

**Brochure**

**Form ADV Part 2A**

**Item 1 - Cover Page**



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**October 29, 2019**

This Brochure provides information about the qualifications and business practices of Clifford Capital Partners, LLC. If you have any questions about the contents of this Brochure, please contact us at (312) 554-5005 or [support@cliffordcap.com](mailto:support@cliffordcap.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

Clifford Capital Partners, LLC is an investment advisory firm registered with the appropriate regulatory authority. Registration does not imply a certain level of skill or training. Additional information about Clifford Capital Partners, LLC also is available on the SEC's website at [www.AdviserInfo.sec.gov](http://www.AdviserInfo.sec.gov).

**Item 2 - Material Changes**

This Brochure is prepared in the revised format required beginning in 2011. Registered Investment Advisers are required to use this format to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The Brochure requirements include providing a Summary of Material Changes (the "Summary") reflecting any material changes to the adviser's policies, practices, or conflicts of interest made since its last required "annual update" filing. In the event of any material changes, such Summary is provided to all clients within 120 days of our fiscal year-end. The last annual update was filed on March 20, 2019. The complete Brochure is available to clients at any time upon request.

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#### ***Item 4 - Advisory Business***

##### **General Information**

Clifford Capital Partners, LLC ("CCP") was formed in 2010 and provides portfolio management services to clients directly ("Direct Clients") and via sub-advisory arrangements (Sub-Advisory Clients"). CCP also provides model portfolio advice to third-party investment platforms.

CCP invests primarily in common stocks. Utilizing a proprietary combination of high-quality Core Value stocks and opportunistic Deep Value stocks, CCP creates a dynamic portfolio mix with which it strives to produce long-term stock market outperformance with less risk. CCP's investment team is keen but patient, moving with high conviction when it perceives value. Each investment is evaluated from the bottom-up and has a clear thesis distilled into the 3-4 most crucial factors for success, allowing for efficient monitoring and agility. With a culture that values an independent viewpoint, CCP believes its team possesses the temperament and conviction to move against the crowd and take advantage of opportunities wherever they exist.

Ryan P. Batchelor and Wayne G. Pierson are the principal owners of CCP. Please see ***Brochure Supplements***, Exhibit A, for more information on these principal owners and other individuals who formulate investment advice and have direct contact with clients, or have discretionary authority over client accounts.

As of December 31, 2018, CCP managed \$173,078,841 assets on a discretionary basis, and no assets on a non-discretionary basis.

#### **SERVICES PROVIDED**

##### **Portfolio Management Services for Direct Clients**

CCP provides portfolio management services to its Direct Clients. CCP does not offer asset allocation, risk assessment or financial planning services. A Principal of CCP is available to meet with clients or prospective clients to discuss and describe the firm's management style. Specifically, CCP focuses on value investing and primarily seeks to invest in stocks that have demonstrated an attractive return on capital with a history of generating free cash flow and stable dividends. Once a client or prospective client and CCP agree that this investment style is suitable or remains suitable for the client's financial situation, the proportion of their assets to be managed in this manner is determined by the client.

To implement the client's investment portfolio, CCP will manage the client's investment portfolio on a discretionary basis. As a discretionary investment adviser, CCP will have the authority to supervise and direct the portfolio without prior consultation with the client.

Notwithstanding the foregoing, clients may impose certain written restrictions on CCP in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client's investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client's account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of CCP.

#### Sub-Advisory Clients (Asset Management for Clients of other Investment Professionals)

Other registered investment advisers and investment professionals (the “Primary Adviser”) may recommend or hire CCP to manage their clients’ assets. In these arrangements, CCP will implement and manage an investment strategy in the client’s account; however, CCP does not serve as the Primary Adviser to the client. The Primary Adviser will retain direct contact with the client and will manage the client relationship. CCP may contract directly with the Primary Adviser to provide the client investment advisory services, or alternatively, depending on the contractual arrangement the client has with the Primary Adviser, the client may enter into an advisory contract directly with CCP.

CCP will have exclusive investment discretion as to which securities shall be purchased or sold in the sub-advised client’s account in a manner consistent with the client’s selected product, investment objectives, policies and restrictions (if any) and the capabilities of the broker-dealer. In order to determine whether the strategy is suitable for a client, the Primary Adviser and the client are responsible for ascertaining the goals and objectives of the portfolio in question. It is the responsibility of the Primary Adviser and/or the client to promptly notify CCP of any changes in financial condition of the client that would necessitate a change in the client’s investment objective.

#### CCP Mutual Funds

CCP serves as the investment adviser to the Clifford Capital Partners Fund and the Clifford Capital Focused Small Cap Value Fund (together, the “Funds”) each a mutual fund offered by an open-end management investment company, the World Funds Trust. Please see the Prospectus and Statement of Additional Information (“SAI”) for the Funds for additional disclosures relating to the Funds. Prior to making any investment in the Funds, clients should carefully review these documents for comprehensive understanding of the terms and conditions applicable for investment. This disclosure brochure is designed solely to provide information about CCP and should not be considered an offer of interest in the Funds.

#### Unified Managed Account (“UMA”) Programs

CCP offers model portfolios for a fee to UMA Program sponsors. Those UMA Program sponsors use CCP’s model portfolios to assist with determining the sponsors’ investment recommendations and managing their clients’ accounts. When engaged by a UMA Program sponsor, CCP constructs a model portfolio in accordance with the CCP investment strategy selected by the sponsor. CCP’s recommendations to UMA Programs may differ from recommendations made to other client accounts. CCP provides the UMA Program sponsor with CCP’s recommendations as to the securities to be purchased, sold and held from time to time in each UMA Program account, as well as the percentage of the model portfolio that would be invested in each security. CCP provides this information to the UMA Program sponsor as described in “Trade Rotation” under the **Brokerage Practices** section, below.

UMA Program sponsors typically retain sole authority and responsibility for managing their clients’ accounts. Each UMA Program sponsor provides individualized investment advice and portfolio management services to its clients, and may or may not decide to implement all of CCP’s recommendations as to the securities to be held within an account.

