



HC CAPITAL PARTNERS, LLC

FORM ADV PART 2A

FIRM BROCHURE

300 BARR HARBOR DRIVE, FIFTH FLOOR

WEST CONSHOHOCKEN, PA 19428

March 30, 2020

This brochure provides information about the qualifications and business practices of HC Capital Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 1-800-242-9596 or [compliancegroup@hirtlecallaghan.com](mailto:compliancegroup@hirtlecallaghan.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Please note that registration with the SEC does not imply a certain level of skill or training.

Additional information about HC Capital Partners, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## MATERIAL CHANGES

HC Capital Partners, LLC (“HC Capital”) continues to conduct its business activities and provide investment management services in substantially the same manner as described in HC Capital’s last brochure dated March 29, 2019. HC Capital’s business activities and investment management services have not materially changed since that time. This brochure reflects minor word level changes and asset updates that do not create a material change from brochures used by HC Capital in prior years.

HC Capital remains a wholly-owned subsidiary of Hirtle, Callaghan & Co., LLC (“Hirtle Callaghan”).

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## ADVISORY BUSINESS

HC Capital, a Delaware limited liability company, was formed in March 2009 and is a wholly-owned subsidiary of Hirtle Callaghan. HC Capital serves as the investment manager to various private investment pools generally made available to certain qualified Hirtle Callaghan clients (individually a “Private Fund” and collectively the “Private Funds”), under an investment management agreement (the “Management Agreement”) with each Private Fund.

In accordance with the Management Agreement with each Private Fund, HC Capital has the power to invest and reinvest each Private Fund’s assets, subject to any restrictions identified in each Private Fund’s offering documents, and as approved by the Hirtle Callaghan investment and risk committees. Each Private Fund is predominantly a “fund of funds” that primarily invests in pooled investment vehicles (“Underlying Private Funds”). However, each Private Fund’s investment program may also include specialist managers that control segregated accounts and direct investments by the Private Fund.

As of December 31, 2019, HC Capital managed approximately \$2,541,476,288 on a discretionary basis. Jonathan Hirtle is the principal member of Hirtle Callaghan Holdings, Inc., which is the principal member of Hirtle Callaghan, which is the sole member of HC Capital.

## FEES AND COMPENSATION

HC Capital does not receive an advisory fee for services provided to any Private Fund. Investors in a Private Fund who are no longer clients of Hirtle Callaghan at the end of any calendar quarter, however, may be required to remain invested in such Private Fund until such investment may be disposed of or liquidated and pay directly to Hirtle Callaghan (or to a related person), a maximum quarterly management fee for such quarter in arrears equal to one fourth of one percent (0.25%) of such investor's total capital commitment or the value of the investor’s interest, depending on the Private Fund, payable after the end of the applicable calendar quarter.

While HC Capital does not receive an advisory fee, investors in each Private Fund will bear certain fees and expenses of each Private Fund, including, but not limited to, custody, audit, and legal expenses, and the fees and expenses of the Underlying Private Funds, including, but not limited to, brokerage and other transaction costs. HC Capital’s brokerage practices are discussed more fully later in this brochure in the item entitled “Brokerage Practices.”

## PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Private Funds do not charge performance-based fees. Notwithstanding, the Private Funds will indirectly bear expenses associated with performance fee compensation arrangements in connection with investments in the Underlying Private Funds, but these arrangements do not result in the receipt by HC Capital, a related person, or any of their employees of performance or incentive compensation. In addition, as each of the Private Funds has the same fee structure, there is no incentive for HC Capital, a related person, or any of their employees to favor one of the Private Funds over another (or any other investment).

## TYPES OF CLIENTS

As stated above, the clients of HC Capital are the Private Funds.

## METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

HC Capital shall cause the Private Funds to be invested in accordance with the objectives and guidelines set forth in each Private Fund's offering documents. Private Fund investments, including the Underlying Private Funds, can involve certain risks that the Private Funds should be prepared to bear. These risks include the fact that it may be difficult to correctly value the investments in the Underlying Private Funds and that investments in the Underlying Private Funds may be illiquid. Each Private Fund also bears the risks set forth in the Private Fund's confidential private placement memorandum. Because the Private Funds are generally designed to invest in other pooled vehicles, the Private Funds may bear higher expenses due to the layered nature of the investment.

## DISCIPLINARY INFORMATION

HC Capital has not been involved in any legal or disciplinary events that would be material to a client's evaluation of HC Capital.

## OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The professional relationship between HC Capital and Hirtle Callaghan is material to HC Capital's business. HC Capital, as the investment manager to the Private Funds, may potentially invest in the same Underlying Private Funds which Hirtle Callaghan, as the investment manager and/or general partner to various private investment pools, may also invest. The investment and risk committees of Hirtle Callaghan approve all such investments of HC Capital and Hirtle Callaghan. HC Capital strives, however, to maintain objectivity and independence in the selection and oversight of the Underlying Private Funds and does not participate in any relationship pursuant to which it receives referral or similar fees from any financial services, advisory, or brokerage firm, including any Underlying Private Fund.

