FORM ADV PART 2 BROCHURE

3201 Enterprise Parkway
Suite 495
Beachwood, OH 44122

WWW.GRATRY.COM

COMPANY NAME:	GRATRY & COMPANY, LLC
ADDRESS:	3201 Enterprise Parkway Suite 495 Beachwood, OH 44122
TELEPHONE:	(216) 283-8423
FACSIMILE:	(216) 378-1776
WEBSITE:	www.gratry.com

This brochure provides information about the qualifications and business practices of Gratry & Company, LLC. If you have any questions about the contents of this brochure, please contact us at 216-283-8423. 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 Gratry & Company, LLC is also available on the SEC's website at www.Adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Adviser's CRD number is 104541. While Gratry & Company, LLC is a "registered" investment adviser, registration does not imply any level of skill or training.

Item 2 MATERIAL CHANGES

The information contained, in this disclosure brochure dated, March 26, 2018, relates only to material changes that have occurred since the last annual update of our ADV, Part 2 dated May 1, 2017. We define a material change as any change that an average client would consider important to know prior to making an investment decision. The following are short summaries of the material changes that have occurred since our last annual update with regard to our services or business operations.

Consistent with the SEC rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

In this Firm Brochure update we are disclosing that we have material changes in the following Items:

Item 4 – Gratry has disclosed a change in controlling management, due to the death of a controlling owner. In addition, Gratry & Company, LLC entered into a definitive agreement to be acquired by Confluence Investment Management LLC of St. Louis, MO (CRD Number 146019). Under the terms of the agreement, the investment team at Gratry will join Confluence but will remain in Beachwood, OH, where they will continue management of the various Gratry strategies. It is expected that the transaction will close in the second quarter of 2018.

Item 10 – Gratry no longer has any outside financial industry activities or affiliations which require disclosure.

To obtain our firm brochure and brochure supplements (information regarding each of our investment advisor representatives), our Code of Ethics, or our Privacy Policy, please visit our website at www.gratry.com, e-mail us at manderson@gratry.com, telephone us at 216-283-8423 or mail your request to the address below:

Gratry & Company, LLC
Attn: Mark Anderson, CCO
Main Office Address: 3201 Enterprise Parkway, Suite 495
Beachwood, OH 44122-5334

Main Phone: 216-283-8423
Fax Number: 216 378-1776
Web Site Address: www.gratry.com

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Item 4 Advisory Business

Gratry & Company, LLC (“Gratry” or “Advisor”), was founded in 1981 by Jerome Gratry, and specializes in international and global equity portfolio management. With the passing of Mr. Gratry in 2017, the firm is now independently and privately owned by Mr. Gratry’s two Trusts, The JEROME R GRATRY 1999 Trust owned 24% and The JEROME R GRATRY 2014 Trust owned 36%. The remaining three shareholders are managing directors with voting control of the Advisor and own the balance of the equity, with none with 25% or more stakes.

In 2018, Gratry & Company, LLC entered into a definitive agreement to be acquired by Confluence Investment Management LLC of St. Louis, MO (CRD Number 146019). Under the terms of the agreement, the investment team at Gratry will join Confluence but will remain in Beachwood, OH, where they will continue management of the various Gratry strategies. It is expected that the transaction will close in the second quarter of 2018.

Gratry & Company, LLC offers the following advisory services to our clients:

INDIVIDUAL ACCOUNT MANAGEMENT

Separately Managed Accounts

Gratry provides investment advisory services in the form of discretionary portfolio management to advisory clients. A client will choose (sometimes in consultation with their consultant/financial advisor) one or more Gratry investment strategies. Each Gratry investment strategy has a pre-determined investment mandate or focus (e.g. global equity, international equity, emerging market equities, etc.). Gratry will execute trades on the client’s behalf from the custodian/brokerage account (chosen by the client). Clients will pay trading commissions to the broker-dealer used for each trade. Clients may designate a broker-dealer for trades. Custody, tax reporting, client reporting and other services are provided by the client’s custodian and/or broker-dealer. Management fees paid by clients may either be billed by Gratry to clients or clients may have fees deducted directly through their respective custodian. Some clients, but not all clients, may receive quarterly reporting from Gratry as part of their account management service.

Separately Managed Accounts (wrap fee relationships)

Gratry provides investment advisory services in the form of discretionary portfolio management to separately managed account programs sponsored by various broker-dealers (the "Sponsor") known as “wrap fee programs”. Under the firm’s investment advisory services, wrap-fee program clients are provided access to one or more Gratry investment strategy(ies) as determined/approved by the sponsor. Each Gratry investment strategy has a predetermined investment mandate or focus (e.g. global equity, international equity, emerging market equities, etc.). Gratry will execute trades on the client’s behalf. Custody, trade commissions, performance monitoring, tax reporting, client reporting and other services are provided by the Sponsor for an all-inclusive (or "wrap") fee paid by the client to the Sponsor. The Sponsor will pay Gratry a portion of the fees collected from the wrap fee client. In the wrap fee programs, in which Gratry participates, the Sponsor typically:

I. Assists the client in defining the client's investment objectives based on information provided by the client and give the client the opportunity to impose reasonable restrictions on the management of the account;
II. Determines whether the given wrap fee arrangement is suitable for the client;
III. Aids in the selection of an investment advisor to manage the account (or a portion of its assets);
IV. Periodically contacts the client to ascertain whether there has been any change in the client's financial circumstances or objectives that warrant a change in the arrangement or the manner in which the client's assets are managed, whether the client wishes to impose reasonable restrictions on the management of the account or reasonably modify existing restrictions;
V. Ensures that personnel who are knowledgeable about the account are reasonably available to the client for consultation.

Currently, Gratry participates in wrap fee programs sponsored by various brokerage firms including: Robert W. Baird & Company, Inc., Envestnet, PMC, Stifel, Nicolaus & Company, Inc., Mid-Atlantic Financial Management, Inc., FDX Advisors, Inc., Lincoln Financial, Ameriprise, Diastole Wealth Management, Harbour Investments, UBS Financial Services, ONC Managed Investments, Wells Fargo Advisors, and Lockwood Advisors. Clients receive all disclosure documents, as well as any required prospectuses from their respective wrap program Sponsor.

CONSULTING – Unified Managed Accounts (UMA):
Gratry, acting as a sub-advisor, provides recommendations (a "model portfolio" for the strategy chosen) to the Unified Managed Accounts ("UMA") program Sponsor (sometimes called the "overlay" manager). The UMA Program Sponsor may or may not execute the trades recommended by Gratry. For these accounts, we do not have discretion and, consequently, do not report the performance of UMA relationships in our various investment composites. Our recommendations may or may not be implemented by the UMA Program Sponsor in all client portfolios. Gratry is not responsible for trade execution or reconciliation of these accounts.

ASSETS UNDER MANAGEMENT AND ASSETS UNDER ADVISEMENT

As of December 31, 2017:	Discretionary assets under management totaled:	$ 109,172,444
	Non-discretionary assets under management totaled:	$ 0
	UMA assets under advisement totaled:	$ 243,620,305
	Total Firm Assets (under management and advisement:	$352,792,749

Item 5 Fees and Compensation

Our fees are billed quarterly, based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter.

Additions may be in cash or securities. Gratry reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. Advisor may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Clients will be billed in advance or in arrears as separately agreed upon prior to the institution of services offered. If assets are deposited into or withdrawn from an account after the inception of a quarter, the fee payable with respect to such assets, will be prorated based on the number of days remaining in the quarter.

Fees are payable quarterly based on the following schedules:

Separately Managed Accounts Fee Schedule:

1. Up to $5,000,000 .... 1.00%
2. From $5,000,000 to $20,000,000 .... 0.85%
3. For amounts above $20,000,000 .... 0.60%

The initial fee will be billed and based on the market value of the portfolio assets as of the contract date. Advisor will receive quarterly fees in advance paid by direct debit of the custodian/plan sponsor or by direct payment by the Client. Either choice is at the discretion of the client at the time of signing the advisory agreement.

For terminated relationships the fee for the billing period is calculated by dividing the number of days which Gratry managed client assets (up to and including the termination day) by the number of actual days in the billing period.

If a client, paying fees in advance, adds or withdraws funds they will not be re-billed (or credited) for the cash flow activity.

Wrap Fee Schedule Fee Schedule

Gratry Wrap Sponsor Fee Schedule: ……….. 45 – 75 bps.

Wrap sponsors pay fees quarterly for services rendered. Fees are collected in one of two ways:

1. Wrap sponsors provide us a detailed listing of current accounts and their respective balances as of the previous quarter-end. The management fee is then calculated by multiplying the annual basis point fee by the quarter-end assets under management and dividing the total by four. Adjustments are made during the quarter for accounts which were opened and closed during the quarter by multiplying the account balance by the annual basis point fee and dividing the total by four and further adjusting for the ratio of the number of days under management for the quarter divided by the number of days in the quarter.

2. Wrap sponsors can be billed by our operations staff based on previous quarter-end assets under management. The management fee is calculated by multiplying the annual basis point fee by the quarter-end assets under management and dividing the total by four. Adjustments are made at the next quarterly billing for accounts which were opened and closed during the quarter by multiplying the account balance by the annual basis point fee and dividing the total

by four and further adjusting for the ratio of the number of days under management for the quarter divided by the number of days in the quarter.

Client fee calculations for terminations, additions and withdrawals are set by the individual wrap-fee or UMA provider/sponsor.

Clients should check with their financial advisor regarding the calculation methodology being used.

Consulting - UMA Fee Schedule Fee Schedule

Gratry UMA Provider Fee Schedule: ……….. 20 – 45 bps.

UMA sponsors generally pay fees either monthly or quarterly, in arrears. UMA sponsors provide us a report showing the total of all account balances as of the previous period end date. The management fee is then calculated by multiplying the annual basis point fee by the period-end assets under management and dividing the total by four (or 12 if monthly payments are made). Adjustments are made by the UMA sponsor during the quarter for accounts which were opened and closed during the quarter by multiplying the account balance by the annual basis point fee and dividing the total by four (or twelve) and further adjusting for the ratio of the number of days under management for the quarter divided by the number of days in the quarter (or month).

Client fee calculations for terminations, additions and withdrawals are set by the individual wrap-fee or UMA provider/sponsor. Clients should check with their financial advisor regarding the calculation methodology being used.

ADDITIONAL DISCLOSURES

Limited Negotiability of Advisory Fees: Although Gratry has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the Advisor and each client.

We may group certain related client accounts for the purposes of determining the annualized fee. Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Wrap Fee Programs and Separately Managed Account Fees: Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisors, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer (Sponsor), the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. The client's particular broker-dealer or consultant will review with clients any separate program fees that may be charged to clients.

Mutual Fund and ETF Fees: All fees paid to Gratry & Company for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

ERISA Accounts: In instances where we provide management to certain retirement plans, Gratry may be deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered investment advisors for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances does Gratry & Company, LLC require or solicit payment of fees in excess of $1200 more than six months in advance of services rendered.

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

Gratry does not have performance-based fee arrangements with any client.

Item 7 Types of Clients

We provide investment advisory services on a discretionary and non-discretionary basis to individual investors, high net worth investors, banking institutions, other registered investment advisors, state/municipal government entities, as well as corporate and public pension plans, endowments and foundations.

Since January 1, 2006, all account minimums for separately managed accounts were waived.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS

Gratry & Company's investment process blends a top-down approach to country and sector allocations, with a fundamental, bottom-up approach to security selection. The top-down and bottom-up analyses are conducted simultaneously, and neither takes precedence over the other.

Our top-down analysis begins with a macro-economic review of the principal economies in our universe by grading a country's economic performance on a scale of above average to below average. On an on-going basis, we evaluate trends in three primary factors: 1) macro-economic; 2) monetary; and 3) valuation. Macro-economic and monetary factors include: employment data, tax policies, balance of payments, inflation, the general level and direction of interest rates, etc. Valuations of country's stock markets take into account price/earnings ratios, dividend yields, and earnings growth prospects on both an absolute and historical basis. Once country allocations are determined, we then analyze the various global economic sectors. Depending on our view of the global economic climate, we then establish sector allocations at the portfolio level.

As patient, long-term investors, Gratry & Company seeks to own quality, growth-oriented companies that trade at reasonable valuations relative to their growth prospects. Company fundamentals are measured using both quantitative and qualitative analysis.

We endeavor to invest in companies that exhibit the following characteristics:

Security Selection Criteria

- Growth Orientation
  - Fastest growing companies in a given sector
  - Revenue/earnings growth in excess of peers
  - Margins stable or expanding
- High-Quality
  - Fortress balance sheet
  - Quality of earnings
  - Caliber and credibility of management team
- Reasonable Valuations
  - Price relative to future earnings potential of company
  - PEG ratio, Price-to-Earnings ratio, Price-to-Book ratio

All client accounts with similar investment objectives are managed according to a model portfolio which is established and administered by Advisor's investment committee. Members of the investment committee include Messrs. Gratry, Anderson, Tropf, Tynes, and Sinkovitz.

INVESTMENT STRATEGIES

-Gratry International Equity (developed countries only)

-Gratry International Growth Equity*

-Gratry Global Equity (developed countries only)

-Gratry Global Growth Equity*

-Gratry International Managed ETF*

-Gratry International Concentrated*

-Gratry Emerging Markets ADR Strategy*

* These strategies may include emerging market exposure.

RISK OF LOSS

Investing overseas involves special risks, including the volatility of currency exchange rates, political and economic instability, and relatively illiquid markets. Gratry may invest in small and mid-sized capitalization companies meaning that these companies carry greater risk than is customarily associated with larger companies for various reasons such as narrower markets, limited financial resources and less liquid stock. Current and past performance is not typical and may not continue in the future. Because of ongoing market volatility, performance may be subject to substantial short-term changes. Securities investments in general are not guaranteed and you may lose money on your investments. We ask that you work with us or your financial advisor to help us understand your tolerance for risk.

Item 9 Disciplinary Information

Advisor has never been party to any civil or criminal litigation. Advisor has never been party to an administrative proceeding before the SEC or any other regulatory agency (federal, state or foreign).

Item 10 Other Financial Industry Activities and Affiliations

Gratry and its associated persons have no financial industry activities or affiliations which are material and require disclosure to clients and prospective clients.

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

Gratry has adopted a written Code of Ethics ("Code") covering all supervised persons. Responsibility for enforcing our firm's Code of Ethics rests with the Compliance Committee – chaired by the Chief Compliance Officer. The Compliance Committee meets regularly to ensure employees of our Advisor comply with our Code of Ethics. The Chief Compliance Officer annually reviews the current Code of Ethics with all supervised persons and distributes our Code of Ethics to all new supervised persons upon hire.

All supervised persons shall promptly report to the Chief Compliance Officer all apparent violations of the Code. Any retaliation for the reporting of a violation under the Code will constitute a violation of the Code.

The Chief Compliance Officer shall consider reports made to him hereunder and shall determine whether or not the Code has been violated and what sanctions, if any, should be imposed. Possible sanctions may include reprimands; monetary fine or assessment; suspension or termination.

A copy of this code of ethics is available upon request by contacting: Mark A. Anderson, CFA, Chief Compliance Officer at: 216-283-8423.

INTEREST IN CLIENT TRANSACTIONS/PRINCIPAL TRADING AND PERSONAL TRADING

Gratry may recommend to investment advisory clients the purchase or sale of securities in which the firm, employees of our Advisor and/or members of their families have an ownership position. We will ensure, however, that such transactions are conducted in compliance with all the provisions under Section 206(3) of the Advisors Act governing principal transactions to advisory clients.

Advisor and its employees may buy or sell securities identical to those recommended to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

Gratry and individuals associated with our firm are prohibited from engaging in agency cross transactions.

It is the express written policy of Gratry that no person employed by our firm may knowingly purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

We may choose to aggregate our employee trades with client transactions, where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

I. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.

II. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.

III. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.

IV. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.

V. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.

VI. We have established procedures for the maintenance of all required books and records.

VII. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.

VIII. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.

IX. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

X. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.

XI. We have established policies requiring the reporting of Code of Ethics violations to our senior management.

XII. Any individual who violates any of the above restrictions may be subject to termination.

Item 12 Brokerage Practices

Factors considered in the selection of a broker-dealer include an assessment of Gratry's ability to execute trades, financial soundness of each entity, and the ability to provide research information.

Where our firm has discretionary authority to select the broker-dealer to use and the commission rates to be paid for client transactions, Gratry will endeavor to select those brokers or dealers which will provide the best services, but not necessarily the lowest commission rates possible. The reasonableness of commissions are based on several factors, including the broker's ability to provide professional services, competitive commission rates, volume discounts, execute price negotiations, research and other services which will help us in providing investment management services to clients. We may, therefore, use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance. Research services may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected.

