, or higher by mutual agreement, as a result of the size, complexity and growth potential of an account.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Types of Investments and Selection Methodology

Approximately 80% of our work is related to investment research and management. The balance consists of advising clients on financial planning issues such as college saving vehicles, insurance needs, retirement plans, and strategies to reduce income and estate taxes.

We provide guidance on most types of investment securities. This includes all types of stocks, bonds, mutual funds and exchange-traded funds, and may also include commercial paper, certificates of deposit, real estate, oil and gas, life insurance, annuities, warrants, options, derivatives, hedge funds, venture capital, and other private equity and private debt investments. For clients interested in socially responsible investing, we also select investments that are screened to avoid certain industries and are evaluated on environmental, social and governance issues.

To select investments, we utilize fundamental analysis, which means that we focus on the underlying fundamental characteristics of each investment. The information that we utilize for this analysis is primarily procured from paid subscriptions to financial databases and publications. We also review financial newspapers, magazines, financial data and news released by public companies, research materials prepared by third-party firms, and other data available over the internet. In selecting index funds (which represent the majority of our equity investments), we focus on operating cost, fund size, sponsor, asset class, and the way in which the index is constructed.

Our investment approach is very much long-term in nature, and we may hold securities for several years. However, in some cases we will execute short-term trading strategies. In some instances, we may enter into a short sale or an option contract in order to address the specific needs or desires of a client. Clients may elect to utilize the margin borrowing features on their account at their discretion, although most do not.

Engagement of third-party money managers and/or separate account managers is one of the services we may offer, depending upon the suitability of such a strategy for the client. We monitor the performance of the selected managers.

Risks

Investing in securities involves risk of loss which you should be prepared to bear. Our past performance is not a guarantee of future results. Certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account.

There are principal and material risks involved with investing which may adversely affect the account value and total return of your portfolio(s). There are other circumstances (including additional risks that are not described here) which could prevent your portfolios from achieving its investment objective. It is important to read all the disclosure information provided and to understand that you may lose money by investing in the any of our strategies.

Your account may be subject to a number of risks, including but not limited to:

- **Stock Market Risk** – The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.

- **Managed Portfolio Risk** – The manager’s investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- **Industry Risk** – The portfolio’s investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries will disproportionately impact on your portfolio. Investments focused in a particular industry are subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- **Non-U.S. Securities Risk** – Non-U.S. securities are subject to the risks of foreign currency fluctuations, generally higher volatility and lower liquidity than U.S. securities, less developed securities markets and economic systems and political and economic instability.
- **Emerging Markets Risk** – To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- **Currency Risk** – The value of your portfolio’s investments may fall as a result of changes in exchange rates.
- **Credit Risk**. Most fixed income instruments are dependent on the underlying credit of the issuer. If we are wrong about the underlying financial strength of an issuer, we may purchase securities where the issuer is unable to meet its obligations. If this happens, your portfolio could sustain an unrealized or realized loss.
- **Inflation Risk**. Most fixed income instruments will sustain losses if inflation increases or the market anticipates increases in inflation. If we enter a period of moderate or heavy inflation, the value of your fixed income securities could go down.
- **ETF and Mutual Fund Risk** – When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETFs or mutual fund’s operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients may also incur brokerage costs when purchasing ETFs.
- **Management Risk** – Your investment with us varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

ITEM 9 - DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of CCM or the integrity of CCM’s management. CCM has no information applicable to this Item.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Avoiding Conflicts of Interest

Compensation: Colorado Capital Management does not receive any monetary compensation from any source other than the asset based fees paid by clients. We do not sell any investment products and do not receive any commission income. We do not have any “soft dollar” arrangements with any brokerage firms.

Employee Trading: Employees of CCM will from time to time purchase or sell for themselves the same securities (except for IPO’s) that are purchased for clients. There is deemed to be no conflict of interest as the securities involved (mostly mutual funds and exchange-traded funds) are widely held and publicly traded, and the transaction size is typically far too small to affect the market. We believe it is an alignment of our interests for us to own the same securities in both our personal and client accounts

Independence: CCM is completely independent and employee owned. We have no ownership interest in any other organization, and no other organization owns any portion of CCM.

Partnerships: We do not serve as the general partner in any partnership in which clients are advised to invest.

