



## **Clare Market Investments, LLC**

### **Form ADV Part 2A – Disclosure Brochure**

**Effective: March 5, 2021**

This Form ADV 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Clare Market Investments, LLC (“Clare Market” or the “Advisor”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (866) 659-1019 or by email at [info@claremarket.com](mailto:info@claremarket.com).

Clare Market is a registered investment advisor located in the State of Texas. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information through Clare Market to assist you in determining whether to retain the Advisor.

Additional information about Clare Market and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 217515.

**Clare Market Investments, LLC**  
**CRD No: 217515**  
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Dallas, TX 75209  
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## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: *Part 2A (the "Disclosure Brochure")* and *Part 2B (the "Brochure Supplement")*. The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of Clare Market.

Clare Market believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. Clare Market encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

The material changes in this brochure from the last annual updating amendment of Clare Market Investments, LLC on 02/18/2020 are described below. Material changes relate to Clare Market Investments LLC's policies, practices or conflicts of interests only.

- Clare Market Investments, LLC has updated their Primary Office Address (Front Page).

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Clare Market.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with our firm name or our CRD# 217515. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (866) 659-1019 or by email at [info@claremarket.com](mailto:info@claremarket.com).

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## **Item 4 – Advisory Services**

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### **A. Firm Information**

Clare Market Investments, LLC (“Clare Market” or the “Advisor”) is a registered investment advisor located in the State of Texas, which is organized as a Limited Liability Company (“LLC”) under the laws of Texas. Clare Market was founded in January 2012 and is owned and operated by Keith A. Rhodus (Founder and Chief Compliance Officer). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Clare Market.

### **B. Advisory Services Offered**

Clare Market offers investment advisory services to individuals, high net worth individuals, families, trusts, estates and business clients in the State of Texas and other states (each referred to as a “Client”).

#### Investment Management Services

Clare Market provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and financial planning services. Clare Market focuses on long-term investing with a focus on financial and wealth planning.

Clare Market works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. Clare Market will then construct a portfolio consisting of its internal investments strategies and/or an allocation to unaffiliated money managers.

The Advisor constructs portfolios consisting of individual equity and fixed income securities, oil and gas master limited partnerships and other types of investments. The Advisor may utilize mutual funds and/or exchange-traded funds (“ETFs”) to represent a particular asset class or sector. For fixed income allocations, the Advisor generally employs mutual funds and ETFs. For cash management, the Advisor will often invest in short-term government issues. Index and individual options may be used in risk management or to provide income for Clients.

Clare Market’s investment strategy is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. In certain circumstances, positions may be held for a short period as well. Clare Market will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

Clare Market evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. Clare Market may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Clare Market may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. Clare Market may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

At no time will Clare Market accept or maintain custody of a Client’s funds or securities, except for authorized deduction of the Advisor’s fees. All Client assets will be managed within their designated account[s] at the Custodian, pursuant to the Client investment advisory agreement.

#### Selection of Sub-Advisors

Clare Market may recommend to certain Clients that a portion of their investment portfolio be implemented by utilizing one or more unaffiliated money managers (an unaffiliated manager”). The Advisor will either engage an unaffiliated manager directly or select an unaffiliated manager that participates in a managed accounts program at the Client’s Custodian. The Client may enter into an additional investment management agreement with the

unaffiliated manager and/or program sponsor, as applicable. The unaffiliated manager[s] will also have investment discretion over the Client's account[s] allocated to the manager and will have the authority to purchase or sell investments without the prior approval of the Client, subject to any restrictions on the account[s].

The Advisor shall monitor the performance of the unaffiliated manager and shall have the discretionary authority to hire or fire any unaffiliated manager. The Advisor will assist and advise the Client in establishing investment objectives for the account[s], the selection of the unaffiliated manager[s], and defining any restrictions on the account[s]. Clare Market will continue to provide oversight of the Client account[s] and ongoing monitoring of the activities of the unaffiliated manager[s].

