



# HIGHWATER

WEALTH MANAGEMENT LLC

## **Form ADV Part 2A & 2B (Combined) Disclosure Brochure**

**Effective: January 1, 2018**

This Disclosure Brochure provides information about the qualifications and business practices of Highwater Wealth Management (“HWM”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (720)476-7924 or by email at [support@highwaterwealth.com](mailto:support@highwaterwealth.com).

HWM is a SEC Registered Investment Advisor. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”). This Disclosure Brochure provides information about HWM to assist you in determining whether to retain the Advisor.

Additional information about HWM and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Highwater Wealth Management**  
CRD No: 157237  
650 S. Chery Street, Suite 630  
Glendale, CO 80246  
Phone: (720) 476-7924 \* Fax: (720) 593-4502  
[www.highwaterwealth.com](http://www.highwaterwealth.com)

## Item 2 – Material Changes

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

HWM believes that communication and transparency are the foundation of our relationship and continually strive to provide you with the complete and accurate information at all times. We encourage all current and prospective investors to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

A material change has been added to Item 9 Disciplinary Information.

A legal event occurred between Highwater Wealth Management, LLC. and Charles Schwab & Co, Inc.

### Future Changes

From time to time, we will 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 HWM.

At any time, you may view the current Disclosure Brochure on-line at the SEC’s Investment Adviser Public Disclosure website at <http://adviserinfo.sec.gov>.

To review the firm information for HWM:

- Click **Investment Advisor Search** in the left navigation menu.
- Select the option for **Investment Advisor Firm** and enter **157237** (our firm’s CRD number) in the field labeled “Firm IARD/CRD Number”.
- This will provide access to Form ADV Part 1 and Part 2.
- Item 11 of the ADV Part 1 lists legal and disciplinary questions regarding the Advisor.
- In the left navigation menu, Form ADV Part 2 is located near the bottom.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (720) 476-7924 or by email at [support@highwaterwealth.com](mailto:support@highwaterwealth.com).

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## Item 4 – Advisory Services

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### **A. Firm Information**

Highwater Wealth Management (“HWM” or the “Advisor”) is a Registered Investment Advisor, which is organized as a Limited Liability Company (LLC) under the laws of the State of Colorado. HWM was founded in 2011 and is owned and operated by Founder, George Dickson Griswold. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by HWM.

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

HWM offers investment advisory services to individuals, high net worth individuals, and charitable organizations in Colorado and other states (each referred to as a “Client”).

#### Account Portfolio Management

HWM provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and consulting services. HWM works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation to create a portfolio allocation. HWM will then construct a portfolio, consisting primarily of exchange traded funds (“ETFs”) and mutual funds to achieve the Client’s investment goals. HWM may also utilize individual equities and fixed income securities, including United States government bonds and municipal bonds to meet the needs of its Clients.

HWM provides investment advice for non-discretionary accounts. This is achieved through continuous personal Client contact and interaction while providing investment management and consulting services. HWM works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation to create a portfolio allocation.

HWM’s investment strategy is primarily long-term focused, but the Advisor will 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. HWM 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 the acceptance by the Advisor.

HWM evaluates and selects ETFs and mutual funds for inclusion in Client portfolios only after applying their internal due diligence process. HWM makes recommendations regarding redistributing investment allocations to diversify the portfolio. HWM recommends specific positions to increase sector or asset class weightings. HWM may recommend employing cash positions as a possible hedge against market movement, which may adversely affect the portfolio performance. HWM will 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.

**Prior to rendering investment advisory services, HWM will ascertain, in conjunction with the Client, the Client’s financial situation, risk tolerance, and investment objective[s].**

HWM will provide investment advisory services and portfolio management services and will not provide securities custodial or other administrative services. At no time will HWM accept or maintain custody of a Client’s funds or securities. All Client assets will be managed within their designated brokerage account or pension account, pursuant to the Client Advisory Agreement.

#### Financial Planning and Consulting Services

HWM will typically provide a variety of financial planning services to individuals and families, pursuant to a written Financial Plan. Services are offered in several areas of a Client’s financial situation, depending on their goals, objectives and financial situation.

Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the Client’s financial goals and objectives. This planning or consulting encompasses 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 a 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. If needed, HWM refers Clients to an accountant, attorney or another specialist, as appropriate for their unique situation. For certain financial planning engagements, the Advisor may 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 conflict between the interests of the Advisor and the interests of the Client. 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 effect the transaction through the Advisor.

**C. Client Account Management**

Prior to engaging HWM to provide investment advisory services, each Client is required to enter into an Advisory Agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client. These services include:

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

**D. Wrap Fee Programs**

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

**E. Assets under Management**

As of December 31, 2016 HWM manages the following assets:

Assets Under Management	Assets
Discretionary Assets	\$185,411,153
Non-discretionary Assets	\$2,567,361
<b>Total</b>	<b>\$187,978,514</b>

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 investment management. Each Client shall sign an Advisory Agreement that details the responsibilities of HWM and the Client.

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

#### Account Portfolio Management

Investment Advisory Fees are paid quarterly in advance pursuant to the terms of the Advisory Agreement. Investment Advisory Fees are based on the market value of assets under management at the end of each calendar quarter. Investment Advisory Fees range from 1.25% to 0.50% based on the following schedule:

Assets Under Management	Annual Rate
\$0 to \$500,000	1.25%
\$500,000 to \$2,500,000	1.00%
\$2,500,000 to \$5,000,000	0.85%
\$5,000,000 to \$10,000,000	0.75%
\$10,000,000 to \$20,000,000	0.50%
Over \$20,000,000	Negotiable

Investment Advisory Fees in the first quarter of service are prorated to the inception date of the account to the end of the first quarter. Fees may be negotiable at the 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 HWM will be independently valued by the designated Custodian. HWM will not have the authority or responsibility to value portfolio securities.

Payment of fees will be deducted automatically from the client's account by the custodian. Clients will provide HWM with written authorization permitting the fees to be paid directly from the client's account held at the independent custodian at the time the account is established with HWM. HWM will provide the custodian with the fees to be deducted. The custodian will send the client a custodian statement, at least quarterly, indicating all amounts disbursed from the account, including the amount of advisory fees paid directly to HWM.

#### Financial Planning Services

HWM offers financial planning services on an hourly basis for \$250 per hour. This fee is waived for Clients of HWM.

The Advisor's fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses, which may be incurred by the Client. However, the Advisor shall not receive any portion of the brokerage commissions, fees, and costs.

### **B. Fee Billing**

#### Account Portfolio Management

Investment Advisory Fees will be automatically deducted from the Client Account by the Custodian. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with HWM at the end of each quarter. Clients provide written authorization permitting HWM to be paid directly from their accounts held by the Custodian as part of the Advisory Agreement and separate account forms provided by the Custodian.

#### Financial Planning and Consulting Services

As noted above, financial planning and consulting fees are invoiced by the Advisor and are due upon receipt.

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

Clients incur certain fees or charges imposed by third-parties, other than HWM, 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 and executing broker-dealer. The Investment Advisory Fee charged by HWM is separate and distinct from these custodian and execution fees.

In addition, all fees paid to HWM 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 HWM, but would not receive the services provided by HWM which are designed, among other things, to assist the Client in determining which products or services are most appropriate to each Client's financial condition and objectives.

Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by HWM to fully understand the total fees to be paid.

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

#### Account Portfolio Management

HWM is compensated for its services in advance the quarter in which investment advisory services are rendered. Clients may request to terminate their Advisory Agreement with HWM, in whole or in part, by providing advance notice. 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 quarter. The Client's Advisory Agreement with the Advisor is non-transferable without Client's written approval.

#### Financial Planning and Consulting Services

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. Any surplus in the Advisor's possession as the result of collecting a deposit at the time of signing the financial planning agreement will be returned to the Client.

Either party may terminate a planning or consulting agreement at any time by providing written notice to the other party. The Client may terminate the Agreement within five (5) days of signing the Advisor's agreement with no penalty and all fees incurred will be refunded 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. Refunds will be given on a pro-rata basis.

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

HWM does not buy or sell securities 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**

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HWM does not charge performance-based fees for its investment advisory services. The fees charged by HWM are as described in Item 5 – Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any Client.

HWM does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.