Discounted Services & Events: We occasionally are offered and accept discounts from software vendors, and invitations to attend business research and/or training events where part or all of the full cost is paid by a third party (see Item 12 below for more detail).

ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CCM and persons associated with us are allowed to invest for their own accounts or have a financial interest in the same securities or other investments that we recommend or acquire for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates a conflict of interest. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest.

The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm’s expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of CCM, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with the firm’s ethical principles.

We have established the following restrictions in order to ensure our firm’s fiduciary responsibilities:

1. A director, officer or employee of CCM shall not buy or sell any securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable

inquiry. No director, officer or employee of CCM shall prefer his or her own interest to that of the advisory client.

2. We maintain a list of all securities holdings of anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on an annual basis by an appropriate officer/individual of CCM.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We emphasize the unrestricted right of the client to select and choose any broker-dealer (except in situations where we are granted discretionary authority) he or she wishes.
5. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. Any individual not in observance of the above may be subject to termination.

You may request a complete copy of our Code by contacting us at the address, telephone or email on the cover page of this Part 2; Attn: Chief Compliance Officer.

ITEM 12 - BROKERAGE PRACTICES

The Custodian and Brokers We Use

Investment Management Services

Clients must maintain assets in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated, and unaffiliated with Schwab. Schwab will hold client assets in a brokerage account, and buy and sell securities when we instruct them to.

While we recommend that clients use Schwab as custodian/broker, the client must decide whether to do so and open accounts with Schwab by entering into account agreements directly with them. The Client signs and submits the account opening paperwork with Schwab. The accounts will always be held in the name of the client and never in CCM's name. Even though clients maintain accounts at Schwab, we can still use other brokers to execute trades for client accounts (see *Client Brokerage and Custody Costs*, below).

How We Select Brokers/Custodians

We seek to recommend a custodian/broker who will hold client assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others:

1. Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
2. Capability to execute, clear, and settle trades (buy and sell securities for client accounts)
3. Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
4. Breadth of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
5. Availability of investment research and tools that assist us in making investment decisions
6. Quality of services

7. Competitiveness of the price of those services (commission rates, other fees, etc.) and willingness to negotiate the prices
8. Reputation, financial strength, and stability
9. Prior service to CCM and our other clients
10. Availability of other products and services that benefit us, as discussed below (see ***Products and Services Available to Us from Schwab***)

Client Brokerage and Custody Costs for Non-Wrap Accounts

For our clients' accounts that Schwab maintains, Schwab generally does not charge separately for custody services. However, Schwab receives compensation by charging ticket charges or other fees on trades that it executes or that settle into clients' Schwab accounts. In addition to commissions, Schwab charges a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into a client's Schwab account. These fees are in addition to the ticket charges or other compensation the client pays the executing broker-dealer. Because of this, in order to minimize trading costs, we have Schwab execute most trades for client accounts. We have determined that having Schwab execute most trades is consistent with our duty to seek "best execution" of client trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see ***How We Select Brokers/Custodians***).

Products and Services Available to Us from Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like us. They provide CCM and our clients with access to its institutional brokerage, trading, custody, reporting, and related services, many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts; others help us manage and grow our business. Schwab's support services generally are available on an unsolicited basis (we do not have to request them) and at no charge to us.

Following is a more detailed description of Schwab's support services:

Services That Benefit Our Clients

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Any research products and services received by us from broker-dealers will be used to provide services to all our clients. The SCHWAB SECURITY GUARANTEE guarantees that Schwab will cover 100% of any losses in any Schwab account due to unauthorized activity. The Schwab Security Guarantee applies to unauthorized activity in client accounts managed by Independent Investment Advisors.

Services That May Not Directly Benefit Our Clients

Schwab also makes available to us other products and services that benefit us but may not directly benefit our clients or their accounts. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

1. Provide access to client account data (such as duplicate trade confirmations and account statements)
2. Facilitate trade execution and allocate aggregated trade orders for multiple client accounts

3. Provide pricing and other market data
4. Facilitate payment of our fees from our clients' accounts
5. Assist with back-office functions, recordkeeping, and client reporting

Services That Generally Benefit Only Us

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

1. Educational conferences and events
2. Consulting on technology, compliance, legal, and business needs
3. Publications and conferences on practice management and business succession
4. Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions. We believe that our selection of Schwab as custodian and broker is in the best interests of our clients.

