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FORM ADV PART 2
BROCHURE

This brochure provides information about the qualifications and business practices of Cherry Street Partners. If you have any questions about the contents of this brochure, please contact us at 303-399-9090 or paul@cherrystreetpartners.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Cherry Street Partners is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Cherry Street Partners is #36487.

Cherry Street Partners, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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Advisory Business

Form ADV Part 2A, Item 4

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

Notes: (1) For purposes of this item, your principal owners include the persons you list as owning 25% or more of your firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If you are a publicly held company without a 25% shareholder, simply disclose that you are publicly held. (3) If an individual or company owns 25% or more of your firm through subsidiaries, you must identify the individual or parent company and intermediate subsidiaries. If you are an SEC-registered adviser, you must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries. If you are a state-registered adviser, you must identify all intermediate subsidiaries.

A full service financial planning and advisory firm with offices in Denver, Colorado and Madison, Connecticut, Cherry Street Partners has been providing planning services for business owners and the affluent since June, 1987. Cherry Street Partners is a closely held corporation solely owned by Paul Lambert. In addition to Paul, Brett Howard, Justin Howard and Dawn Hoover are Firm Principals.

B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.

In addition to providing continuous and individualized investment advice to our clients based on their risk tolerance and financial goals, CSP provides a broad array of financial planning services. These services include:

1. **Accumulation Planning-** The purpose of this analysis is to assist our clients in attaining a clear vision of their financial goals and objectives and their ability to attain them. This analysis includes a review of the organization and sources of a client's income and assets as well as the impact of taxation and inflation on the cost of those goals. The result is a customized and focused road map that will serve as an investment blueprint for our clients.
2. **Investment Management-** Utilizing the blueprint developed through our Accumulation Planning process (Investment Policy Statement), we take the necessary steps to align and allocate our client's portfolio according to their plan. In addition to implementation, we monitor our client's portfolios regularly and meet individually with each client at least quarterly.
3. **Business Succession and Exit Planning-** Financial options are analyzed with respect to the continuation or disposition of a client's business interest in the event of a third-party sale, retirement, death or other decision to sell.
4. **Estate Planning-** This analysis addresses the aspects of property disposition, estate tax reduction, life insurance and other related issues including gifting, trusts and business succession.
5. **Fringe Benefit and Executive Compensation Planning-** The purpose of this analysis is to provide advice with respect to enhancements and alternatives to executive

compensation plans, group employee benefits plans and retirement plans.

C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

CSP does not utilize any type of “pre-set” or “predetermined fixed” portfolio and in fact, every CSP client has a customized and individualized portfolio. Every client is exposed to the Accumulation Planning process summarized above and as a result, each client has their own individual Investment Policy Statement detailing their goals, risk tolerance, timing and investment preferences and restrictions. This process ensures that each client’s portfolio is tailored to his or her specific needs and goals.

D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.

Not applicable as CSP does not utilize any wrap fee services.

E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.

All assets are managed on a discretionary basis and as of March 2013, the amount under management is approximately \$270,000,000.

Note: Your method for computing the amount of “client assets you manage” can be different from the method for computing “assets under management” required for Item 5.F in Part 1A. However, if you choose to use a different method to compute “client assets you manage,” you must keep documentation describing the method you use. The amount you disclose may be rounded to the nearest \$100,000. Your “as of” date must not be more than 90 days before the date you last updated your brochure in response to this [Item 4.E](#).

Not applicable

Fees and Compensation

Form ADV Part 2A, Item 5

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

Note: If you are an SEC-registered adviser, you do not need to include this information in a brochure that is delivered only to qualified purchasers as defined in section [2\(a\)\(51\)\(A\) of the Investment Company Act of 1940](#).

CSP is compensated for advisory services based on a negotiable fee-based model and therefore no fee schedule is available. Fees for Investment Management Services as described above are based on a percentage of assets under management and annual fees range from 0.3-1.25% for assets under management. Fees for other advisory services as described on Page 1 of Advisory Business are negotiable and are based on the scope and complexity of the services provided.

B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.

