

Clockwise Capital LLC

Firm Brochure - Form ADV Part 2A

This brochure provides information about the qualifications and business practices of Clockwise Capital LLC. If you have any questions about the contents of this brochure, please contact us at (305) 200-8800 or by email at: eli@clockwisecapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Clockwise Capital LLC is also available on the SEC's website at www.adviserinfo.sec.gov. Clockwise Capital LLC's CRD number is: 175233.

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Registration does not imply a certain level of skill or training.

Version Date: 11/02/2023

Item 2: Material Changes

The material changes in this brochure from the last annual updating amendment of Clockwise Capital LLC on 03/13/2023 are described below. Material changes relate to Clockwise Capital LLC's policies, practices or conflicts of interests.

- Clockwise Capital LLC has updated their Assets Under Management (Item 4.E).
- Clockwise Capital LLC is now a subadvisor (Items 4 & 5).
- Clockwise Capital LLC now has a Soft Dollar arrangement (Item 12).

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Item 4: Advisory Business

A. Description of the Advisory Firm

Clockwise Capital LLC (hereinafter “ClockCap”), also d/b/a Clockwise Capital, is a Limited Liability Company organized in the State of Delaware. The firm became registered as an investment adviser in 2015. The principal owners are Garari Eli Mikel, & Ryan Jeffrey Guttridge.

B. Types of Advisory Services

Portfolio Management Services

ClockCap evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client. The firm bases its services on the individual goals, objectives, time horizon, and risk tolerance of each client. Depending on the needs of the client, ClockCap may create an Investment Policy Statement for the client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Personal investment policy
- Risk tolerance

ClockCap seeks to provide investment advices in accordance with the fiduciary duties owed to its accounts and without consideration of ClockCap’s economic, investment or other financial interests. ClockCap does directly invest the client’s portfolio. Clients should be aware that ClockCap offers to different investment strategies: its standard Professor Portfolios Strategy and its Clockwise Capital Strategy. The main investment difference is that the Clockwise Capital Strategy provides a more adaptive investment approach based on the market environment with the goal of providing positive market returns regardless of the market.

Clockwise Capital Innovation ETF

In January of 2022 ClockCap launched the Clockwise Capital Innovation ETF (“TIME”). This is the first opportunity for ClockCap to serve as an Investment Adviser to a Registered Investment Company. In addition, ClockCap will serve as the fund’s Subadviser. This fund is a diversified, actively managed exchange-traded fund (“ETF”) that will invest opportunistically in companies with distinct secular advantages. ClockCap balances the portfolio between next-gen companies and legacy enterprises that are adapting to the new paradigm at rates fundamentally undervalued by the market.

Selection of Other Advisers

ClockCap may direct clients to third-party investment advisers. Before selecting other advisers for clients, ClockCap will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where ClockCap is recommending the adviser to clients.

Subadviser Services

ClockCap may also act as a subadviser to advisers unaffiliated with ClockCap. These third-party advisers would outsource portfolio management services to ClockCap. This relationship will be memorialized in each contract between ClockCap and the third-party advisor. The advisers are Fiduciary Planning, LLC (CRD# 304104) and Legado Wealth Management LLC (CRD# 305263).

C. Client Tailored Services and Client Imposed Restrictions

ClockCap offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients are not permitted to impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

D. Wrap Fee Programs

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. ClockCap does not participate in any wrap fee programs.

E. Assets Under Management

ClockCap has the following assets under management:

Discretionary Amounts:	Non-Discretionary Amounts:	Date Calculated:
\$309,978,365.00	\$34,617,611.00	October 2023

Item 5: Fees and Compensation

A. Fee Schedule

Portfolio Management Fees

Clockwise Capital Strategy

Total AUM	Annual Fee
All Assets	1.20%

Clockwise Capital Strategy w/Options Income & Protection

Total AUM	Annual Fee
All Assets	1.50%

ClockCap uses the end of quarter balance of a portfolio upon which the advisory fee is based. These fees are negotiable and the final fee schedule is attached as Exhibit II of the advisory contract. Clients may terminate the agreement without penalty for a full refund of ClockCap's fees within five business days of signing the advisory contract. Thereafter, clients may terminate the advisory contract immediately upon written notice.