Some of the products, services and other benefits provided by Schwab benefit CCM and may not benefit our client accounts. Our recommendation or requirement that you place assets in Schwab's custody may be based in part on benefits Schwab provides to us, or our agreement to maintain certain Assets Under Management at Schwab, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

We place trades for our clients' accounts subject to its duty to seek best execution and its other fiduciary duties. We may use broker-dealers other than Schwab to execute trades for your accounts maintained at Schwab, but this practice may result in additional costs to clients so that we are more likely to place trades through Schwab rather than other broker-dealers. Schwab's execution quality may be different than other broker-dealers.

Brokerage for Client Referrals

CCM does not receive client referrals from any broker-dealer or third party in exchange for using that broker-dealer or third party.

Aggregation and Allocation of Transactions

CCM may aggregate transactions if we believe that aggregation is consistent with the duty to seek best execution for our clients and is consistent with the disclosures made to clients and terms defined in the client investment advisory agreement. No advisory client will be favored over any other client, and each account that participates in an aggregated order will participate at the average share price (per custodian) for all transactions in that security on a given business day.

If we do not receive a complete fill for an aggregated order, we will allocate the order on a pro-rata basis. If we determine that a pro-rata allocation is not appropriate under the particular circumstances, we will base the allocation on other relevant factors, which may include:

1. When only a small percentage of the order is executed, with respect to purchase allocations, allocations may be given to accounts high in cash;
2. With respect to sale allocations, allocations may be given to accounts low in cash;
3. We may allocate shares to the account with the smallest order, or to the smallest position, or to an account that is out of line with respect to security or sector weightings, relative to other portfolios with similar mandates;
4. We may allocate to one account when that account has limitations in its investment guidelines prohibiting it from purchasing other securities that we expect to produce similar investment results and that can be purchased by other accounts in the block;
5. If an account reaches an investment guideline limit and cannot participate in an allocation, we may reallocate shares to other accounts. For example, this may be due to unforeseen changes in an account's assets after an order is placed;
6. If a pro-rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, we may exclude the account(s) from the allocation and disgorge any profits. Generally, *de minimis* allocations do not exceed 5% of the total allocation. Additionally, we may execute the transactions on a pro-rata basis.
7. We will document the reasons for any deviation from a pro-rata allocation.

Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will be donated to charity. We will never benefit or profit from trade errors.

We do not select or recommend broker/dealers based upon receiving client referrals from a broker/dealer or third party. We do not routinely recommend, request or require that you direct us to execute transaction through a specified broker dealer. Additionally, we typically do not permit you to direct brokerage.

We place trades for your account subject to our duty to seek best execution and other fiduciary duties. We may use broker-dealers other than your custodian to execute trades for your account, but this practice may result in additional costs to you so that we are more likely to place trades through your custodian rather than other broker-dealers. Your custodian's execution quality may be different than other broker-dealers.

As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

In special circumstances, such as when purchasing individual bonds, we may execute trades at a brokerage firm that is not the custodian of the client's account. We do this to improve the range of potential offerings and the price at which they may be available. For such trades, clients typically pay a \$25 fee to the custodian of their account, plus whatever mark-up or mark-down the originating broker has built into the price of the security being bought or sold. We only execute such trades when we believe they provide an advantage to the client.

ITEM 13 - REVIEW OF ACCOUNTS

Client accounts paying at least our quarterly minimum fee are monitored on an ongoing basis, with detailed written reports provided at the end of each calendar quarter. All such accounts are reviewed in a similar manner. Accounts falling below the minimum fee may be reviewed on an occasional or one-time basis, or at the specific request of the client. There are five persons at Colorado Capital Management who review client accounts; president Steven Ellis, vice president Lee Strongwater, vice president Liz Jacques, portfolio manager Colleen Harvey, and investment advisor Debra Huttner. Together, they provide these reviews for approximately 140 clients.

The purpose of these reviews is to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment. You are urged to notify us of any changes in your personal circumstances.

