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An SEC Registered Investment Adviser

DECEMBER 2019

This brochure provides information about the qualifications and business practices of ClearShares LLC. If you have any questions about the contents of this brochure, please contact us at (212) 359-0290. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Where ClearShares LLC describes itself as a registered investment adviser, registration does not imply a certain level of skill or training.

ITEM 2

MATERIAL CHANGES

The following material changes have occurred since the 2019 Annual ADV Amendment:

- 1) On May 31, 2019, Deegan Holdings, LLC purchased a majority of the ownership shares of ClearShares, LLC from Clearbrook Global Advisors. Deegan Holdings, LLC is majority-owned by Thomas E. Deegan, former Chief Operating Officer of Clearbrook, LLC. A breakdown of the new ownership details may be found in the ADV Part 1A for ClearShares LLC at <https://www.adviserinfo.sec.gov/Firm/157531>
- 2) On October 1, 2019, Frank Codey joined the firm as a minority owner, COO and Portfolio Manager of the OPER ETF Fund. Mr. Codey has more than thirty (30) years of experience in the securities industry, holding senior management positions at several prominent Wall Street Firms. Mr. Codey brings significant fixed income experience in the management of OPER ETF.
- 3) On December 11, 2019, ClearShares LLC ceased its advisory relationship with ClearShares FI.

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ADVISORY BUSINESSES

ClearShares LLC (“ADVISOR”) is majority-owned by Deegan Holdings, LLC, and a Delaware limited liability company. ADVISOR is an independent investment advisory firm whose core business is to provide investment and strategic advice, investment solutions, and related advisory services to Registered Investment Companies (RICs).

Advisory Services to OCIO ETF

ADVISOR has entered into an agreement to provide advisory services to an ETF on the ESS platform sponsored by U.S. Bancorp Fund Services. The ETF is modeled after an Outsourced Chief Investment Officer allocation for large institutional clients (e.g. foundations, charities) (“OCIO ETF”). The OCIO ETF launched on June 27, 2017 and seeks to achieve its objective through investing in a mix of passive index-based ETF’s and active ETF strategies providing exposure to a broad range of products and markets including global stocks, bonds, commodities and alternative indexes, based on market opportunities and conditions. The OCIO ETF invests in a wide range of ETFs based on investment considerations including asset, geographic and industry exposures, in addition to diversification and liquidity constraints.

Advisory Services to OPER ETF

ADVISOR has entered into an agreement to provide advisory services to the OPER ETF on the ESS platform sponsored by U.S. Bancorp Fund Services. The OPER ETF is an actively managed portfolio seeking current income by investing in repurchase “repo” agreements, collateralized by high-quality fixed income collateral securities such as U.S. Treasuries, U.S. Government Agency and Mortgage Backed securities. Repurchase agreements are short-term investments widely used by banks, securities firms, insurance companies and hedge funds to provide liquidity. A repo is backed by collateral, protecting the buyer against the possible risk that the seller is unable to repurchase the security as promised. The OPER ETF seeks to fill the return void and provide an alternative to low yielding money market and non-yielding cash positions through short-term fixed income securities.

ADVISOR does not participate in wrap fee programs.

As of December 20, 2019, ADVISOR manages approximately \$203,940,000.00 assets on a discretionary basis.

ITEM 5 FEES AND COMPENSATION

OCIO ETF Fee

The OCIO ETF pays ADVISOR a management fee, which is calculated daily and paid monthly, at an annual rate of 0.55% of the fund's average daily net assets.

OPER ETF Fee

The OCIO ETF pays ADVISOR a management fee, which is calculated daily and paid monthly, at an annual rate of 0.20% of the fund's average daily net assets

Neither ADVISOR nor any of its officers, directors, employees, or persons providing advice on ADVISOR's behalf and subject to ADVISOR's supervision and control accepts compensation for the sale of securities or other investment products.

ITEM 6 PERFORMANCE BASED FEES and SIDE BY SIDE MANAGEMENT

ClearShares does not charge a performance fee.

ITEM 7 TYPES OF CLIENTS

ADVISOR provides investment advisory services to registered investment companies (e.g., mutual funds and ETFs)

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

OCIO ETF

The Adviser looks at the experience and track record of the manager of the ETF in an attempt to determine if that manger has demonstrated an ability to invest over a period of time and in different economic conditions. In addition, the Adviser looks at the underlying assets in an ETF in an attempt to determine if there is significant overlap in the underlying investments held in other funds in the client's portfolio. The Adviser also monitors the ETFs in an attempt to determine if they are continuing to follow the investment strategy or if there is deviation from the stated investment mandate.