### ***Item 5 - Fees and Compensation***

#### General Fee Information

Fees paid to CCP are exclusive of all custodial and transaction costs paid to the client’s custodian, brokers or other third party consultants. Please see **Item 12 - Brokerage Practices** for additional

information. To the extent that client assets may be invested in shares of non-CCP-related investment companies (e.g., mutual funds, ETFs), these assets are included in calculating the value of an account for purposes of computing CCP's fees, and are also subject to additional advisory and other fees and expenses as set forth in the prospectuses or offering memoranda of those investment companies, which are paid by the investment companies, but ultimately borne by investors. For client assets invested in the CCP mutual funds, and for which CCP serves as the adviser or sub-adviser, these assets are excluded in calculating the value of an account for purposes of computing CCP's fees.

#### Portfolio Management Fees for Direct Clients

CCP's annual fee schedule for directly managed accounts, based on a percentage of assets under management, is 1.00%.

The minimum portfolio value for direct clients is \$500,000 and the minimum annual fee is \$5,000. CCP may, at its discretion, make exceptions to the foregoing or negotiate special fee arrangements where CCP deems it appropriate under the circumstances.

Portfolio management fees are generally payable quarterly, in arrears, based on the value of the account at the end of the quarter. Fees are prorated for deposits of \$100,000 or more during the billing quarter.

If management begins after the start of a quarter, fees will be prorated accordingly. With client authorization and unless other arrangements are made, fees are normally debited directly from client account(s).

Either CCP or the client may terminate their Investment Advisory Agreement at any time, subject to any written notice requirements in the agreement. In the event of termination, any paid but unearned fees will be promptly refunded to the client based on the number of days that the account was managed, and any fees due to CCP from the client will be invoiced or deducted from the client's account prior to termination.

#### Sub-Advisory Services Fees

When CCP serves as the investment manager to accounts of other investment professionals (i.e., the Primary Advisers), there are typically three components that comprise the Sub-Advisory Client's fee/pricing structure: the Primary Adviser's management fee, CCP's management fee, and the broker-dealer's fee for brokerage and custody services.

Fees for sub-advisory services are individually negotiated with each Primary Adviser that retains CCP to manage its clients' accounts and are based on a percentage of assets under management. CCP charges lower fees for accounts managed pursuant to other consulting or referral arrangements where the Primary Adviser typically provides clients with services that complement or supplement CCP's services.

Fees for such accounts vary depending on the nature of the arrangement and other circumstances. Payment arrangements, including the timing (in advance or arrears), frequency (monthly or quarterly) and billing procedures (invoicing or deduction of fees), will be agreed upon by CCP and the Primary Adviser. The specific manner in which advisory fees are charged by CCP for sub-advisory services will be established in the Primary Adviser's or the client's written agreement with CCP, as applicable to each arrangement. The client should see the Primary Adviser's Form ADV Part 2 for more information regarding its fees, as fees will vary by adviser.

The minimum portfolio for sub-advised accounts is \$100,000. At the discretion of CCP, minimum amounts to open accounts may be lowered.

#### CCP Mutual Fund Fees

Fees for the Funds are described in each fund's Prospectus, which are paid directly from each fund. Fees include management fees (paid to CCP) and "other expenses (including shareholder service fees)." Additionally, brokerage commissions, as well as other transaction or fund-related expenses are paid out of each respective fund. The Funds' Investor Share Class is also subject to a short-term redemption fee if redeemed within 60 days of purchase. See the Prospectus for all fee details.

As noted above, the value of the Funds is excluded from the value of the assets for the calculation of the management fees when a client account holds the Funds. Please see the ***Other Financial Industry Activities and Affiliations*** section for more information.

#### Fees for Unified Managed Account ("UMA") Programs

CCP charges a fee to each sponsor of a UMA Program that enters into a contract to use a CCP model portfolio to assist in the management of the sponsor's client accounts. CCP typically charges UMA Program sponsors an annual percentage fee based on the assets under management using a particular investment strategy. The amount of the fee is negotiated between CCP and the sponsor and may vary depending on several factors, including the number of model portfolios that the sponsor is purchasing and the total assets under management for the sponsor.

#### Other Activities

Some of CCP's Investment Adviser Representatives ("IARs") are licensed as agents with a broker-dealer. In such capacity, the IARs will discuss and offer the Funds to institutional clients and investment consultants. Clients have the option to purchase investment products that are recommended through other brokers or agents that are not affiliated with us.

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

CCP does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because CCP has no performance-based fee accounts, it has no side-by-side management.

#### ***Item 7 - Types of Clients***

CCP serves individuals, trusts, estates, corporations, charitable organizations, other investment advisers and registered investment companies. With some exceptions, CCP may impose a minimum portfolio value for private investment advisory services. The minimum portfolio size for direct clients is \$500,000 and the minimum annual fee is \$5,000. The minimum portfolio value for sub-advised accounts is \$100,000. Under certain circumstances and in its sole discretion, CCP may negotiate such minimums.

Minimum investment requirements for the Funds are set forth in each fund's respective Prospectus.

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

### **Methods of Analysis and Investment Strategies**

CCP primarily invests in common stocks in its proprietary investment strategies. Most client investment accounts are invested in CCP's primary equity strategy, the Clifford Capital All-Cap Value Strategy. This investment strategy is described in detail below. CCP also offers other market-cap specific strategies, (e.g., Focused Small Cap Value, Deep Value) which are managed with a substantially similar process and investment philosophy, but are limited to specific market capitalization requirements.

### **Clifford Capital All-Cap Value Strategy (the "Portfolio")**

The Portfolio primarily consists of the common stock of companies of any size that CCP believes are trading at a discount, or "margin of safety<sup>1</sup>," to CCP's estimated intrinsic value at the time of purchase and have the potential for capital appreciation with acceptable downside risks. CCP believes investing with a margin of safety may enhance the investment's potential upside when CCP's investment thesis is proven correct and may dampen the potential loss when the investment thesis is disproven.