Our written quarterly reports usually include a portfolio statement detailing the security holdings, by asset class, for each client. This appraisal describes the market value, portfolio weighting, and if available, the cost basis, of each position in the portfolio. In addition, information is typically provided on the performance of the portfolio for the quarter, and for longer periods of time. Quarterly reports also typically include detailed performance benchmark (market index) data and our thoughts on the current economic outlook.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

Schwab Support Products and Services

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see **Item 12 – Brokerage Practices**). We do not base particular investment advice, such as buying particular securities for our clients, on the availability of Schwab’s products and services to us.

CCM does not compensate persons who refer clients to our firm. However, we occasionally send a modest thank you gift (no more than \$100 in value) to express our appreciation for a referral.

ITEM 15 - CUSTODY

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

CCM is deemed to have custody of client funds and securities whenever CCM is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody CCM will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which CCM is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from CCM. When clients have questions about their account statements, they should contact CCM or the qualified custodian preparing the statement.

When fees are deducted from an account, CCM is responsible for calculating the fee and delivering instructions to the custodian. At the same time CCM instructs the custodian to deduct fees from the client's account; CCM will send the client an invoice itemizing the fee. Itemization shall include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

ITEM 16 - INVESTMENT DISCRETION

Prior to engaging CCM to provide investment advisory services, clients enter into a written Agreement with CCM granting the firm the authority to supervise and direct, on an on-going basis, investments- in accordance with the client's investment objective and guidelines. Clients will also execute any and all documents required by the Custodian so as to authorize and enable CCM, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your account. We are authorized, in our discretion and without prior consultation with you to: (1) buy, sell, exchange and trade any investment company registered under the Investment Company Act of 1940 and (2) determine the amount of securities to be bought or sold and (3) place orders with the custodian. Any limitations to such authority will be communicated by you to us in writing.

The limitations on investment and brokerage discretion held by CCM for you are:

1. For discretionary clients, we require that it be provided with authority to determine which securities and the amounts of securities to be bought or sold, as well as the broker-dealer to be used and the commission rates to be paid.
2. Any limitations on this discretionary authority shall be included in this written authority statement. You may change/amend these limitations as required. Such amendments shall be submitted in writing.

In some instance, we may not have discretion.

ITEM 17 - VOTING YOUR SECURITIES

We will not vote proxies under our limited discretionary authority. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

ITEM 18 - FINANCIAL INFORMATION

CCM 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.





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Part 2B
SEC Form ADV
Brochure Supplement
March 31, 2015

Professional Backgrounds of:

Steven Ellis, CFA®
Lee Strongwater, WMS
Elizabeth Jacques, CFP®
Debra Huttner
Colleen Harvey, CFA®
Andrew Gilson

All professional advisors at Colorado Capital Management, Inc. are evaluated on the basis of education and professional work experience, prior to hiring. The firm requires that all full-time employees have a college degree and that any employee involved in determining investment strategy or providing investment advice must meet the appropriate licensing requirements.

All firm employees are monitored and supervised by one or more of the following: the firm's principals, Steven Ellis and Lee Strongwater, and its Chief Compliance Officer, Colleen Harvey. Supervision is ongoing and includes personal trading, email communications, performance evaluations, staff meetings and direct communications.

This brochure supplement provides information about the qualifications of the above named Colorado Capital Management, Inc. investment advisory professionals. This is a supplement to the Colorado Capital Management Inc. brochure (Form ADV, Part 2A). If you have any questions about the contents of this supplement, please contact us at (303) 444-9300 or via email to info@coloradocap.com.

Professional Staff

The founder and president of the company is Steven L. Ellis. He has worked in the financial and investment fields since 1982, and has advised high net worth clients on their investment portfolios since 1989. He was born in 1959 and holds a bachelor's degree in Business Administration, magna cum laude, from the University of Colorado, and a master's degree from Cornell University. He also holds the Chartered Financial Analyst (CFA[®]) designation. Before forming Colorado Capital Management, he was a principal at Baydush Simon Investments, and prior to that, vice president with Asset Management Group.

Disciplinary Information

None

Other Business Activity

None

Additional Compensation

None

Supervision

Principals are not directly supervised by another employee, with the exception of the compliance-related monitoring conducted by the firm's Chief Compliance Officer.