**Clare Market does not receive any compensation from these unaffiliated money managers or the Program Sponsor, other than Clare Market's investment advisory fee (described in Item 5).**

The Client, prior to entering into an agreement with an unaffiliated manager or managed accounts program, will be provided with the Form ADV Part 2A (or a brochure that makes the appropriate disclosures) for the unaffiliated manager[s] and/or the program sponsor (as applicable).

Financial Planning Services

Clare Market will typically provide a variety of financial planning services to individuals and families, pursuant to a written financial planning agreement. Services are offered in several areas of a Client's financial situation, depending on their goals, objectives and financial situation. The Advisor provides a comprehensive wealth planning approach with its Clients. Planning services will typically include the preparation of a financial plan or rendering a financial consultation based on the Client's financial goals and objectives. This planning or consulting is often ongoing in nature. For certain Clients, a plan may be targeted and may encompass one or more areas of need, including, but not limited to investment planning, retirement planning, personal savings, education savings and other areas of a Client's financial situation.

A financial plan developed for or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs. Clare Market may also refer Clients to an accountant, attorney or another specialist, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

Financial planning and consulting recommendations may pose a potential conflict between the interests of the Advisor and the interests of the Client. For example, a recommendation to engage the Advisor for investment management services or to increase the level of investment assets with the Advisor would pose a conflict, as it would increase the advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to execute the transaction through the Advisor.

**C. Client Account Management**

Prior to engaging Clare Market to provide investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client.

These services may include:

- Establishing an Investment Strategy – Clare Market, in connection with the Client, will develop an investment strategy targeted to achieve the Client's investment goals and objectives.

- Asset Allocation – Clare Market will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance of risk for each Client.
- Portfolio Construction – Clare Market will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Clare Market will provide investment management and ongoing oversight of the Client's investment portfolio.

#### **D. Wrap Fee Programs**

Clare Market does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by Clare Market.

#### **E. Assets Under Management**

As of December 2020, Clare Market manages approximately \$370,234,000.00 in discretionary assets. Clients may request more current information at any time by contacting the Advisor.

### **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client shall sign one or more agreements that detail the responsibilities of Clare Market and the Client.

#### **A. Fees for Advisory Services**

##### Investment Management Services

Investment advisory fees are paid monthly in advance pursuant to the terms of the investment advisory agreement. Investment advisory fees range from 1.50% to 0.25% depending on the size and complexity of the Client relationship. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

Investment advisory fees in the first month of service are prorated from the inception date of the account[s] to the end of the first month. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with Advisor. All securities held in accounts managed by Clare Market will be independently valued by the Custodian. Clare Market will not have the authority or responsibility to value portfolio securities.

##### Selection of Sub-Advisors

Fees for Clients with allocations to unaffiliated managers or those participating in managed accounts program, the overall fee to Clients will include Clare Market's investment advisory fee above plus the unaffiliated manager[s] and the program sponsor's fee (if applicable).

##### Financial Planning Services

Clare Market offers financial planning services at an hourly rate of up to \$250 per hour or on a fixed engagement fee. Clare Market also offers its financial planning services on an annual retainer, paid either monthly or quarterly in advance. Annual fees range from \$1,000 to \$25,000 depending on the scope of services to be provided and the complexity of the Client's situation. An estimate for total hours and/or costs will be provided to the Client prior to engaging for these services. Fee may be negotiable depending on the nature and complexity of each Client's circumstances.

#### **B. Fee Billing**

##### Investment Management Services

Investment advisory fees will be calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor or its delegate shall instruct the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective month-end date in advance. Fees are calculated on a 365

day year with a 366 day year for “leap” years. Initial bills will be prorated based on the number of days assets are under management. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. In addition, the Advisor will provide the Client a report itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian’s brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting Clare Market to be paid directly from their accounts held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

#### Selection of Sub-Advisors

Clients allocated to an unaffiliated manager or participating in a managed accounts program will be billed in accordance to the advisory agreement[s] with the respective providers. Clare Market’s fee may be billed along with these fees or separately billed.

