

**Brochure**

**Form ADV Part 2A**

**Item 1 - Cover Page**



**CRD# 153956**

363 South Main Street  
Suite #101  
Alpine, Utah 84004  
(385) 387-1212

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

**December 14, 2021**

This Brochure provides information about the qualifications and business practices of Clifford Capital Partners, LLC. If you have any questions about the contents of this Brochure, please contact us at (385) 387-1212 or [support@cliffordcap.com](mailto:support@cliffordcap.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state authority.

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

**Item 2 - Material Changes**

This Brochure is prepared in the revised format required beginning in 2011. Registered Investment Advisers are required to use this format to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The Brochure requirements include providing a Summary of Material Changes (the "Summary") reflecting any material changes to the adviser's policies, practices, or conflicts of interest made since its last required "annual update" filing. In the event of any material changes, such Summary will be provided to you within 120 days of our fiscal year-end. The last annual update was filed on March 26, 2021. The complete Brochure is available to you at any time upon request.

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

### **General Information**

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

We invest primarily in common stocks. Utilizing a proprietary combination of high-quality Core Value stocks and opportunistic Deep Value stocks, we create a dynamic portfolio mix with which we strive to produce long-term stock market outperformance with less risk. Our investment team is keen but patient, moving with high conviction when it perceives value. Each investment is evaluated from the bottom-up and has a clear thesis distilled into the 3-4 most crucial factors for success, helping to facilitate efficient monitoring and agility. With a culture that values an independent viewpoint, we believe our team possesses the temperament and conviction to move against the crowd and take advantage of diverse opportunities.

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

As of February 28, 2021, we managed \$93,013,036 assets on a discretionary basis, and no assets on a non-discretionary basis.

## **SERVICES PROVIDED**

### **Separately Managed Account ("SMA") Services**

CCP provides investment management services to clients through separately managed accounts ("SMAs"). An SMA is a portfolio of individual securities managed on your behalf. This can provide a level of ownership, control and transparency not available in mutual funds, exchange traded funds or other pooled investment vehicles.

### **SMA Services for Direct Clients**

We provide portfolio management services to individuals and entities that come to us directly for portfolio management services ("Direct Clients"). We manage and monitor their investment portfolios and periodically contact them to discuss their investments and financial situation.

We do not offer asset allocation or financial planning services. A Principal of CCP is available to meet with you to discuss and describe our management style. Specifically, we focus on value investing and primarily seek to invest in stocks that have demonstrated an attractive return on capital with a history of generating free cash flow and stable dividends. Once we both agree that this investment style is suitable or remains suitable for your financial situation, you will determine the proportion of your assets to be managed in this manner.

To implement your investment portfolio, we will manage your portfolio on a discretionary basis. As a discretionary investment adviser, we will have the authority to supervise and direct the portfolio without prior consultation with you.

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

**Retirement Plan Rollovers:** We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. We have to act in your best interest and not put our interest ahead of yours. If we recommend that you roll over your retirement plan assets into an account to be managed by us, such a recommendation creates a conflict of interest if we will earn a new (or increase our current) advisory fee because of the rollover. Investing in an IRA with us will typically be more expensive than an employer-sponsored retirement plan. You are under no obligation to roll over plan assets to an IRA managed by us or to engage us to monitor and/or manage the account while maintained at your employer.

#### *SMA Services Through Sub-Advisory Arrangements*

Other registered investment advisers and investment professionals (the “Primary Advisers”) may recommend or hire us to manage your assets. In these arrangements, we will implement and manage an investment strategy in your account; however, we do not serve as your Primary Adviser. The Primary Adviser will retain direct contact with you and will manage the client relationship. We may contract directly with the Primary Adviser to provide investment advisory services, or alternatively, depending on the contractual arrangement you have with the Primary Adviser, we may enter into an advisory contract directly with you.

