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DISCLOSURE BROCHURE
Form ADV Part 2A
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ITEM 1: COVER PAGE

This disclosure brochure ("Brochure") provides information about the qualifications and business practices of The Clarius Group, LLC (hereinafter "Clarius" or "we"). If you have any questions about the contents of this Brochure, please contact us at 206-462-7400 or 999 Third Avenue, Suite 3050, Seattle, WA 98104. The information herein has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

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

Clarius is an investment advisor registered with the SEC under the Investment Advisers Act of 1940, as amended. This registration does not imply any particular level of skill or training.

ITEM 2: MATERIAL CHANGES

Clarius is required to advise Clients and prospective Clients of any material changes to our Brochure from our last annual update:

In March 2017 we designated Karen Obrietan as our Chief Compliance Officer.

Clients will receive an annual summary of any material changes to this and subsequent Brochures no later than April 30, which is 120 days after our fiscal year-end. At that time we will offer a copy of our most current Disclosure Brochure. We will also promptly provide ongoing disclosure information about material changes as necessary.

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ITEM 4: ADVISORY BUSINESS

- A. General Description of the Advisory Firm: Clarius' registration as an investment advisor was effective in January of 2015, and we began providing advisory services to Clients in April of 2015. Keith Vernon, Matthew Talbot and Karen Obrietan are the firm's three owners and partners of the firm.
- B. Description of Advisory Services: Clarius provides integrated wealth management services to high net worth individuals and their family entities, and to a small number of charitable trusts and foundations. These services can include investment management, banking and credit coordination, bill paying and cash flow planning, estate coordination, financial planning, insurance coordination, charitable support, tax coordination, and special projects. We generally build Client investment portfolios by combining various third-party investment managers. Where a separately-managed account is employed, the Client will enter into a separate agreement with an external investment manager and receive the manager's disclosure brochure, both of which more fully describe that manager's services. Clarius will, however, retain discretionary authority to terminate the manager or allocate additional funds to that manager.
- C. Availability of Tailored Services for Individual Clients: Clarius tailors its services to match the needs of each individual Client. Each Client's planning needs are different, and we address those needs on an individual basis. We design Client portfolios to reflect the different characteristics of each Client, such as his/her ability to sustain market volatility, the Client's need for liquidity, tolerance for concentrated positions, ability to invest in illiquid investments, and time horizon. Clients may impose restrictions on investing in certain securities or types of securities. We offer to meet with each Client as often as necessary for the Client to feel comfortable about the investment process; we ask to meet with Clients at least annually.
- D. Wrap Fee Program: Clarius does not participate in wrap fee programs.
- E. Client Assets Under Management: As of 12/31/2016 Clarius managed \$464,739,067 on a discretionary basis and \$249,923,374 on a non-discretionary basis.

ITEM 5: FEES AND COMPENSATION

- A. Advisory Fees: Clarius enters into a written advisory agreement with its Clients. The advisory agreement contains the Advisory Fee arrangement which typically includes an Investment Fee and an annual Planning Fee. Investment fees are based on a percent of assets under management and Planning fees are based on the scope and complexity of non-investment services. Either party may cancel the advisory agreement without penalty upon thirty days' written notice.

Investment fees for liquid securities are calculated from the average daily balance of the portfolio during the prior quarter, based on values provided by the account custodian. Investment fees that apply to illiquid holdings, such as private limited partnerships, are also calculated based on the average daily balance during the prior quarter. The valuation of these investments is based on the most recent value provided by the partnership plus a sum equal to the amount of contributions to the partnership less distributions. The valuations from private partnerships are typically delayed by approximately one quarter

for logistical reasons. Additional information on our valuation practices is provided in the Client advisory agreement.

At the inception of a relationship, we will charge investment fees calculated from the initial portfolio value and prorated through the remainder of the then-current quarter. Planning fees will be similarly prorated if a Client joins us at other than a quarter-end.

Our annual investment management fee schedule is:

- 0.80% on the first \$3,000,000
- 0.60% on the next \$2,000,000
- 0.40% on the next \$5,000,000
- 0.30% on the next \$10,000,000
- 0.20% on the next \$20,000,000
- 0.15% on the next \$10,000,000

Planning fees range from \$2,000/year to in excess of \$100,000/year.