In certain instances our advisor will execute securities transactions through broker-dealers that will trade over-the-counter securities on an agency basis. In these cases, the broker-dealer may charge an extra commission to complete the transaction.

DIRECTED BROKERAGE

Gratry will trade with any broker-dealer as directed, in writing, by the client/advisor ("Directed Brokerage"). Gratry does not recommend specific broker-dealers to our clients. For clients utilizing a directed brokerage arrangement (wrap accounts and selected non-wrap accounts), a client may pay higher brokerage commissions because Gratry & Company may be unable to aggregate orders to reduce transaction costs resulting in the client receiving less favorable prices and ultimately costing the client more money.

As a matter of policy and practice, our firm does not generally block client trades for directed brokerage accounts in both wrap and non-wrap clients. Therefore, we implement transactions separately for each account and certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisory accounts that do not direct brokerage. Not all advisors require clients to direct it to use a particular broker-dealer.

TRADING

Gratry randomizes the trade execution order for every model change. This insures that no one party benefits or is adversely impacted by trade order. No preference is given for account type: institutional, retail, or unified managed account (UMA). Trade order is determined by a random number ordering. Trades are executed in random order and no new orders are initiated until we receive confirmation price(s) from the current order, with the exception of UMA's.

ALLOCATION AND AGGREGATION

Since the directed brokerage clients (wrap accounts and selected non-wrap accounts) have restricted Gratry & Company to use specific broker-dealer(s) to execute their trades, these accounts may or may not be aggregated. Where discretionary brokerage clients' trades are aggregated and traded with one broker, Gratry has determined (prior to execution), which broker-dealer provides the best execution services. The directed brokerage clients are randomized to determine the order in which to execute their trades. For clients utilizing a directed brokerage arrangement (wrap accounts and selected non-wrap accounts), a client may or may not pay higher brokerage commissions because Gratry & Company may be unable to aggregate orders to reduce transaction costs resulting in the client receiving less favorable prices and ultimately costing the client more money.

From time-to-time and when applicable, Gratry may aggregate trades where possible and when it perceives aggregating trades would be advantageous to clients. This aggregation of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts so long as transaction costs are shared equally and on a prorated basis between all accounts included in any such block. Aggregation trading allows Gratry to execute equity trades in a timelier, equitable manner and may reduce overall commission charges to clients. As a matter of policy, Grarty's allocation procedures strive to be fair and equitable to all clients with no particular group or client(s) being favored or disfavored over any other clients.

SOFT DOLLARS

Our firm may receive other products and services that benefit our firm but may not directly benefit our clients' accounts from the broker-dealers who we utilize to execute trades. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts that have not housed an account on the same platform.

Products and services that assist us in managing and administering our 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 research, pricing and other market data;
IV. facilitate payment of our fees from clients' accounts; and
V. assist with back-office functions, recordkeeping and client reporting.

Gratry may receive other services intended to help us manage and further develop our business enterprise. These services may include:

I. 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.

We may also receive services that make available, arrange and/or pay third-party vendors for the types of services rendered to Gratry. Our firm may also be provided other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend that clients custody their assets at a particular broker-dealer, 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 we consider and not solely on the nature, cost or quality of custody and brokerage services provided by the broker-dealer, which may create a potential conflict of interest.

In certain instances, Gratry & Company receives, from broker-dealers, products or services which are used for both investment research and administrative, marketing, or other non-research purposes. In such instances, Advisor makes a good faith effort to determine the percentage of such products or services which may be considered as investment research. The costs of such products or services attributable to research usage may be defrayed by us through directing brokerage commissions generated by client transactions (soft dollars). This may be done without prior agreement or understanding by the client (and done at our discretion).

Only certain client transactions are used to generate soft dollars. However, all clients may receive benefit from the products purchased. An investment advisor's interest in generating soft dollars to obtain research services can potentially conflict with a client's interest in obtaining best price and execution of the fewest necessary securities transactions. The products purchased with soft dollars currently include: Bloomberg L.P. software and equipment maintenance services, MSCI country and sector publications, Bank Credit Analyst, Street Accounts, and Advent Portfolio Accounting software. The portions of the costs attributable to non-research usage of such products or services are paid by Advisor to the non-introducing broker-dealer in accordance with the provisions of Section 28 (e) of the Securities Exchange Act of 1934.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of certain broker-dealers services over other broker-dealers. We examined this potential conflict of interest when we chose to enter into these relationships and have determined that the relationship is in the best interests of Gratry's clients and satisfies our client obligations, including our duty to seek best execution. A client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealers' services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while Gratry will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will generally be used to service all of our clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account. Annually, Gratry reviews these arrangements to determine that all are within SEC guidelines and industry standards. All accounts pay fees relative to soft dollars – whether the fee is included in the "wrap" association or paid through the separately managed account relationships. Ultimately, the research and services provided through soft dollars benefit all clients.

Item 13 Review of Accounts

SEPARATELY MANAGED ACCOUNTS

REVIEWS: While the underlying securities within separately managed accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of the investment objectives and guidelines of each model portfolio as well as any investment restrictions provided by the client. Portfolios are reviewed more often, if deemed necessary (deposits, withdrawals, model change, etc.). More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by: Investment Committee Members

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we may provide quarterly reports summarizing account performance, balances and holdings to some clients, but not all clients. These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

SEPARATELY MANAGED WRAP ACCOUNTS

REVIEWS: While the underlying securities within separately managed wrap accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of the investment objectives and guidelines of each model portfolio as well as any investment restrictions provided by the client or program sponsor. Portfolios are reviewed more often, if deemed necessary (deposits, withdrawals, model change, etc.).Reports are not provided to Program Sponsors, unless specifically contracted by the Program Sponsor.

CONSULTING – Unified Managed Accounts (UMA):

The models provided to UMA program sponsors are reviewed on at least a monthly basis by the Investment Committee Members. For these accounts, we provide consulting services only and, consequently, do not report the performance of UMA relationships in our various investment composites. No reports are provided to the clients in this particular program.

Item 14 Client Referrals and Other Compensation

Gratry & Company LLC no longer utilizes the services of Solicitors.

It is Gratry's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15 Custody

The ability to directly debit fees from client's accounts is a form of custody. We previously disclosed in the "Advisory Business" section (Item 4) and in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from some separately managed (wrap and non-wrap) client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

In some cases, the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us or their program sponsor directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we may also send quarterly reports directly to some of our clients. We urge clients who receive these statements to carefully compare the information provided on the statements to ensure that all account transactions, holdings and values are correct and current.

Gratry & Company, LLC does not have constructive custody of any client funds or assets. Your client-appointed custodian maintains control of client funds and assets.

Item 16 Investment Discretion

Gratry accepts discretionary authority to manage securities accounts on behalf of clients. Gratry is also willing to accept certain limitations on our discretion to accommodate client objectives. These limitations shall be prescribed in writing, in advance. A potential client is asked to complete an Investment Advisory Agreement where they name a custodian as well as select an investment strategy.

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or,
- determine the amount of the security to buy or sell.

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

We vote proxies for some, but not all of our clients. ERISA clients must choose whether to authorize Gratry to vote proxies. Clients may, at their election, choose to receive proxies related to their own accounts, in which case, we may consult with clients as requested. With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact our office by telephone, e-mail or in writing us at:

Gratry & Company, LLC
3201 Enterprise Parkway, Suite 495
Beachwood, OH 44122-5334

Main Phone: 216-283-8423
manderson@gratry.com

Currently, we vote proxies for the following types of accounts:

- Individuals
- High net worth individuals
- Families Endowments and/or Foundations
- Pension plans

Although we vote proxies for client accounts, clients always have the right to vote their own proxies. They can exercise this right by instructing us, in writing as noted above, to not vote proxies in their account.

Our firm maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our firm's proxy policies and practices.

We will vote proxies in the best interests of our clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the Advisor voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Gratry in the manner noted above. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for their account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make reasonable efforts to forward such notices in a timely manner.

VOTING GUIDELINES

In the absence of specific voting guidelines from the client, Advisor will vote proxies in the best interests of each particular client. Gratry & Company's policy is to vote all proxies from a specific issuer the same way for each client absent qualifying restrictions from a client. Clients are permitted to place reasonable restrictions on Advisor's voting authority in the same manner that they may place such restrictions on the actual selection of account securities.

Gratry will generally vote in favor of routine corporate housekeeping proposals such as the election of directors and selection of auditors absent conflicts of interest raised by auditors' non-audit services.
In reviewing proposals, we will further consider the opinion of management and the effect on management, and the effect on shareholder value and the issuer's business practices.

CONFLICTS OF INTEREST

Gratry & Company, LLC will identify any conflicts that exist between its interests and the client by reviewing our relationship with the issuer of each security to determine if we or any employees have any financial, business or personal relationship with the issuer.

If a material conflict of interest exists, Gratry will determine whether it is appropriate to disclose the conflict to the affected clients, to give the clients an opportunity to vote the proxies themselves, or to address the voting issue through other objective means such as voting in a manner consistent with a predetermined voting policy or receiving an independent third party voting recommendation. Gratry will maintain a record of the voting resolution of any conflict of interest.

Item 18 Financial Information

As an advisory firm that maintains discretionary authority over client accounts, we are also required to disclose any financial conditions that are reasonably likely to impair our ability to meet our contractual obligations. Gratry has no additional financial circumstance to report and has never been the subject of a bankruptcy petition.

Under no circumstances does Gratry require or solicit payment of fees in excess of $1200 more than six months in advance of services rendered.

NAME:	MARK A. ANDERSON, CFA Managing Director Chief Compliance Officer Principal
BUSINESS ADDRESS:	GRATRY & COMPANY, LLC 3201 Enterprise Parkway – Suite 495 Beachwood, OH 44122
TELEPHONE NO.:	216-283-8423

This brochure supplement provides information about Mark A. Anderson that is an addition to the GRATRY & COMPANY, LLC brochure. You should have received a copy of that brochure. Please contact the office of Gratry & Company, LLC at 216-283-8423 if you did not receive a copy or if you have any questions about the contents of this supplement.

Additional information about Mr. Anderson is available on the SEC's website at: www.adviserinfo.sec.gov. Each registered individual has a unique identifying number. Mr. Anderson's identifying number, also known as a CRD Number, is 2461518.

NAME: MARK A. ANDERSON, CFA
Born: 1960
Managing Director
Chief Compliance Officer
Principal

EDUCATION: MBA (Finance) – St. Louis University
BA (Mathematics/Computer Science) – St. Louis University

BUSINESS EXPERIENCE: Mr. Anderson serves as Chief Compliance Officer and Portfolio Manager. He is a voting member of the Investment Committee. Prior to joining Gratry & Company in 2000, Mr. Anderson served as a portfolio manager with Renaissance Investment Management in Cincinnati, OH. His business experience includes positions with subsidiaries of Leucadia National Corp. as Assistant Treasurer of the Insurance Subsidiaries in New York, St. Louis, and Philadelphia as well as Bank of America in St. Louis where he was an Assistant Vice President.

DISCIPLINARY INFORMATION: Mr. Anderson has never been party to any civil or criminal litigation. He has never been party to an administrative proceeding before the SEC or any other regulatory agency (federal, state or foreign).

BUSINESS ACTIVITIES: Mr. Anderson is a member of the CFA Institute and the CFA Society of Cleveland.

ADDITIONAL COMPENSATION: Mr. Anderson does not receive or participate in any other activities for which he receives additional compensation.

SUPERVISION: Mr. Andersons' various job responsibilities are supervised by Greg Tropf, Managing Director of Gratry & Company, LLC. Scheduled meetings, travels, projects/deadlines, and any upcoming events are discussed at weekly staff meetings. Managing Director (Operating Committee) conferences are scheduled for company/executive review. Mr. Anderson will meet individually with Mr. Tropf, if deemed necessary. Mr. Tropf can be reached at: Gratry & Company, LLC, 216-283-8423.

Chartered Financial Analyst (CFA)

The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute – the largest global association of investment professionals.

There are currently more than 100,000 CFA charter holders working in over 130 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards
The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charter holders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflict of interest and legal matters

Global Recognition
Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charter holders – often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 24 countries and the European Union recognize the CFA charter as a proxy for meeting certain licensing requirements, and 140 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge
The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To obtain additional information regarding the CFA charter, visit www.cfainstitute.org.

NAME:	MATTHEW D. SINKOVITZ Director
BUSINESS ADDRESS:	GRATRY & COMPANY, LLC 3201 Enterprise Parkway – Suite 495 Beachwood, OH 44122
TELEPHONE NO.:	216-283-8423

This brochure supplement provides information about Matthew D. Sinkovitz that is an addition to the GRATRY & COMPANY, LLC brochure. You should have received a copy of that brochure. Please contact the office of Gratry & Company, LLC at 216-283-8423 if you did not receive a copy or if you have any questions about the contents of this supplement.

Additional information about Mr. Sinkovitz is available on the SEC's website at: www.adviserinfo.sec.gov. Each registered individual has a unique identifying number. Mr. Sinkovitz's identifying number, also known as a CRD Number, is 6162699.

NAME: MATTHEW D. SINKOVITZ
Born: 1975
Director

EDUCATION: BA (Business Administration) – Malone University

BUSINESS EXPERIENCE: Mr. Sinkovitz joined Gratry & Company in 2002 as a Research Associate. He served from 2006 to 2015 as Vice President-Research. In early 2015 he was promoted to Director. Mr. Sinkovitz is a Portfolio Manager and voting member of the Investment Committee. He also assists with the marketing /client service efforts of the Firm. Prior to joining Gratry, Mr. Sinkovitz was a Branch Manager for Enterprise Corp.

DISCIPLIINARY INFORMATION: Mr. Sinkovitz has never been party to any civil or criminal litigation. He has never been party to an administrative proceeding before the SEC or any other regulatory agency (federal, state or foreign).

BUSINESS ACTIVITIES: Mr. Sinkovitz is a member of the CFA Society of Cleveland.

ADDITIONAL COMPENSATION: Mr. Sinkovitz does not receive or participate in any other activities for which he receives additional compensation.

SUPERVISION: Mr. Sinkovitz's various job responsibilities are reviewed by Mark Anderson, Chief Compliance Officer. Scheduled meetings, travels, projects/deadlines, and any upcoming events are discussed at weekly staff meetings. Mr. Anderson will meet individually with Mr. Sinkovitz, if deemed necessary. Mr. Anderson can be reached at: Gratry & Company LLC, 216-283-8423.

NAME:	GREGORY A. TROPF, CFA, CIPM Managing Director Principal
BUSINESS ADDRESS:	GRATRY & COMPANY, LLC 3201 Enterprise Parkway – Suite 495 Beachwood, OH 44122
TELEPHONE NO.:	216-283-8423

This brochure supplement provides information about Gregory A. Tropf that is an addition to the GRATRY & COMPANY, LLC brochure. You should have received a copy of that brochure. Please contact the office of Gratry & Company, LLC at 216-283-8423 if you did not receive a copy or if you have any questions about the contents of this supplement.

Additional information about Mr. Tropf is available on the SEC's website at: www.adviserinfo.sec.gov. Each registered individual has a unique identifying number. Mr. Tropf's identifying number, also known as a CRD Number, is 4297797.

NAME: GREGORY A. TROPF, CFA, CIPM
Born: 1960
Managing Director
Principal

EDUCATION: MBA-John Carroll University (member Beta Gamma Sigma)
BS (Chemistry) – John Carroll University

BUSINESS EXPERIENCE: Mr. Tropf joined Gratry & Company in 1998 and serves as a Portfolio Manager and Director of Research. He is a voting member of the Investment Committee. Prior to joining the Firm, Mr. Tropf spent 13 years as a Senior Investment Analyst for the Centerior Energy Corporation

DISCIPLINARY INFORMATION: Mr. Tropf has never been party to any civil or criminal litigation. He has never been party to an administrative proceeding before the SEC or any other regulatory agency (federal, state or foreign).

BUSINESS ACTIVITIES: Mr. Tropf is a member of the CFA Institute, the CIPM Association, and the CFA Society of Cleveland.

ADDITIONAL COMPENSATION: Mr. Tropf does not receive or participate in any other activities for which he receives additional compensation.

SUPERVISION: Mr. Tropf's various job responsibilities are reviewed by Mark Anderson, Chief Compliance Officer. Scheduled meetings, travels, projects/deadlines, and any upcoming events are discussed at weekly staff meetings. Managing Director (Operating Committee) conferences are scheduled for company/executive review. Mr. Anderson will meet individually with Mr. Tropf, if deemed necessary. Mr. Anderson can be reached at: Gratry & Company, LLC, 216-283-8423.