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

#### *SMA Services Through Third-Party Wrap Fee Programs*

CCP serves as a discretionary manager in a Wrap Fee Program in which the Wrap Program Sponsors (e.g., broker-dealers, investment advisers) can hire us to manage your assets. Clients have a contract with the Sponsor, and we enter into an agreement with the Sponsor to provide discretionary investment advisory services to the Sponsor’s Clients. Clients of the Sponsor generally receive a package of services for one all-inclusive “wrap fee.” Such services include the following: discretionary investment management, trade execution, account custody, and performance monitoring. The Sponsor will: (1) assist clients in defining their investment objectives based on information provided by the clients; (2) determine whether the given wrap fee arrangement is suitable for each client; (3) aid in the selection and monitoring of investment advisers (whether CCP or another adviser) to

manage accounts (or a portion of account assets); and (4) periodically contact clients to ascertain whether there have been any changes in clients' financial circumstances or objectives that warrant changes in the arrangement or the manner in which clients' assets are managed. Client information is generally channeled to CCP through the program Sponsor, and CCP relies on the Sponsor to forward current and accurate client information on a timely basis to assist in the day-to-day management of wrap accounts. Upon request, we will work with you and might be able to accommodate your specific restrictions for your account. You may contact CCP directly concerning your account.

In these programs, CCP is paid by the Sponsor and receives a portion of the wrap fee collected by the Sponsor. Wrap fee arrangements are not suitable for all clients. When evaluating wrap fee arrangements, you should consider a number of factors including, but not limited to: the applicable wrap fee; account size; anticipated account trading activity; your financial needs; circumstances and objectives; and the value of the various services provided. In some instances, these services may be obtained at a lower aggregate cost if purchased separately.

Although CCP is typically responsible for directing trades to brokers or dealers that it believes are capable of providing best execution, trades for asset-based wrap fee accounts are generally executed by the Sponsor so that clients are not charged commissions on the trades, as would be the case if CCP were to direct trades to other broker-dealers for execution. Even if another broker-dealer quotes a more favorable price than that quoted by the Sponsor in a given trade, the aforementioned lower price, along with the added commission may, on balance, be less favorable to clients than the Sponsor's higher quoted price. Broker-dealer Sponsors providing execution services under a wrap fee are responsible for providing best price and execution for client trades. Also, for asset-based wrap fees which cover trades executed by a broker-dealer Sponsor, clients are charged both commissions on trades executed by other broker-dealers, as well as "mark-ups" and "mark-downs" on trades affected by the Sponsor or another dealer as principal, as well as: odd-lot differentials; transfer taxes; handling charges; exchange fees; offering concessions; underlying expenses of mutual funds and ETFs, and other charges imposed by law with regard to transactions in client accounts. Because Sponsors receive no commissions from trades affected on an agency basis, Sponsors have an incentive to affect trades as principal in order to obtain "mark-ups" and "mark-downs."

### **CCP Mutual Funds**

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

### **Model Portfolio Programs**

We offer model portfolios for a fee to Model Delivery and Unified Management Account (UMA) Program sponsors.<sup>1</sup> Program sponsors use our model portfolios to assist with determining the sponsors' investment recommendations and managing their clients' accounts. Program clients are

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<sup>1</sup> A Model Delivery Program account holds the securities associated with a single investment manager in a unique custodial account at the Sponsor Firm. A UMA typically holds multiple investment strategies in the same custodial account, as well as other investment products such as mutual funds, individual stocks, and/or bonds.

clients of the Program sponsor, not CCP. Each program sponsor provides individualized investment advice and portfolio management services to its clients, and may or may not decide to implement all of our recommendations as to the securities to be held within an account.

When engaged by a program sponsor, we construct a model portfolio in accordance with the CCP investment strategy selected by the sponsor. Our recommendations to the Programs may differ from recommendations made to other client accounts. We provide the program sponsor with our recommendations as to the securities to be purchased, sold and held from time to time, as well as the percentage of the model portfolio that would be invested in each security. In general, material changes in a model portfolio will not be communicated to model program sponsors until completion of aggregated trading for CCP's discretionary clients. As a result, the program sponsor sometimes will not achieve the same execution quality, price or timing. Depending on the particular circumstances surrounding an order, our discretionary clients will sometimes receive prices that are more favorable than those received by a client of a program sponsor although, in some cases, our discretionary client's trades could experience less favorable executions. Please refer to **Item 12** for more information regarding the communication and delivery of a model to program sponsors.