Performance-Based Portfolio Management Fees

Total Assets	Annual Management Fee (on all assets managed)	Annual Performance Fee (on capital appreciation)
All Assets	1.5%	20.0%

Qualified Clients will pay an annual fee of 1.5% of assets under management along with a 20% performance fee based on capital appreciation. If the portfolio rises in value, then the client will pay 20% on that increase in value, but if the portfolio drops in value, then the client will not incur a new performance fee until the portfolio reaches the last highest value, adjusted for withdrawals and deposits, which is generally known as a "high water mark."

The performance fee is also contingent upon returns for Clockwise Ventures I L.P. private fund exceeding a certain threshold; this is known as a hurdle rate. Specifically, performance fees are only assessed on returns (capital appreciation, including dividends and interest, but net of ClockCap's advisory fee) greater than 20% per year. Custodial fees, transaction fees, and certain other third-party fees are assessed to the client and are not a reduction of returns for the purposes of the hurdle rate. The hurdle is otherwise pre-tax.

In general, a “Qualified Client” is:

- (1) a natural person or company who at the time of entering into such agreement has at least \$1,100,000 under the management of the investment adviser;
- (2) a natural person or company who the adviser reasonably believes at the time of entering into the contract: (A) has a net worth of jointly with his or her spouse of more than \$2,200,000 excluding the value of the client’s primary residence; or (B) is a qualified purchaser as defined in the Investment Company Act of 1940, §2(a)(51)(A) (15 U.S.C. 80a-2(51)(A)); or
- (3) a natural person who at the time of entering into the contract is: (A) An executive officer, director, trustee, general partner, or person serving in similar capacity of the investment adviser; or (B) An employee of the investment adviser (other than an employee performing solely clerical, secretarial, or administrative functions with regard to the investment adviser), who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar function or duties for or on behalf of another company for at least 12 months.

Educational Seminars/Workshops

ClockCap provides periodic educational seminars and workshops to clients/the general public.

Clockwise Capital Innovation ETF Fees

The investment advisory rate for the ETF is currently 95 basis points.

Selection of Other Advisers Fees

ClockCap may direct clients to third-party investment advisers. ClockCap will be compensated via a fee share from the advisers to which it directs those clients. The fees shared are negotiable and will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

ClockCap may specifically direct clients to The Burney Company. The annual fee schedule is as follows:

Total Assets	CLOCKCAP's Fee	Third Party's Fee	Total Fee
All Assets	1.10%	0.10%	1.20%

Subadviser Services Fees

ClockCap may also act as a subadviser to unaffiliated third-party advisers and ClockCap would receive a share of the fees collected from the third-party adviser's client. The fees charged are negotiable and will not exceed any limit imposed by any regulatory agency. This relationship will be memorialized in each contract between ClockCap and the third-party adviser.

B. Payment of Fees

Payment of Portfolio Management Fees

Advisory fees are withdrawn directly from the client's accounts by ClockCap with client's written authorization. Fees are paid quarterly in arrears.

Payment of Performance-Based Fees

Performance-based fees are withdrawn directly from the client's accounts with client's written authorization. Fees are paid annually in advance.

Payment of Educational Seminar/Workshop Fees

Educational seminars and workshops are offered free of charge.

Payment of Selection of Other Advisers Fees

Fees for selection of The Burney Company as third-party adviser are withdrawn directly from the client's accounts by ClockCap with client's written authorization, ClockCap then pays The Burney Company. Fees are paid either monthly or quarterly in arrears.

Payment of Subadviser Fees

Subadviser fees may be withdrawn from client's accounts or clients may be invoiced for such fees, as disclosed in each contract between ClockCap and the applicable third-party adviser.

C. Client Responsibility for Third Party Fees

ClockCap collects fees in advance. Refunds for fees paid in advance will be returned within fourteen days to the client via check or return deposit back into the client's account.

Clients are responsible for the payment of all third-party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by ClockCap. Please see Item 12 of this brochure regarding broker-dealer/custodian.