CCP expects to predominantly invest in securities that trade on U.S. stock exchanges, potentially including American Depositary Receipts ("ADRs") and other investment companies (including ETFs).

#### ***Dynamic Portfolio Mix of Core Value and Deep Value Stocks***

- **CORE VALUE STOCKS** – *investments in high-quality companies with durable competitive advantages, which represent 50-75% of the Portfolio*
- **DEEP VALUE STOCKS** – *opportunistic investments in out-of-favor companies with deeply discounted share prices and asymmetric reward to risk ratios. These holdings, combined with residual cash, represent the remaining 0-50% of the Portfolio*

**CORE VALUE STOCKS.** CCP defines Core Value stocks as high-quality companies with sustainable competitive advantages and long-term records of strong returns on capital. These firms tend to have stable and predictable cash flows as well as steady growth in the intrinsic value of their stock. CCP has identified roughly 135 Core businesses (the "Core Value List") from which it selects its Core Value investments. Prior to adding a security to the Core Value List, a company is subjected to CCP's "10 Indicators of a Core Business" quantitative and qualitative review, summarized below:

1. Consistently high returns on equity over the last 10 years
2. Consistently high returns on assets over the last 10 years
3. Upward-trending net income
4. Manageable debt loads
5. Necessary and valuable products or services
6. Good employee relations
7. Pricing power

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<sup>1</sup> "Margin of safety" is an important term used in value investing and is defined as the difference between a security's price and its true worth (intrinsic value). When the market price of a security is significantly below its estimated intrinsic value, it can provide room for error in investing. However, estimating a security's intrinsic value is a subjective determination that varies by investor. An investor's estimate may not be correct; therefore, margin of safety does not guarantee a profitable investment or that a security is a "safe" investment.

8. Low capital intensity
9. History of share repurchases and a declining share count
10. History of upward-trending book value and share price

CCP regularly reviews the Core Value List, searching for stocks that may potentially be trading at a discount to CCP's estimates of intrinsic value. Prior to adding a Core Value Stock to the Portfolio, the investment must be deemed to have an expected annual rate of return of at least 8% more than current rates of inflation and have an estimated total return that is at least three times greater than the potential loss, based on CCP's analysis. CCP intends to hold its Core Value positions for the long-term.

**DEEP VALUE STOCKS.** CCP defines Deep Value stocks as opportunistic investments in deeply discounted shares of businesses that do not meet the high requirements of a Core company. Deep Value investments are deemed by CCP to have high potential returns with acceptable downside risks. These investments may be considered traditional value stocks with low price multiples, and low near-term investor and analyst expectations. In screening for Deep Value positions, CCP uses a variety of methods to identify potential investment opportunities, including:

- Quantitative stock screens
- Researching firms with weak recent or longer-term stock-price performance
- Searching for companies and industries that are out of favor with investment analysts
- Researching new firms to expand CCP's knowledge base
- CCP's personal network of investment professionals
- Publications from like-minded contrarian investors

Prior to adding a Deep Value Stock to the Portfolio the investment must have a discount to CCP's estimate of intrinsic value of at least 25%, and the potential total return must be at least three times greater than the estimated potential loss, based on CCP's analysis. CCP intends to hold a Deep Value position until it reaches its estimated intrinsic value.

**CASH.** Cash is generally a byproduct of Deep Value opportunities. When undervalued investment opportunities abound, CCP would expect to hold very little cash. Given its disciplined process of selling Deep Value stocks when they reach intrinsic value, cash may increase in a strong market as Deep Value stocks are sold while new opportunities are still being sought out. CCP may also utilize cash as the default position for portfolio capital when it does not find compelling investment ideas and individual portfolio holdings may be as large as CCP intends them to be. In those circumstances, CCP considers cash to be a prudent option to take advantage of future investment opportunities, which may be better than today's.

#### *Investment Selection Process*

CCP believes most of its investment opportunities arise because of short-term oriented investor behavior, which differs from CCP's research conclusions and its long-term investment philosophy. Common behaviors leading to these opportunities include but are not limited to: overreactions to short-term results; economic worries leading to low expectations or panic selling; fear of increased competition; focus on one underperforming business line overshadowing other solid segments; frustration with slower growth rates as a business or its industry matures; worries that meaningful changes being undertaken by a company will be ineffective or take too long; fear that cyclical issues affecting a firm or its industry have become permanent.



CCP uses a disciplined “bottom-up” selection process using its own proprietary fundamental research that strives to identify equity securities of companies that appear to be selling at a discount relative to CCP’s assessment of their potential intrinsic value. As part of its process, CCP typically analyzes SEC filings, company presentations, industry publications, other sources of publicly available fundamental information, and engages in discussions with the management teams of potential investment companies and their competitors when researching individual companies.

Such a “bottom-up” security selection process also includes CCP’s proprietary evaluation of a company’s potential value using analysis techniques such as: normalized price multiples (including price to earnings, price to book value, and price to cash flow); estimated private market value; liquidation analysis; discounted cash flow analysis; and dividend discount models.

### *Portfolio Characteristics*

The Portfolio will normally hold between 25 and 35 securities. CCP believes that maintaining a relatively small number of holdings allows each security to have a meaningful impact on the Portfolio’s results. The number of securities held by the Portfolio may occasionally differ from this range at times such as when CCP is accumulating new positions, phasing out and exiting positions, or responding to exceptional market conditions.

CCP typically performs an additional review for any stock that declines 20% from its original purchase, or a stock that has declined by 20% over any 30-day period. CCP may reduce or sell its investment in a particular security if, in the opinion of CCP, a security’s fundamentals change substantially, its price appreciation leads to overvaluation in relation to CCP’s estimates of future earnings and cash flow growth, there are better opportunities with another security, or for other reasons.