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

#### General Fee Information

Generally, fees paid to us are exclusive of all custodial and transaction costs paid to your custodian, brokers or other third-party consultants. Alternatively, clients who invest through a wrap fee program will pay one fee that includes the brokerage expenses (i.e., commissions, ticket charges, etc.) of the account as well as the management fees. Please see the **Item 4** and **Item 12** for additional information.

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

We use our portfolio reporting system to generate the account values upon which our asset-based fees are calculated. The method of accounting is slightly different between the custodian's and our portfolio reporting systems. Therefore, at times there may be small differences between the values reported by CCP and the custodian due to the timing of dividend and accrued interest reporting, trades that have not yet settled into the account, and other similar issues. Clients are encouraged to let us know if they have questions regarding the calculation of their advisory fees.

Management fees and minimums are negotiable. To the extent they are, some clients may pay more or less than other clients for the same management services, depending, for example, on account inception date, number of related investment accounts or total assets under management. CCP will also, in its sole discretion, charge lower management fees or waive account minimums based on certain criteria (e.g., historical relationship, related accounts, account composition, anticipated future earning capacity, anticipated future additional assets, accounts referred to us by another professional, etc.).

### *Termination*

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

## **Fees for Separately Managed Account (“SMA”) Services**

### *SMA Fees for Direct Clients*

Our annual fee schedule for directly managed accounts, based on a percentage of assets under management, is 1.00%. The minimum portfolio value for Direct Clients is \$1,000,000. We may, at our discretion, make exceptions to the foregoing or negotiate special fee arrangements where we deem it appropriate under the circumstances.

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

If management begins after the start of a quarter, fees will be prorated accordingly. With your authorization and unless other arrangements are made, fees are normally debited directly from your account(s). Custodial and transaction costs are separate and additional to our fees.

### *SMA Sub-Advisory Services Fees*

There are typically three components that comprise the Sub-Advisory Client’s fee/pricing structure: the Primary Adviser’s management fee, our management fee, and the broker-dealer’s fee for brokerage and custody services.

Fees for sub-advisory services are individually negotiated with each Primary Adviser that retains or recommends us to manage its clients’ accounts and are based on a percentage of assets under management. We may charge lower fees for accounts where the Primary Adviser provides its clients with services that complement or supplement our services.

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

The minimum portfolio for sub-advised accounts is \$1,000,000. At our discretion, minimum amounts to open accounts may be lowered.

### *SMA Sub-Advisory Wrap Program Fees*

Under a Wrap Fee Program arrangement, clients will pay a single or “wrap” fee directly to the program sponsor. The wrap program fee includes the Sponsor’s fee, CCP’s fee, and the broker-dealer’s fees for executing transactions (with certain exceptions), clearing and custody. For more information, including fees, regarding the wrap fee programs offered by any of the program sponsors for which we advise, please see the specific program sponsor’s Form ADV Part 2A, Appendix 1.

We receive a portion of your wrap fee for our services as investment adviser. Fees are negotiated on a program-by-program basis and tend to vary depending on the strategy, amount of assets managed by CCP through the SMA program, and other criteria, and range up to 1.00% annually of assets under management. Fees may be charged in advance or arrears, based on each wrap programs sponsor's specific billing practices.

CCP does not collect fees from wrap program accounts. All fees are collected by the wrap program sponsor, which disperses the appropriate portion of the fees to CCP, the Sponsor, and the clearing and custody providers. Unless clients instruct otherwise, fees are debited from the client's account.

The minimum portfolio for sub-advised wrap accounts is \$1,000,000. At our discretion, minimum amounts to open accounts may be lowered.

### **CCP Mutual Fund Fees**

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

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

### **Fees for Model Portfolio Delivery Programs**

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

### **Other Activities**

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

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

We do not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis..

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

We serve individuals, trusts, estates, corporations, charitable organizations, other investment advisers, broker-dealers, other institutions and registered investment companies. The minimum portfolio size for Direct Clients and Sub-Advisory clients is \$1,000,000. Under certain circumstances



and in our sole discretion, we may negotiate such minimums. We do not impose a minimum advisory fee.

Minimum investment requirements for the Funds are set forth in the Funds' Prospectus.

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

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

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

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

The Portfolio primarily consists of the common stock of companies of any size that we believe are trading at a discount, or "margin of safety<sup>2</sup>," to CCP's estimated intrinsic value at the time of purchase and have the potential for capital appreciation with acceptable downside risks. We believe investing with a margin of safety may enhance the investment's potential upside when our investment thesis is proven correct and may dampen the potential loss when the investment thesis is disproven.