Chartered Financial Analyst (CFA)

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There are currently more than 100,000 CFA charter holders working in over 130 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

High Ethical Standards
The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charter holders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflict of interest and legal matters

Global Recognition
Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charter holders – often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 24 countries and the European Union recognize the CFA charter as a proxy for meeting certain licensing requirements, and 140 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge
The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To obtain additional information regarding the CFA charter, visit www.cfainstitute.org.

CIPM

The CIPM® program is a specialized course of study that leads to the CIPM certificate—the only credential dedicated to investment performance evaluation and presentation. The program promotes professional ethics; global best practices in investment performance measurement, attribution, appraisal, and reporting techniques; and proficiency in using the increasingly important Global Investment Performance Standards (GIPS)®.

To earn the CIPM certificate, candidates must pass two exams that test their mastery of this curriculum and have two years of professional experience substantially entailing performance-related activities or four years in the investment industry (waived for CFA charter holders). There is no prerequisite to take the two computer-based exams, and the curriculum is offered online. The exams are offered in April and October every year at 400 test centers in 80 countries. Successful candidates have reported spending approximately 50–100 hours of study on each exam.

The CIPM exams and curriculum are grounded in the current practice of the investment performance measurement profession through a regular practice analysis process where panels and surveys of current investment performance professionals determine the knowledge, cutting-edge skills, and abilities needed to succeed in the day-to-day of the evolving modern profession. The goal of practice analysis of identifying the knowledge, skills, and competencies required to competently practice a performance measurement job is essential to maintaining the relevance and reputation of the CIPM program and for keeping CIPM certificants current.

As of March 2018, there are over 1,500 CIPM certificants. They work in roles as diverse as performance analysis, GIPS, portfolio accounting, sales and marketing, IT, compliance, and client relations in investment management firms, verification firms, plan sponsors, custodial banks, regulatory agencies, and performance measurement software firms.

For more information or to register for the CIPM program, visit www.cfainstitute.org/cipm

NAME:	ROBERT S. TYNES, CFA Managing Director Principal		
BUSINESS Main Office:	GRATRY & COMPANY, LLC. 3201Enterprise Parkway Suite 495 Shaker Heights, OH 44122	Office of Residence:	17 Chaminade Drive Creve Coeur, MO 63141
TELEPHONE NO.:	216-283-8423	Residential Office Telephone:	(312) 860-8994

This brochure supplement provides information about Robert S. Tynes that is an addition to the GRATRY & COMPANY, LLC brochure. You should have received a copy of that brochure. Please contact the office of Gratry & Company, LLC at 216-283-8423 if you did not receive a copy or if you have any questions about the contents of this supplement.

Additional information about Mr. Tynes is available on the SEC's website at: www.adviserinfo.sec.gov. Each registered individual has a unique identifying number. Mr. Tynes' identifying number, also known as a CRD Number, is 2438402.

NAME: ROBERT S. TYNES, CFA
Born: 1963
Managing Director
Principal

EDUCATION: MBA-Loyola University of Chicago
BSBA (Finance/Economics) – University of Missouri

BUSINESS EXPERIENCE: Mr. Tynes joined Gratry & Company in 2007. He directs marketing and business development activities for the firm and is a member of the Investment Committee. Prior to joining Gratry, Mr. Tynes was a Senior Investment Specialist in the Private Client Group of JPMorgan. He also worked as a product manager for Goldman Sachs Asset Management and as national accounts manager for Ibbotson Associates.

DISCIPLINARY INFORMATION: Mr. Tynes has never been party to any civil or criminal litigation. He has never been party to an administrative proceeding before the SEC or any other regulatory agency (federal, state or foreign).

BUSINESS ACTIVITIES: Mr. Tynes is a member of the CFA Institute and the CFA Society of St. Louis.
Mr. Tynes serves as the Co-Chairman of the Emerging Manager Committee of the Money Management Institute (MMI).

ADDITIONAL COMPENSATION: Mr. Tynes does not receive or participate in any other activities for which he receives additional compensation.

SUPERVISION: Mr. Tynes' various job responsibilities are reviewed by Mark Anderson, Chief Compliance Officer. Scheduled meetings, travels, projects/deadlines, and any upcoming events are discussed at weekly staff meetings. Managing Director (the Gratry Operating Committee) conferences are scheduled for company/executive review. If necessary, Mr. Anderson will meet individually with Mr. Tynes. Mr. Anderson can be reached at: Gratry & Company, LLC, 216-283-8423.

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- Act with integrity
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- Disclose conflict of interest and legal matters

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Additionally, regulatory bodies in 24 countries and the European Union recognize the CFA charter as a proxy for meeting certain licensing requirements, and 140 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

Comprehensive and Current Knowledge

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The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.

To obtain additional information regarding the CFA charter, visit www.cfainstitute.org.

PRIVACY NOTICE

FACTS	WHAT DOES *GRATRY & COMPANY, LLC* DO WITH YOUR PERSONAL INFORMATION?
WHY?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
WHAT?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: ▪ Social Security Number ▪ Assets ▪ Retirement Assets ▪ Transaction History ▪ Purchase History ▪ Account Balances ▪ Account Transaction When you are *no longer* our customer, we continue to share your personal information as described in this notice.
HOW?	All financial companies need to share your personal information to run their every day business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Gratry & Company, LLC chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Gratry & Company, LLC Share?	Can you limit this sharing?
For our everyday business purposes – Such as to process your transactions, maintain your account(s), provide services you request, when you have specifically authorized us and directed us to do so, respond to court orders and legal investigations, when required by law, or when federal or state regulators examine our books and records	Yes	No
For our marketing purposes – To offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our non-affiliates' everyday business purposes – Information about your transactions and experiences	Yes	No
For our non-affiliates' everyday business purposes – Information about your creditworthiness	No	We don't share
For non-affiliates to market to you	No	We don't share

QUESTIONS? **Call 1-216-283-8423**

Who we are	
Who is providing this notice?	**GRATRY & COMPANY, LLC**
What we do	
How does Gratry & Company, LLC protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include physical, electronic and procedural safeguards. Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your non-public personal information.
How does Gratry & Company, LLC collect my personal information?	We collect your personal information, for example, when you: ▪ Complete an Investment Advisory Agreement ▪ Open an account ▪ Provide account information, orally and in writing ▪ Give us your contact information ▪ Make deposits or withdrawals from your account We also collect your personal information from other companies such as brokerage firms, record keepers, outside managers and custodians about your transactions with us or with others.
Why can't I limit all sharing?	Federal Law gives you the right to limit only: ▪ Sharing for affiliates' everyday business purposes – information about your credit worthiness ▪ Affiliates from using your information to market to you ▪ Sharing for non-affiliates to market to you State Laws and individual companies may give you additional right to limit sharing
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial or nonfinancial companies. ▪ Gratry & Company, LLC does not have any affiliates.
Non-affiliates	Companies not related by common ownership or control. They can be financial or nonfinancial companies. ▪ Gratry & Company, LLC does not share with non-affiliates so they can market to you.
Joint Marketing	A formal agreement between non-affiliated financial companies that together market financial products or services to you ▪ Gratry & Company, LLC does not share with any joint marketing firms.
Rev. 06/01/16	

ERISA SECTION 408(b)(2) FEE DISCLOSURE NOTICE

In an effort to comply with the Department of Labor's regulation regarding the Employee Retirement Income Security Act of 1974, (ERISA), Section 408(b)(2) – requiring that certain covered service providers (defined in the regulation) disclose specific information to sponsors of qualified retirement plans ("Plan Sponsors"). As a covered service provider, **Gratry & Company, LLC** ("Gratry") has created this chart to satisfy the requirements prescribed in the interim final regulation or refer Plan Sponsors to the document containing the required disclosure and for no other purpose.

Disclosure Requirement	Specific Disclosure	Referenced Document
Description of the services Gratry will provide through the managed account program(s).		Please refer to the program sponsor firm's 408(b)(2) disclosures and **Gratry's ADV Part 2A.**
A statement concerning the services that Gratry will provide through the program(s).	Gratry provides services as an investment adviser – registered under the Investment Advisers Act of 1940.	
Disclosure of direct compensation and description of the manner that such compensation shall be received	Gratry & Company LLC does not receive direct compensation from your plan for the services we provide through a program.	
Indirect Compensation		For information regarding indirect compensation, including the fee we receive from the program sponsor firm regarding services we provide through the program(s), please refer to the program sponsor firm's 408(b)(2) disclosures and **Gratry's ADV Part 2A.**

Compensation Paid Among Parties Related to Gratry	Not applicable to the services provided by Gratry.	
Compensation for Contract Termination	Not applicable to the services provided by Gratry.	
Recordkeeping Services Disclosures	Not applicable to the services provided by Gratry.	
Disclosures of fiduciaries to investment vehicles holding plan assets	Not applicable to the services provided by Gratry.	

This Fee Disclosure Notice is not intended as an agreement for services nor is it intended to change, modify, or otherwise amend any existing agreement. Any services provided by Gratry & Company, LLC would be governed by the written terms of the Investment Advisory Agreement between a program sponsor firm and Gratry & Company, LLC.

Intended For Plan Fiduciary Use Only

GRATRY & COMPANY, LLC
3201 Enterprise Parkway
Suite 495
Beachwood, OH 44122
216-283-8423

ADV Part 2A

Confluence Investment Management LLC
20 Allen Avenue, STE 300
Saint Louis, MO 63119
314-743-5090
www.confluenceinvestment.com
March 16, 2018

This Brochure provides information about the qualifications and business practices of Confluence Investment Management LLC ("*Confluence*", "*the firm*", "*we*", "*us*" or "*our*"). If you have any questions about the contents of this Brochure, please contact us at 314-743-5090 and/or compliance@confluenceim.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("*SEC*") or by any state securities authority.

Confluence is registered with the SEC as an investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an investment adviser provide you with information to use in your determination of whether to hire or retain an adviser. Additional information about Confluence is available on the SEC's website at www.adviserinfo.sec.gov. Clients can search this website by using our name or by using a unique identification number known as a CRD number. The CRD number for Confluence is 146019

Item 2—Material Changes

This item summarizes material changes that have been incorporated in this Brochure since Confluence's last update on March 10, 2017.

Item 4—Advisory Business – We revised this section to explain the various ways in which a client may access Confluence investment management services and announce Confluence's agreement to acquire Gratry & Company, LLC.

Item 10 – Other Financial Industry Activities and Affiliations – Announcement of Confluence's agreement to acquire Gratry & Company, LLC was added.

Item 11—Code of Ethics, Participation or Interest in Client Transactions and Personal Trading – This section was revised to note that Confluence employees may invest in investment companies for which Confluence is the sub-adviser.

Item 12—Brokerage Practices – This section was revised to explain changes to Confluence trade rotation policy.

We will ensure that our clients receive, without charge, a summary of any material changes to this and subsequent brochures within 120 days of our fiscal year end. We may further provide other ongoing disclosure information about material changes as necessary, without charge.

Our Brochure may be requested by contacting Confluence at 314-743-5298 or compliance@confluenceim.com. Our Brochure is also available on our website at www.confluenceinvestment.com, free of charge.

Additional information about Confluence is available via the SEC's website at www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with Confluence who are registered, or are required to be registered, as investment adviser representatives of Confluence.

Item 3—Table of Contents

Item 4—Advisory Business

Confluence was formed in December 2007 and registered as an investment adviser with the SEC in January 2008. Confluence is primarily comprised of former investment management and investment banking professionals from A.G. Edwards & Sons and its investment management subsidiary, Gallatin Asset Management, Inc. ("*Gallatin*"). The firm is 100% employee-owned, with Mark Keller and Brian Hansen as the principal owners.

On March 7, 2018, Confluence announced it entered into a definitive agreement to acquire the assets of Gratry & Company, LLC ("*Gratry*"), an international and global equity adviser in Beachwood, Ohio. Under the terms of the agreement, the Gratry investment professionals will join Confluence and remain in place to continue management of the international and global equity products. The transaction, subject to closing conditions, is expected to close in the second quarter of 2018.

Confluence offers our clients portfolio management services focused on an array of equity strategies, asset allocation strategies, balanced strategies and alternative and sector strategies. Our clients include individuals (including high net worth individuals) and entities such as corporations and corporate pension and profit-sharing plans, Taft-Hartley plans, other investment advisers (on behalf of their clients), charitable institutions, foundations, endowments, municipalities, and registered investment companies. Confluence may also provide portfolio management services to investment vehicles it would sponsor.

We offer our portfolio management services on either a "discretionary" or a "non-discretionary" basis. In a discretionary account, Confluence is granted the authority to determine the securities or other assets to purchase or sell in the account, without the prior consent of the client. In a non-discretionary account, Confluence has the authority to recommend to the client (or a third-party acting on behalf of the client) the securities or other assets to be held in the account, but we do not have the authority to implement such recommendations; non-discretionary accounts also include those for which Confluence supervises the securities or other assets in the account, without any discretionary authority.

As of December 31, 2017, Confluence managed or supervised an aggregate of $8.2 billion of assets, of which $5.9 billion of assets were held in discretionary accounts and $2.3 billion were held in non-discretionary accounts. Confluence does not take possession of client assets, and all such discretionary and non-discretionary assets are held with the broker-dealer, bank or other qualified custodian ("*Custodian*") selected by the client.

<u>Discretionary Advisory Services</u>

Confluence negotiates and enters into agreements to provide discretionary portfolio management and investment advisory services to clients. We provide our discretionary advisory services primarily through separately managed accounts ("*SMAs*"), which may be offered through the client's financial or investment adviser or may be offered through a direct relationship with Confluence. In the former instance, clients open an account at a brokerage firm, bank, investment advisory firm or other financial institution (collectively, "*Financial Institutions*"), and work with their financial advisor at the Financial Institution to select third-party investment advisory firms—such as Confluence—to manage all or a portion of the assets in the account. Confluence's SMA arrangements may be "single contract", in which Confluence enters into a contract with the Financial Institution to provide discretionary advisory services to the clients of such Financial Institution, or may be "dual contract", in which Confluence enters into a contract directly with the client to provide discretionary advisory services to the client, which contract is in addition to the client's contractual agreement with such Financial Institution. Confluence manages investments for clients at many Financial Institutions, including, but not limited to, Benjamin F. Edwards & Company; Charles Schwab & Co., Inc.; D.A. Davidson & Co.; Fidelity Brokerage Services LLC; Merrill Lynch, Pierce, Fenner & Smith Incorporated; Morgan Stanley Smith Barney LLC; Raymond James & Associates, Inc.; RBC Wealth Management, a division of RBC Capital Markets, LLC; Robert W. Baird & Co. Incorporated; Stifel, Nicolaus & Company, Incorporated; TD Ameritrade, Inc.; UBS Financial Services Inc.; and Wells Fargo Advisors, a subsidiary of Wells Fargo & Company.

Confluence does not take possession of client assets, as all securities and monies are held by the Custodian of the client's choice. Confluence offers SMAs utilizing various investment strategies, and SMAs within a particular investment strategy generally hold the same securities at the same percentage of assets in the strategy (depending on when the account is funded). Clients may impose reasonable restrictions on investing in certain securities or industry sectors, and other limitations on our investment discretion as mutually agreed.

With respect to the assets we manage for clients that are employee benefit plans covered under Rule 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), Confluence provides services as an ERISA "fiduciary" (as defined in Section 3(21) of ERISA) and is a registered investment adviser under the Investment Advisers Act of 1940.

Confluence's discretionary investment strategies may be offered by Financial Institutions as part of a unified managed account ("*UMA*") program at the Financial Institution. In a UMA program, the client may hold in a single account a wide variety of investments and investment strategies, including individual securities, mutual funds, exchange-traded funds, SMAs (offered by Confluence as well as other investment advisers) and other assets. As described more fully below, Confluence's discretionary investment strategies may also be offered by Financial Institutions as part of a wrap account ("*Wrap Account*") program at the Financial Institution. In a Wrap Account program, the client is charged a specified fee or fees by the Financial Institution sponsoring the program, which fee is not based directly on transactions in a client's account for investment advisory services (which may include portfolio management or advice concerning the selection of other advisers) and execution of client transactions. Confluence's fees for providing portfolio management and investment advisory services are paid from the fee charged for the Wrap Account. Clients who participate in Wrap Account programs should be aware that services similar to those provided as a participant in a Wrap Account Program may be available at a lower cost elsewhere separately or on an unbundled basis.