Generally, clients have the option to have their fees deducted from their accounts or be billed directly. Fees for Investment Management services are billed or deducted on a quarterly basis while fees for other advisory services can be billed quarterly, semi-annually or annually.

C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

Investment advisory client assets are held at TD Ameritrade, Inc. member FINRA/SIPC/NFA therefore, advisory clients are required to pay transaction fees as established by TD Ameritrade. With the exception of certain types of "no-fee transactions", trading fees for transactions executed by TD Ameritrade are currently \$8.95 per trade. Depending on the fund family being utilized, mutual fund transactions may also include transaction fees ranging from \$24-\$31 per transaction. In addition, when mutual funds, unit investment trusts, closed-end funds or exchange traded funds are utilized, additional internal fund fees ranging from 0.2-1.5% per year will be incurred. CSP does not benefit from the fees summarized in this section as these fees comprise TD Ameritrade compensation or compensation for fund managers not associated with Cherry Street Partners.

D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

Quarterly fees are paid on a prospective basis; that is, fees are either billed or deducted on the first day of every quarter for the following three month period. Any client that terminates the investment advisory services contract, must do so in writing and will automatically be refunded the pro-rata portion of the fee for the remaining period for that quarter from the date of termination.

E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact

and respond to Items [5.E.1](#), [5.E.2](#), [5.E.3](#) and [5.E.4](#).

1. Explain that this practice presents a conflict of interest and gives you or your supervised persons an incentive to recommend investment products based on the compensation received, rather than on a client's needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to clients. If you primarily recommend mutual funds, disclose whether you will recommend "no-load" funds.

The principals and associate persons of Cherry Street Partners are also registered representatives of Comprehensive Asset Management and Servicing, Inc. (CAMAS). CAMAS is engaged in the due diligence and sale of investment products through registered representatives, generally on a commission basis. Clients who do not contract Cherry Street Partners to provide Investment Advisory Services, may purchase products with Cherry Street Partners acting as a registered representative of CAMAS. As a result, Cherry Street Partners may then receive a normal and fully disclosed commission. On occasion, clients who have contracted with Cherry Street Partners to provide investment advisory services, may also decide to purchase products that are offered through CAMAS and as such, will also pay a normal and fully disclosed commission to Cherry Street Partners. Thus, a conflict may arise between the interests of Cherry Street Partners and those of our clients. This potential conflict and any commission paid are promptly and fully disclosed. Our clients are under no obligation, implied or otherwise to purchase these products or to purchase these products through Cherry Street Partners or CAMAS.

2. Explain that clients have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.

As noted above, our clients are under no obligation, implied or otherwise, to purchase any products or purchase products through Cherry Street Partners or CAMAS.

3. If more than 50% of your revenue from advisory clients results from commissions and other compensation for the sale of investment products you recommend to your clients, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.

Not applicable

4. If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.

Note: If you receive compensation in connection with the purchase or sale of securities, you should carefully consider the applicability of the broker-dealer registration requirements of the [Securities Exchange Act of 1934](#) and any applicable state securities statutes.

In the event any Investment Advisory client chooses to purchase an investment product that results in a commission paid to Cherry Street Partners, a corresponding reduction in advisory fees may be calculated to offset the commission paid.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.

Not applicable.

Types of Clients

Form ADV Part 2A, Item 7

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

CSP provides Investment Advisory Services to individuals, various business entities such as corporations, Limited Liability Companies and partnerships, trusts and qualified retirement plans. There are no minimum requirements for opening or maintaining an account.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.

Primarily, Cherry Street Partners utilizes Modern Portfolio Theory to help clients develop a personalized Asset Allocation Plan. This plan assists our clients in determining whether the mix of their personal investments is the right mix for their personal situation. By its nature, this approach discounts the potential effects of market timing and provides a disciplined and systematic approach to investing. This process takes into account a client's objectives, the timing of those objectives, personal taxation, risk tolerance and investment preferences to create an Investment Policy Statement (IPS). The purpose of this IPS is to determine how a client's investment assets will be divided among available investment alternatives (Portfolio Optimization) with the ultimate goal of creating an efficient portfolio. An efficient portfolio is one that potentially can produce the required returns to meet the client's goals with a level of risk that is appropriate for that particular investor. The focus of our process is based on a client's long-term objectives which means, taking a reasonable amount of investment risk in the expectation of realizing appropriate returns to meet goals and objectives.