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

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

- **CORE VALUE STOCKS** – *investments in high-quality companies with durable competitive advantages, which represent 50-75% of the Portfolio*
- **DEEP VALUE STOCKS** – *opportunistic investments in out-of-favor companies with deeply discounted share prices and asymmetric reward to risk ratios. These holdings, combined with residual cash, represent the remaining 25-50% of the Portfolio*

#### **CORE VALUE STOCKS**

We define Core Value stocks as high-quality companies with sustainable competitive advantages and long-term records of strong returns on capital. These companies tend to have stable and predictable cash flows as well as steady growth in the intrinsic value of their stock. We have identified roughly 135 Core businesses (the "Core Value List") from which we select our Core Value investments. Prior to adding a security to the Core Value List, a company is subjected to our "10 Indicators of a Core Business" quantitative and qualitative review, summarized below:

1. Consistently high returns on equity over the last 10 years
2. Consistently high returns on assets over the last 10 years

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<sup>2</sup> "Margin of safety" is an important term used in value investing and is defined as the difference between a security's price and its true worth (intrinsic value). When the market price of a security is significantly below its estimated intrinsic value, it can provide room for error in investing. However, estimating a security's intrinsic value is a subjective determination that varies by investor. An investor's estimate may not be correct; therefore, margin of safety does not guarantee a profitable investment or that a security is a "safe" investment.

3. Upward-trending net income
4. Manageable debt loads
5. Necessary and valuable products or services
6. Good employee relations
7. Pricing power
8. Low capital intensity
9. History of share repurchases and a declining share count
10. History of upward-trending book value and share price

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

#### DEEP VALUE STOCKS

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

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

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

#### CASH

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

### *Investment Selection Process*

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

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

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

### *Portfolio Characteristics*

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

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

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

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

### **Deep Value Strategy**

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

### Other Investments

If you request it, we will supplement our common stock strategies with other types of securities such as fixed income, mutual funds (outside of the Funds) and exchange traded funds ("ETFs") in accordance with your needs.

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

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

The following strategies may be used in varying combinations over time for you, depending upon your individual circumstances.

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

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

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

### Risk of Loss

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

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

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

*Management Risks.* While we manage your investment portfolio based on our experience, research and proprietary methods, the value of your investment portfolio will change daily based on the performance of the underlying securities in which it is invested. Accordingly, your investment portfolio and the Funds are subject to the risk that we allocate your assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that our specific investment choices could underperform their relevant indexes.

*Strategy Risks.* Identifying undervalued securities and other assets is difficult, and there are no assurances that such a strategy will succeed. Any fair value estimates are subject to actual known and unknown risks, uncertainties, and other factors that could cause actual results to differ materially from those we have projected. Portfolios will be more concentrated than an index fund and investors should have a longer-term investment horizon. Investors should have the tolerance to be out-of-sync with the market during some short-term periods for the opportunity to achieve better longer-term results. A concentrated 25-35 stock portfolio can lead to increased short-term volatility; and greater possibility of all or some principal loss, therefore, this product may not be appropriate for investors who prefer to mirror an index, prefer broader diversification, or who seek consistent income. Investing in the securities of small-cap and mid-cap companies generally involves substantially greater risk than investing in larger, more established companies. Deep value or out of favor stocks may also increase the potential loss of principal as well as result in greater portfolio volatility as compared to more traditional investment approaches.

*Small and Mid-Cap Company Risk.* Investments in small-capitalization companies and mid-capitalization companies may involve additional risks, which may be relatively higher with smaller companies. These additional risks may result from limited product lines, earlier stages of development and lack of well-established businesses, more limited access to markets and financial resources, greater vulnerability to competition and market risks and fluctuations, lack of management depth, increased volatility in share price, and possible difficulties in valuing or selling these investments. Relative to the stocks of large capitalization companies, the stocks of small- and mid-capitalization companies may be thinly traded and sales may result in higher transaction costs. Also, small- and mid-capitalization companies may perform poorly during times of economic stress.