—Wrap Account Programs

Confluence participates as an investment adviser providing portfolio management and investment advisory services to clients of Wrap Account programs sponsored by respective Financial Institutions. Confluence's portfolio management and investment advisory services to the clients in Wrap Account programs are similar to its discretionary advisory services provided to its other clients. We manage the SMAs in a Wrap Account program in accordance with the guidelines provided to us by the program sponsor. In single contract Wrap Accounts, the program sponsor is responsible for the client relationship, client servicing, reporting and billing.

Clients in a Wrap Account program are charged a bundled fee by the Financial Institution sponsoring the program ("*Sponsor*"), typically based on a percentage of the market value of the assets in the Wrap Account. The bundled fee generally covers charges for custody services, brokerage commissions, investment management and other services as negotiated between the client and the Sponsor. Out of the bundled fee, the Sponsor pays Confluence a quarterly fee for providing portfolio management and investment advisory services. However, for dual contract Wrap Accounts, Confluence's fee may be paid directly by the client. Our fee is based on a percentage of the market value of the assets in the SMA for which we provide portfolio management and investment advisory services. For information regarding our fees, please see Item 5 of this Brochure, titled Fees and Compensation.

Because the bundled fee in Wrap Account programs typically includes charges for brokerage services, Sponsors and their clients generally expect Confluence to place trade orders through the Sponsor. If we execute trades for a Wrap Account with broker-dealers other than the Sponsor, the client may be subject to additional commissions, trade-away fees and other charges assessed by the Sponsors. For information regarding directed brokerage accounts, please see Item 12 of this Brochure, titled Brokerage Practices.

—<u>Registered Investment Companies</u>

Confluence sub-advises a closed-end fund, First Trust Specialty Finance and Financial Opportunities Fund (NYSE: FGB), and an open-end mutual fund, First Trust Confluence Small Cap Value Fund (FOVIX, FOVAX, FOVCX, FOVRX). Confluence has a sub-adviser agreement with First Trust Advisors L.P., the investment adviser to both funds, with fees to be paid to Confluence based on a percentage of assets under management in the respective funds.

<u>Non-Discretionary Advisory Services</u>

Confluence provides non-discretionary investment advisory services to certain Financial Institutions. Such non-discretionary advice typically takes the form of model portfolios, which represent Confluence recommendations as to the composition of a portfolio of securities that would be reasonably appropriate to meet a stated investment objective, based on criteria provided by the client. Confluence's role is solely to provide to these Financial Institutions recommendations as to the securities composing the portfolio, and advice on changes to the portfolio. The Financial Institution may utilize our recommendations in managing the accounts of the clients of the Financial Institution. The Financial Institutions retain full discretion to accept, modify or reject our recommendations and retain trading authority over their clients' accounts. The non-discretionary accounts at the Financial Institutions for their clients may be Wrap Accounts, UMAs or other types of accounts. These clients are clients of the respective Financial Institution and are not Confluence clients.

The model portfolios that we develop as part of our non-discretionary investment advisory services may be similar to the portfolios in the SMAs with the same investment strategy that we manage as part of our discretionary portfolio management and investment advisory services described above. Although Confluence discretionary SMAs and non-discretionary model portfolios utilizing the same investment strategy may perform similarly, there are expected to be performance differences between them because Confluence does not have trading discretion over the model portfolios. For example, in an effort to accommodate our Financial Institution clients to which we provide model portfolios, and to minimize trades, the target investment percentages for each security holding in the portfolio may differ slightly between the model portfolio and the comparable SMA. In addition, Financial Institutions utilizing our model portfolio recommendations retain full discretion to modify or reject our recommendations, and the portfolio of securities (or the respective weighting of securities in the portfolio) in the accounts of the clients of such Financial Institutions may differ from the portfolios in comparable SMAs for which we have discretionary authority. Clients should speak to their financial advisor about the similarities and differences associated with discretionary SMAs and non-discretionary model account programs, so they fully understand their specific account structure.

—<u>Model Portfolio Programs</u>

Confluence provides non-discretionary model portfolios to asset allocation strategies programs sponsored by Benjamin F. Edwards & Company and by Stifel, Nicolaus & Company Incorporated as part of its Unified Managed Account (UMA) platform. Under these programs, Confluence provides non-discretionary recommendations to assist in the development of a portfolio of investments in exchange-traded funds (which are passively managed index funds designed to track the index performance of a specific industry or sector, asset class or country benchmark) that the respective sponsor determines to be suitable for its clients using the program. The Stifel UMA program also includes model portfolios based on certain other strategies. Confluence also provides non-discretionary models portfolios to many Financial Institutions, including, but not limited to, Wells Fargo Advisors, LLC for its Diversified Managed Allocations (DMA) program; to Morgan Stanley Smith Barney LLC for its Select UMA program; to Envestnet, Inc. for its UMA program; to Adhesion Wealth Advisor Solutions Inc. for its UMA program; to Oppenheimer Asset Management Inc. for its UMA program; and to Wedbush Securities Inc. for its model portfolio program.

—<u>Registered Investment Companies</u>

Confluence provides non-discretionary investment advisory services to certain Financial Institutions in connection with the formation of unit investment trusts ("*UIT*s"). A UIT is a registered investment company that buys and holds a generally fixed portfolio of equities, bonds, other securities or assets. Units in the UIT are sold by such Financial Institutions to investors. Confluence provides non-discretionary services to such Financial Institutions in connection with the construction and monitoring of the UIT's portfolio.

Item 5—Fees and Compensation

Subject to applicable laws and regulations, Confluence retains full authority to negotiate the fees it charges to its clients for discretionary portfolio management and investment advisory services, including "single contract" agreements with Financial Institutions to provide such services to the clients of such Financial Institutions as part of a UMA or Wrap Account arrangement, and to registered investment companies. Confluence also retains authority to negotiate the fees it charges for non-discretionary investment advisory services, including agreements with Financial Institutions in connection with model portfolio programs, and to UITs. Confluence's fees may be modified based upon the size of the account and the nature and level of services provided by Confluence. Confluence may agree to offer certain clients a fee schedule that is lower than that of any other comparable client. Confluence fees are generally payable quarterly in advance and clients may authorize fees to be deducted from their accounts by the custodian. Confluence advisory agreements generally may be terminated at any time by either party by giving thirty (30) days written notice of such termination to the other party. Since clients generally pay fees in advance, upon termination of the advisory agreement the fee amount is prorated through the termination date and the difference is refunded to the client.

Confluence is not affiliated with any broker-dealer. Clients have the option to purchase investment products directly through Confluence or through the Financial Institutions for which we provide services.

Confluence sub-advises an open-end mutual fund and a closed-end fund for which it receives fees from the fund's investment adviser for managing the investments. The closed-end fund invests in "business development companies" ("*BDCs*") that, in turn, receive management fees for managing portfolio investments held by the BDCs. As such, the closed-end fund's direct fees and expenses, including the applicable management fee to the fund's investment adviser and to Confluence, as sub-adviser, coupled with the compensation of the underlying managers of the BDCs, results in two levels of fees and greater expense than would be associated with direct investment in the BDCs. The closed-end fund's expenses constitute a higher percentage of net assets than expenses associated with other types of investment entities, such as mutual funds.

The following fee schedules are representative of fees for discretionary portfolio management and investment advisory services only, and do not include transaction or execution costs that may be incurred by the client. Confluence's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third-party investment and other third parties, such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, exchange fees, SEC fees, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Confluence's fee, and Confluence shall not receive any portion of these commissions, fees and costs. In addition, there can be brokerage commissions, including step-out costs, which are described below under Item 12 of this Brochure, titled Brokerage Practices. The Brokerage Practices section also describes the factors that Confluence considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Strategy					
Asset Allocation		All Cap Value, Balanced, Equity Income, Global Hard Assets, Increasing Dividend Equity Account (IDEA), Large Cap Value, REIT and Utility		BDC, Global Macro, IDEA Plus, Small Cap Value and Value Opportunities	
Advisor Based					
Account Assets	**Annual Fee**	**Account Assets**	**Annual Fee**	**Account Assets**	**Annual Fee**
First $500,000	0.40%	First $500,000	0.60%	First $500,000	1.00%
Next $500,000	0.35%	Next $500,000	0.55%	Next $500,000	0.90%
Over $1,000,000	0.30%	Over $1,000,000	0.50%	Over $1,000,000	0.75%
Private Wealth					
Account Assets	**Annual Fee**	**Account Assets**	**Annual Fee**	**Account Assets**	**Annual Fee**
First $2,500,000	0.90%	First $2,500,000	1.00%	First $2,500,000	1.00%
Next $2,500,000	0.80%	Next $2,500,000	0.90%	Next $2,500,000	1.00%
Over $5,000,000	0.70%	Over $5,000,000	0.80%	Over $5,000,000	Neg.
Institutional					
Account Assets	**Annual Fee**	**Account Assets**	**Annual Fee**	**Account Assets**	**Annual Fee**
First $10,000,000	0.80%	First $10,000,000	0.75%	First $10,000,000	1.00%
Next $40,000,000	0.50%	Next $40,000,000	0.40%	Next $40,000,000	0.80%
Over $50,000,000	0.40%	Over $50,000,000	0.30%	Over $50,000,000	0.75%

Confluence sales personnel may receive a portion of the fees paid to Confluence for investment advisory services, creating a potential conflict in that they may be incented to recommend higher fee-generating products.

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

Confluence does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7—Types of Clients

Confluence provides portfolio management services to individuals (including high net worth individuals) and entities such as corporations and corporate pension and profit-sharing plans, Taft-Hartley plans, other investment advisers (on behalf of their clients), charitable institutions, foundations, endowments, municipalities, and registered investment companies. Confluence may also provide portfolio management services to investment vehicles it would sponsor. Confluence generally requires Advisor Based accounts (which are generally single contract or dual contract arrangements, including Wrap Account programs, offered through Financial Institutions) to have a minimum account value of $100,000 ($200,000 in the case of balanced equity strategies); Private Wealth accounts (which are generally high net worth individuals) to have a minimum account value of $500,000; and Institutional accounts to a have minimum account value of $5 million. Confluence does not have the ability to impose minimum values on model portfolio program accounts.

Confluence does allow its employees and their family members to maintain accounts that Confluence manages. Some Confluence employees also invest in the mutual fund and closed-end fund that we sub-advise. We may also recommend investment companies that we manage to certain clients. This presents a possible conflict of interest, in that it could create an incentive for us to favor these funds over other clients. We maintain investment and trade allocation policies and procedures designed to manage such conflicts of interest. In addition, we have developed procedures to compare performance among client accounts managed using similar investment styles to detect favoritism or unusual investment results.

Item 8—Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Confluence employs fundamental, technical and cyclical security analysis methods, which vary by the type of portfolio strategy provided. Confluence's Equity Strategies, which are comprised of specific company securities, utilize a bottom-up, fundamental approach. Confluence's Asset Allocation strategies and the fixed income portion of our Balanced Strategies are implemented using exchange-traded funds ("*ETFs*"), and utilize a top-down, cyclical approach. An ETF is an individual security that trades on an exchange and represents a basket of securities or other assets that are designed to track the performance of targeted indices, sectors or asset classes (e.g., XLP: Consumer Staples Select Sector SPDR Fund, which seeks to track the performance of the Consumer Staples Select Sector Index). The firm's Global Hard Assets strategy, which is primarily comprised of common equity securities with a portion of ETFs, is a combination of the above two approaches. Confluence's Global Macro strategy is comprised solely of ETFs and is analyzed and managed similarly to the Asset Allocation strategies. Confluence also manages sector specific strategies (e.g., Business Development Companies, Real Estate Investment Trusts and Utilities) that utilize both top-down and bottom-up approaches.

For the Increasing Dividend Equity Account (IDEA) Plus strategy, which is an Equity Strategy combined with a covered call option strategy on the S&P 500 Index, the firm analyzes option securities for their strike price, premium, volatility and term. Approximately seventy-five percent of the portfolio is the IDEA portfolio of common equity securities, in which the stock selection utilizes qualitative analyses in an attempt to identify high-quality companies with long track records of distributing earnings to shareholders through dividends. The remaining twenty-five percent consists of an ETF position in the S&P 500 Index with a corresponding covered call position, although this allocation can range at times from 15% to 40% of the portfolio.

Most research is generated in-house. Confluence also utilizes external research sources, such as Bloomberg, Haver Analytics, Ned Davis, FactSet and various governmental banking and agency data. Confluence may also utilize analytics from other private market research institutions.

Investment Strategies

Asset Allocation

Asset allocation is the process of developing a diversified investment portfolio by combining different assets in varying proportions. A portfolio's long-term performance is determined primarily by the apportionment of dollars in an account among the asset classes. Our Asset Allocation portfolios are formed principally from ETFs. Specific Asset Allocation strategies (e.g., Income with Growth, Growth & Income, Growth and Aggressive Growth) are developed to meet investors' risk tolerance, investment goals and time frames.

Confluence's investment philosophy is based upon independent, fundamental research that integrates evaluation of market cycles, macroeconomics and geopolitical analysis with a value-driven approach. Confluence's portfolio management philosophy begins by assessing risk and follows through by positioning clients to seek to achieve income and growth objectives. Confluence's approach to asset allocation is more dynamic than many traditional strategic allocation strategies. Confluence extends the traditional approach by incorporating forward-looking analytics that address changing opportunities and risks as we move through economic and market cycles.

Investment objectives vary between growth and income, or may include a combination of the two, subject to limitations of overall portfolio volatility and risk. Equity allocations are typically the primary means to pursue growth objectives and may include ETFs focused on U.S. large-, mid- and small-cap equity securities, while foreign equities may include ETFs focused on equity securities of issuers in foreign developed countries or in emerging markets. Foreign allocations may involve a focus or avoidance of certain countries or regions. Sector specific analysis may be involved in certain equity asset classes, particularly in large-cap equities. Growth and value style biases may also be included in allocation decisions.

Income objectives in our Asset Allocation strategies are typically pursued through allocations to fixed income-oriented securities. In pursuing fixed income objectives, Confluence utilizes ETFs that represent a basket of bonds or other income securities that are designed to track the performance of targeted indices, sectors or asset classes (e.g., SPIB: SPDR Portfolio Intermediate Corporate Bond ETF, which seeks to track the performance of the Bloomberg Barclay's Intermediate U.S. Corporate index). Allocations are actively managed to target specific duration or credit quality profiles, and may include speculative grade allocations. As described below, we utilize a similar methodology in pursuing the income objectives of our Balanced Strategies (although our Balanced Strategies generally do not include income-oriented ETFs that invest in speculative grade bonds).

Real estate and commodity allocations may be included for income, capital appreciation or diversification opportunities. This process draws upon Confluence's extensive experience of investing, on behalf of its clients, in a wide range of equity and fixed income securities during various market cycles in an attempt to provide attractive, risk-adjusted returns to its clients.

Allocations among the various asset classes are modified generally once a quarter, with the portfolios typically rebalanced mid-way through the first month of the quarter.

Equity Strategies

Confluence's Equity Strategies include All Cap Value, Equity Income, Increasing Dividend Equity Account (IDEA), IDEA Plus, Large Cap Value, Small Cap Value and Value Opportunities. Portfolios utilizing our Equity Strategies consist primarily of equity securities of U.S. issuers and U.S. listed securities of foreign issuers. The IDEA Plus strategy utilizes, in addition to such equity securities, broad-based equity index ETFs and covered call options thereon. Confluence utilizes a team-based approach in which all equity investment committee members are fundamental analysts first and foremost. Each analyst is responsible for specific industries and brings ideas to the investment committee for vetting of investment theses and analyzing new developments with the goal of ensuring that each security in a portfolio has the attributes Confluence looks for in its equity investments (e.g., sustainable competitive advantage, free cash flow, capable management, trading at a discount to intrinsic value, etc.)

Confluence analysts begin by compiling data, including independent and Wall Street research, on individual securities. Data gathering includes reviews of specific company and SEC documents, company visits, management interviews, newspaper and other media stories, industry publications, competitors' information and research reports. Much of the analyst's time is spent qualitatively analyzing this information to determine if a company possesses a sustainable competitive advantage that allows for pricing flexibility, with additional time spent on a quantitative cash flow analysis to determine estimates of fair value of the company's equity securities.

Typically, the process begins with an equity analyst or portfolio manager analyzing and writing up a proposed company name in their respective industry coverage. The information is disseminated to the equity investment committee and subsequently vetted by the committee. The vetting process is thorough, often requiring additional information or analysis. If investment in that company is approved, the portfolio management committee decides placement into a portfolio based on weighting/contribution. Each portfolio has an established target number of holdings. The portfolio will become fully invested over time as targeted investments become available within the stated pricing discipline.