B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

See (A) above

C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

Not applicable

Disciplinary Information

Form ADV Part 2A, Item 9

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a management person has been involved in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the management person's favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered, or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a management person has been involved in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a client's or prospective client's evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a client's or prospective client's evaluation.

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a management person

1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;

No

2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;

Not Applicable

3. was found to have been involved in a violation of an investment-related statute or regulation; or

Not Applicable

4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

Not Applicable

B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which your firm or a management person

- No 1. was found to have caused an investment-related business to lose its authorization to do business; or
- No 2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
- No (a) denying, suspending, or revoking the authorization of your firm or a management person to act in an investment-related business;
- No (b) barring or suspending your firm's or a management person's association with an investment-related business;
- No (c) otherwise significantly limiting your firm's or a management person's investment-related activities; or
- No (d) imposing a civil money penalty of more than \$2,500 on your firm or a management person.

C. A self-regulatory organization (SRO) proceeding in which your firm or a management person

- No 1. was found to have caused an investment-related business to lose its authorization to do business; or
- No 2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

Note: You may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, you are not required to disclose it. When you review a legal or disciplinary event involving your firm or a management person to determine whether it is appropriate to rebut the presumption of materiality, you should consider all of the following factors: (1) the proximity of the person involved in the disciplinary event to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If you conclude that the materiality presumption has been overcome, you must prepare and maintain a file memorandum of your determination in your records. See [SEC rule 204-2\(a\)\(14\)\(iii\)](#).

No

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

All principals and associated persons are registered representatives of Comprehensive Asset Management and Servicing, Inc. (CAMAS)

B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

No

C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency
9. pension consultant
10. real estate broker or dealer
11. sponsor or syndicator of limited partnerships.

C(1) - Please see the section, Fees and Compensation for a thorough discussion of Cherry Street Partners' relationship with CAMAS, compensation and conflict of interest issues.

C(8) - Upon the sole discretion of the client and without any obligation, implied or otherwise, Cherry Street Partners may assist the client in the purchase of various types of life or disability insurances. Cherry Street Partners is a fully independent firm and is under no obligation to represent any specific company or product. If Cherry Street Partners acts as an agent or broker of these products, Cherry Street Partners may receive a normal and fully disclosed commission.

C(9) - During the implementation phase involving any changes to a client's business sponsored retirement plan (401k, profit sharing plan, defined benefit plan), Cherry Street Partners may, at the sole discretion of the client, act as an agent or broker for various investment platforms that are compatible with these types of plans. As such, Cherry Street Partners may be compensated with a normal and fully disclosed commission.

D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business

relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

No

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Form ADV Part 2A, Item 11

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to [SEC rule 204A-1](#) or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.

Our code of ethics, which is available to any client or prospective client upon request, simply states that all principals, associated persons and employees of Cherry Street Partners have a fiduciary duty to place the interest of clients ahead of their own and the Company's.

B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Examples: (1) You or a related person, as principal, buys securities from (or sells securities to) your clients; (2) you or a related person acts as general partner in a partnership in which you solicit client investments; or (3) you or a related person acts as an investment adviser to an investment company that you recommend to clients.

Not applicable as no employee of Cherry Street Partners has a material financial interest in any security or partnership that is recommended to clients.

C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.

At times, the interests of the principals or associated persons of Cherry Street Partners may correspond with the interests of our clients and then we may do what we suggest that our clients do. We may purchase or sell the same publicly traded securities for our accounts based on the same recommendations that we provide our clients. These actions are always disclosed to our clients and due to our size, we are generally unable to noticeably affect the pricing of any of the securities that we are trading.

D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Note: The description required by Item 11.A may include information responsive to Item 11.B, C or D. If so, it is not necessary to make repeated disclosures of the same information. You do not have to provide disclosure in response to Item 11.B, 11.C, or 11.D with respect to securities that are not "reportable securities" under [SEC rule 204A-1\(e\)\(10\)](#) and similar state rules.

See A and C above.