Clients may negotiate a flat, rather than graduated, rate on the value of the portfolio or a flat annual fee for a comprehensive engagement. We reserve the right to negotiate fees for accounts depending on the size and type of account, the investments in the account and the services required.

- B. Payment of Advisory Fees: Clarius charges Clients quarterly in advance. Clients generally authorize Clarius to deduct fees directly from the Client's account as they become due. We have discretionary authority to sell (at the then-current price) a sufficient amount of account securities in order to pay these fees. Should the contract be cancelled during the billing period, Clarius will refund any unearned fees on a pro-rata basis. The custodian of the Client's investment assets provides a written confirmation of the fees taken, but does not calculate or verify the accuracy of the fees.
- C. Other Fees and Expenses: Clients will incur other fees and expenses, including (among others) brokerage and asset management costs, associated with their investment portfolios. These charges may be more fully discussed in the custodian or asset manager documents detailing the specific Client account or investment.
- D. Commissions: Neither Clarius nor any of its supervised persons receives compensation for the sale of securities or other investment products.

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

Clarius does not charge performance-based fees. This section does not apply to our business.

ITEM 7: TYPES OF CLIENTS

Clarius has two general service models – Wealth Management and Family Office.

- Wealth Management Clients generally are families with \$2 to \$20 million in net worth whose services typically include investment advisory services and wealth management (e.g., banking and credit coordination, bill paying, cash flow planning, estate coordination, financial planning, insurance coordination, charitable support, and tax coordination). We generally require that accounts hold at least \$2 million in investment assets in order to be accepted for management, but we retain the option of accepting smaller accounts at our discretion.
- Family Office Clients generally are families with \$20 million or more in net worth who have similar general service needs as Wealth Management Clients, but they also may require additional time and/or services based on the increased complexity of their financial issues. Additional services can include multi-generational planning, family governance, more extensive estate structuring, and more complex investment vehicles.

Our Clients include individuals, as well as families and their related entities (e.g., charitable organizations). We do not directly advise pension or profit-sharing plans, though we do provide investment advice to individual Clients with respect to the self-directed portion of their retirement plans.

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

A. Methods of Analysis & Investment Strategies:

Our investment strategies are specifically tailored to each Client, and they embrace a long-term investment horizon. We focus particularly on the tradeoff of return as compensation for accepting investment risk and the effects of investment costs, inflation, and taxes on investment returns. Our highest investment priority is developing the mix of assets (commonly referred to as the “asset allocation”) appropriate to each Client's goals, objectives, constraints, risk tolerance and unique circumstances as set forth in the Client's Investment Policy Statement (IPS).

Investment risk has multiple facets, and it defies easy quantification – even with hindsight. However, risk management is critical to our approach, and we help our Clients consider the primary risk of not accomplishing their objectives in conjunction with market risk and other types of risk. In an effort to manage risk, we recommend investing broadly across the capital markets, in major asset classes both domestically and globally. We utilize a range of strategies that historically have performed differently in varying capital market environments. While a specific strategy may involve a certain set of risks viewed in isolation, the strategy must also be viewed in the broader portfolio context including diversification benefits potentially provided by the investment.

We employ both passive and active investment strategies. Passive strategies attempt to achieve benchmark-like results. Active strategies attempt to outperform a relevant and appropriate benchmark through the application of manager skill or knowledge. Clarius is keenly aware that our Clients' goals can only be met through after-tax and net-of-fee performance. With that in mind, fee- and tax-efficiency is paramount, and the hurdle active managers must meet to overcome their additional fees is high.

There is no guarantee that portfolios structured in this manner will perform as anticipated, and investing in securities always entails potential risk of loss of investment. Key portfolio-level risks to consider include (but are not limited to) the following:

- Future investment returns in any investment, or in any asset class, are uncertain. We cannot warrant or guarantee any particular level of product, investment, portfolio or account performance, or that a product, investment, portfolio or account will be profitable over time.
- Future correlations between asset classes are uncertain and unstable and may prove particularly so during periods of extreme market “stress.”
- Plans based on long term estimates should not be used for consideration of short term strategies, goals or objectives.