D. Prepayment of Fees

For all asset based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate* times the number of days elapsed in the billing period up to and including the day of termination. (*The daily rate is calculated by dividing the annual asset-based fee by 365.)

E. Outside Compensation for the Sale of Securities to Clients

Neither ClockCap nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6: Performance-Based Fees and Side-By-Side Management

ClockCap manages accounts that are billed on performance-based fees (a share of capital gains on or capital appreciation of the assets of a client) as well as accounts that are NOT billed on performance-based fees. Managing both kinds of accounts at the same time presents a conflict of interest because ClockCap or its supervised persons have an incentive to favor accounts for which ClockCap and its supervised persons receive a performance-based fee. ClockCap addresses the conflicts by ensuring that clients are not systematically advantaged or disadvantaged due to the presence or absence of performance-based fees. ClockCap seeks best execution and upholds its fiduciary duty for all clients.

Clients that are paying a performance-based fee should be aware that investment advisers have an incentive to invest in riskier investments when paid a performance-based fee due to the higher risk/higher reward attributes.

Item 7: Types of Clients

ClockCap generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Pooled Investment Vehicles

There is \$5,000 account minimum for the Professor Portfolios Strategy, while there is a \$1,000,000 account minimum for the Clockwise Capital Strategy.

Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

ClockCap uses both asset allocation models for investment portfolios as well as an analytical approach to stock picking. As noted above, the main investment difference between its standard Professor Portfolios Strategy and its Clockwise Capital Strategy is that the Clockwise Capital Strategy provides a more adaptive investment approach based on the market environment with the goal of providing positive market returns regardless of the market.

ClockCap believes a potential investment can only be evaluated correctly by using original, primary data. To start our analysis, we manually rebuild a company's balance sheet and income statement with data from the past five years. We use the Sustainable Free Cash Flow Model (SFCF) to develop a discounted cash flow model of the company under consideration.

A company's fair market value is determined by its free cash flow. A successful investor must have an understanding of the prospective distribution of free cash flows per share (fair values). Armed with this information, ClockCap can determine where the current share price (the objective measure of value) is located on the distribution of free cash flow per share. This enables us to calculate the probabilities for gains and losses. If we can get started on all this soon, that would be great. Please let me know what questions come up.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

B. Material Risks Involved

Modern Portfolio Theory assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e., if for that level of risk an alternative portfolio exists which has better expected returns.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

C. Risks of Specific Securities Utilized

Clients should be aware that there is a material risk of loss using any investment strategy. Most investments are not guaranteed or insured by the FDIC or any other government agency.

Hedge Funds often engage in leveraging and other speculative investment practices that may increase the risk of investment loss; can be highly illiquid; are not required to provide periodic pricing or valuation information to investors; may involve complex tax structures and delays in distributing important tax information; are not subject to the same regulatory requirements as mutual funds; and often charge high fees. In addition, hedge funds may invest in risky securities and engage in risky strategies.

Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There are no criminal or civil actions to report.

B. Administrative Proceedings

There are no administrative proceedings to report.

C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

Item 10: Other Financial Industry Activities and Affiliations

A. Registration as a Broker/Dealer or Broker/Dealer Representative

Neither ClockCap nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither ClockCap nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

ClockCap is the sole owner and subadvisor to the Clockwise Capital Innovation ETF ("TIME"). This fund is a diversified, actively managed exchange-traded fund ("ETF") that will invest opportunistically in companies with distinct secular advantages. ClockCap balances the portfolio between next-gen companies and legacy enterprises that are adapting to the new paradigm at rates fundamentally undervalued by the market.

Garari Eli Mikel is general partner of Clockwise Ventures I L.P., the general partner of Clockwise Ventures I L.P., a private fund. ClockCap will recommend investments in this private fund to those clients for which investment in the fund is suitable. This presents a conflict of interest in that ClockCap or its related persons may receive more compensation from investment in the fund than from other investments. Nevertheless, ClockCap acts in the best interest of the client consistent with its fiduciary duties and clients are not required invest in the private fund if they do not wish to do so.