Before investing in any equity security of a company, Confluence conducts a rigorous investment review to:

- Determine if the company's business has a sustainable competitive advantage. This advantage usually protects its business or allows it to maintain market share leadership over time.
- Examine a company's free cash flow. Free cash flow is the amount of cash available after paying expenses and making necessary expenditures. Free cash flow can be used to build shareholder value through such things as dividends, stock buybacks and/or acquisitions. Confluence analyzes each business and forecasts future free cash to approximate the intrinsic value. Confluence then invests in those companies whose stocks trade below our estimates of fair value.
- Review a company's return on invested capital. A well-managed company should be able to reinvest capital to improve or grow its business. A company with high or increasing return on capital meets Confluence's criteria.

- Analyze a company's management team. Focused, passionate management teams are likely to make decisions in the best interest of shareholders with the goal of capital appreciation. Confluence looks for corporate managers with large personal investments in their companies' stocks.

—<u>Buy Discipline</u>

Confluence generally invests in companies whose stocks trade below our estimates of intrinsic or fair value, which we determine by analyzing historical and forecasted free cash flow in an attempt to estimate what a knowledgeable buyer would pay to purchase 100% of the company in an all-cash transaction. Buy limits generally are set at a 25% - 50% discount to Confluence's estimate of intrinsic value.

—<u>Sell Discipline</u>

In seeking to preserve capital, portfolio positions are reviewed continually. A company's stock may be sold if any of the following occurs:

- The share price reaches our estimates of full valuation.
- The business underperforms relative to its peer group or new market entrants.
- The company's fundamentals deteriorate.

There are other circumstances that may cause all or part of a stock position to be sold. Such instances may include a stock's value in the portfolio becoming disproportionately large or a more attractive investment opportunity presenting itself.

Balanced Strategies

Confluence's Balanced Strategies allow investors to combine our Equity Strategies with fixed income allocations—either taxable fixed income or tax-exempt fixed income—in a single account. The equity portion of the Balanced Strategy account is managed in an identical manner to the Equity Strategies described above, whereas the fixed income portion is managed utilizing income-oriented ETFs in a similar fashion to the fixed income portion of the Asset Allocation strategies described above. A principal difference relative to the Asset Allocation strategies is that Balanced Strategies generally do not include ETFs that invest in speculative grade bonds.

Alternative and Sector Strategies

Confluence has developed strategies focusing on alternative asset classes and sector-specific investments, which we believe have the potential to achieve attractive risk-adjusted returns. Management of these strategies begins with top-down evaluations of the geopolitical environment, fundamental macroeconomic trends and technical patterns in the target markets.

Our Global Hard Assets portfolio is focused on investments in "hard assets" which Confluence defines as tangible commodities, such as a gold bar, a barrel of oil or a ton of potash. The portfolio is comprised of the common stocks of companies engaged in the hard assets sector or various hard asset ETFs or exchange-traded notes ("*ETNs*"), thus giving the portfolio exposure to physical commodities. The companies in the hard assets sector are directly responsible for mining, extracting or producing the hard assets. Our investment philosophy seeks to identify companies that have the ability to increase production and grow reserves over time, thus appreciating capital. Confluence's investment process utilizes a top-down approach to identify investable sectors, coupled with bottom-up, security selection. Our geopolitical and global macro analyses define the sector weights along with acceptable geographic locations of reserves. Overall allocation is decided once this process is complete, based upon our view of hard asset sector company equities and hard asset ETFs and ETNs.

Our Global Macro portfolio seeks to take advantage of major macroeconomic trends in four primary asset classes: equities (domestic and international), fixed income, commodities and currencies. The portfolio's objective is to maximize absolute total return by investing in market categories using Confluence's evaluation of the geopolitical environment, fundamental macroeconomic trends and technical patterns. Confluence's investment process utilizes a top-down, macro-based approach driven by proprietary research. The investable universe includes exchange-traded products (ETFs and ETNs), tradable open-end mutual funds, closed-end funds and, in limited cases, individual equity securities (with no more than 10% of the portfolio invested in any single stock). The portfolio can employ leveraged exchanged traded products ("ETPs") and has the ability to invest in inverse ETPs; however, margin and shorting are not used in the management of the portfolio. The portfolio may at times be concentrated. However, no mutual fund or ETF can exceed 40% of the portfolio's value (at cost) and no single market category can make up more than 50% of the portfolio.

Confluence also manages sector-specific strategies, such as Business Development Companies ("*BDCs*"), Real Estate Investment Trusts ("*REITs*") and Utilities that are by nature concentrated by industry or asset class. The BDC portfolio is focused on a niche of the financial sector in which specialty finance companies lend to, and invest in the private debt and equity of, private small and middle market U.S. companies. REITs are companies that own, operate or finance income-producing real estate, including offices, apartment buildings, warehouses, hotels, retail centers and medical facilities. Utilities securities include companies engaged in the production, transmission or distribution of electric energy or natural gas; the operation of water supply networks or wastewater or sewage treatment facilities; the provision of telephone, mobile communication and other telecommunications services; or the provision of other utility or utility related goods or services, including entities engaged in solid waste electric generation or in the provision of waste disposal systems.

Risk of Loss

Past performance is not a guarantee of future returns. Investing in securities involves the risk of loss of the amount invested that clients should be prepared to bear.

Asset Allocation

Confluence's Asset Allocation strategies involve apportioning the portfolio's assets among various asset classes, the success of which generally depends upon our ability to estimate the expected returns, volatility, and correlations of the relevant markets for such assets. Expected returns and volatility for different asset classes vary over time, as do the correlations of different asset classes. Therefore, we apply a dynamic process, one that evaluates economic and market variables in a forward-looking context. Our approach evaluates the investing landscape against the backdrop of the pending business cycle—a rolling time frame continuously looking forward at the next two to four years. Our approach is not market *timing*. Rather, the intention is to remain within an acceptable risk profile, while changing the asset class mix to optimize return potential. We may adjust allocations in much shorter time frames, depending upon changing views of the marketplace and economy. Alternately, we may continue for several quarters without making significant allocation adjustments if we believe the existing posture remains optimal.

While this flexibility is generally expected to result in diversification of the portfolio across multiple asset classes, asset classes may not perform as expected and may not display the level of correlation that we anticipated. If our assessment of the risk and return potential of asset classes is incorrect, the portfolio could significantly underperform the markets in general, particular markets, or other asset allocation strategies. If our assessment of the correlations between different asset classes is incorrect, the portfolio may not achieve the level of diversification that we anticipated, which may increase the risk of underperformance or negative performance.

Confluence's Asset Allocation strategies are implemented using ETFs, which own a basket of securities that track a particular market index. Changes in the price of an ETF, before deducting expenses, typically track the movement of the associated index relatively closely. ETFs charge their own management fee and other expenses that come directly out of the ETF returns. In addition, a commission on each purchase or sale of shares of the ETF may be charged by the executing broker-dealer, and these commission expenses will reduce the performance of the client's portfolio. An ETF's performance sometimes may not perfectly correlate with the targeted index the ETF seeks to track. ETFs are subject to various risks, including the ability of the ETF's managers to meet the investment objective, and to manage appropriately the ETF's portfolio when the underlying securities are redeemed or sold, particularly during periods of market turmoil and as investors' perceptions regarding ETFs or their underlying investments change. There is also no guarantee that an ETF will achieve a high degree of correlation to its targeted index and therefore achieve its investment objective. Market disruptions and regulatory restrictions could have an adverse effect on the ETF's ability to adjust its exposure to the required levels in order to track the targeted index. Errors in index data, index computations and/or the construction of the targeted index in accordance with its methodology may occur from time to time and may not be identified and corrected by the provider of the targeted index for a period of time or at all, which may have an adverse impact on the ETF and its shareholders, including Confluence clients in its asset allocation strategies.

Unlike traditional open-end mutual funds, the shares of which can be purchased or redeemed at prices equal to the mutual fund's net asset value at the end of a business day, shares of ETFs trade on a securities exchange and are purchased or sold at market prices established on the exchange. ETFs enter into agreements with certain designated institutional investors who may purchase and redeem during the trading day large blocks of the ETF's shares at the then-current net asset value, which such purchases and redemptions are intended to (and in normal market conditions frequently do) maintain the approximate equivalence of the market price and net asset value of the ETF's shares. To the extent that one or more of such designated institutional investors cease to or are unable to proceed with such purchases and redemptions, and no other designated institutional investor is willing or able to make such purchases and redemptions, the market price of the ETF's shares may be more likely to trade at a premium or discount to net asset value and the shares could have limited liquidity; during periods of severe market volatility or disruption, these premiums or discounts could be significant and the exchange could impose trading halts on and/or delisting of the shares of the ETF.

There are also risks associated with the asset class in which the ETFs invest. The risks associated with equity-oriented ETFs include the risk that the equity securities in an ETF will decline in value due to factors affecting the issuing companies, their industries or the equity markets generally.

Industry specific ETFs by design provide concentrated risks in industries. For example, a REIT ETF has investments in companies that are subject to changes in the real estate market, vacancy rates and competition, volatile interest rates and economic recession. Confluence's Asset Allocation strategies can include commodity-oriented ETFs. Buying commodities allows for a source of potential diversification in consideration for the assumption of the risks inherent in the commodities markets, which include the global supply and demand for commodities being influenced by U.S. and foreign interest rates and inflation rates and global or regional political, economic or financial events and situations. Any commodity investment represents a transaction in a non-income-producing asset and is highly speculative.

Certain fixed income ETFs invest in investment grade and, at times, speculative securities. Investment grade securities are subject to numerous risks including higher interest rates, economic recession, deterioration of the investment grade market or investors' perceptions thereof, possible downgrades and defaults of interest and/or principal. Changes in interest rates could affect the value of investments in fixed income ETFs. Rising interest rates tend to cause the prices of debt securities (especially those with longer maturities) to fall. The credit rating of financial condition of an issuer may affect the value of the debt security. Generally, the lower the quality rating of a security, the greater the risk that issuer will fail to pay interest fully and return principal in a timely manner. Credit ratings are not an absolute standard of quality, but rather general indicators that reflect only the view of the originating rating agencies from which an explanation of the significance of such ratings may be obtained. If an issuer defaults or becomes unable to honor its financial obligations, the security may lose some or all of its value. Speculative securities are usually issued by smaller, less credit worthy and/or highly leveraged (indebted) companies. Compared with investment-grade bonds, speculative bonds carry a greater degree of risk that are less likely to make payments of interest and principal.

Regarding the fixed income portion of Asset Allocation strategies and Balanced Strategies, there are risks associated with the use of ETFs and ETNs. Fixed income ETFs and ETNs are not bonds. During market disruptions, there may be times when they can trade at discounts or premiums to the net asset value of the underlying portfolio of securities, which can directly affect the return on an investment in the ETF or ETN. Liquidity can also vary depending on market conditions. A fixed income ETF does not mature like an individual bond. These and other various differences highlight the fact that fixed income ETFs may vary in performance relative to direct investments in bonds.

Equity Strategies

Confluence's Equity Strategies are value-oriented strategies in which Confluence believes the portfolio securities are undervalued or inexpensive relative to other investments. These types of securities may present risks in addition to the general risks associated with investing in them, including the risk that our estimate of the intrinsic value of the stock may never be realized by the market or that the price goes down. Equity securities generally are selected on the basis of our views on an issuer's business and economic fundamentals or the securities' current and projected credit and profit profiles, relative to current market price. Such securities are subject to the risk of misestimating certain fundamental factors. Disciplined adherence to a value investment mandate during periods in which that style is out of favor can result in significant underperformance relative to overall market indices and other managed investment vehicles that pursue growth style investments and/or flexible style mandates.

Portfolios utilizing our Equity Strategies will typically hold securities of fewer issuers than, for example, a broadly diversified equity mutual fund. Our Equity Strategies portfolios may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility, and be concentrated in certain issues. Furthermore, because our Equity Strategies portfolios have a relatively small number of issuers, the portfolios have greater susceptibility to adverse developments in one issuer or group of issuers.

Confluence's Equity Strategies sometimes utilize American Depository Receipts (ADRs), which are typically issued by a U.S. bank or trust company and represent ownership of underlying foreign securities. While ADRs may not necessarily be denominated in the same currency as the securities into which they may be converted, many of the risks associated with foreign securities may also apply to ADRs. Issuers of foreign securities are not generally subject to uniform accounting, auditing and financial standards comparable to those applicable to U.S. public companies. Dividend and interest income may be subject to withholding and other foreign taxes, which may adversely affect the return on such investments. Although ADRs are typically denominated in U.S. dollars, they may be vulnerable to currency risks in the event changes in foreign currency exchange rates adversely affect the value of the underlying foreign securities.

The Small Cap Value, Equity Income, Value Opportunities and All Cap Value strategies can be comprised of smaller capitalization companies that, due to their size, generally are more vulnerable to adverse general market or economic developments than larger, more established companies. These small companies' securities often have abrupt and greater price volatility and may be less liquid because of limited financial resources, management inexperience and less publicly available information, among other factors. The firm's Value Opportunities strategy has a shorter investment horizon, has greater portfolio turnover and is typically more concentrated (e.g., 10 to 12 positions) than our other Equity Strategies.

The Increasing Dividend Equity Account (IDEA) strategy is focused on high-quality companies with long track records of distributing earnings to shareholders through dividends. Also of importance in securities selection is the anticipated dividend growth rate of the aggregate portfolio. However, companies are not required to continue to pay dividends and the IDEA strategy is subject to the risk that any or all of the portfolio companies could reduce or eliminate their dividends in the future, which would adversely affect the performance of the portfolios utilizing the strategy.

The IDEA Plus strategy is a combination of the IDEA strategy with a covered call option strategy on the S&P 500 Index. Approximately 75% of the portfolio is comprised of the IDEA portfolio and the remaining portion of the portfolio consists of an ETF position in the S&P 500 Index with a corresponding covered call option position. Confluence may write (sell) covered call options on all or a portion of the ETF position held in the IDEA Plus portfolio as determined to be appropriate, consistent with the strategy's investment objective. In addition to the risks associated with the IDEA strategy, the IDEA Plus strategy is subject to options risk. There are several risks associated with transactions in options on securities. For example, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objectives. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events. As the writer of a covered call option, the IDEA Plus portfolio forgoes, during the option's life, the opportunity to profit from increases in the market value of the security covering the call option above the sum of the premium and the strike price of the call, but the portfolio has retained the risk of loss should the price of the underlying security decline. The writer of an option has no control over the time when it may be required to fulfill its obligation as a writer of the option. Once an option writer has received an exercise notice, it cannot effect a closing purchase transaction in order to terminate its obligation under the option and must deliver the underlying security at the exercise price.

Balanced Strategies

Confluence's Balanced Strategies combine a specific Equity Strategy with fixed income allocations—either taxable fixed income or tax-exempt fixed income—utilizing income-oriented ETFs. The risks associated with the Equity Strategy portion of a Balanced Strategy account are described above in the Equity Strategies section and the risks associated with the fixed income portion of a Balanced Strategy account are described above in the Asset Allocation section.

Alternative and Sector Strategies

Confluence's Alternative Strategies, such as Global Hard Assets and Global Macro, include securities and asset classes that typically have greater price volatility than our asset allocation and equity strategies. The Global Hard Assets strategy is subject to the commodity, U.S. and foreign equities, non-diversification and currency risks described above. In addition to these risks, the Global Macro strategy is also subject to the asset allocation and fixed income securities risks described above.

Confluence's Sector-Specific Strategies are concentrated by design and thus the portfolios do not provide investors with broad diversification. The focus of these strategies on specific sectors may present more risks than if a portfolio were broadly spread over numerous sectors of the economy. Adverse economic, political or regulatory occurrences affecting one or more of those sectors will have a larger impact on the sector-specific portfolio than on a portfolio that does not concentrate solely in those specific sectors. At times, the performance of companies in those sectors will lag the performance of other sectors or the broader market as a whole.