### **Focused Small Cap Value Strategy**

Focused Small Cap Value portfolios are invested in smaller cap stocks, following a strategy that combines high-quality (Core Value) stock investments, opportunistic (Deep Value) stock investments and cash, which is typically a byproduct of Deep Value trading activity. Core Value holdings represent 50-75% of the portfolio, and Deep Value and cash holdings represent the remaining 25-50%.

### **Deep Value Strategy**

Deep Value portfolios are generally invested in smaller cap stocks, following a strategy that combines high-quality (Core Value) stock investments, opportunistic (Deep Value) stock investments and cash, which is typically a byproduct of Deep Value trading activity and the current opportunity set (i.e. less Deep Value opportunities often lead to higher cash balances). Unlike CCP’s other portfolios, Core Value weightings may fall below 50% when Deep Value opportunities are considered to be both abundant and particularly compelling, in the opinion of CCP.

### Other Investments

If a client requests it, CCP will supplement its common stock strategies with other types of securities such as fixed income, mutual funds (outside of the Funds) and exchange traded funds (“ETFs”) in accordance with a client’s needs.

Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. CCP will generally evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration.

The following strategies may be used in varying combinations over time for a given client, depending upon the client's individual circumstances.

Long Term Purchases – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short Term Purchases – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.

Options Trading/Writing – a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the exercise of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

#### Risk of Loss

All investment portfolios are subject to risks. Identifying undervalued securities and other assets is difficult, and there are no assurances that such a strategy will succeed. Accordingly, there can be no assurance that client investment portfolios will be able to fully meet their investment objectives and goals, or that investments will not lose money.

CCP may recommend that its clients invest in the Funds. Investment risks specific to the Funds' investment strategies are described in the Funds' prospectus and SAI.

Below is a description of several of the principal risks that client investment portfolios face.

*Management Risks.* While CCP manages client investment portfolios based on CCP's experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios and the Funds are subject to the risk that CCP allocates client assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that CCP's specific investment choices could underperform their relevant indexes.

*Risks of Investments in Mutual Funds, ETFs and Other Investment Pools.* As described above, CCP may invest client portfolios in mutual funds, ETFs and other investment pools ("pooled investment funds"). Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

*Risks of Investing in Common Stocks.* Investing in the common stocks of publicly traded companies will expose investors to the risk that those investments may not perform as expected over the long-term and may fluctuate in price rapidly over the short-term. Many factors may affect the performance of a company's stock price, including, but not limited to: (1) changing investor sentiment about a company's future profitability, (2) changing demand for a company's products or services, (3) changing regulatory environment, (4) increased competition, (5) technological obsolescence, or (6) poor financial or strategic decisions by company management. Short-term stock price declines can happen if a company's reported earnings or revenues are less than expectations.

*Equity Market Risks.* CCP will invest portions of client assets directly into equity investments, primarily stocks, or into pooled investment funds that invest in the stock market. As noted above, while pooled investments have diversified portfolios that may make them less risky than investments in individual securities, funds that invest in stocks and other equity securities are nevertheless subject to the risks of the stock market. These risks include, without limitation, the risks that stock values will decline due to daily fluctuations in the markets, and that stock values will decline over longer periods (e.g., bear markets) due to general market declines in the stock prices for all companies, regardless of any individual security's prospects. Stocks associated with whole sectors or industries may move in tandem in reaction to events that directly or indirectly impact the costs or revenues, such as the effect of falling oil prices on the oil industry. This may cause your portfolio to decline more than the market as a whole.

*Style, Size and Factor Risks.* Many equity investment strategies seek to capture excess returns from investing in common stock that have certain attributes, such as company size (large-, mid- and small capitalization stocks), style (growth or value stocks), and factors (low volatility, momentum, quality). These strategies are cyclical in nature, going in and out of favor based upon investor preferences, sentiment and various market and economic conditions. For example, small-cap stocks may outperform large-cap stocks for a period of time, but they are generally more volatility. Similarly, growth stocks can outperform value stock for long periods of time, or vice versa.

*Concentrated Investment Risk.* Strategies that hold concentrated stock positions will invest a larger portion of assets in the stock of a single issuer than a more diversified manager or index fund. This may subject the portfolio to more volatility related to company-specific risk (idiosyncratic risk), whereby investment theory would suggest that a more highly diversified portfolio can diversify away most of that idiosyncratic risk. Thus, as economic, political, regulatory or managerial or other events impact individual companies, this may have a greater impact on the value of the portfolio than a more diversified portfolio.

*Fixed Income Risks.* CCP will invest portions of client assets directly into fixed income instruments, such as bonds and notes, or may invest in pooled investment funds that invest in bonds and notes. While investing in fixed income instruments, either directly or through pooled investment funds, is generally less volatile than investing in stock (equity) markets, fixed income investments nevertheless are subject to risks. These risks include, without limitation, interest rate risks (risks that changes in interest rates will devalue the investments), credit risks (risks of default by borrowers), or maturity risk (risks that bonds or notes will change value from the time of issuance to maturity).

*Foreign Securities Risks.* CCP will invest portions of client assets into foreign stocks, ADR's and pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial

reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.

*Options Risk.* A small investment in options could have a potentially large impact on an investor's performance. The use of options involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is the risk that a hedging technique will fail if changes in the value of a derivative held by an investor do not correlate with the securities being hedged

### ***Item 9 - Disciplinary Information***

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of CCP or the integrity of CCP's management. CCP has no disciplinary events to report.

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

#### **CCP Mutual Funds**

As noted previously, CCP is the investment adviser to the Funds. From time to time, CCP may recommend the purchase of a CCP mutual fund to advisory clients for whom the respective fund's strategy is suitable. Where clients' funds are invested in a CCP mutual fund, CCP will not charge a portfolio management fee based on those assets. Rather, CCP will earn a fee on those assets through its position as investment adviser to the Funds. When the annual fee (0.90%) of assets under management assessed by the fund is higher than fees earned by CCP for managing a client's account, CCP has an interest in maximizing the client's investments in the Funds.