D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections

ClockCap may direct clients to third-party investment advisers. ClockCap will be compensated via a fee share from the advisers to which it directs those clients. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that ClockCap has an incentive to direct clients to the third-party investment advisers that provide ClockCap with a larger fee split. ClockCap will always act in the best interests of the client, including when determining which third party investment adviser to recommend to clients. ClockCap will verify that all recommended advisers are properly licensed, notice filed, or exempt in the states where ClockCap is recommending the adviser to clients.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Code of Ethics

ClockCap has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. ClockCap's Code of Ethics is available free upon request to any client or prospective client.

B. Recommendations Involving Material Financial Interests

ClockCap and its associated persons may have material financial interests in issuers of securities that ClockCap may recommend for purchase or sale by clients. For example, Garari Eli Mikel is general partner of Clockwise Ventures I L.P., the general partner of Clockwise Ventures I L.P., a private fund. ClockCap will recommend investments in this private fund to those clients for which investment in the fund is suitable. Additionally ClockCap is the sole owner of Clockwise Capital Innovation ETF, ClockCap also acts as the sole advisor to the ETF. This presents a conflict of interest in that ClockCap or its related persons may receive more compensation from investment in the fund than from other investments. Nevertheless, ClockCap acts in the best interest of the client consistent with its fiduciary duties and clients are not required invest in the private fund if they do not wish to do so.

This presents a conflict of interest in that ClockCap or its related persons may receive more compensation from investment in a security in which in which ClockCap or a related person has a material financial interest than from other investments. Client approval will be sought for client investment in such recommendations and, if granted, such approval will be binding. ClockCap always acts in the best interest of the client consistent with its fiduciary duties and clients are not required invest in such investments if they do not wish to do so.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of ClockCap may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of ClockCap to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. ClockCap will always document any transactions that could be construed as conflicts of interest and will

never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

D. Trading Securities At/Around the Same Time as Clients' Securities

From time to time, representatives of ClockCap may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of ClockCap to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, ClockCap will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.

Item 12: Brokerage Practices

A. Factors Used to Select Custodians and/or Broker/Dealers

Custodians/broker-dealers will be recommended based on ClockCap's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and ClockCap may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in ClockCap's research efforts. ClockCap will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

ClockCap will recommend clients use TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC, Interactive Brokers LLC (CRD# 36418) and Charles Schwab & Co., Inc.

1. Research and Other Soft-Dollar Benefits

ClockCap has access to research, products, or other services from its broker/dealer in connection with client securities transactions ("soft dollar benefits") consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended, and may consider these benefits in recommending brokers. There can be no assurance that any particular client will benefit from any particular soft dollar research or other benefits. ClockCap benefits by not having to produce or pay for the research, products or services, and ClockCap will have an incentive to recommend a broker dealer based on receiving research or services. Clients should be aware that ClockCap's acceptance of soft dollar benefits may result in higher commissions charged to the client.

2. Brokerage for Client Referrals

ClockCap receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

3. Clients Directing Which Broker-Dealer/Custodian to Use

ClockCap does trade clients' accounts. The ability for clients to direct that transactions be executed through a specific broker-dealer will depend on the specific adviser managing the portfolio.

B. Aggregating (Block) Trading for Multiple Client Accounts

ClockCap does trade clients' accounts and therefore does have the ability to block trade purchases across accounts.

Item 13: Review of Accounts

A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews

All client accounts for ClockCap's advisory services provided on an ongoing basis are reviewed at least quarterly by Garari Eli Mikel, Chief Compliance Officer with regard to clients' respective investment policies and risk tolerance levels. All accounts at ClockCap are assigned to this reviewer.

B. Factors That Will Trigger a Non-Periodic Review of Client Accounts

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

C. Content and Frequency of Regular Reports Provided to Clients

Each client of ClockCap's advisory services provided on an ongoing basis will receive a quarterly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)

ClockCap receives compensation from third-party advisers to which it directs clients.

ClockCap participates in the institutional advisor program (the "Program") offered by TD Ameritrade. TD Ameritrade offers to independent investment advisor services which include custody of securities, trade execution, clearance and settlement of transactions. ClockCap receives some benefits from TD Ameritrade through its participation in the Program.