Brokerage Practices

Form ADV Part 2A, Item 12

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

1. **Research and Other Soft Dollar Benefits.** If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), disclose your practices and discuss the conflicts of interest they create.

Note: Your disclosure and discussion must include all soft dollar benefits you receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Cherry Street Partners participates in the TD Ameritrade Institutional Program. Participation in this program provides us with additional products and services, most notably the ability to participate in a "soft dollar program" that helps defray the cost of research that is an integral part of investment management. This research is primarily developed by third parties.

a. Explain that when you use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.

The research that is paid for through the "soft dollar program" is research that Cherry Street Partners would need to pay for in any event, therefore Cherry Street Partners realizes an economic benefit by directing clients to use TD Ameritrade.

b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your clients' interest in receiving most favorable execution.

Cherry Street Partners may have an incentive and therefore a potential conflict of interest by directing client assets to TD Ameritrade and the "soft dollar program", potentially resulting in trade execution and costs that may not be the absolute lowest available.

c. If you may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.

Please see 1(b) above.

d. Disclose whether you use soft dollar benefits to service all of your clients' accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

Soft dollar benefits (investment research) are used to benefit all clients of Cherry Street Partners as this type of research is integral in performing investment advisory services.

e. Describe the types of products and services you or any of your related persons acquired with client brokerage commissions (or markups or markdowns) within your last fiscal year.

Note: This description must be specific enough for your clients to understand the types of products or services that you are acquiring and to permit them to evaluate possible conflicts of interest. Your description must be more detailed for products or services that do not qualify for the safe harbor in [section 28\(e\) of the Securities Exchange Act of 1934](#), such as those services that do not aid in investment decision-making or trade execution. Merely disclosing that you obtain various research reports and products is not specific enough.

Cherry Street Partners use of soft dollars is intended to comply with the requirements of section 28 (e) of the Securities Exchange Act of 1934. In the last fiscal year, the only research that was purchased with soft dollars was fund research developed by Morningstar.

f. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits you received.

As required by section 28(e), Cherry Street Partners will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, we consider not only a particular transaction and not only the value of the brokerage and research services for a particular client, but also the value of those services and products in our performance of our overall responsibilities to all of our clients.

2. Brokerage for Client Referrals. If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.

a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving client referrals, rather than on your clients' interest in receiving most favorable execution.

Not applicable as Cherry Street Partners does not receive client referrals from any custodian or broker-dealer.

b. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for client referrals.

Not applicable

3. Directed Brokerage.

a. If you routinely recommend, request or require that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their clients to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of client transactions, and that this practice may cost clients more money.

Cherry Street Partners participates in the TD Ameritrade Institutional Customer Program and as a result, we recommend and require when possible, that client assets be held at TD Ameritrade. While there is no direct link between TD Ameritrade and Cherry Street Partners, we do receive certain economic benefits and therefore potential conflicts of interest exist that have been summarized above. While not all advisers require their clients to direct brokerage, the benefits associated with this practice allow us to best perform our advisory services for our clients. Some of these benefits include receipt of duplicate statements, electronic links for performance reporting and accuracy, access to advisor only trading desks, access to block trading, access to an electronic communications network for order entry and account information, access to no-transaction fee mutual funds and certain institutional money managers and investment research. As noted above, this may not produce the absolute lowest execution fees at all times for our clients but does provide

an excellent value when considering the entire investment advisory service.

b. If you permit a client to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of client transactions. Explain that directing brokerage may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

Note: If your clients only have directed brokerage arrangements subject to most favorable execution of client transactions, you do not need to respond to the last sentence of Item 12.A.3.a. or to the second or third sentences of Item 12.A.3.b.

Clients are allowed to direct brokerage. In these circumstances, limited powers of attorney from the outside brokerage firm are executed by the client on behalf of Cherry Street Partners. Due to the absence of some of the benefits outlined above in 3(a), clients may pay higher brokerage fees or experience less than optimal order execution.

B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

Cherry Street Partners does aggregate the purchase or sale of securities (block trading) in order to provide fair pricing across all client accounts that are affected. Typically, block trading is used when the desired share quantity to purchase or sell is a significant percentage of the shares that are traded daily in that particular security.