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

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

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

outperform large-cap stocks for a period of time, but they are generally more volatility. Similarly, growth stocks can outperform value stock for long periods of time, or vice versa.

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

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

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

*Foreign Securities Risks.* We will invest portions of client assets into foreign stocks, ADR’s and pooled investment funds that invest internationally. While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security’s underlying foreign currency.

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

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

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client’s evaluation of us or the integrity of our management. We have no disciplinary events to report.

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

### CCP Mutual Funds

As noted previously, we are the investment adviser to the Clifford Capital Partners Fund and the Clifford Capital Focused Small Cap Value Fund. From time to time, we may recommend the purchase of one or both funds to advisory clients for whom the respective fund's strategy is suitable. Where clients' funds are invested in a CCP mutual fund, we will not charge a portfolio management fee based on those assets. Rather, we will earn a fee on those assets through our position as investment adviser to the Funds. When the annual fee of assets under management assessed by the Funds is higher than fees earned by us for managing a client's account, we have an interest in maximizing the client's investments in the Funds.

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

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

### WCM Investment Management

WCM Investment Management, LLC ("WCM") maintains a passive 24.99% investment in CCP. The operations of WCM and CCP are separate and independent. CCP maintains an open line of credit ("LOC") with WCM, which is used as an alternative source of growth capital for CCP's business. The balance on this line of credit can change periodically. Should CCP be unable to meet its obligations under the terms of the LOC, WCM has the right to assume up to 24.99% additional ownership of CCP from a principal owner of the firm. The existence of this lending relationship may present a conflict of interest, in that WCM may be incentivized to recommend CCP's services and vice versa. This is addressed by carefully reviewing our ongoing relationship and interaction with WCM and maintaining an arms-length distance where necessary.

### Other Industry Activities

Some of our Investment Adviser Representatives ("IARs") are licensed as agents with a broker-dealer. In such capacity, the IARs will discuss and offer the Funds to institutional clients and investment consultants. For further information, see the ***Fees and Compensation*** and ***Code of Ethics*** sections.

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

### Code of Ethics and Personal Trading

We have adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. Our Code has several goals. First, the Code is designed to assist us in complying with applicable laws and regulations governing our investment advisory business. Under the Investment Advisers Act of 1940, we owe fiduciary duties to our clients. Pursuant to these fiduciary duties, the Code requires persons associated with us (managers, officers and employees) to act with honesty, good faith and

fair dealing in working with our clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

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

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

#### Participation or Interest in Client Transactions

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

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

As described in ***Other Financial Industry Activities and Affiliations*** above, when appropriate, we may recommend that you invest in a mutual fund for which we serve as an investment adviser. If a CCP mutual fund is held in your account, its value is not included in the account value when computing our management fee.

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

Certain CCP Principals and employees have earned the Chartered Financial Analyst® ("CFA") designation. All CFA charter holders must abide by the CFA Institute's "Code of Ethics and Standards of Professional Conduct." In addition, we have voluntarily adopted the CFA Institute's "Asset Manager Code of Professional Conduct" which applies to us on a global basis.



## ***Item 12 - Brokerage Practices***

### **Best Execution and Benefits of Brokerage Selection**

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

We recommend that Direct Clients establish brokerage accounts with Charles Schwab & Co., Inc. (“Schwab”), a FINRA registered broker-dealer, member SIPC, as the qualified custodian to maintain custody of their assets. Although we may recommend that you establish accounts at Schwab, it is ultimately your decision to custody assets with Schwab. We are independently owned and operated and are not affiliated with Schwab.

If your account is maintained at Schwab, it generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. Certain trades may not incur Schwab commissions or transaction fees. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab’s Cash Features Program. In addition to commissions, Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. These fees are in addition to the commissions or other compensation you pay the executing broker/dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades.

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

Schwab’s products and services that assist us in managing and administering clients’ accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment of our fees from our clients’ accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Advisor Services also offers other services intended to help us manage and further develop its business enterprise. These services may include: (i) technology, compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and

(iii) access to employee benefits providers, human capital consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to us. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us. Schwab Advisor Services may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a potential conflict of interest.