Our Business Development Companies ("*BDCs*") strategy is subject to risks inherent in the BDC industry. BDCs typically invest in and lend to small and medium-sized private and certain public companies that may not have access to public equity markets or capital raising. As a result, a BDC's portfolio typically will include a substantial amount of securities purchased in private placements, and its portfolio may carry risks similar to those of a private equity or private debt fund. Securities that are not publicly registered may be difficult to value and may be difficult to sell at a price representative of their intrinsic value. BDC portfolio companies may utilize a high degree of borrowing or leverage, may have limited financial resources and may be unable to meet their debt obligations, which may be accompanied by a deterioration of the collateral pledged to secure repayment of such obligations. Small and medium-sized companies also may have fewer lines of business so that changes in any one line of business may have a greater impact on the value of their stock than is the case with a larger company. Some BDCs invest substantially, or even exclusively, in one sector or industry group and therefore carry risk of that particular sector or industry group. To the extent a BDC focuses its investments in a specific sector, the BDC will be susceptible to adverse conditions and economic or regulatory occurrences affecting the specific sector or industry group, which tends to increase volatility and result in higher risk. Investments in BDCs are subject to various risks, including management's ability to meet the BDC's investment objective, and to manage the BDC's portfolio when the underlying securities are redeemed or sold, during periods of market turmoil and as investors' perceptions regarding a BDC or its underlying investments change. BDC shares are not redeemable at the option of the BDC shareholder and, as with shares of other closed-end funds, they may trade in the secondary market at a discount to their net asset value. BDCs may employ the use of leverage in their portfolios through borrowings or the issuance of preferred stock. While leverage often serves to increase the yield of a BDC, this leverage also subjects the BDC to increased risks, including the likelihood of increased volatility and the possibility that the BDC's common share income may fall if the interest rate on any borrowings rises.

Our Utilities strategy portfolios invest a significant portion of their assets in securities of public utility companies engaged in the production, transmission or distribution of electric energy, gas or telephone services. Risks that are intrinsic to public utility companies include difficulty in obtaining an adequate return on invested capital, difficulty in financing large construction programs during an inflationary period, restrictions on operations and increased cost and delays attributable to environmental considerations and regulation, difficulty in raising capital in adequate amounts on reasonable terms in periods of high inflation and unsettled capital markets, technological innovations that may render existing plants, equipment or products obsolete, the potential impact of natural or man-made disasters, increased costs and reduced availability of certain types of fuel, occasional reduced availability and high costs of natural gas and other fuels, the effects of energy conservation, the effects of a national energy policy and lengthy delays and greatly increased costs and other problems associated with the design, construction, licensing, regulation and operation of nuclear facilities for electric generation, including, among other considerations, the problems associated with the use of radioactive materials, the disposal of radioactive wastes, shutdown of facilities or release of radiation resulting from catastrophic events, disallowance of costs by regulators which may reduce profitability, and changes in market structure that increase competition.

Our Real Estate Investment Trusts (“*REITs*”) strategy is subject to risks inherent in the REIT industry, including the risk that the strategy’s performance will be closely linked to the performance of the real estate markets. Property values may fall due to increasing vacancies or declining rents resulting from economic, legal, cultural or technological developments. Values of the REIT securities may fall, among other reasons, because of the failure of borrowers from such REITs to pay their loans or because of poor management of the real estate properties owned by such REITs. Many REITs utilize leverage (and some may be highly leveraged), which increases investment risk and could adversely affect a REIT’s operations and market value in periods of rising interest rates. REITs may operate within particular sectors of the real estate industry, such as apartments, office and industrial, regional malls and community centers, hotels and lodging and the health care sector, that are subject to specific sector-related risks. REITs are subject to highly technical and complex provisions of the Internal Revenue Code of 1986, as amended, which permit a REIT to avoid or limit its exposure to federal corporate income tax. Failure of a REIT to qualify for such provisions could adversely affect its operations and the investment returns to investors in the REITs securities.

Item 9—Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that have occurred in the last ten years that would be material to your evaluation of Confluence or the integrity of Confluence's management. Confluence has no information applicable to this item to disclose.

Item 10—Other Financial Industry Activities and Affiliations

Confluence professionals may from time to time assist other financial services organizations through providing advisory services for which they may be remunerated. These outside business activities are vetted by management prior to an employee's involvement and routinely reviewed to ensure Confluence clients are not disadvantaged.

Mark Keller, CEO and Chief Investment Officer of Confluence, is a member of the board of directors of Benjamin Edwards, Inc. ("*BEI*"), the holding company of Benjamin F. Edwards & Company ("*BFEC*"), and has a private investment in the equity securities of BEI. Although he has no day-to-day decision-making responsibilities for BEI, as a member of their board of directors he is involved in the development of strategy, policy and other important matters affecting the firm. Confluence offers its discretionary and non-discretionary investment advisory services to BFEC and its clients, as described above under Item 4 of this Brochure, entitled Advisory Business. As part of Mr. Keller's professional responsibilities with Confluence, he is involved in making investment decisions concerning portfolios of individual clients of BFEC. BFEC and its representatives do not receive any additional or different sales compensation in connection with recommendations to clients concerning Confluence versus any Financial Institution in comparable circumstances. Confluence and Mr. Keller do not receive any additional compensation in connection with client investments placed with Confluence through BFEC due to Mr. Keller's position on the board. Mr. Keller is compensated for his service as a board member of BEI on the same terms as other independent board members.

Brian Hansen, President and Chief Operating Officer of Confluence, is the sole owner of Hansen Investment Partners LLC ("*HIP*"). HIP provides non-investment advisory services to corporate clients for which it receives fixed fees. HIP and Confluence have a mutual client: First Trust Portfolios L.P. ("*First Trust*"), a Financial Institution for which Confluence provides discretionary portfolio management and investment advisory services by acting as a sub-advisor to an open-end mutual fund and a closed-end fund for which an affiliate of First Trust serves as investment adviser.

On November 1, 2012, Brian Hansen joined the board of directors of Franklin Street Properties Corp (NYSE: FSP), a publicly-traded Real Estate Investment Trust. Mr. Hansen has personal, long-term investments in securities issued by FSP and expects to make additional investments in FSP for his own account from time to time. Confluence evaluates each investment idea on its own merits and has established policies and procedures that address conflicts of interest that are or may be raised by Mr. Hansen's relationship with FSP. Mr. Hansen is not a member of Confluence's investment committee and neither participates in the investment committee's decision-making nor provides Confluence or the committee with information relating to FSP. Mr. Hansen's transactions in FSP securities must be effected in accordance with Confluence's policies and procedures relating to personal securities transactions as well as in accordance with applicable legal requirements.

Prior to several Confluence principals joining the firm, they previously managed investments at Gallatin for its affiliated brokerage firm, Wachovia Securities, LLC (n.k.a. "Wells Fargo Advisors"). On July 1, 2008, Confluence and Evergreen Investment Management Company, LLC ("Evergreen"), Gallatin's parent, entered into an agreement whereby in exchange for allowing Confluence principals to continue managing legacy accounts at Wells Fargo Advisors and gaining access to the books and records solely for validating its performance track record, Confluence shares a portion of these legacy account revenues with Evergreen. Evergreen subsequently assigned its contractual rights to an affiliate, Wells Fargo Bank, N.A.

On March 7, 2018, Confluence announced it entered into a definitive agreement to acquire the assets of Gratry & Company, LLC ("*Gratry*"), an international and global equity adviser in Beachwood, Ohio. Under the terms of the agreement, the Gratry investment professionals will join Confluence and remain in place to continue management of the international and global equity products. The transaction, subject to closing conditions, is expected to close in the second quarter of 2018.

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

Pursuant to SEC Rule 204A-1, Confluence has adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct, potential conflicts of interest and fiduciary duties to its clients. This Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading and pay-to-play and restrictions on the acceptance of significant gifts, among other things. All supervised persons at Confluence must acknowledge the terms of the Code of Ethics annually and compliance with the Code is a condition of employment for all personnel. A serious violation of the Code or related policies may result in dismissal. A copy of the Code of Ethics will be provided to any client or prospective client upon request.

<u>Participation or Interest in Client Transactions</u>

Confluence permits its employees to engage in personal securities transactions. Personal securities transactions by an employee may raise a potential conflict of interest if an employee trades in a security that is considered for purchase or sale for an investment strategy of Confluence. Our Code of Ethics is designed to ensure that those persons at the firm who are responsible for developing or implementing our investment advice or who provide the investment advice to clients are not able to act thereon to the disadvantage of clients. Client trading is required to be completed prior to an employee conducting any personal trading. The Code further prohibits Confluence's personnel from using any material nonpublic information in securities trading.

Confluence employees are permitted to invest in investment companies where we serve as sub-adviser. This may create an incentive for us to put the interests of these funds ahead of other clients. However, our Code requires employees to put clients' interests ahead of their own and to report personal transactions and holdings in funds sub-advised by Confluence.

It is Confluence's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Cross trades between client accounts are allowed in limited circumstances when in the best interest of the client and properly documented with all parties.

Public Offering Participation

From time to time, Confluence is presented, in connection with its discretionary portfolio management and investment advisory services, with an opportunity to participate in public offerings of securities. Certain of our clients, including those in certain Wrap Account Programs, may be prohibited from participating in such offerings by their respective Financial Institution. Certain of our other clients may be unable to participate in such offerings if their respective Financial Institution did not participate in the initial distribution of securities in such offering, depending on their particular Financial Institution or Custodian. Accordingly, Confluence's policy is to not purchase shares in such public offerings for its clients. In contrast, the First Trust Specialty Finance and Financial Opportunities Fund and the First Trust Confluence Small Cap Value Fund, the open-end mutual fund and the closed-end fund for which we act as sub-adviser, and our institutional clients are not similarly restricted, and are therefore allowed to participate in public offerings.

Item 12—Brokerage Practices

As described under Item 4 of this Brochure, titled Advisory Business, Confluence offers our portfolio management services on either a "discretionary" or a "non-discretionary" basis.

Non-Discretionary Accounts

We provide non-discretionary investment advisory services to certain Financial Institutions. In a non-discretionary account, Confluence has the authority to recommend to the client (or a third-party acting on behalf of the client) the securities or other assets to be held in the account, but we do not have the authority to implement such recommendations. Such non-discretionary advice typically takes the form of model portfolios, which represent Confluence's recommendations as to the composition of a portfolio of securities that would be reasonably appropriate to meet a stated investment objective, based on criteria provided by the client. Confluence's role is solely to provide to these Financial Institutions recommendations as to the securities composing the portfolio, and advice on changes to the portfolio. The Financial Institution may utilize our recommendations in managing the accounts of the clients of the Financial Institution. The Financial Institutions retain full discretion to accept, modify or reject our recommendations and retain trading authority—including the discretion to select broker/dealers to execute purchase and sale transactions—over their clients' accounts. The non-discretionary accounts at the Financial Institution for their clients may be Wrap Accounts, UMAs or other types of accounts. These clients are clients of the respective Financial Institution and are not Confluence clients.

Discretionary Accounts

In a discretionary account, Confluence is granted the authority to determine the securities or other assets to purchase or sell in the account, without the prior consent of the client.

—Factors Used to Select Broker-Dealers for Discretionary Accounts

For those discretionary client accounts for which Confluence also has discretion to select broker/dealers to execute purchase and sale transactions, Confluence is responsible for the placement of the client's transactions, the negotiation of the commissions to be paid on brokered transactions, the prices for dealer trades in securities, and the allocation of portfolio brokerage and dealer business. It is our policy to seek the best execution at the best security price available with respect to each transaction, and with respect to brokered transactions in light of the overall quality of brokerage and research services provided to Confluence and its clients. The best price to the client means the best net price without regard to the mix between purchase or sale price and commission, if any. Purchases may occasionally be made from underwriters and dealers. The purchase price of portfolio securities purchased from an underwriter or dealer may include underwriting commissions and dealer spreads. The client may pay markups on dealer transactions. In selecting broker/dealers and in negotiating commissions, Confluence considers, among other things, the broker/dealer's reliability, the quality of its execution services on a continuing basis, the research services provided and its financial condition.

Confluence recommends that clients choose their own financial advisor and broker/dealer. In certain circumstances when requested by the client, Confluence may provide a broker/dealer recommendation. For clients that choose not to utilize a traditional financial advisor, Confluence may recommend that clients establish brokerage accounts with a certain Custodians to maintain custody of clients' assets, to effect trades for their accounts and to send statement directly to the clients. Confluence does not take possession of or custody client assets and is not affiliated with any Custodian. The services provided by any Custodian so recommended by Confluence are not contingent upon Confluence committing to such Custodian any specific amount of business (assets in custody or trading). Any such Custodian's services include brokerage, 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. For those Confluence's client accounts maintained with such Custodians, the Custodian generally does not charge separately for custody but is compensated by the client account holders through commissions or other transaction-related fees for securities trades that are executed through such Custodians or that settle into such Custodian's accounts.

—Designated Brokerage for Discretionary Accounts

Clients in a Wrap Account program or with discretionary accounts in certain UMA programs are charged a bundled fee or fees by the Financial Institution sponsoring the program ("*Sponsor*"), typically based on a percentage market value of the assets in the Wrap Account or UMA. The bundled fee or fees generally covers charges for custody services, brokerage commissions, investment management and other services as negotiated between the client and the Sponsor. Confluence will generally place trades for clients in Wrap Account and UMA programs with the Sponsor of the program. In general, we have determined that it is in our client's best interest to trade with the Sponsor, in consideration of the cost to trade through a different broker/dealer. Most Sponsors assess clients a "trade away" fee for trades not executed through the Sponsor. However, we may choose to trade away if we are able and believe we can achieve best execution for a particular trade at another broker-dealer.

Discretionary account clients also may instruct us to use a designated broker-dealer ("*Designated Broker*") for all or a portion of the transactions in their accounts. Designated Brokers may provide certain consulting, performance evaluation, monitoring and oversight, commission recapture, and other services to the client for which the broker is compensated through commissions or other transaction fees generated by trades. In such cases, we generally make no attempt to negotiate commissions on our client's behalf. Clients using Designated Brokers may sacrifice execution quality or pay higher commissions and fees than other clients for whom we have discretion to select executing broker/dealers. We cannot assure "best execution" on trades for client accounts when we are instructed to use a Designated Broker.

Clients using Designated Brokers are not generally able to participate in "block trades" in which we enter trade orders for multiple accounts in a single block. Confluence may be able to include the order of a client using Designated Brokers with orders of other accounts with the objective of obtaining a better execution for the client using Designated Brokers if the executing broker-dealer will transfer the billing and settlement of the order to the Designated Broker (generally known as a "step-out"). Reconciliation of the portion of the trade given to a Designated Broker is done through the clearing process between the two broker-dealers. In such circumstances the client may incur both a transaction cost for the execution of the trade and a transaction cost for the billing and settlement of the trade. Confluence so aggregates the trades of Designated Broker client accounts only in circumstances in which executing the order in this manner is deemed to be in the best interest of the client using Designated Brokers.

Research and Other Soft Dollar Benefits

Section 28(e) of the Securities Exchange Act of 1934 permits an investment adviser, in certain circumstances, to cause an account to pay a broker or dealer who supplies brokerage and research services a commission for effecting a transaction in excess of the amount of commission another broker or dealer would have charged for effecting the transaction. Brokerage and research services include (a) furnishing advice as to the value of securities, the advisability of investing, purchasing or selling securities, and the availability of securities or purchasers or sellers of securities; (b) furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy, and the performance of accounts; and(c) effecting securities transactions and performing functions incidental thereto (such as clearance, settlement, and custody). Such brokerage and research services are often referred to as "soft dollars" or "commission sharing agreements."

Confluence seeks best execution of trades in a manner intended, considering the circumstances, to secure that combination of net price and execution that will maximize the value of our investment decisions for the benefit of its clients. Subject to our duty to seek best execution, our selection of brokers may be affected by our receipt of research services.

For client accounts for which Confluence has discretion to select broker/dealers to execute purchase and sale transactions, and in recommending broker-dealers to clients, we need not solicit competitive bids and do not have an obligation to seek the lowest available transaction cost (e.g., commission cost). It is generally not our practice to negotiate "execution only" transaction costs (e.g., commission rates); thus, our clients may be deemed to be paying for products and services provided by the broker-dealer which are included in the transaction charges. When we determine that more than one broker-dealer can offer the brokerage and execution services needed to obtain the best available price and most favorable execution, consideration may be given to using or recommending those broker-dealers which also supply products and services that assist us in fulfilling our investment advisory responsibilities. Products and services may be used by us in servicing some or all of our clients. These services include company and industry research as well as attendance at sponsored industry conferences.

In some instances, we may receive products and services that may be used for both research/brokerage and non-research/brokerage purposes. In such instances, we will make a good faith effort to determine the relative proportion of the products and services used for research/brokerage purposes and the relative proportion used for non-research/brokerage purposes. The proportion of the products and services attributable to research/brokerage purposes will be paid through brokerage commissions generated by client transactions; the proportion attributable to non-research/brokerage purposes will be paid for or reimbursed by us from our own resources. The receipt of “mixed-use” products and services and the determination of an appropriate allocation between research/brokerage and non-research/brokerage purposes create a potential conflict of interest between Confluence and its clients. These arrangements are periodically reviewed in relation to Section 28(e) of the Securities Exchange Act of 1934. The firm utilizes soft dollar credits to pay for financial data services and trading platforms. In no event are soft dollar credits used to offset losses from trading errors. Confluence may receive unsolicited research from firms used for execution. We do not consider such unsolicited materials as soft dollar research.