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

Charles Schwab & Co., Inc. Advisor Services provides Clockwise Capital LLC with access to Charles Schwab & Co., Inc. Advisor Services' institutional trading and custody services, which are typically not available to Charles Schwab & Co., Inc. Advisor Services retail investors. These services generally are available to independent investment advisers on

an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Charles Schwab & Co., Inc. Advisor Services. Charles Schwab & Co., Inc. Advisor Services includes brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, 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. For Clockwise Capital LLC client accounts maintained in its custody, Charles Schwab & Co., Inc. Advisor Services generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Charles Schwab & Co., Inc. Advisor Services or that settle into Charles Schwab & Co., Inc. Advisor Services accounts.

Charles Schwab & Co., Inc. Advisor Services also makes available to Clockwise Capital LLC other products and services that benefit Clockwise Capital LLC but may not benefit its clients' accounts. These benefits may include national, regional or Clockwise Capital LLC specific educational events organized and/or sponsored by Charles Schwab & Co., Inc. Advisor Services. Other potential benefits may include occasional business entertainment of personnel of Clockwise Capital LLC by Charles Schwab & Co., Inc. Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Clockwise Capital LLC in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of Clockwise Capital LLC's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of Clockwise Capital LLC's accounts. Charles Schwab & Co., Inc. Advisor Services also makes available to Clockwise Capital LLC other services intended to help Clockwise Capital LLC manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, and human capital consultants, insurance and marketing. In addition, Charles Schwab & Co., Inc. Advisor Services may make available, arrange and/or pay vendors for these types of services rendered to Clockwise Capital LLC by independent third parties. Charles Schwab & Co., Inc. 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 Clockwise Capital LLC. Clockwise Capital LLC is independently owned and operated and not affiliated with Charles Schwab & Co., Inc. Advisor Services.

B. Compensation to Non – Advisory Personnel for Client Referrals

ClockCap does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

Item 15: Custody

When advisory fees are deducted directly from client accounts at client's custodian, ClockCap will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy. ClockCap may also be deemed to have custody over the funds and securities invested in pooled investment vehicles it that ClockCap manages.

Item 16: Investment Discretion

ClockCap has discretion to select subadvisers, if it so chooses, to manage the account. The Investment Advisory Contract established with each client outlines the discretionary authority for trading. Where discretion has been granted, ClockCap selects a subadviser to manage the client's account and make investment decisions without prior consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. Clients are not permitted to impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs.

Item 17: Voting Client Securities (Proxy Voting)

ClockCap will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

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The 1940 Act requires that the adviser vote proxies for securities held within an ETF managed by ClockCap in the best interest of the ETF shareholders. Proxies for securities held within an ETF managed by ClockCap will be voted on by majority rule of the investment advisory committee.

If a proxy proposal raises a material conflict of interest between the interests of ClockCap, the ETF's principal underwriter, or an affiliated person of the ETF, ClockCap or a principal underwriter and that of the ETF (a "Conflict"), ClockCap shall resolve such conflict by, among other things: (1) voting the proxy consistent with a pre-determined voting policy for various types

of proposals (“Pre-Determined Voting Policy”) if ClockCap has little or no discretion to deviate from such policy with respect to the proposal in question; or (2) disclosing the conflict to the ETF’s Board and obtaining the ETF Board’s consent to the proposed vote prior to voting on such proposal if ClockCap has discretion to deviate from its Pre-Determined Voting Policy or does not maintain a Pre-Determined Voting Policy. Under the policy, the ETF Board may vote a proxy subject to a Conflict disclosed by ClockCap based on the recommendation of an independent third party.

ClockCap agrees to furnish a copy of its proxy voting policies and procedures, and any amendments thereto, as well as all proxy voting records on behalf of the ETF to the ETF. ClockCap will comply with all such reporting requirements to ensure that the ETF is in full compliance with Form N-PX reporting requirements. The Chief Compliance Officer retains the following proxy records in accordance with the SEC’s five-year retention requirement.

Item 18: Financial Information

A. Balance Sheet

ClockCap neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients

Neither ClockCap nor its management has any financial condition that is likely to reasonably impair ClockCap’s ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

ClockCap has not been the subject of a bankruptcy petition in the last ten years.