#### Directed Brokerage

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

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

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

#### Aggregated Trade Policy

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

We will only aggregate transactions when we believe that aggregation is consistent with our duty to seek best execution (which includes the duty to seek best price) for our clients, and is consistent with the terms of CCP's Investment Advisory Agreement with each client for which trades are being aggregated. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all CCP's transactions in a given security on a given business day at the same broker-dealer. Transaction costs for participating accounts will be assessed at the custodian's commission rate applicable to each account; therefore,

transaction costs may vary among accounts. Accounts may be excluded from a block due to tax considerations, client direction or other factors making the account's participation ineligible or impractical.

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

#### Trade Rotation Schedule

To avoid competition in the markets among orders for our clients, we execute orders on a rotational basis. We use a two-bucket trade rotation system for executing orders.

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

Bucket B consists of all other accounts, including: (1) those for which the client has provided explicit directed-brokerage instructions to us; (2) accounts participating in Model Portfolio Programs; (3) accounts with non-standard trade or settlement systems/processes (or systems/processes that are otherwise incompatible with our trade systems/processes); and (4) accounts with specialized requirements (e.g., certain transactions must be preapproved for tax or other reasons).

For each investment decision that leads to transactions in client accounts ("Trade Program"), accounts in Bucket A will typically trade first, so that Non-Directed Brokerage Clients and Discretionary Clients are not disadvantaged as a result of the specialized requirements of the other clients.

Accounts in Bucket A are placed into one of two groups – Non-Directed Brokerage Clients, and Discretionary Clients. The two groups in Bucket A will trade on a straight rotational basis (i.e., the group at the end of the last Trade Program moves to the beginning of the next Trade Program). Blocks

of accounts within each group (e.g. different custodians within Discretionary Accounts) will also be traded on a straight rotational basis, as needed. This procedure is designed to ensure that no one client, or group of clients, within this Bucket has an unfair advantage over another client, or group of clients, within this Bucket.

Accounts in Bucket B are placed into one of two groups – Model Portfolio Programs, and remaining Bucket B accounts. Upon completion of trading for accounts in Bucket A, the two groups in Bucket B are traded on a straight rotational basis. Blocks of accounts within each group are also traded on a straight rotational basis, as needed. When changes are made to a Model Portfolio, we will communicate the changes to the Model Portfolio Program Sponsor in accordance with the rotation methodology described above. Model changes are considered placed upon communication to the Program Sponsor. The rotation does not pause for confirmation of delivery or completion of the model change action by the Sponsor. For Sponsors unable to implement Model Portfolio changes when it is their turn in the rotation (e.g. the Sponsor’s “trading window” has closed for the day), we will communicate our Model Portfolio changes the following trading day morning. The Sponsor or an overlay manager is responsible for adjusting existing Model Portfolio accounts to conform to the changes. Model Portfolio accounts may experience account performance that is different from the results obtained when we exercise investment discretion due to the timing and implementation of orders by a Sponsor or overlay manager.

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

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

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

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

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

Sub-advised SMAs will receive reports regarding their investments from the Primary Advisor or Wrap Program Sponsor, as described in the Primary Advisor or Sponsor's own disclosure documents.

Mutual fund investors receive reports as described in the respective Prospectus and Statement of Additional Information.

The Operations team reviews the Models available on Model Portfolio Programs at least weekly and when changes are made to ensure the model parameters (security holdings and weightings) are accurate (subject to preset tolerance bands for variance).

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

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

From time to time, we enter into arrangements with third parties ("Solicitors") to identify and refer potential clients to us. Consistent with legal requirements under the Investment Advisers Act of 1940, as amended, we enter into written agreements with Solicitors under which, among other things, the Solicitor's compensation arrangement with us must be disclosed to prospective clients. We pay Solicitors a portion of the ongoing investment advisory fees we earn from clients who have been referred to us by the Solicitors. We will not charge clients referred through a Solicitor any fees or costs higher than our standard fee schedules offered to other clients.

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

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

From time to time and in accordance with our agreement with clients, we will provide additional reports. The account balances reflected on these reports (including fee statements) are based on the portfolio accounting system used by the firm and should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend and accrued interest reporting, trades that have not yet settled into the account, and other similar issues.