Importantly, all investment products we recommend are managed by third party investment managers that are not affiliated with Clarius. We do not receive any commissions, rebates or other compensation from these managers. If a Client chooses to terminate our advisory role, their Clarius-recommended investments are portable or accessible and available to Clients through the manager or third party custodian (some managers may require termination of the management arrangement in the absence of an affiliation with our firm) without further cost or obligation owed to Clarius. We believe this degree of independence strongly aligns our interests with the best interests of our Clients.

We choose managers based on our assessment of their expertise in particular investment strategies. We seek to select managers that have the ability to achieve attractive risk-adjusted, net-of-fee investment returns.

In selecting managers, we consider a number of factors, including but not limited to the following:

- Well-articulated and understandable investment strategies
- Reasonable expenses
- Tax efficiency
- Transparency
- Manageable downside risk
- Compelling and appropriate historical returns (net of fees and taxes)
- A strong cohesive team that is aligned with investor interests

We generally compare the historical investment results of comparable money managers, evaluate written information supplied by the money managers and others, and conduct interviews with individuals who would actually manage money for Clients.

Our methods of analysis, sources of information and investment strategies vary substantially by security or product type, asset class, investment risk, liquidity and other factors. Our research, sourcing and due diligence may be supported by review of manager regulatory filings and documents, manager site visits, phone calls, correspondence or other means of direct and indirect communication with managers, third party opinions, reference checks, background checks, investment conference materials, and continuing education courses.

Other sources of information we rely upon when researching and analyzing securities include traditional research materials such as financial newspapers and magazines, informational databases (e.g., Morningstar Direct), annual reports, prospectuses, filings with the SEC, research materials prepared by others, and company press releases.

There are risks associated with investing in third-party managers. Principally, a manager may not persist in delivering acceptable investment performance. Past performance of investments is no guarantee of future results. Since Clarius cannot control the investments made by the third-party manager, the manager might unexpectedly deviate from a stated investment mandate. Finally, as we do not control or have visibility to a manager's daily operations, it is possible that internal controls designed to prevent business, regulatory or reputational deficiencies may be insufficient or not properly followed.

We provide advice to Clients concerning a wide variety of investment strategies and securities, including (but not limited to) the following:

- Cash and cash equivalent investments (e.g., bank deposits, CDs, money market funds and similar instruments)
- Fixed income investments (e.g., corporate, municipal, U.S. government and foreign issuer debt)
- Public equity investments (e.g., exchange-listed, over the counter and foreign issuer)
- Hedge fund investments
- Real asset investments (e.g., commercial real estate, natural resources)
- Private equity and debt investments

We access these investment strategies through a variety of securities and security types, the precise choice of which may be influenced by liquidity needs, the size of the investment and manager minimums, implementation and ongoing management costs, tax attributes or consequences, administrative and record-keeping burdens and other factors. We commonly utilize money market funds, separately managed accounts, mutual funds, exchange traded funds, commingled trusts, real estate investment companies, registered investment companies, and private placement limited partnerships and limited liability companies (in a variety of domiciles). Where appropriate, we may also recommend the use of options, warrants, structured products or other derivatives for accomplishing objectives and managing risk.

Our recommendation or selection of private investments is generally limited to private funds, and in all cases, the Client will receive offering materials and execute subscription forms to execute the investment. We may give advice on other private offerings if requested by Client.

We may also advise on hedging strategies involving currency and/or concentrated equity positions, consistent with a Client's goals, objectives and suitability. Third party advisor experts may be engaged by the Client and/or us to provide supplemental information, perspective, analysis, pricing or other support for these transactions.

A complete analysis of all facets of risk associated with each of these investment strategies and product types is beyond the scope of this Brochure. The most material risk with each and every investment is risk

of loss, which may include complete loss. Clarius-recommended investments are subject to varying degrees of market, currency, economic, political, business, and other risks. Some examples of broad-based factor risks Clients must consider include (but are not limited to) the following:

- Market risk -- Market risk reflects the fact that there are certain general market conditions in which any given investment strategy is unlikely to be profitable. Neither we, nor the managers we recommend, have the ability to control or predict such market conditions, including such important market conditions as the level of economic activity and interest rates. Our approach is designed to achieve broad diversification across markets and time, but multiple markets can move in tandem against a Client's positions and the Client can suffer substantial losses. Equity securities and derivatives can vary based on a company's performance and movements in the broader markets. Economic factors, market sentiment, political and other factors can influence the value of equities. Interest rates, and changes in interest rates, can impact the value of interest rate sensitive investments including fixed income securities.
- Manager risk -- Manager risk encompasses the possibility of loss due to manager fraud, intentional or inadvertent deviation from a predefined investment strategy or simply poor judgment.
- General economic conditions -- General economic conditions can affect the level and volatility of interest rates and the extent and timing of investor participation in the markets for equities, interest sensitive securities, commodities and other investments. Unexpected volatility or illiquidity in the markets can result in losses.
- Market disruptions and governmental intervention -- Government intervention in the case of market disruption can suddenly and substantially impact market participants' ability to implement certain strategies or manage the risk of portfolio positions. These interventions can be unclear in scope and application resulting in confusion and uncertainty that can detrimentally impact investment strategies in unpredictable ways.
- Non-US securities -- Non-U.S. investments, and in particular those in emerging markets, involve special risks. These risks include fluctuations in currency exchange rates, foreign government intervention or expropriation, failure of markets to function properly, political or economic instability, and differences in regulatory, financial disclosure, accounting and auditing standards.
- Leverage -- Some strategies and products involve the use of leverage (borrowing), and this can exacerbate losses or magnify gains.
- Private Placements -- These investments (e.g., private equity) are exempt from registration under federal securities laws, may have limited or no transparency as to the underlying investments, and are generally available only to "accredited" or "qualified investors," who are assumed to be sophisticated purchasers who have little or no need for liquidity from such investments, and are able to withstand the loss of some or all of their investment. Limitations on withdrawal rights and non-tradability of interests create higher liquidity risk, and such securities should be viewed as long-term investments. Clients using these products and strategies must be able to tolerate this illiquidity by reserving sufficient resources to meet all obligations. Partnership and fee expenses may be a higher percentage of net assets than traditional investment strategies and may include performance or incentive fees. The duration of private fund investments with longer-term

securities are more sensitive to interest rates and include the possibility of more volatility than other investments. This is not an exclusive list of potential or actual risks in any particular private placement and additional important information is found in the specific security's offering materials. Clients must execute separate subscription documents to invest in private placements.

Other Considerations Regarding Analysis, Strategies and Risk of Loss

We use our best judgment and good faith efforts in making suitable investment recommendations to our Clients. It is the responsibility of the Client to give us complete and accurate information and to notify us of any changes in their financial circumstances, goals or risk tolerance.

Clarius may not conduct due diligence, or may conduct only limited due diligence, on securities included in Client portfolios that Clarius has not recommended. Such non-recommended securities may pose an investment risk to the Client. Non-recommended investments can include, for example, concentrated stock holdings the Client does not wish to liquidate, Client-directed investments, investments made under the recommendation of a prior advisor and prior illiquid investments (e.g., partnerships, LLCs) that have not fully liquidated.

Clarius typically invests for the long-term and does not engage in high frequency trading. Third party investment managers selected by Clarius may, however, employ such strategies, directly or through sub-managers, and such frequent trading may result in increased brokerage and other transaction costs for that portion of the account.

Clarius generally relies on the valuations provided by managers in calculating the performance of Client accounts, although reviews such valuations for reasonableness. There is no assurance that such valuations will be correct or that such information will be received in a timely manner.

Investing in securities involves risk of loss that Clients should be prepared to bear. Each managed investment product has its own unique set of risks, which are discussed in the prospectus or offering documents. Clients should also refer to the disclosure document of the third party investment managers for a full description of the services offered and the risks.

ITEM 9: DISCIPLINARY INFORMATION

Neither Clarius nor any of its management personnel has any disciplinary or legal events to disclose.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

We have no other financial industry activities or affiliations. In recommending other advisors for our Clients, we select unaffiliated firms as described in Item 4, above, and we do not receive any compensation, directly or indirectly from them.

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

- A. Code of Ethics: Clarius has established, maintains and enforces a Code of Ethics (the "Code"), which requires each employee to:

- Offer and provide professional services with integrity, objectivity, competence, fairness, confidentiality, professionalism and diligence;
- Comply with applicable federal securities laws;
- Report personal securities holdings and transactions for review;
- Protect confidential or material, nonpublic information about issuers from improper disclosure;
- Promptly report violations of the Code of Ethics to Clarius' Chief Compliance Officer; and
- Provide a written acknowledgement that he or she (1) has read the Code, (2) understands the policies and procedures outlined therein and (3) agrees to be bound by its terms.