#### Financial Planning Services

Hourly financial planning fees are invoiced by the Advisor either monthly or quarterly in arrears. Annual financial planning fees are invoiced by the Advisor either monthly or quarterly in advance. Fees shall be paid by check, credit card, ACH or deducted from the Client’s account[s], pursuant to the terms of the financial planning agreement.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than Clare Market, in connection with investments made on behalf of the Client’s account[s]. The Client is responsible for all custodial and securities execution fees charged by the Custodian. The investment advisory fee charged by Clare Market is separate and distinct from these custody and execution fees.

In addition, all fees paid to Clare Market for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund’s prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of Clare Market, but would not receive the services provided by Clare Market which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client’s financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Clare Market to fully understand the total fees to be paid.

### **D. Advance Payment of Fees and Termination**

#### Investment Management Services

Clare Market is compensated for its services in advance of the month in which investment advisory services are rendered. Either party may request to terminate the investment advisory agreement by providing advance written notice to the other party. The Client may also terminate the investment advisory agreement within five (5) business days of signing the Advisor’s agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client shall be responsible for investment advisory fees up to and including the effective date of termination. Upon termination, the Advisor will refund any unearned, prepaid investment advisory fees from the effective date of termination to the end of the month. The Client’s investment advisory agreement with the Advisor is non-transferable without the Client’s prior consent.

#### Selection of Sub-Advisors

In the event that a Client should wish to terminate their relationship with a managed accounts program or unaffiliated manager, the terms for termination will be set forth in the respective agreements between the Client and those third parties. Clare Market will assist the Client with the termination and transition as appropriate.

## Financial Planning Services

Financial planning fees may be billed in advance. Either party may terminate a planning agreement, at any time, by providing written notice to the other party. In the event that a Client should wish to cancel the financial planning agreement under which any plan is being created, the Client shall be billed for actual hours logged on the planning project times the agreed upon hourly rate or the percentage completion for a fixed fee engagement. In the case of an annual engagement, the Advisor will refund any unearned, prepaid financial planning fees from the effective date of termination to the end the month or quarter. Upon termination, any unearned, prepaid fees will be returned to the Client within five (5) business days of cancellation. The Client's financial planning agreement with the Advisor is non-transferable without the Client's prior consent.

### **E. Compensation for Sales of Securities**

Clare Market does not buy or sell securities to generate securities commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

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

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Clare Market does not use a performance-based fee structure. Our investment management fees are based on assets under management, as described in our Investment Advisory Agreement.

## **Item 7 – Types of Clients**

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Clare Market provides investment advisory services to individuals, high net worth individuals, families, trusts, estates and business clients. The relative percentage of each type of Client is available on Clare Market's Form ADV Part 1. These percentages will change over time. Clare Market generally does not impose a minimum account size for establishing a relationship. The Advisor may also research disclosed insider transactions and as well as activist shareholder transactions that are publicly available.

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

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### **A. Methods of Analysis**

Clare Market primarily employs fundamental analysis methods in developing investment strategies for its Clients. Implementation of the Advisor's strategies also include technical, cyclical and other analysis methodologies. Research and analysis from Clare Market is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases, research prepared by others, publicly disclosed insider transactions and activist shareholder transactions.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate.

As noted above, Clare Market generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. Clare Market will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Clare Market may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Clare Market will assist Clients in determining an



appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with certain investments and approaches employed by the Advisor.

#### Options Contracts

Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

#### Margin Borrowings

The use of short-term margin borrowings may result in certain additional risks to a Client. For example, if securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call", pursuant to which it must either deposit additional funds with the broker or be the subject of mandatory liquidation of the pledged securities to compensate for the decline in value.