Review of Accounts

Form ADV Part 2A, Item 13

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

- A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.

A firm Principal reviews every account on a monthly basis. Account reviews include portfolio allocation analysis, availability of cash for distribution or investment, analysis of stops and limit orders, review of short-term returns and tactical security analysis.

- B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.

In addition to the periodic reviews as summarized above, portfolios are reviewed whenever significant legislative, market or global news of a significant nature occurs.

- C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.

In addition to monthly account statements provided by TD Ameritrade, every advisory client receives a written audited quarterly report providing information about their investments. This report includes a current position report, overall total return for all combined portfolios for the quarter and year to date, total return for each portfolio and total returns for each position in each account for the quarter and year to date. This report also includes a breakdown of investments by asset class and the changes that are required to meet the recommended allocation as set forth in the client's personal Investment Policy Statement. In addition, these reports are delivered and reviewed in person with each client by a Principal every quarter.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

Advisor participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the Program.

As disclosed above, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. 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 economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

Generally, in addition to a broker's ability to provide "best execution," we may also consider the value of "research" or additional brokerage products and services a broker-dealer has provided or may be willing to provide. This is known as paying for those services or products with "soft dollars." Because many of the services or products could be considered to provide a benefit to the firm, and because the "soft dollars" used to acquire them are client assets, the firm could be considered to have a conflict of interest in allocating client brokerage business: it could receive valuable benefits by selecting a particular broker or dealer to execute client transactions and the transaction compensation charged by that broker or dealer might not be the lowest compensation the firm might otherwise be able to negotiate. In addition, the firm could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage compensation with which to acquire products and services.

The firm's use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a "safe harbor" for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), the firm will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, we generally determine, considering all the factors described below, that the compensation to be paid to TD Ameritrade is reasonable in relation to the value of all the brokerage and research products and services provided by TD Ameritrade. In making this determination, we typically consider not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in our performance of our overall responsibilities to all of our clients. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge.

B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.

Note: If you compensate any person for client referrals, you should consider whether [SEC rule 206\(4\)-3](#) or similar state rules regarding solicitation arrangements and/or state rules requiring registration of investment adviser representatives apply.

Not applicable

Custody

Form ADV Part 2A, Item 15

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.

Not applicable as Cherry Street Partners does not have custody of any client funds.

Investment Discretion

Form ADV Part 2A, Item 16

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Cherry Street Partners accepts and has discretionary authority to manage securities on behalf of clients, generally without restriction. In addition to establishing an account, all clients execute a power of attorney that provides Cherry Street Partners with discretionary trading authority.

Voting Client Securities

Form ADV Part 2A, Item 17

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to [SEC rule 206\(4\)-6](#). Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.

Cherry Street Partners does not have and will not accept authority to vote client securities.

B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.

All clients receive their proxies and other solicitations directly from their custodian or transfer agent. Clients are encouraged to contact Cherry Street Partners by any manner to discuss any and all matters pertaining to this.

Financial Information

Form ADV Part 2A, Item 18

THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.

A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.

Not applicable

2. Show parenthetically the market or fair value of securities included at cost.

Not applicable

3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to [Article 2 of SEC Regulation S-X](#).

Note: If you are a sole proprietor, show investment advisory business assets and liabilities separate from other business and personal assets and liabilities. You may aggregate other business and personal assets unless advisory business liabilities exceed advisory business assets.

Note: If you have not completed your first fiscal year, include a balance sheet dated not more than 90 days prior to the date of your brochure.

Exception: You are not required to respond to Item 18.A of Part 2A if you also are: (i) a qualified custodian as defined in [SEC rule 206\(4\)-2](#) or similar state rules; or (ii) an insurance company.

Not applicable

B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

Note: With respect to [Items 18.A](#) and [18.B](#), if you are registered or are registering with one or more of the state securities authorities, the dollar amount reporting threshold for including the required balance sheet and for making the required financial condition disclosures is more than \$500 in fees per client, six months or more in advance.

Not applicable

C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.

If you are registering or are registered with one or more state securities authorities, you must respond to the following additional Item.

Not applicable