Confluence sub-advises a closed-end fund (NYSE: FGB), manages institutional accounts and sub-advises an open-end mutual fund with a small cap value strategy in which it can direct trades through various broker-dealers based on execution, costs and other services provided. In accordance with Section 28(e) of the Securities Exchange Act of 1934, broker-dealers are selected on the basis of their ability to execute transactions at the most favorable prices and lowest overall execution costs, taking into consideration other relevant factors, such as the reliability, integrity and financial condition of the broker-dealer, the size of and difficulty in executing the order, the quality of execution and custodial services and the provision of valuable research services that can be reasonably expected to enhance the investment return of the clients' portfolios. These services may be useful for all client accounts, and not all research may be useful for the account for which the particular transaction was effected. When broker-dealers are selected on the basis of their research services, Confluence may negotiate commissions that may be higher than for “execution only” transactions, but are nevertheless deemed reasonable in light of the value of such services provided, viewed in terms of either a particular transaction or the overall responsibilities of Confluence as to the accounts over which it exercises investment discretion.

Confluence generally uses between five and twenty brokers. Products and services may either be provided by a broker-dealer, or paid for by a broker-dealer (either by direct or reimbursement payments – in whatever form – or by commissions, mark-ups, mark-downs or credits or by any other means) to be provided by others. The availability of such products and services may create a conflict between the interests of the client in obtaining the lowest cost of execution and our interest in obtaining such services. In addition, several brokers through whom we execute orders provide proprietary research on general economic trends or particular companies. Confluence benefits by obtaining research or other products and services without having to produce or pay for research, products or services.

<u>Trade Order Aggregation and Allocation</u>

As described above, portfolio transactions in client accounts may be executed through broker/dealers selected by Confluence (in the case of discretionary accounts for which Confluence has discretion to select broker/dealers), through Sponsors of Wrap Accounts and UMA discretionary accounts, through Designated Brokers selected by the client in a discretionary account, or by the Financial Institution with which Confluence has a non-discretionary or model portfolio account (collectively, "*Eligible Broker/Dealers*"). Confluence has developed policies and procedures with respect to the aggregation of trade orders and the allocations of trade execution among Eligible Broker/Dealers, which we believe to be fair and equitable to our clients. In some cases, however, these policies and procedures could have an adverse effect on the price or the amount of securities available to a client.

<u>Aggregation and Allocation of Trades</u>. For those discretionary accounts for which Confluence has discretion to select broker/dealers, Confluence seeks to aggregate trades for client accounts within a strategy or across multiple strategies (if multiple strategies are transacting in the same security) and enter trades in a single block order when we believe it is on our clients' best interest. Trades for discretionary Wrap Accounts and UMA programs are generally aggregated by the Sponsor. It is Confluence's policy to allocate trades in a fair and equitable manner and we generally will allocate pro-rata. However, in the event of a partial fill of an aggregated order, we may choose a random allocation process. Confluence typically does not have trading discretion over non-discretionary accounts, such as model portfolio accounts, and such accounts are not eligible under our trade aggregation policies. Certain Financial Institutions that are model account clients may request that we assist in the implementation and execution of trades in such model accounts through such Financial Institution.

—<u>Asset Allocation Strategies; Balanced Strategies (Fixed Income Portion); Alternative Strategies</u>

As described above under Item 8 titled Methods of Analysis, Investment Strategies and Risk of Loss, our Asset Allocation Strategies, the fixed income portion of our Balanced Strategies and all or a portion of certain of our Alternative Strategies (such as the Global Hard Assets and Global Macro strategies) are implemented, for both discretionary SMAs and non-discretionary model accounts, using exchange-traded funds ("*ETFs*"). All client accounts within a particular investment strategy are generally treated alike with regard to the investment decisions made for that strategy. Confluence uses a rotational process to alternate the trading order between discretionary and non-discretionary accounts, and utilizes a random generator to determine the rotation among Eligible Broker/Dealers within each group.

—<u>Equity Securities Strategies; Balanced Strategies (Equities Portion); Alternative Strategies</u>

As described above under Item 8 titled Methods of Analysis, Investment Strategies and Risk of Loss, our Equity Strategies, the equities portion of our Balanced Strategies, our Sector-Specific Strategies and a portion of our Global Hard Assets strategy are implemented, for both discretionary SMAs and non-discretionary model accounts, using equity securities of U.S. issuers and U.S. listed securities of foreign issuers. All client accounts within one of these strategies are generally treated alike with regard to the investment decisions made for that strategy.

When Confluence purchases or sells an equity security within such a strategy for discretionary accounts, we use a random generator to alternate the trading order among Eligible Broker/Dealers with respect to such discretionary accounts. Certain Financial Institutions that are model account clients may request that we assist in the implementation and execution of trades in through such Financial Institution and, in such circumstances, trades are executed for such accounts after the execution of transactions for discretionary accounts as described in the preceding sentence. Financial Institutions with which we have non-discretionary accounts are notified of purchase and sale recommendations after the execution of trades as described above.

—Sector-Specific Strategies

We may modify our policies for allocation of equity securities transactions in our Sector-Specific Strategies. In our BDC Strategy, we utilize a rotational process to alternate the trading order between discretionary accounts for which Confluence has discretion to select broker/dealers, on the one hand, and Wrap Accounts and other Designated Broker account on the other hand. Within the latter group, a random generator protocol is used to alternate the trading order among Eligible Broker/Dealers.

Item 13—Review of Accounts

Investment personnel review each discretionary account portfolio on a regular basis to ensure that investments are made in conformity with clients' stated objectives. Reviews are made in light of the client's stated investment objective, applicable economic or monetary developments, overall conditions in various markets and specific market and related developments affecting individual securities.

On a monthly or quarterly basis (as directed by each client), the client's Custodian sends reports to clients showing transactions for the period, portfolio holdings, performance reporting and appropriate commentary. For dual contract clients, Confluence sends quarterly portfolio appraisals that can be compared to the client statements provided by the Custodian. Investment commentary letters and additional information are periodically provided to clients as agreed to by Confluence and the client.

Item 14—Client Referrals and Other Compensation

From time to time, Confluence utilizes solicitors, who are persons who receive compensation for directly or indirectly soliciting clients for, or referring clients to, an investment adviser. Confluence may engage independent contractors for client referrals. For such referrals, Confluence would compensate the independent contractor with a percentage of fees relating to such referrals based on the level of services performed. Any such compensation would be paid pursuant to a written agreement that is in compliance with the applicable federal regulations and state law. Each prospective client so solicited is given a copy of Confluence's written disclosure statement and a separate written disclosure statement of the solicitor as required by applicable federal regulations prior to or at the time of entering into any advisory contract. There is no increase in the advisory fees payable to Confluence by the solicited persons as a result of the compensation paid to the solicitor, under any such solicitation agreement.

Confluence previously had a solicitation agreement with First Trust Advisors L.P., a solicitor that is not affiliated with Confluence. This agreement has been terminated and First Trust no longer solicits new clients on Confluence's behalf.

Item 15—Custody

Other than obtaining authorization for deducting investment management fees, Confluence does not take possession of client assets, and all discretionary and non-discretionary assets are held with the Custodian selected by the client. Clients should receive statements at least quarterly from the Custodian that holds and maintains the client's investment assets. Confluence reconciles accounts with custodial records and urges clients to carefully review such statements and compare such official custodial records to the account statements that Confluence may provide to the client. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16—Investment Discretion

For discretionary accounts, Confluence usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Confluence observes the investment policies, limitations and restrictions of the clients for which it advises. Clients are able to restrict certain types of securities for social responsibility investing purposes or specific securities for other reasons. For registered investment companies, Confluence's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments.

Investment guidelines and restrictions must be provided to Confluence in writing.

Confluence does not have trading discretion over non-discretionary accounts, including certain UMA and model accounts.

Item 17—Voting Client Securities

Confluence is generally responsible for voting all proxies with respect to securities held in discretionary account portfolios we manage, and keeps such records as may be required in connection with such activity. Confluence utilizes Broadridge Financial Solutions, Inc., an outsourcing provider to the global financial industry, to coordinate, process, manage and maintain electronic records of Confluence's proxy votes. Upon a client's request, Confluence will provide to the client a copy of its Proxy Voting Policy as well as information concerning the voting of securities in such discretionary account portfolios.

Item 18—Financial Information

Confluence fees are generally payable quarterly in advance. Confluence does not require such advance payment six months or more in advance of more than $1,200 in fees per client. Under applicable regulations, a balance sheet for Confluence is not required to be included in this Brochure. Confluence does not currently believe nor foresee any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients. Confluence has not been the subject of a bankruptcy petition.

Cover Page

This brochure supplement provides information about Confluence's Investment Team personnel that supplements the Confluence brochure. You should have received a copy of that brochure. Please contact Anne Kochevar, Chief Compliance Officer, at (314) 743-5298 if you did not receive Confluence's brochure or if you have any questions about the contents of this supplement.

Additional information about Confluence's Investment Team personnel is available on the SEC's website at www.adviserinfo.sec.gov

Confluence Investment Management LLC Investment Team

Equity Strategies: All Cap Value; Equity Income; Increasing Dividend Equity Account (IDEA); Large Cap Value; Small Cap Value; Value Opportunities;

Mark Keller, CFA
Chief Executive Officer &
Chief Investment Officer

Daniel Winter, CFA
Portfolio Manager

Chris Stein
Portfolio Manager

Tom Dugan, CFA
Portfolio Manager

Tore Stole
Director of Research

John Wobbe
Equity Analyst &
Asst. Dir. of Research

Joe Hanzlik
Equity Analyst

Dustin Hausladen
Equity Analyst

Kaisa Stucke, CFA
Equity Analyst

Blair Brumley, CFA
Equity Analyst

Brett Mawhiney, CFA
Equity Analyst

IDEA Plus: Equity Team listed above, plus:

John Laux
Senior Trader &
Options Strategist

Asset Allocation Strategies: Income with Growth; Growth & Income; Growth; Aggressive Growth

Mark Keller, CFA
Chief Executive Officer &
Chief Investment Officer

William O'Grady
Chief Market Strategist

Gregory Ellston
Director of
Asset Allocation

David Miyazaki, CFA
Portfolio Manager

Patty Dahl
Chief Financial Officer
& Portfolio Manager

Kaisa Stucke, CFA
Equity Analyst

Fixed Income Strategies: Taxable and Tax-Exempt

Mark Keller, CFA Chief Executive Officer & Chief Investment Officer	**William O'Grady** Chief Market Strategist

David Miyazaki, CFA Portfolio Manager	**Gregory Ellston** Director of Asset Allocation	**Kaisa Stucke, CFA** Equity Analyst

Global Hard Assets Strategy

Mark Keller, CFA Chief Executive Officer & Chief Investment Officer	**William O'Grady** Chief Market Strategist
Kaisa Stucke, CFA Equity Analyst	**John Laux** Senior Trader & Options Strategist

Global Macro Strategy

Mark Keller, CFA Chief Executive Officer & Chief Investment Officer	**William O'Grady** Chief Market Strategist

Specialty Finance BDC Strategy

Mark Keller, CFA Chief Executive Officer & Chief Investment Officer	**David Miyazaki, CFA** Portfolio Manager	**Daniel Winter, CFA** Portfolio Manager

PROFESSIONAL CERTIFICATIONS

Select employees have earned certifications which are explained in detail below.

CHARTERED FINANCIAL ANALYST

The Chartered Financial Analyst (CFA) designation is an international professional certification offered by the CFA Institute. In order to earn the CFA designation, candidates must complete a series of three exams, possess a bachelor's degree from an accredited institution or have equivalent education or work experience as well as 48 months of qualified, professional work experience. CFA charterholders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct.

CERTIFIED PUBLIC ACCOUNTANT

The Certified Public Accountant (CPA) designation is the statutory title of qualified accountants in the United States who have passed the Uniform Certified Public Accountant Examination and have met additional state education and experience requirements for certification as a CPA. Eligibility to sit for the Uniform CPA Exam requires a U.S. bachelor's degree which includes a minimum number of qualifying credit hours in accounting and business administration with an additional one year of study. CPAs are required to take continuing education courses in order to renew their license, and most states also require their CPAs to take an ethics course during every renewal period.

Educational Background and Business Experience

Mark Keller, CFA

Chief Executive Officer and Chief Investment Officer

As Chief Investment Officer, Mark Keller oversees all of Confluence's investment strategies and investment operations including equity strategies, asset allocation and alternative investments. As an analyst, he focuses on Conglomerates and Special Situations. In addition to his active involvement in the investment decisions of the firm, Mark has been instrumental in product development. Mark has over 40 years of investment experience, with a focus on value-oriented equity analysis and management.

Prior to joining Confluence, Mark was a senior vice president of A.G. Edwards & Sons, Inc. and of Gallatin Asset Management, Inc., and was a member of the Board of Directors of both companies. From 1994 to May 2008, he was Chief Investment Officer of Gallatin Asset Management, Inc., and its predecessor organization, A.G. Edwards Asset Management, the investment management arm of A.G. Edwards, Inc. Mark and his team were responsible for the management of over $10 billion of assets across various equity, asset allocation and fixed income strategies.

From 1999 to 2008, Mark was Chairman of the A.G. Edwards Investment Strategy Committee, which set investment policy and established asset allocation models for the entire organization. He was a founding member of this body and served on it for over 20 years. Mark began his career with A.G. Edwards in 1978, serving as an equity analyst for the firm's Securities Research Department from 1979 to 1994. During his last five years in Securities Research, Mark was equity strategist and manager of the firm's Focus List.

Mark earned his Bachelor of Arts from Wheaton College (Illinois) and is a CFA charterholder.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

Mark Keller is a member of the board of directors of Benjamin Edwards, Inc. ("BEI"), the holding company of Benjamin F. Edwards & Company (BFEC), and has a private investment in the equity securities of BEI. Although he has no day to day decision making responsibilities for BEI, as a member of their board of directors, he is involved in the development of strategy, policy and other important matters affecting their firm. As part of his professional responsibilities with Confluence, he is involved in making investment decisions concerning portfolios of individual clients of BFEC. See disclosure of advisory services provided in Item 10 in the Disclosure Brochure.

BFEC and its representatives do not receive any additional or different sales compensation in connection with recommendations to clients concerning Confluence versus any other money manager under comparable circumstances. Confluence and Mr. Keller do not receive any additional or different compensation in connection with client investments placed with Confluence through BFEC versus those of any other investment firm similarly situated. Mr. Keller is compensated for his service as a board member of BEI on the same terms as other independent board members.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Mark Keller and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

William O'Grady

Chief Market Strategist

As Chief Market Strategist, Bill O'Grady performs market, economic and geopolitical research and is a member of the Asset Allocation Investment Committee. Bill also co-manages Confluence's Global Hard Assets portfolio, which focuses on tangible commodities investments. These strategies all rely on his top-down evaluations of the geopolitical environment, fundamental macroeconomic trends and technical patterns in the target markets. Additionally, Bill writes numerous reports for the firm, including the Daily Comment, Weekly Geopolitical Report, Asset Allocation Weekly and Quarterly Energy Comment, where he provides insights on these topics and discusses market effects.

Prior to joining Confluence, Bill served as Vice President and Chief Investment Strategist for Wachovia Securities. As Chief Investment Strategist, he provided short-term asset allocation advice for Wachovia's Advisory Services Group. In addition, Bill managed Wachovia's Global Macro Asset Allocation program, an ETF-based alternative asset program. Prior to this, Bill served in a variety of positions in his 19-year tenure at A.G. Edwards & Sons, Inc. including Chief Global Investment Strategist, Assistant Director of Market Analysis and Manager of Futures Research. He also served as a member of the A.G. Edwards Investment Strategy Committee. Previously, he was the International Economic and Administrative Officer of Mercantile Bank in St. Louis, developing country risk analyses for international lending activities.

In all, Bill has more than 30 years of experience following the energy, foreign exchange and futures markets. Bill is known for his geopolitical commentary along with his energy and currency background and is frequently quoted by such national media outlets as *The Wall Street Journal* and Bloomberg News.

Bill earned a master's degree in economics from St. Louis University and has undergraduate degrees in history and public administration from Avila College.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Bill O'Grady and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Patty Dahl

Chief Financial Officer and Portfolio Manager

Patty Dahl is a member of the Asset Allocation Investment Committee. As Chief Financial Officer, she also leads finance and marketing functions for Confluence.