The receipt of the above-described compensation represents a conflict of interest in that CCP may potentially base its recommendation of the Funds on economic factors and not necessarily the client's best interest. To mitigate this conflict, CCP has established policies and procedures designed to facilitate equal application of CCP's fiduciary responsibilities among all of its clients despite any affiliations. In addition, CCP will only recommend the Funds on a fully disclosed basis.

CCP also receives a portion of the 12b-1 "services" fee that each respective fund charges on the Investor Share Class. The 12b-1 expense is a marketing fee levied on mutual fund shareholders to pay for advertising and distribution costs, as well as broker compensation. When CCP invests in a CCP mutual fund in a managed account, it solely utilizes the Institutional Share Class, which does not impose a 12b-1 fee.

#### **WCM Investment Management**

WCM Investment Management, LLC ("WCM") maintains a passive 24.9% investment in CCP. WCM is not an advisory affiliate or related person of CCP, the operations of WCM and CCP are separate and independent and CCP does not conduct business with WCM.

#### **Other Industry Activities**

Some of CCP's Investment Adviser Representatives ("IARs") are licensed as agents with a broker-dealer. In such capacity, the IARs will discuss and offer the Funds to institutional clients and

investment consultants. For further information, see the ***Fees and Compensation*** and ***Code of Ethics*** sections.

### ***Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

#### Code of Ethics and Personal Trading

CCP has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. CCP's Code has several goals. First, the Code is designed to assist CCP in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, CCP owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires persons associated with CCP (managers, officers and employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for CCP's associated persons. Under the Code's Professional Standards, CCP expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, CCP associated persons are not to take inappropriate advantage of their positions in relation to CCP clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time CCP's associated persons may invest in the same securities recommended to clients. Under its Code, CCP has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

#### Participation or Interest in Client Transactions

Because associated persons may invest in the same securities as those held in client accounts, CCP has established a policy requiring its associated persons to either pre-clear transactions in some types of securities with the Chief Compliance Officer or place trades in these securities in block trades along with clients. The goal of this policy is to avoid conflicts of interest that arise in these situations. If a block trade is partially filled, associated persons' accounts will be included in the allocation of the available shares. This typically causes clients that are participating in the trade to receive fewer shares. Some types of securities, such as CDs, treasury obligations and open-end mutual funds (with the exception of mutual funds managed by CCP) are exempt from this pre-clearance requirement. However, in the event of other identified potential trading conflicts of interest, CCP's goal is to place client interests first.

Consistent with the foregoing, CCP maintains policies regarding participation in initial public offerings ("IPOs") and private placements to comply with applicable laws and avoid conflicts with client transactions. If a CCP associated person wishes to participate in an IPO or invest in a private placement, he or she must submit a pre-clearance request and obtain the approval of the Chief Compliance Officer.

As described in ***Other Financial Industry Activities and Affiliations*** above, when appropriate CCP may recommend that clients invest in a mutual fund for which CCP serves as investment adviser. If a CCP mutual fund is held in a client's account, its value is not included in the account value when computing CCP's management fee.

*CFA Institute Code of Ethics and CFA Institute Asset Manager Code of Professional Conduct*

Certain CCP Principals have earned the Chartered Financial Analyst® (“CFA”) designation. All CFA charterholders must abide by the CFA Institute’s “Code of Ethics and Standards of Professional Conduct.” In addition, CCP has voluntarily adopted the CFA Institute’s “Asset Manager Code of Professional Conduct” which applies to CCP on a global basis.

***Item 12 - Brokerage Practices***

Best Execution and Benefits of Brokerage Selection

When given discretion to select the brokerage firm that will execute orders in client accounts, CCP seeks “best execution” for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, CCP may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of CCP’s clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

CCP recommends that clients establish brokerage accounts with Charles Schwab & Co., Inc. (“Schwab”), a FINRA registered broker-dealer, member SIPC, as the qualified custodian to maintain custody of clients’ assets. CCP may also effect trades for client accounts at Schwab, or may in some instances, consistent with CCP’s duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although CCP may recommend that clients establish accounts at Schwab, it is ultimately the client’s decision to custody assets with Schwab. CCP is independently owned and operated and is not affiliated with Schwab.

Schwab Advisor Services provides CCP with access to its institutional trading, custody, reporting and related services, which are typically not available to Schwab retail investors. Schwab also makes available various support services. Some of those services help CCP manage or administer its clients’ accounts while others help CCP manage and grow its business. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not soft dollar arrangements, but are part of the institutional platform offered by Schwab. Schwab’s brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For CCP client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Advisor Services also makes available to CCP other products and services that benefit CCP but may not directly benefit its clients’ accounts. Many of these products and services may be used to service all or some substantial number of CCP accounts, including accounts not maintained at Schwab.

Schwab’s products and services that assist CCP in managing and administering clients’ accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment

of CCP's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help CCP manage and further develop its business enterprise. These services may include: (i) technology, compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to CCP. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to CCP. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of CCP personnel. In evaluating whether to recommend that clients custody their assets at Schwab, CCP may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

#### Directed Brokerage

Clients may direct CCP to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that CCP has with Schwab is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers can in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing CCP to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with CCP that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

#### Aggregated Trade Policy

CCP may enter trades as a block where possible and when advantageous to clients whose accounts have a need to buy or sell shares of the same security. This method permits the trading of aggregate blocks of securities composed of assets from multiple client accounts. It allows CCP to execute trades in a timely, equitable manner, and may reduce overall costs to clients.

CCP will only aggregate transactions when it believes that aggregation is consistent with its duty to seek best execution (which includes the duty to seek best price) for its clients, and is consistent with the terms of CCP's Investment Advisory Agreement with each client for which trades are being aggregated. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all CCP's transactions in a given security on a given business day. Transaction costs for participating accounts will be assessed at the custodian's commission rate applicable to each account; therefore, transaction costs may vary among accounts. Accounts may be excluded from a block due to tax considerations, client direction or other factors making the account's participation ineligible or impractical.