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

As described in ***Advisory Business***, we manage accounts on a discretionary basis. This means that after an investment plan is developed for your investment portfolio, we will execute that plan without specific consent from you for each transaction. For discretionary accounts, you will execute a Limited Power of Attorney ("LPOA") giving us the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on your behalf and have them sent to your address of record; and, the withdrawal of advisory fees directly from the account. We then direct investment of your portfolio using our discretionary authority. You may limit

the terms of the LPOA to the extent consistent with your investment advisory agreement with us and the requirements of your custodian.

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

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

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

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

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

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

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

If requests for proxies are received with respect to debt securities, we will vote on a case by case basis in a manner we believe to be in the best economic interest of our clients.

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

If a material conflict is identified, we may (i) disclose the potential conflict to you and obtain consent to vote in accordance with our recommendation; (ii) vote in accordance with your instructions; (iii) vote in accordance with the guidance of an independent consultant or outside counsel; (iv) establish an ethical wall or other informational barriers between the person(s) that are involved in the conflict and the persons making the voting decisions; or (v) vote in other ways that are consistent with our

obligation to vote in our clients' best interest. For the Funds, any proxy votes that may be subject to potential conflicts are determined by the Funds' board of directors.

Our Chief Compliance Officer is ultimately responsible for ensuring that all proxies received by us are voted in a timely manner and in a manner consistent with our determination of your best interests. A copy of our complete policy, as well as records of proxies voted, are available to you upon request.

#### *Class Action Lawsuits*

Sometimes securities held in the accounts of clients will be the subject of class action lawsuits. We have engaged Broadridge to provide a comprehensive review of clients' possible claims to a settlement throughout the class action lawsuit process. Broadridge actively seeks out any open and eligible class action lawsuits. Additionally, Broadridge files, monitors and expedites the distribution of settlement proceeds in compliance with SEC guidelines on behalf of our clients. Broadridge's filing fee is contingent upon the successful completion and distribution of the settlement proceeds from a class action lawsuit. In recognition of Broadridge's services, Broadridge receives 20% of clients' share of the settlement distribution. When we receive written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by clients, we will work to assist clients and Broadridge in the gathering of required information and submission of claims. Direct Clients of CCP are automatically included in this service but may opt-out. For sub-advised client relationships, the client's Primary Adviser will make the decision as to whether its clients will participate in this service. If a client or the client's Primary Adviser opts-out, neither CCP nor Broadridge will monitor class action filings for that client.

#### ***Item 18 - Financial Information***

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

# **Exhibit A**



**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

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

**CRD# 5791034**

**of**

**Clifford Capital Partners, LLC**

363 South Main Street  
Suite #101  
Alpine, Utah 84004

(385) 387-1212

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

**December 14, 2021**

This Brochure Supplement provides information about Ryan Batchelor, and supplements the Clifford Capital Partners, LLC ("CCP") Brochure. You should have received a copy of that Brochure. Please contact us at (385) 387-1212 if you did not receive CCP's Brochure, or if you have any questions about the contents of this Supplement.

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

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

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

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

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

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

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

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

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

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

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

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

Ryan is not engaged in any other business activities.

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

Ryan has no other income or compensation to disclose.

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

Donna Naitove, Chief Compliance Officer of CCP, is responsible for providing compliance oversight for Ryan. Donna can be reached at (385) 387-1212.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

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

**CRD# 731691**

**of**

**Clifford Capital Partners, LLC**

363 South Main Street

Suite #101

Alpine, Utah 84004

(385) 387-1212

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

**December 14, 2021**

This Brochure Supplement provides information about Wayne Pierson, and supplements the Clifford Capital Partners, LLC ("CCP") Brochure. You should have received a copy of that Brochure. Please contact us at (385) 387-1212 if you did not receive CCP's Brochure, or if you have any questions about the contents of this Supplement.

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

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

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

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

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

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

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

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

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

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

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

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

Wayne is President of Acorn Investors, LLC, a passive investment holding company, and is Chairman of the Board of Directors of M Fund, Inc.

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

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

### ***Item 6 – Supervision***

Donna Naitove, Chief Compliance Officer of CCP, is responsible for providing compliance oversight for Wayne. Donna can be reached at (385) 387-1212.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**David W. Passey, CFA**

**CRD# 6615265**

**of**

**Clifford Capital Partners, LLC**

363 South Main Street  
Suite #101  
Alpine, Utah 84004

(385) 387-1212

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

**December 14, 2021**

This Brochure Supplement provides information about David W. Passey, and supplements the Clifford Capital Partners, LLC ("CCP") Brochure. You should have received a copy of that Brochure. Please contact us at (385) 387-1212 if you did not receive CCP's Brochure, or if you have any questions about the contents of this Supplement.