Prior to joining Confluence, Patty served for nine years as Managing Director – Private Equity at A.G. Edwards & Sons where she managed the firm's diversified private equity fund of funds portfolios. Her primary responsibilities included sourcing, evaluating, selecting and monitoring the private equity portfolios, which comprised buyout funds, venture capital funds and direct co-investments in private companies.

Before joining A.G. Edwards in 1999, Patty managed the private equity program for the University of California, which had over $1.4 billion committed to venture capital, buyout, subordinated debt and emerging markets private funds. Prior to joining the University of California, she was with Pacific Corporate Group (PCG), a La Jolla, California-based private equity consultant and gatekeeper to many large pension funds. Prior to working at PCG, Patty was with McDonnell Douglas Corporation, where she was a member of the two-person team responsible for the financial management of the company's $8 billion retirement funds.

Patty earned a Master of Business Administration from St. Louis University and a Bachelor of Science in business administration from Washington University in St. Louis.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Patty Dahl and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

David Miyazaki, CFA

Portfolio Manager

David Miyazaki is a portfolio manager at Confluence and manages the specialty finance portfolios with an emphasis on business development companies (BDCs). This work includes co-managing the First Trust Specialty Finance and Financial Opportunities Fund (NYSE: FGB). David is also a member of the Asset Allocation Investment Committee. In addition, he works with the firm's balanced portfolios, with a particular focus on the fixed income investments.

Prior to joining Confluence, David served as a portfolio manager and analyst with Gallatin Asset Management, the investment management arm of A.G. Edwards, Inc. David was responsible for separately managed accounts invested in individual stocks with a value discipline and co-managed the aforementioned FGB closed-end fund, then known as the First Trust/Gallatin Specialty Finance and Financial Opportunities Fund, as well as A.G. Edwards' ETF-based asset allocation program. In addition to portfolio management, David served as a member of the A.G. Edwards Investment Strategy Committee. As a strategist, he was responsible for the firm's quantitative asset allocation models, including its Cyclical Asset Allocation Program.

Prior to joining A.G. Edwards in 1999, David was a portfolio manager at Koch Industries in Wichita, Kansas, where he managed a short-term interest rate arbitrage portfolio Previously, he was a private placement debt analyst at Prudential Capital Group in Dallas, TX, a group that managed the world's largest portfolio of private placement debt, and worked as a mortgage bond trader for Barre & Company. He has over 25 years of financial experience, starting in the industry in 1991.

David earned a Bachelor of Arts in business administration from Texas Christian University and is a CFA charterholder.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

David Miyazaki provides investment advisory services to the Moneta Group that are solely related to product and ETF selection and unrelated to Confluence's business of providing specific investment recommendations for clients.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

David Miyazaki and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Gregory Ellston

Director of Asset Allocation

Greg Ellston joined Confluence in 2017 as Director of Asset Allocation. He is a member of the Asset Allocation Investment Committee, leading the firm's cyclical ETF strategies.

Prior to joining Confluence, Greg was Managing Director of Asset Allocation and Portfolio Construction for the Investment Management Group at TIAA-CREF for nine years. In this role, he initiated and constructed a discretionary management platform that grew to over $21 billion during his tenure. His group also provided oversight for another $20 billion in assets for a number of affiliates.

Before TIAA-CREF, Greg worked at A.G. Edwards as a vice president within the Gallatin Asset Management division, where he directed Manager Analysis and served as co-manager on the Cyclical Asset Allocation Portfolios. Prior to A.G. Edwards, Greg held roles at Rauscher Pierce Refsnes, Inc. and Stifel, Nicolaus & Company. Over the course of his 30 years of experience, Greg has been involved in building five fee-based platforms at three different firms, including separate accounts, open-end mutual funds and exchange-traded funds. He was involved in the first closed-end fund research effort and the first research group incorporating dedicated investment manager analysts.

Greg has served on the Securities Industry Association's Investment Company Committee and has been a member of Morningstar's Institutional Advisory Council. Greg earned his BBA from the University of Mississippi and his MBA from the A.B. Freeman School of Business at Tulane University.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Greg Ellston and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Daniel Winter, CFA

Portfolio Manager

Dan Winter chairs the firm's Equity Portfolio Management Committee. His responsibilities include directing the strategy implementation and trading execution for the equity portfolios. Dan, like all portfolio managers at Confluence, is also an analyst. His primary areas of coverage include the Financials and Information Technology sectors.

Prior to joining Confluence, Dan served as a portfolio manager and analyst with Gallatin Asset Management, the investment management arm of A.G. Edwards, Inc. While at Gallatin, Dan chaired the portfolio management team responsible for the firm's six value-oriented equity strategies. Additionally, Dan co-managed the First Trust/Gallatin Specialty Finance and Financial Opportunities Fund (NYSE: FGB) closed-end fund, primarily focused on Business Development Companies.

At Gallatin, Dan also served as a portfolio manager for the Cyclical Growth ETF and the Cyclical Growth and Income ETF portfolios, which were offered through variable annuities. He was also a member of the firm's Allocation Advisor Committee, which oversaw the A.G. Edwards exchange traded fund-focused strategies. Prior to joining the firm's Asset Management division in 1994, Dan served as a portfolio manager for A.G. Edwards Trust Company.

Dan earned a Master of Business Administration from Saint Louis University and a Bachelor of Arts in business management from Eckerd College. Dan is a CFA charterholder.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Dan Winter and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Chris Stein

Portfolio Manager

Chris Stein performs market research as a member of the Equity Investment Committee and has portfolio management responsibilities for all of Confluence's equity investment strategies. Chris, like all portfolio managers at Confluence, is also an analyst. His primary areas of coverage include the Retail, Media and Industrials sectors.

Prior to joining Confluence, Chris spent seven years as a portfolio manager and analyst with Gallatin Asset Management, the investment management arm of A.G. Edwards, Inc. While at Gallatin, Chris was part of the portfolio management team responsible for Gallatin's value-oriented equity portfolios. His coverage was primarily focused on companies within the Consumer Discretionary sector. Additionally, Chris assisted the A.G. Edwards Trust Company in constructing and managing individual stock portfolios.

Before joining the Asset Management division in 2001, Chris was an associate analyst covering the Media & Entertainment sector for A.G. Edwards' securities research. Prior to A.G. Edwards, he was a financial consultant with Renaissance Financial.

Chris earned a Master of Business Administration from St. Louis University and has undergraduate degrees in accounting and finance from the University of Dayton.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Chris Stein and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Tom Dugan, CFA

Portfolio Manager

Tom Dugan performs market research as a member of the Equity Investment Committee and has portfolio management responsibilities for all of Confluence's equity investment strategies, with particular focus on the Increasing Dividend Equity Account (IDEA) strategy. Tom, like all portfolio managers at Confluence, is also an analyst. As an equity analyst, his primary areas of coverage include Insurance, Asset Management, Financial Tech and Industrials.

Tom has nearly 15 years of value-oriented equity research experience. Prior to joining Confluence, Tom served as an equity analyst with Gallatin Asset Management, the investment management arm of A.G. Edwards, Inc. At Gallatin, Tom's value-oriented research focused primarily on banks and insurance companies. Previously, Tom was an equity analyst with Martin Capital Management in Elkhart, Indiana.

Tom graduated summa cum laude with a Bachelor of Science in business administration in finance and economics from Rockhurst University. He earned his Master of Business Administration from the Kelley School of Business at Indiana University and is a CFA charterholder.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Tom Dugan and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Tore Stole

Director of Research

Tore Stole leads Confluence's market research efforts and chairs the firm's Equity Investment Committee. His research coverage includes Materials, Industrials and Consumer Staples.

Before joining Confluence, Tore spent the prior 18 years as an analyst with A.G. Edwards & Sons, Inc., the last eight years of which were with Gallatin Asset Management, the investment management arm of A.G. Edwards, Inc. Tore was part of the portfolio management team responsible for Gallatin's value-oriented equity portfolios. His coverage was primarily focused on Basic Industries, including chemicals and forest products, as well as the Food & Beverage sector.

Prior to joining the Asset Management division in 2000, Tore served as an equity analyst covering the pollution control, chemicals and paper & forest products industries. Tore has more than 30 years of experience covering stocks, starting in 1985 with Milwaukee-based Blunt Ellis & Loewi before moving to The Chicago Corporation in 1988.

Tore earned a Master of Business Administration from the University of Chicago and a Bachelor of Arts from the University of Illinois – Urbana.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Tore Stole and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

John Wobbe

Equity Analyst and Assistant Director of Research

John Wobbe is an equity analyst and a member of Confluence's Equity Investment Committee. His areas of coverage include the Health Care and Construction Materials sectors. John also serves as the firm's Assistant Director of Research.

Prior to joining Confluence, John served as an equity analyst with Gallatin Asset Management, the investment management arm of A.G. Edwards, Inc. John joined Gallatin in 2002 and was primarily responsible for the coverage of the Health Care industry. He also spent time covering the building material and business service industries.

Previously, John was an associate analyst for Ryback Management, the sub-advisor for the Lindner Funds. While at Lindner, John also maintained the position of Senior Fund Account and was responsible for the daily accounting for the Lindner Mutual Funds.

John earned his Bachelor of Science in accounting from the University of Missouri - St. Louis.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

John Wobbe and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Joe Hanzlik

Equity Analyst

Joe Hanzlik is an equity analyst and a member of Confluence's Equity Investment Committee. His areas of coverage include the Specialty Finance, Energy and Information Technology sectors.

Prior to joining Confluence, Joe served as a vice president in the Financial Institutions & Real Estate investment banking practice at A.G. Edwards & Sons. In 2006, he transitioned from technology to specialty finance, leveraging his previous experience in the insurance and financial services sectors. He has provided capital raising and M&A advisory services for a wide array of specialty finance and technology companies. Joe joined the A.G. Edwards Technology banking group in 2000, specializing in semiconductors and leading the firm's wireless communications banking efforts. Before joining A.G. Edwards, he was a manager in Corporate Finance with Deloitte & Touche in London. Previously, Joe worked with Deloitte & Touche in Omaha, Nebraska, in the audit and assurances group. Joe has worked in the financial industry for more than 25 years, starting in 1992.

Joe earned his Bachelor of Science in business administration and Master in Professional Accountancy from the University of Nebraska. He also has a Master of Business Administration from Washington University in St. Louis and is a Certified Public Accountant.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Joe Hanzlik and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Dustin Hausladen

Equity Analyst

Dustin Hausladen is an equity analyst and a member of Confluence's Equity Investment Committee. His areas of coverage include Real Estate, Utilities, Leisure and Software Services.

Prior to joining Confluence, Dustin worked in the A.G. Edwards & Sons Investment Banking Group. As a member of the Financial Institutions and Real Estate practice, he assisted clients in raising over $7 billion in capital while advising numerous clients on strategic alternatives, dispositions and acquisitions. Before A.G. Edwards, Dustin worked at Credit Suisse First Boston in their Capital Markets group and worked within the operations and strategic development of different technology and healthcare start-up firms.

Dustin earned his Master of Business Administration, with honors, from the Stephen M. Ross School of Business at the University of Michigan. He graduated cum laude with a Bachelor of Science in engineering in bioengineering and mathematics from the University of Pennsylvania.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Dustin Hausladen and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Kaisa Stucke, CFA

Equity Analyst

Kaisa Stucke is an equity analyst and a member of the Equity Investment Committee. Her primary areas of coverage are the Health Care and Consumer Goods sectors. Kaisa is also a member of the Asset Allocation Investment Committee and works on the fixed income portfolios. Kaisa also contributes to the Global Hard Assets strategy where she covers the Metals and Mining sectors. She has previously contributed market commentary to the firm's Daily Comment and Weekly Geopolitical Reports.

Prior to joining Confluence, Kaisa served as a financial analyst for IPR International in Philadelphia. She has worked in Europe and the U.S., and has experience with the Estonian Stock Exchange and the National Bank of Estonia.

Kaisa graduated cum laude with a Bachelor of Arts in economics and mathematics from the University of Pennsylvania and is a CFA charterholder.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Kaisa Stucke and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

J. Blair Brumley, CFA

Equity Analyst

Blair Brumley joined Confluence in 2017 as an equity analyst and a member of Confluence's Equity Investment Committee. His primary areas of coverage include Industrials and related sectors, including Aerospace & Defense and Machinery, and Transportation.

Blair brings over 30 years of investment experience to the firm, starting his career with A.G. Edwards & Sons in 1986. Since that time, he has worked extensively on both the buy side – most recently at Columbia Management as well as The Boston Company – and the sell side, including stints with Credit Suisse First Boston, Dain Bosworth and Roulston and Company. His industry expertise has centered mostly on the Industrials sector and related areas such as multi-industry, all transports, automotive, agriculture, paper and packaging, engineering and construction, waste management and industrial distribution. Blair also brings experience in managing global portfolios and has analyzed and invested in companies headquartered and operating worldwide. Blair got his start producing a value investing product alongside Mark Keller, and has gone on to use many investment styles in addition to value investing, including core, yield and GARP approaches.

Blair earned his Bachelor of Science in business administration and Master of Business Administration from Washington University in St. Louis. Blair is a CFA charterholder.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Blair Brumley and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

Brett Mawhiney, CFA

Equity Analyst

Brett Mawhiney is an equity analyst and a member of Confluence's Equity Investment Committee. His primary areas of coverage are Health Care and Software Services.

Prior to joining Confluence in 2018, Brett spent three years as an equity analyst at Rock Springs Capital in Baltimore, MD, a healthcare-dedicated hedge fund, where he was responsible for following healthcare services companies. Preceding his tenure at Rock Springs, Brett was an associate analyst at T. Rowe Price, where he performed equity research and portfolio management support for the Media & Telecom Fund and the New Horizons Fund, a small-cap growth strategy.

Brett graduated from Vanderbilt University with a Bachelor of Arts in economics, with minors in corporate strategy and financial economics. Brett is a CFA charterholder.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

Brett Mawhiney and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Educational Background and Business Experience

John Laux

Senior Trader and Options Strategist

John Laux handles the daily trading responsibilities at Confluence as well as designing and implementing the options strategy for the IDEA Plus portfolio. John has nearly 30 years of experience trading equities, options and futures.

Prior to joining Confluence, John served as Head Trader at Kennedy Capital and started his career as an Options Market Maker on the CBOE. John earned a Bachelor of Arts from the University of Missouri – Columbia.

Item 3 – Disciplinary Information

There are no legal or disciplinary events that would be material to your evaluation of this supervised person providing investment advice.

Item 4- Other Business Activities

There are no outside business activities to report.

Item 5 – Additional Compensation

There is no additional compensation to report.

Item 6 – Supervision

John Laux and all Confluence Investment Team professionals are supervised by policies and procedures relating to the provision of investment advice. These policies include preauthorization of all marketing materials, permanently recording all trading activity, reconciling accounts to custodians' records daily, and monitoring personal trading activities. For additional information regarding Confluence's supervisory activities, please call Mark Keller, Chief Executive Officer, at (314) 743-5091.

Confluence Investment Management LLC
Privacy Notice

Privacy Policy

Confluence Investment Management LLC is committed to protecting your personal information to ensure your financial privacy. Because safeguarding your personal information is important to us, we will not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law and described below.

Information We Collect

We collect the following types of nonpublic personal information about you:

- Information you supply on applications or other forms, such as your name, address, social security number, assets, income and similar information. We use this information in providing our investment advisory services to you.
- Information about your transactions with us or others, such as your account balance and account transactions. We use this information to evaluate your financial situation and provide better services to you.

Disclosure of Information

As permitted by law, we may disclose some or all of the information we collect, as described under "Information We Collect," to unaffiliated third parties to service your account and to provide services you request. Such unaffiliated third parties include:

- Companies that provide financial services, such as broker-dealers, banks, mutual fund companies and insurance companies.
- Non-financial companies, such as companies that assist us in marketing our services.
- Others who provide services to us, such as parties who provide technical support for our hardware and software systems and our legal and accounting professionals, as well as government agencies and other parties as permitted or required by applicable law.

The information we share with parties that provide us with marketing and other services is limited to information they need to perform their services and we require such parties to agree to use the information only for the purpose of performing their services.

Protection of Your Information

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide our services to you. We maintain physical, electronic and procedural safeguards that comply with federal standards to guard your nonpublic personal information. We do not sell personal information to parties not affiliated with us for the purpose of marketing their services or products to you or for any other purpose, and we do not share your personal information with other parties except in the limited circumstances discussed above.

Continued Protection of the Privacy of Former Clients

Even if you are no longer our client, our privacy policy still applies to you.

Updates and Inquiries

As required by federal law, we will notify you of our privacy policy annually. We reserve the right to modify this policy at any time; however, if we do change it, we will notify you promptly. For questions about our policy, please contact us at compliance@confluenceim.com or 314-743-5090.

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