Lee Strongwater is a vice president and investment advisor at Colorado Capital Management and became a principal in 2011. He was born in 1961 and holds a bachelor's degree in political science from the University of Colorado and a master's degree in international affairs from Columbia University. He earned credentials as a Wealth Management Specialist (WMS) from Kaplan University and has worked as a wealth manager since 2003. Prior to joining Colorado Capital Management in 2010, Lee was a managing partner at Strongwater-Schott, a fee-only investment management and financial planning firm in Denver.

Disciplinary Information

None

Other Business Activity

None

Additional Compensation

None

Supervision

Principals are not directly supervised by another employee, with the exception of the compliance-related monitoring conducted by the firm's Chief Compliance Officer.

Margaret Elizabeth (Liz) Jacques is a vice president and investment advisor at Colorado Capital Management. She was born in 1957 and holds an undergraduate degree from James Madison University, an MBA from Virginia Commonwealth University and the Certified Financial Planner (CFP®) designation. For the past 25 years, Liz has assisted high net worth clients with meeting their financial needs as a private banker and vice president at Citibank, and a business owner and senior executive of two family office firms providing financial planning services.

Disciplinary Information

None

Other Business Activity

None

Additional Compensation

None

Supervision

Ms. Jacques is supervised by the firm's principals and Chief Compliance Officer pursuant to the firm's policies and procedures.

Debra Huttner is an investment advisor at Colorado Capital Management. She was born in 1970 and holds a bachelor's degree from Brown University as well as a graduate degree from NYU School of Law and an MBA from NYU Stern School of Business. She is admitted to the bars of both New York and Colorado. Prior to joining Colorado Capital Management, Debbie held positions as a vice president for Time Warner, overseeing corporate development and investments for CNN Interactive and prior to that she served as the director of business development for RCN Corporation.

Disciplinary Information

None

Other Business Activity

None

Additional Compensation

None

Supervision

Ms. Huttner is supervised by the firm's principals and Chief Compliance Officer pursuant to the firm's policies and procedures.

Colleen Harvey is the portfolio manager for Colorado Capital Management. She was born in 1971 and holds a bachelor's degree from the University Of Notre Dame and a master's degree from Tufts University. Colleen has over 15 years of experience in the investment industry, as a portfolio manager at Fidelity Investments and she has also worked as a financial advisor at

Merrill Lynch and a research associate at a hedge fund. She also holds the Certified Financial Analyst (CFA®) designation.

Disciplinary Information

None

Other Business Activity

None

Additional Compensation

None

Supervision

Ms. Harvey is supervised by the firm's principals pursuant to the firm's policies and procedures.

Andrew Gilson is the Operations Manager for Colorado Capital Management. He was born in 1975 and holds a bachelor's degree in Mass Communications & Media Technology from King's College located in Wilkes-Barre, PA. He has extensive customer service experience in the financial services industry, including two years as an operations specialist at Raymond James Financial, and six years in investor services and management at a mutual fund transfer agency.

Disciplinary Information

None

Other Business Activity

None

Additional Compensation

None

Supervision

Mr. Gilson is supervised by the firm's principals and Chief Compliance Officer pursuant to the firm's policies and procedures.

Professional Designations

This Summary of Professional Designations is provided to assist you in evaluating the professional designations and minimum requirements of our investment professionals who hold these designations.

CFP®: Certified Financial Planner

A Certified Financial Planner has a professional designation issued by the Certified Financial Planner Board of Standards, Inc. Candidates for the CFP® designation are tested on over 100 topics in the following areas: financial planning, insurance, investment planning and retirement and estate planning. A Certified Financial Planner is qualified to give financial advice and make financial decisions for individuals seeking their expertise. A Certified Financial Planner must participate in continuing education, including ethics training, to maintain his or her certification.

CFA®: Chartered Financial Analyst

A Chartered Financial Analyst has a professional designation issued by the CFA® Institute which measures the qualifications and trustworthiness of financial professionals. A CFA® candidate must pass three course exams in the following areas: portfolio management, accounting, ethics, money management, and security analysis. Licensed CFA® charter holders are subject to rigorous ethics rules.

WMS: Wealth Management Specialist

This designation is offered by Dearborn Financial Services of Kaplan University. The candidate takes a course that is divided into ten lessons. A quiz must be passed after each lesson, and a final comprehensive examination must also be passed. The candidate must also agree to abide by the code of ethics. To maintain the designation, continuing education must be completed each year.