

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

TABLE OF CONTENTS

Item Number	Item	Page
Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	5
Item 6	Performance-Based Fees and Side-by-Side Management	8
Item 7	Types of Clients	8
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9	Disciplinary Information	10
Item 10	Other Financial Industry Activities and Affiliations	10
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	10
Item 12	Brokerage Practices	12
Item 13	Review of Accounts	15
Item 14	Client Referrals and Other Compensation	16
Item 15	Custody	16
Item 16	Investment Discretion	16
Item 17	Voting Client Securities	17
Item 18	Financial Information	18

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, Gratra 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

Gratra will trade with any broker-dealer as directed, in writing, by the client/advisor ("Directed Brokerage"). Gratra 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 Gratra & 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, Gratry'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.