#### Short Sales

A short sale involves the sale of a security that the Client does not own in the hope of purchasing the same security at a later date at a lower price. To make delivery to the buyer, the Client must borrow the security and is obligated to return the security to the lender, which is accomplished by a later purchase of the security. The Client realizes a profit or a loss as a result of a short sale if the price of the security decreases or increases respectively between the date of the short sale and the date on which the Client covers its short position, i.e., purchases the security to replace the borrowed security. A short sale involves the theoretically unlimited risk of an increase in the market price of the security that would result in a theoretically unlimited loss.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving Clare Market or any of its employees.** Clare Market and its advisory personnel value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching by our firm name or by our CRD # 217515.

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

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#### Insurance Agency Affiliations

Certain Supervised Persons are also licensed insurance professionals. Implementations of insurance recommendations are separate and apart from one's role with Clare Market. As an insurance professional, a Supervised Person may receive customary commissions and other related revenues from the various insurance

companies whose products are sold. Supervised Persons are not required to offer the products of any particular insurance company. Commissions generated by insurance sales do not offset regular advisory fees. This may cause a conflict of interest in recommending certain products of the insurance companies. Clients are under no obligation to implement any recommendations made by the Supervised Persons or the Advisor.

#### Selection of Sub-Advisors

As noted in Item 4, the Advisor may select unaffiliated managers to assist with the implementation of a Client's investment strategy. In such arrangements, the Advisor may receive its investment advisory fee as a portion of the overall fees collected by the unaffiliated manager[s]. The Advisor's fees are disclosed in Item 5.

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

#### **A. Code of Ethics**

Clare Market has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with Clare Market (our "Supervised Persons"). The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Clare Market and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Clare Market Supervised Persons to adhere not only to the specific provisions of the Code of Ethics, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code of Ethics, please contact us at (866) 659-1019 or via email at [info@claremarket.com](mailto:info@claremarket.com).

#### **B. Personal Trading with Material Interest**

Clare Market allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Clare Market does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. Clare Market does not have a material interest in any securities traded in Client accounts.

#### **C. Personal Trading in Same Securities as Clients**

Clare Market allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. When trading for personal accounts, Supervised Persons of Clare Market may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Clare Market requiring reporting of personal securities trades by its Supervised Persons for review by the CCO. We have also adopted written policies and procedures to detect the misuse of material, non-public information.

In addition, the Code of Ethics governs Gifts and Entertainment given by and provided to the Advisor, outside employment activities of employees, Employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

#### **D. Personal Trading at Same Time as Client**

While Clare Market allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will Clare Market, or any Supervises Person of Clare Market, transact in any security to the detriment of any Client.**

## Item 12 – Brokerage Practices

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### A. Recommendation of Custodian[s]

Clare Market does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Clare Market to direct trades to the Custodian as agreed in the investment advisory agreement. Further, Clare Market does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where Clare Market does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a broker-dealer/custodian not recommended by Clare Market.

Clare Market may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, reputation and/or location of the Custodian's offices. Clare Market does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the Client paying higher commissions than those obtainable through other brokers. Clare Market will generally recommend that Clients establish their account[s] at Fidelity Clearing & Custody Solutions, a division of Fidelity Investments, Inc. and related entities (collectively "Fidelity"). Fidelity clears securities through affiliates, National Financial Services LLC or Fidelity Brokerage Services LLC, members NYSE and SIPC. Fidelity will serve as the Client's "qualified custodian". Clare Market maintains an institutional relationship with Fidelity, whereby the Advisor receives economic benefits from Fidelity (Please see Item 14 below.).

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker-dealer/custodian in exchange for research and other services. Clare Market does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor does receive certain benefits from Fidelity, as detailed in Item 14 below.

**2. Brokerage Referrals** - Clare Market does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where Clare Market will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client's account[s]). In selecting the Custodian, Clare Market will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

### B. Aggregating and Allocating Trades

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. Clare Market will execute its transactions the Custodian as directed by the Client. Clare Market may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage particular Client accounts. Unaffiliated money managers may also block trade separately from Clare Market, at their discretion.