CCP will prepare, before entering an aggregated order, a written statement ("Allocation Statement") specifying the participating client accounts and how it intends to allocate the order among those clients. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the Allocation Statement. Trades for the Fund and large institutional accounts are usually rounded to the nearest 100 shares. If the order is partially filled, it will generally be allocated pro-rata, based on the Allocation Statement, or randomly in certain circumstances. Employee accounts that are managed by CCP will be included in such partial allocations. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment, and the reason for different allocation is explained in writing and is approved by an appropriate individual/officer of CCP. CCP's books and records will separately reflect, for each client account included in a block trade, the securities held by and bought and sold for that account. Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the transaction on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out to the custodian bank or broker-dealer as soon as practicable following the settlement, and CCP will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation.

#### Trade Rotation Schedule

To avoid competition in the markets among orders for its clients, CCP executes orders on a rotational basis. CCP utilizes a two-bucket trade rotation system for executing orders.

Bucket A consists of two groups of accounts, which generally encompass all accounts over which CCP has full discretion for trade execution and settlement. These two groups are: (1) accounts in which CCP may choose at its sole discretion the broker(s) who execute trades ("Non-Directed Brokerage Clients"), and (2) certain investment advisory clients who have provided CCP full investment and trading discretion but for which CCP typically chooses to execute trades with the broker/custodian at which the client's assets are custodied ("Discretionary Clients"). These two groups of accounts generally have the following characteristics: (1) the client has not explicitly provided directed-brokerage instructions to CCP for securities trades, and (2) the client is not participating in a UMA Program.

Bucket B consists of all other accounts, including: (1) those for which the client has provided explicit directed-brokerage instructions to CCP; (2) accounts participating in UMA Programs; (3) accounts with non-standard trade or settlement systems/processes (or systems/processes that are otherwise incompatible with CCP's trade systems/processes); and (4) accounts with client-imposed restrictions or certain other specialized requirements.

For each investment decision that leads to transactions in client accounts ("Trade Program"), accounts in Bucket A will typically trade first, so that Non-Directed Brokerage Clients and



Discretionary Clients are not disadvantaged as a result of the specialized requirements of the other clients.

Accounts in Bucket A are placed into one of two groups – Non-Directed Brokerage Clients, and Discretionary Clients. The two groups in Bucket A will trade on a straight rotational basis (i.e., the group at the end of the last Trade Program moves to the beginning of the next Trade Program.) Blocks of accounts within each group (e.g. different custodians within Discretionary Accounts) will also be traded on a straight rotational basis, as needed. This procedure is designed to ensure that no one client, or group of clients, within this Bucket has an unfair advantage over another client, or group of clients, within this Bucket.

Accounts in Bucket B are placed into one of two groups – UMA Programs, and remaining Bucket B accounts. Upon completion of trading for accounts in Bucket A, the two groups in Bucket B are traded on a straight rotational basis. Blocks of accounts within each group are also traded on a straight rotational basis, as needed.

Because Bucket B usually trades after Bucket A, trades for accounts in Bucket B are subject to potential adverse price movements, particularly if they follow large block trades, involve illiquid securities or occur in volatile markets. This risk is heightened by the fact that trading for accounts in Bucket B may not complete until several days, or potentially weeks, following the start of trading for accounts in Bucket A. Consequently, accounts in Bucket B may receive prices/executions that are less favorable than those obtained for accounts in Bucket A. While CCP seeks to mitigate this risk through careful management of the trade execution process and attention to market impacts, accounts in Bucket B may achieve comparatively lower returns than accounts in Bucket A.

Additionally, an account may trade outside its typically assigned Bucket or position in the trade rotation due to a client-directed event, such as a cash flow, tax-loss harvesting, or liquidation request. As a result, these client-directed events or otherwise special circumstances may cause an account to receive less favorable execution or achieve comparatively lower returns than it would otherwise receive or achieve.

### ***Item 13 - Review of Accounts***

Individually managed portfolios are reviewed at least quarterly, but may be reviewed more often if requested by the client, upon receipt of information material to the management of the portfolio, or at any time such review is deemed necessary or advisable by CCP. These factors generally include but are not limited to, the following: change in general client circumstances (marriage, divorce, retirement); or economic, political or market conditions. Ryan Batchelor, Portfolio Manager, David Passey, Investment Analyst, and Heather Bryce, Chief Operating Officer, are responsible for reviewing accounts.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. CCP will provide additional reports as agreed upon in the client's advisory agreement and upon request. These reports normally include a summary of portfolio holdings and performance results.

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

As noted above, CCP receives an economic benefit from Schwab in the form of support products and services it makes available to CCP and other independent investment advisors whose clients maintain accounts at Schwab. These products and services, how they benefit CCP, and the related conflicts of interest are described in ***Brokerage Practices***. The availability of Schwab's products and services to CCP is based solely on its participation in the programs and not in the provision of any particular investment advice.

From time to time, CCP may enter into arrangements with third parties ("Solicitors") to identify and refer potential clients to CCP. Consistent with legal requirements under the Investment Advisers Act of 1940, as amended, CCP enters into written agreements with Solicitors under which, among other things, Solicitors are required to disclose their compensation arrangements to prospective clients before such clients enter into an agreement with CCP.

#### ***Item 15 - Custody***

It is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify CCP of any questions or concerns. Clients are also asked to promptly notify CCP if the custodian fails to provide statements on each account held.

From time to time and in accordance with CCP's agreement with clients, CCP will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades and other similar issues.

#### ***Item 16 - Investment Discretion***

As described in ***Advisory Business***, CCP manages accounts on a discretionary basis. This means that after an investment plan is developed for the client's investment portfolio, CCP will execute that plan without specific consent from the client for each transaction. For discretionary accounts, a Limited Power of Attorney ("LPOA") is executed by the client, giving CCP the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. CCP then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with CCP and the requirements of the client's custodian.