The return target of OCIO ETF is to outperform 60% ACWI / 40% Bloomberg Barclays US Aggregate Bond Index A risk of investing in ETFs, as with all securities investments, is that past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, since the Adviser does not control the underlying investments in an ETF, managers of the different funds held by the client may purchase the same security, increasing the overlap risk to the client if that security were to fall in value.

OPER ETF

The level of return on OPER ETF will track prevailing short-term rates with a goal of outperforming the ICE BofA ML 3-Month Treasury Bill Index. The OPER ETF is priced daily, with daily liquidity, and is traded on the New York Stock Exchange. OPER ETF is designed for all investors seeking a higher return on their cash assets, particularly high-net-worth, small to mid-sized corporations, and institutions. Investors can purchase the OPER ETF with a \$100 minimum investment.

OPER ETF invests in fixed income securities that involve certain risks including call risk, credit risk, event risk, extension risk, interest rate risk & prepayment risk. Repurchase agreements may be construed to be collateralized loans by OPER ETF, and if so, the underlying securities relating to the repurchase agreement will only constitute collateral for the seller's obligation to pay the repurchase price, and any associated interest. If the seller defaults on its obligation under the agreement, OPER ETF may suffer delays and incur costs or lose money in exercising its rights under the agreement. A seller failing to repurchase the securities coupled with a decline in the market value of the securities may result in OPER ETF losing money. OPER ETF may invest in repurchase agreements that are deemed illiquid due to having a term of more than seven days.

The principal general risks associated with ADVISOR's investment strategies include, but are not limited to, the following:

General Investment Risk, *i.e.*, the risk of deterioration in the financial markets in general;

Strategy Risk, *i.e.*, the risk that investment strategies and/or investment techniques may not work as intended;

Sub-Manager Risk, *i.e.*, the risks associated with the use of third-party investment management firms, such as fraud, deviation from defined strategies, human or system error, and poor judgment;

Institutional Risk, *i.e.*, the risk that the Fund could incur losses due to: the failure of counterparties to perform their contractual commitments to the Fund or to Pooled Investment Vehicles in which the Fund invests; or (ii) the financial difficulty of brokerage firms, banks or other financial institutions that hold assets of the Fund or of Pooled Investment Vehicles in which the Fund invests;

Fund Structure Risk, *i.e.*, the special considerations and risks arising from the operation of certain provisions of the LLC Agreement.

Shares of any ETF are bought and sold at market price, rather than Net Asset Value (NAV), and may trade at a discount or premium to NAV. Shares are not individually redeemable from the Fund and may be only be acquired or redeemed from the fund in creation units. Brokerage commissions will reduce returns.

For a further discussion regarding risks, please review the ETF's Prospectus' and Statement of Additional Information which can be found at www.clear-shares.com

ITEM 9 DISCIPLINARY INFORMATION

ADVISOR is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. ADVISOR does not have any required disclosures to this Item.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Conflicts of Interest

ADVISOR is the investment adviser to the OCIO and OPER ETFs and earns a fee on these ETF assets. One advisory affiliate of ADVISOR maintains a contractual relationship with Clearbrook Investment Consulting, LLC ("CIC"). In this capacity, he may recommend certain institutional client(s) to purchase or sell shares of the OCIO and OPER ETF, or other investment products for which the ADVISOR provides advisory services. To mitigate any conflict, the advisory affiliate does not receive any revenue from CIC related to any institutional clients' investment in the OCIO or OPER ETF. However, a conflict does exist to the extent the ADVISOR's advisory affiliate indirectly benefits from such investment in the OCIO and OPER ETF.

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

A. Code of Ethics.

ADVISOR has adopted a Code of Ethics (the "Code") that sets forth the standards of conduct expected of ADVISOR personnel. All personnel are required annually to acknowledge in writing that they have received and will comply with the Code. The Code requires all personnel to comply with federal securities laws and to report all violations of the Code to ADVISOR's Chief Compliance Officer ("CCO"). The Code states that ADVISOR's personnel owe a fiduciary duty to ADVISOR's clients requiring them to act in the best interests of ADVISOR's clients. ADVISOR personnel must avoid conflicts of interest with clients and actions or activities that allow (or appear to allow) them or their family members to profit or benefit from their relationships with ADVISOR at the expense of clients. The Code contains policies specific to the safeguarding of non-public personal information of clients and the avoidance of conflicts of interest. The Code also prohibits manipulative trading practices and insider trading. In addition, the Code restricts personnel from giving or receiving gifts in excess of de minimus value to or from persons that do business with or on behalf of ADVISOR.