Moreover, both HC Capital and Hirtle Callaghan are registered with the Commodity Futures Trading Commission (the "CFTC") and are members of the National Futures Association. Furthermore, in conjunction with their CFTC registration, various management persons of HC Capital and Hirtle Callaghan are registered as "associated persons" as defined in the Commodity Exchange Act and the CFTC rules promulgated thereunder.

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

HC Capital is committed to maintaining the highest standards of ethical dealing and integrity with each of the Private Funds. In furtherance of this objective, and in accordance with Rule 204A-1, under the Investment Advisers Act of 1940, HC Capital has adopted a code of ethics ("Integrity Policy") that prescribes standards of conduct to which each of its directors and officers must

adhere and also requires periodic reporting of personal securities transactions and securities accounts.

The reporting and review procedures prescribed by the Integrity Policy, as it may be amended from time to time, are also designed to comply with the requirements imposed on HC Capital under various other provisions of the federal securities laws, and have been formulated in light of the specialized nature of the investment management services that HC Capital provides to the Private Funds. HC Capital will provide a copy of the Integrity Policy to any client or prospective client, upon request.

As described above, HC Capital, its related persons, and their officers, employees, and directors may also be investors in the Private Funds. To the extent that HC Capital, its related persons, or any of their officers, employees, or directors is an investor in any Private Fund, each shares in any gains or losses equally with all other investors.

Moreover, as also described above, HC Capital, as the investment manager to the Private Funds, may potentially invest in the same Underlying Private Funds which Hirtle Callaghan, as the investment manager and/or general partner to various private investment pools, may also invest. The investment and risk committees of Hirtle Callaghan approves all such investments of HC Capital and Hirtle Callaghan. HC Capital strives to maintain objectivity and independence in the selection and oversight of the Underlying Private Funds and does not participate in any relationship pursuant to which it receives referral or similar fees from any financial services, advisory or brokerage firm, including any Underlying Private Fund.

## BROKERAGE PRACTICES

As described above, HC Capital primarily invests in Underlying Private Funds. The Underlying Private Funds generally determine the amount and frequency of brokerage transactions, if any, and decide where to conduct the brokerage business. Each Private Fund's investment program may also include specialist managers that control segregated accounts and funds, each with a different management style, such that there may be a varying turnover rate and a varying commission rate among such managers and funds. With respect to any direct investments by a Private Fund, HC Capital will have sole discretion to select brokers and negotiate commission rates.

In selecting brokers and dealers through which to effect securities transactions, HC Capital seeks to direct transactions to broker-dealers who will ensure that clients receive "best execution" on the transaction. In addition, HC Capital also takes into account factors such as the size of the order, the difficulty of execution and the operational facilities of the firm involved. Transactions involving debt securities are normally effected on a net basis and do not involve payment of brokerage commissions, although the price of the security usually includes a profit to the dealer.

Further, the opportunity to aggregate the purchase or sale of securities by the Private Funds does not generally arise as each Private Fund is predominantly a fund of funds that invests primarily in different Underlying Private Funds with different strategies (or in separate accounts managed by specialist managers). Direct investments, if any, are typically made only by a single Private Fund so no aggregation is necessary.

## REVIEW OF ACCOUNTS

As described above, HC Capital serves as the investment manager to the Private Funds and as such, it supervises the Private Funds and the monitors the Underlying Private Funds on an ongoing basis.

## CLIENT REFERRALS AND OTHER COMPENSATION

HC Capital does not directly or indirectly compensate any person for client referrals.

## CUSTODY

Custody of all assets in the Private Funds is maintained by an independent custodian (“Custodian”) pursuant to a written agreement between each Private Fund and the Custodian. Each month the Custodian provides HC Capital (or a related person) a statement identifying all transactions and holdings in the Private Fund during the month. Moreover, each Private Fund undergoes an annual audit by a PCAOB registered independent audit firm and the audited financial statements are provided to each investor in the Private Fund.

## INVESTMENT DISCRETION

As described above, HC Capital serves as the investment manager to the Private Funds and pursuant to the Management Agreement with each Private Fund, HC Capital has full investment discretion to invest in accordance with each Private Fund’s offering documents.

## VOTING CLIENT SECURITIES

HC Capital has adopted written proxy voting policies, pursuant to which it exercises voting authority on behalf of the Private Funds in a manner believed to maximize the economic value of each Private Fund. Notwithstanding, HC Capital, as the investment manager to the Private Funds, primarily invests in the Underlying Private Funds which maintain the responsibility for proxy voting of the securities.

## FINANCIAL INFORMATION

HC Capital does not believe that there are any financial conditions reasonably likely to impair its ability to meet its contractual commitments to the Private Funds.