#### ***Item 17 - Voting Client Securities***

##### ***Proxy Voting***

As a matter of firm policy and practice, CCP accepts the authority to vote proxies for clients. When voting proxies, CCP assumes a fiduciary responsibility to vote in its clients' best interests. In addition, with respect to benefit plans under the Employee Retirement Income Securities Act of 1974 (ERISA), CCP acknowledges its responsibility as a fiduciary to vote proxies prudently and solely in the best interest of plan participants and beneficiaries. So that it may fulfill these fiduciary responsibilities to clients, CCP has adopted and implemented written policies and procedures reasonably designed to ensure that it votes proxies in the best interest of clients.

CCP seeks to make proxy voting decisions in the manner most likely to protect and enhance the long-term economic value of the securities held in client accounts. CCP has adopted the Broadridge Proxy Policies and Insights Shareholder Value Template (“Proxy Policies and Insights”) to determine how each issue on proxy ballots is to be voted.

The Proxy Policies and Insights seeks to maximize shareholder value in proxy voting and is created using voting trends of large, top fund families that seek to maximize shareholder value. Proxy statements will be voted in accordance with this template unless:

- CCP determines it has a conflict,
- CCP’s portfolio manager determines there are other reasons not to follow the Proxy Policies and Insights input, or
- No input is provided by the Proxy Policies and Insights, in which case CCP will independently determine how a particular issue should be voted and such determination will be documented by the Portfolio Manager.

Any decisions regarding proxy voting where CCP determines not to follow the Proxy Policies and Insights input shall be determined by the Portfolio Manager of CCP. CCP may determine not to vote a particular proxy if the costs and burdens exceed the benefits of voting (e.g., when securities are subject to loan or to share blocking restrictions).

In the event requests for proxies are received with respect to debt securities, CCP will vote on a case by case basis in a manner it believes to be in the best economic interest of the Company’s shareholders.

CCP has engaged Broadridge Investor Communication Solutions, Inc. (“Broadridge”) to receive proxies and proxy voting statements, vote proxies in accordance with the Proxy Policies and Insights, retain proxy voting records, and handle many of the administrative functions associated with the voting of proxies.

If a material conflict is identified, CCP may (i) disclose the potential conflict to the client and obtain consent to vote in accordance with CCP’s recommendation; (ii) vote in accordance with the client’s instructions; (iii) vote in accordance with the guidance of an independent consultant or outside counsel; (iv) establish an ethical wall or other informational barriers between the person(s) that are involved in the conflict and the persons making the voting decisions; or (v) vote in other ways that are consistent with CCP’s obligation to vote in its clients’ best interest. For the Funds, any proxy votes that may be subject to potential conflicts are determined by the Funds’ board of directors.

Our Chief Compliance Officer is ultimately responsible for ensuring that all proxies received by CCP are voted in a timely manner and in a manner consistent with CCP’s determination of the client’s best interests. A copy of CCP’s complete policy, as well as records of proxies voted; are available to clients upon request.

#### *Class Action Lawsuits*

Sometimes securities held in the accounts of clients will be the subject of class action lawsuits. CCP has engaged Broadridge to provide a comprehensive review of clients’ possible claims to a settlement throughout the class action lawsuit process. Broadridge actively seeks out any open and eligible class action lawsuits. Additionally, Broadridge files, monitors and expedites the distribution of settlement proceeds in compliance with SEC guidelines on behalf of CCP’s clients. Broadridge’s filing fee is

contingent upon the successful completion and distribution of the settlement proceeds from a class action lawsuit. In recognition of Broadridge's services, Broadridge receives 20% of clients' share of the settlement distribution. When CCP receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by clients, it will work to assist clients and Broadridge in the gathering of required information and submission of claims. Direct Clients of CCP are automatically included in this service but may opt-out. For sub-advised client relationships, the client's Primary Adviser will make the decision as to whether its clients will participate in this service. If a client or the client's Primary Adviser opts-out, CCP and Broadridge will not monitor class action filings for that client.

***Item 18 - Financial Information***

CCP does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore has no disclosure required for this item.

# **Exhibit A**

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**Ryan P. Batchelor, CFA, CPA**

**CRD# 5791034**

**of**

**Clifford Capital Partners, LLC**

395 South Main  
#203  
Alpine, Utah 84004

(312) 554-5005

**[www.CliffordCapitalPartners.com](http://www.CliffordCapitalPartners.com)**  
**[www.CliffordCap.com](http://www.CliffordCap.com)**

**~~March 20~~October 29, 2019**

This Brochure Supplement provides information about Ryan Batchelor, and supplements the Clifford Capital Partners, LLC ("CCP") Brochure. You should have received a copy of that Brochure. Please contact us at (312) 554-5005 if you did not receive CCP's Brochure, or if you have any questions about the contents of this Supplement.

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

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

Ryan P. Batchelor (year of birth 1975) is Principal, co-founder and Portfolio Manager at CCP. Prior to founding CCP in April of 2010, Ryan served as a Senior Equity Analyst at Wells Capital Management from 2007 to 2010 where he was a generalist, scouring all sectors of the market but also had specific responsibility for the financial services sector. Ryan was commended for timely trading recommendations at advantageous buying and selling points and for quick and thorough company-specific and industry-wide analyses in an environment of rapid change and disruption.

Before joining Wells Capital Management, Ryan was an Equity Strategist and Analyst with Morningstar, Inc. for three years where he served as specialty finance analyst and team leader. He initiated the five page *InternationalInvestor* section in the firm's flagship *StockInvestor* monthly stock investment newsletter and implemented department-wide improvements to Morningstar's foreign coverage universe. Ryan was quoted regularly in local and national media, including *The Wall Street Journal*, *Barron's*, *The Economist*, *Financial Times*, *USA Today*, and *US News & World Report*. He also made live

television appearances on CNBC and Bloomberg TV, as well as radio spots on NPR, Bloomberg Radio and local stations.

Ryan graduated summa cum laude from Brigham Young University - Hawaii in 1999 with a BS in Accounting and received his MBA in Finance from the Marriott School of Management at Brigham Young University in 2004. He holds the Chartered Financial Analyst® designation\* and is a registered Certified Public Accountant\*\* (CPA) in the state of Illinois.