Employees will be reminded annually of their obligations under the Code.

Employees must obtain prior written approval from the Chief Compliance Officer before acquiring any securities in an initial public offering or private placement and before serving on the boards of directors of public or private companies. We will approve these actions only if we determine that the acquisition or board service would be consistent with the interests of our Clients and consistent with applicable securities laws or regulations. Employees serving as directors must remove themselves from investment decisions which might be inconsistent with the interests of our Clients. Furthermore, Clarius does not advise with respect to any security of an entity in which a Clarius employee is an insider.

We maintain our Code of Ethics and our policies and procedures in writing and provide our Code of Ethics to Clients and prospective Clients at their request.

- B. Client Transactions in Securities where Advisor has a Material Financial Interest: We do not recommend products or strategies in which we have a material financial interest.
- C. Investing in Securities Recommended to Clients. Clarius and its related persons, such as owners, officers and employees, may simultaneously engage in the purchase or sale of certain investments that are also being traded for Clients. To achieve the desired level of diversification, Client portfolios include ETFs, mutual funds and professionally managed accounts. Our owners, officers and employees frequently invest alongside and in line with Client portfolios and are included in the aggregation process as described in *Item 12: Brokerage Practices*. We require our related persons to disclose their securities trading for both personal and family accounts to the Chief Compliance Officer, who determines that there are no undisclosed potential conflicts of interests with our Clients.

ITEM 12: BROKERAGE PRACTICES

- A. Factors Considered in Selecting or Recommending Broker-Dealers for Client Transactions: Clarius is not affiliated with any broker-dealer, but along with the discretion to specify the types and amounts of securities to be bought or sold in Client accounts, we may recommend the broker-dealers through whom securities are traded, and we seek opportunities to negotiate the commission rates at which these transactions are effected. Under the provisions of our written investment advisory agreement, our policy is to secure for its Clients the best overall execution of buy or sell orders at the most favorable net prices in securities transactions, consistent with a determination as to the business qualifications of the various broker-dealer firms with which we may do business. Among the factors we consider in selecting a broker-dealer are price, efficiency in effecting the transactions, reliability and financial stability, custody, quotation and recordkeeping services.

We typically recommend Charles Schwab & Co., Inc. ("Schwab") for custody of Client assets. Schwab Institutional's business is serving independent investment advisory firms such as Clarius. They provide Clarius and our Clients with access to institutional brokerage – trading, custody, reporting and related services – many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our Clients' accounts while others help us manage and grow our business. Schwab's support services described below are generally available on an unsolicited basis (i.e., we do not have to request them) and at no charge to us. Here is a more detailed description of Schwab's support services:

Services that Benefit Clients Directly

Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our Clients. Schwab's services described in this paragraph generally benefit each Client.

Services that May Not Directly Benefit Clients

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

- Provide access to Client account data (such as duplicate trade confirmations and account statements);
- Facilitate trade execution and allocate aggregated trade orders for multiple Client accounts;
- Provide pricing and other market data;
- Facilitate payment of our fees from our Clients' accounts; and
- Assist with back-office functions, recordkeeping and Client reporting.

We make use of all of these services in our business.

Services that Generally Benefit Only Us

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

- Educational conferences and events
- Technology, compliance, legal, and business consulting;
- Publications and conferences on practice management and business succession; and
- Access to employee benefits providers, human capital consultants and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay

all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

We do not use consulting services provided by Schwab but may take part in educational conferences and events, and use publications provided on practice management. We will review the availability of benefit providers and other services offered as we continue to operate and may make use of other opportunities in the future.

The availability of the services described above from Schwab benefits us because we do not have to produce or purchase them. They are not contingent upon Clarius committing any specific amount of business to Schwab in trading commissions or assets in custody.

- Brokerage for Client Referrals: We do not select or recommend broker-dealers based on whether we receive Client referrals from such broker-dealer.
- Directed Brokerage: Because we recommend a specific custodian and then execute your investment transactions through that custodian on a discretionary basis, we are effectively requiring that you "direct" your brokerage to Schwab, absent other specific instructions as discussed below. Because we are not choosing brokers on a trade-by-trade basis, we may not be able to achieve the most favorable executions for Clients and this may ultimately cost Clients more money.