The Code also contains provisions specific to certain personnel called "Access Persons." These provisions are intended to guard against front-running, insider trading, and other trading improprieties by Access Persons. ADVISOR defines Access Persons to include the following personnel: any officer or employee who directly or indirectly (i) has access to nonpublic information regarding clients' purchases or sales of securities prior to, or within 48 hours after, the completion of such purchases or sales, or (ii) has access to nonpublic securities recommendations, whether discretionary or non-discretionary, prior to, or within 48 hours after, the making of such recommendations. Access Persons are required to provide ADVISOR's CCO with annual personal

securities holdings reports and quarterly securities transaction reports (or brokerage statements in lieu of such reports). In addition, Access Person investments in initial public offerings and private placements must be pre-approved by ADVISOR's CCO.

ADVISOR's CCO is required to report issues that arise under the Code to senior management at least annually. ADVISOR will provide a copy of its Code of Ethics to any client upon request.

Neither ADVISOR nor any of its related persons recommends to clients, or buys or sells for client accounts, securities in which ADVISOR or the related person has a material financial interest. Neither ADVISOR nor any of its related persons invests in the same or related securities that recommends to clients. Neither ADVISOR nor any of its related persons recommends securities to clients, or buys or sells securities for client accounts at the same time that ADVISOR or the related person buys or sells the same securities for its own (or the related person's own) account.

ITEM 12 BROKERAGE PRACTICES

ADVISOR seeks "best execution" for trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, ADVISOR 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 ADVISOR's clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

As part of its fiduciary duties to clients, ADVISOR endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of direct or indirect economic benefits by ADVISOR or its related persons in and of itself creates a potential conflict of interest and may indirectly influence ADVISOR's choice of service providers for custody, brokerage, and other services.

ADVISOR has not participated in, nor has it received any request for a directed brokerage arrangement and, based upon its current advisory business, does not anticipate any such requests.

ADVISOR does not aggregate the purchase or sale of securities for client accounts.

ITEM 13 REVIEW OF ACCOUNTS

ADVISOR monitors its investment portfolios on an ongoing basis. As part of the monitoring process, ADVISOR reviews each ETF's performance against its stated benchmarks and investment objectives. ADVISOR also monitors each ETF's underlying investment allocations and percentages to ensure compliance with applicable diversification requirements under the Investment Company Act of 1940.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Currently, neither ADVISOR nor a related person directly or indirectly compensate any third parties for client referrals. ADVISOR may compensate employees based on client referrals.

ITEM 15 CUSTODY

ClearShares does not maintain custody over any client assets.

ITEM 16 INVESTMENT DISCRETION

ADVISOR generally is granted the authority to exercise discretion on behalf of its clients. ADVISOR is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. ADVISOR is given this authority through a power-of-attorney included in the agreement between ADVISOR and the client.

ITEM 17 VOTING CLIENT SECURITIES

ADVISOR has delegated to Broadridge Investor Communications Solutions Inc. ("Broadridge"), an independent service provider, the administration of proxy voting for client portfolio securities directly managed by ADVISOR, subject to oversight by ADVISOR. Broadridge provides proxy-voting services to many asset managers on a global basis. ADVISOR has reviewed, and will continue to review annually, the relationship with Broadridge and the quality and effectiveness of the various services provided by Broadridge.

Specifically, Broadridge assists ADVISOR in the proxy voting by providing research and analysis, recommendations regarding votes, operational implementation, and recordkeeping and reporting services. ADVISOR's decision to retain Broadridge is based principally on the view that the services that Broadridge provides, subject to oversight by ADVISOR, generally will result in proxy voting decisions which serve the best economic interests of clients. ADVISOR has reviewed, analyzed, and determined that Broadridge Proxy Voting services are consistent with the views of ADVISOR. When the Broadridge Proxy Voting Guidelines do not cover a specific proxy issue and Broadridge does not provide a recommendation: (i) Broadridge will notify ADVISOR; and (ii) ADVISOR will use its best judgment in voting proxies on behalf of its clients.

ADVISOR does not engage in investment banking, administration or management of corporate retirement plans, or any other activity that is likely to create a potential conflict of interest. In addition, because client proxies are voted by Broadridge, ADVISOR generally does not make an actual determination of how to vote a particular proxy, and, therefore, proxies voted on behalf of clients do not reflect any conflict of interest. Nevertheless, the Proxy Voting Guidelines address the possibility of such a conflict of interest arising.

ITEM 18 FINANCIAL INFORMATION

ADVISOR is not required to provide financial information because it does not require prepayment of more than \$1,200 in fees per client, six months or more months in advance. There are no known financial conditions that would impair ADVISOR'S ability to meet contractual commitments to clients. ADVISOR has not been the subject of a bankruptcy petition.