Ryan is the proud father of five daughters and one son and enjoys active service in his church, outdoor activities and weekend athletics.

\* The Chartered Financial Analyst® (“CFA®”) designation is a professional designation given by the CFA Institute that measures the competence and integrity of financial analysts. The CFA Program is a graduate-level self-study program that combines a broad-based curriculum of investment principles with professional conduct requirements. Candidates are required to pass three levels of examinations covering areas such as accounting, economics, ethics, money management and security analysis. Before a candidate is eligible to become a CFA charterholder, he/she must meet minimum experience requirements in the area of investment/financial practice. To enroll in the program, a candidate must hold a bachelor’s degree.

\*\* A CPA is a Certified Public Accountant. ALL CPA candidates must pass the Uniform CPA Examination to qualify for a CPA certificate and license to practice public accounting. While the exam is the same regardless of where it is taken, every state/jurisdiction has its own set of education and experience requirements that individuals must meet. However, most states require at least a bachelor’s degree and a concentration in accounting, and at least one year public accounting experience under the supervision of or verification by a CPA. A registered CPA in Illinois is not required to meet continuing education requirements.

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

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, Ryan has no such disciplinary information to report.

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

Ryan is not engaged in any other business activities.

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

Ryan has no other income or compensation to disclose.

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

Ryan is a Principal and co-owner of CCP. Wayne Pierson is a Principal and co-owner of CCP, and serves as Chief Compliance Officer. Ryan and Wayne are also members of the firm’s investment committee.

Overall investment decisions are discussed as a team by the investment committee with Ryan making final portfolio decisions, and portfolio activity based on these decisions will be carried by these individuals, as assisted by other staff members of the firm.

As Chief Compliance Officer, Wayne is responsible for providing supervisory oversight to the staff. He also participates as a team member in the investment process, and may be contacted at the phone number as shown on the cover page.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**Wayne G. Pierson, CFA, CPA**

**CRD# 731691**

**of**

**Clifford Capital Partners, LLC**

395 South Main  
#203  
Alpine, Utah 84004

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**~~March 20~~October 29, 2019**

This Brochure Supplement provides information about Wayne Pierson, and supplements the Clifford Capital Partners, LLC ("CCP") Brochure. You should have received a copy of that Brochure. Please contact us at (312) 554-5005 if you did not receive CCP's Brochure, or if you have any questions about the contents of this Supplement.

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

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

Wayne G. Pierson (year of birth 1950) is Principal, co-founder and Chief Compliance Officer at CCP. In addition to his role at CCP, Wayne served in a consulting role at Meyer Memorial Trust until 2015, where he was previously the Chief Financial & Investment Officer from 1982 to 2014. Wayne was selected by Institutional Investor Magazine as the Small Foundation Manager of the Year in 2011. The Trust's performance ranked in the top 10% of foundations for the decade ended December 31, 2013. He has served on several nonprofit organization boards and committees including chairing an investment committee. Wayne has served as a trustee for several private trusts. He initiated and conducted a comprehensive annual investment survey for nearly 170 foundations representing assets of approximately \$250 billion for over 20 years.



Wayne has been both a speaker and panel member at numerous investment conferences in the United States and Internationally. He is President of Acorn Investors, LLC, an investment holding company, ~~and currently serves on the boards of Oaktree Capital Group, LLC and~~ is Board Chair of the M Fund, Inc.

Wayne began his professional career with Ernst & Ernst (now Ernst & Young) working for seven years before becoming Treasurer of Gregory Affiliates for two years prior to joining Meyer Memorial Trust.

Wayne graduated cum laude from California State University - Northridge in 1973 with a B.S. in Business Administration. He holds the Chartered Financial Analyst® designation\* and is a Certified Public Accountant\*\* (CPA).

Wayne is the father of four children and has thirteen grandchildren. He serves actively in his church and has been a volunteer to numerous organizations.

\* The Chartered Financial Analyst® (“CFA®”) designation is a professional designation given by the CFA Institute that measures the competence and integrity of financial analysts. The CFA Program is a graduate-level self-study program that combines a broad-based curriculum of investment principles with professional conduct requirements. Candidates are required to pass three levels of examinations covering areas such as accounting, economics, ethics, money management and security analysis. Before a candidate is eligible to become a CFA charterholder, he/she must meet minimum experience requirements in the area of investment/financial practice. To enroll in the program, a candidate must hold a bachelor’s degree.

\*\* A CPA is a Certified Public Accountant. ALL CPA candidates must pass the Uniform CPA Examination to qualify for a CPA certificate and license to practice public accounting. While the exam is the same regardless of where it is taken, every state/jurisdiction has its own set of education and experience requirements that individuals must meet. However, most states require at least a bachelor’s degree and a concentration in accounting, and at least one year public accounting experience under the supervision of or verification by a CPA. Once the designation is attained, the CPA is required to meet continuing education requirements.

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

Advisers are required to disclose any material facts regarding certain legal or disciplinary events that would be material to your evaluation of an adviser; however, Wayne has no such disciplinary information to report.

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

Wayne is President of Acorn Investors, LLC, a ~~passive~~ an investment holding company, and ~~currently serves on the boards of Oaktree Capital Group, LLC and~~ is Chairman of the Board of Directors of M Fund, Inc.

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

Other than stated above, Wayne has no other income or compensation to disclose.

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

Wayne is a Principal and co-owner of CCP, and serves as Chief Compliance Officer. Ryan Batchelor is a Principal and co-owner of CCP. Ryan and Wayne are also members of the firm’s investment committee.

Overall investment decisions are discussed as a team by the investment committee with Ryan Batchelor making final portfolio decisions, and portfolio activity based on these decisions will be carried by these individuals, as assisted by other staff members of the firm.

As Chief Compliance Officer, Wayne is responsible for providing supervisory oversight to the staff. He also participates as a team member in the investment process, and may be contacted at the phone number as shown on the cover page.