We do permit Clients to direct us to use brokers other than the custodian. In such situations, Clarius will likely have little or no ability to negotiate commissions and you will not benefit from any trade aggregation we would otherwise implement, which may result in greater costs to you.

- B. Order Aggregation: While each Client is advised independently and transactions are executed in accordance with such advice, we may aggregate orders to reduce execution costs. We do not always aggregate orders when we have the opportunity to do so. Not aggregating orders may result in higher execution costs than if we consistently aggregated.

If we aggregate orders, we allocate the securities among Client accounts so as not to systematically favor any Client account over another. We determine which accounts will participate in an aggregated order on a case-by-case basis in the best interests of the Client. We consider such factors as account size, suitability, taxes, diversification and/or cash availability. Participating accounts share the benefit, if any, of aggregation pro rata. If aggregated orders are not completely filled on the day on which they are placed, we complete the allocation on the next business day when the order is filled at the average price for trades on both days. Each participating Client will receive the average share price on the transaction day and costs will be allocated pro rata.

ITEM 13: REVIEW OF ACCOUNTS

Clarius's team manages each Client relationship. Our Client management teams consist of a relationship manager, referred to as an "RM," and an operations associate. Sometimes a member of the investment team is also assigned to a particular Client. Each RM supervises and works closely with other members of the team.

RMs and their teams meet at least quarterly to review Client accounts. A number of factors may trigger an account review, such as changes in the Client's circumstances or objectives, a need to rebalance the account to reflect the asset allocation, or changes in the investment or tax environment that may impact the account's performance.

The RM is primarily responsible for financial planning and works closely with the planning team to review input and recommendations.

We make quarterly reports available to our Clients, which reflect current holdings and investment performance net of fees. These reports are a supplement to, not a replacement for, the statements provided by the account custodian. We urge Clients to carefully compare statements we provide with those provided by the custodian and to notify us promptly of any discrepancies.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Clarius is not compensated by any non-Client in connection with providing advice to Clients. We do not directly or indirectly compensate any individual or entity for Client referrals.

ITEM 15: CUSTODY

Our Clients receive account statements at least quarterly directly from the qualified custodian of the Client's assets. We encourage Clients to carefully review and compare the information in the custodian's statements with the information in our quarterly statements for consistency.

We offer a bill-paying service to Clients. When we provide this service, we are subject to an annual surprise audit by an independent public accountant in accordance with SEC regulations.

ITEM 16: INVESTMENT DISCRETION

Our Clients enter into a written investment advisory agreement that sets forth the scope of our discretionary authority. Unless otherwise directed by the Client and except with respect to private placements which must be authorized by the Client, we have the authority to invest Client assets, including the investment and reinvestment of interest, dividends and capital gains, and to exercise authority granted under a limited power of attorney included in their custodial account agreement. We require written authorization (e.g., a subscription agreement) in order to invest Client funds in any private placement.

We have the power under this limited power of attorney to direct the transfer of funds for investment purposes or to the Client personally and in this regard, may send checks, wire funds, and otherwise transfer funds held in the Client's accounts (1) to other accounts of identical registration, (2) to the Client at his/her address of record, or (3) as otherwise directed by the Client in writing.

ITEM 17: VOTING CLIENT SECURITIES

Clarius generally does not vote Client securities (proxies) on behalf of its Clients, but may choose to do so at Client request. If applicable, our authority to vote proxies will be identified in the individual Client's advisory agreement. Our policy is to vote proxies solely in the best interests of our Clients, to retain records of how we voted and why, and to provide information to Clients who wish to know how we voted a particular proxy. A copy of our proxy voting policies is available by emailing the firm. While we do not believe conflicts of interest will arise with respect to proxies, if a material conflict of interest does present itself, we will notify the affected Clients or refrain from voting the shares affected by the conflict of interest.

For the majority of Clients who will vote their own proxies, they will receive proxy information through the account custodian. We routinely consult with Clients who want to discuss particular solicitations; Clients are free to call or email to seek additional information.

ITEM 18: FINANCIAL INFORMATION

Clarius is unaware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitment to our Clients.