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

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

David W. Passey (year of birth 1979) is Principal and Investment Analyst of CCP, where he assists the portfolio manager in the areas of portfolio review, new investment idea generation and valuation model creation. Prior to his current position at CCP he assisted the firm's start-up operations as an intern in 2010.

In addition to his experience at CCP, he also worked as an International Project Analyst intern for Itaú-Unibanco in Sao Paulo, Brazil. Prior to that he volunteered for two years in Brazil with an international non-governmental organization working with people in remote rural areas in Central Brazil.

He graduated summa cum laude from Utah State University in 2010 with a B.S. in Finance and Economics and minors in International Business and International Studies. He holds the Chartered Financial Analyst® designation\*.

\* The Chartered Financial Analyst® ("CFA®") designation is a professional designation given by the CFA Institute that measures the competence and integrity of financial analysts. The CFA Program is a graduate-

level self-study program that combines a broad-based curriculum of investment principles with professional conduct requirements. Candidates are required to pass three levels of examinations covering areas such as accounting, economics, ethics, money management and security analysis. Before a candidate is eligible to become a CFA charterholder, he/she must meet minimum experience requirements in the area of investment/financial practice. To enroll in the program, a candidate must hold a bachelor's degree.

***Item 3 - Disciplinary Information***

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

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

David is not engaged in any other business activities.

***Item 5 - Additional Compensation***

David has no other income or compensation to disclose.

***Item 6 - Supervision***

Donna Naitove, Chief Compliance Officer of CCP, is responsible for providing compliance oversight for David. Donna can be reached at (385) 387-1212.

**Brochure Supplement**

**Form ADV Part 2B**

**Item 1 - Cover Page**

**Allan C. Nichols, CFA**

**CRD# 1347706**

**of**

**Clifford Capital Partners, LLC**

363 South Main Street  
Suite #101  
Alpine, Utah 84004

(385) 387-1212

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

**December 14, 2021**

This Brochure Supplement provides information about Allan C. Nichols, and supplements the Clifford Capital Partners, LLC ("CCP") Brochure. You should have received a copy of that Brochure. Please contact us at (385) 387-1212 if you did not receive CCP's Brochure, or if you have any questions about the contents of this Supplement.

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

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

Allan C. Nichols (year of birth 1960) is a Senior Analyst/Portfolio Manager of CCP. Prior to joining CCP in 2019, he spent fifteen years at Morningstar as a Senior Equity Analyst with a focus on Europe, living in the Netherlands for three years to establish the firm's European office for equity analysts. Before joining Morningstar in 2004, he was a Senior Equity Analyst and Portfolio Manager at Kirr, Marbach & Co., working on the firm's international equity team.

In addition to his years of experience in equity portfolio management and analysis, Allan also volunteered for two years in Southeast England with an international non-governmental organization.

Allan graduated from the University of Utah with a B.S. in Finance with an emphasis in Investments and received his M.B.A. from Indiana University with an emphasis in Finance and Economics. He holds the Chartered Financial Analyst® designation\*.

\* The Chartered Financial Analyst® ("CFA®") designation is a professional designation given by the CFA Institute that measures the competence and integrity of financial analysts. The CFA Program is a graduate-

level self-study program that combines a broad-based curriculum of investment principles with professional conduct requirements. Candidates are required to pass three levels of examinations covering areas such as accounting, economics, ethics, money management and security analysis. Before a candidate is eligible to become a CFA charterholder, he/she must meet minimum experience requirements in the area of investment/financial practice. To enroll in the program, a candidate must hold a bachelor's degree.

***Item 3 - Disciplinary Information***

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

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

Allan has no other business activities that must be disclosed.

***Item 5 - Additional Compensation***

Allan has no other income or compensation that must be disclosed.

***Item 6 - Supervision***

Donna Naitove, Chief Compliance Officer of CCP, is responsible for providing compliance oversight for Allan. Donna can be reached at (385) 387-1212.