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#### Clare Market Investments, LLC

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## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Mr. Rhodus, Founder and Chief Compliance Officer of Clare Market. Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify Clare Market if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance. Clare Market provides a quarterly newsletter to its Clients. The newsletter primarily discusses market driven events and observations in the financial services industry.

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

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### **A. Compensation Received by Clare Market**

Clare Market may receive customary commissions and other related revenues from the various insurance companies whose products are sold. Clare Market may refer Clients to various third parties to provide certain financial services necessary to meet the goals of its Clients. However, Clare Market is not compensated for referrals that they give nor are they compensated for referrals that they receive.

#### Participation in Institutional Advisor Platform

As noted above, the Advisor has established an institutional relationship with Fidelity to assist the Advisor in managing Client account[s]. Access to the Fidelity platform is provided at no charge to the Advisor. The Advisor receives access to software and related support without cost because the Advisor renders investment management services to Clients that maintain assets at Fidelity. The software and related systems support may benefit the Advisor, but not its Clients directly. In fulfilling its duties to its Clients, the Advisor endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a potential conflict of interest since these benefits may influence the Advisor's recommendation of this custodian over one that does not furnish similar software, systems support, or services.

Additionally, the Advisor may receive the following benefits from Fidelity: receipt of duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its institutional participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and access to an electronic communication network for Client order entry and account information.

### **B. Client Referrals from Solicitors**

Clare Market does not engage paid solicitors for Client referrals.

## **Item 15 – Custody**

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Clare Market does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fee. All Clients must place their assets with a "qualified custodian". Clients are required to engage

the Custodian to retain their funds and securities and direct Clare Market to utilize the Custodian for the Client's security transactions. Clare Market encourages Clients to review statements provided by the Custodian. For more information about custodians and brokerage practices, see Item 12.

### **Item 16 – Investment Discretion**

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Clare Market generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Clare Market. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by Clare Market will be in accordance with each Client's investment objectives and goals. Unaffiliated money managers will also trade with full discretion over the accounts under their mandates.

### **Item 17 – Voting Client Securities**

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Clare Market does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

### **Item 18 – Financial Information**

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Neither Clare Market, nor its management, have any adverse financial situations that would reasonably impair the ability of Clare Market to meet all obligations to its Clients. Neither Clare Market, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. Clare Market is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect fees of \$1,200 or more for services to be performed six months or more in advance.

## Privacy Policy

### Our Commitment to You

Clare Market Investments, LLC (“Clare Market” or the “Advisor”) is committed to safeguarding the use of personal information of our Clients (also referred to as “you” and “your”) that we obtain as your Investment Advisor, as described here in our Privacy Policy (“Policy”).

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Clare Market (also referred to as “we”, “our” and “us”) protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Clare Market does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

### Why you need to know?

Registered Investment Advisors (“RIAs”) must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

### What information do we collect from you?

Social security or taxpayer identification number	Assets and liabilities
Name, address and phone number(s)	Income and expenses
E-mail address(es)	Investment activity
Account information (including other institutions)	Investment experience and goals

### What Information do we collect from other sources?

Custody, brokerage and advisory agreements	Account applications and forms
Other advisory agreements and legal documents	Investment questionnaires and suitability documents
Transactional information with us or others	Other information needed to service account

### How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client’s personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

### How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
<b>Marketing Purposes</b> Clare Market does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Clare Market or the client has a formal agreement with the financial institution. <b>We will only share information for purposes of servicing your accounts, not for marketing purposes.</b>	No	Not Shared
<b>Authorized Users</b> Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent(s) or representative(s).	Yes	Yes
<b>Information About Former Clients</b> Clare Market does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared

### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically we may revise this Policy, and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (866) 659-1019 or via email at [info@claremarket.com](mailto:info@claremarket.com).