## Item 7 – Types of Clients

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HWM provides investment advisory services to the following types of Clients:

- Individuals, Personal Trusts and Estates – private investors, investing their personal assets
- 501(c)(3) Non-Profit Organizations – mission-based, non-profit organizations
- Retirement Plans – IRAs, SEP IRAs, Roth IRAs.

The relative percentage each type of Client is available on HWM's Form ADV Part 1. These percentages change over time. HWM generally does not impose a minimum account size for establishing a relationship.

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

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### A. Methods of Analysis

HWM primarily employs fundamental analysis methods in developing investment strategies for its Clients. Research and analysis for HWM's conventional strategies (namely Growth, Conservative Growth, Balanced, Dividend Income, and Conservative Bond) are derived primarily from information provided by Capital Markets Consultants (CMC). CMC directly assists HWM in developing private-labeled open architecture investment programs. These programs include the development of a mix of risk or objectives-based model portfolios. CMC assists HWM in developing and maintaining collateral marketing materials used in connection with investor communications.

HWM's Socially Responsible (SRI) strategy is researched internally. The screening and scoring methods are proprietary, but they are multi factor and involve quantitative screening that focuses on consistency and risk adjusted returns, qualitative considerations such as reputation, understandable process, and compliance of the companies which manage the funds used within the strategy. We utilize research from various sources including independent research organizations such as Morningstar, US SIF, conferences, general media, and fund companies. HWM integrates environmental, social, and governance factors into its analyses process to help identify funds that are better positioned to deliver long-term risk adjusted performance for its socially responsible investment strategy.

As noted above, HWM generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. HWM 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, HWM will 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.

Investing in securities involves certain investment risks. Securities fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. HWM 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.

HWM primarily employs investment strategies that do not involve any significant or unusual risk other than domestic equity and international market risks. 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.

HWM may use margin in Client accounts to manage the timing of purchases and sales, as appropriate. HWM may employ options strategies to hedge or gain additional exposure to a particular asset class or sector. HWM's investment strategy encompasses trading in concentrated portfolios and includes a mix of active and passive funds.

**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. For more information on our investment management services, please contact us at (720) 476-7924 or via email at [support@highwaterwealth.com](mailto:support@highwaterwealth.com).**

## **Item 9 – Disciplinary Information**

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Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to the evaluation of the firm or the integrity of its management.

Charles Schwab & Co, Inc. initiated a lawsuit against Highwater Wealth Management, LLC in connection with the employment of a former Schwab financial representative. Highwater asserted related counterclaims against Schwab. The matter was resolved to the parties' mutual satisfaction and dismissed on October 31, 2017.

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

The sole business of HWM is to provide investment advisory services to its Clients. Neither HWM nor its advisory personnel are involved in other business endeavors. HWM does not maintain any affiliations with other firms, other than contracted service providers to assist with the servicing of its Client's accounts, e.g., HWM compensates an outside consultant to conduct financial plan analyses.

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

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

HWM has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with HWM. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. HWM and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of HWM associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that include; general ethical principles, reporting personal securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. HWM has written its Code of Ethics to meet and exceed regulatory standards. To request a copy of our Code of Ethics, please contact the office at (720) 476-7924 or via email at support@highwaterwealth.com.

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

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

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

HWM allows our employees 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 conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you.

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 HWM allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, these trades do not occur at the same time. HWM will place trades only after Client orders have been placed and filled.

**At no time, will HWM or any associated person of HWM, transact in any security to the detriment of any Client.**

## Item 12 – Brokerage Practices

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### **A. Recommendation of Custodian[s]**

HWM does not have discretionary authority to select the broker-dealer/custodian for custodial and execution services or the administrator for defined contribution accounts. The Client will select the broker-dealer or custodian (herein the "custodian") to safeguard Client assets and authorize HWM to direct trades to this custodian as agreed in the Advisory Agreement. Further, HWM does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where HWM does not exercise discretion over the selection of the custodian, it will recommend the custodian[s] to Clients for execution and/or custodial services. HWM has custodial relationships with Fidelity and TD Ameritrade. Clients are not obligated to use any of these recommended custodians and will not incur any extra fee or cost associated with using a broker not recommended by HWM.

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 in exchange for research and other services. HWM currently engages in a soft dollar program with Fidelity. HWM receives \$20,000 per year from Fidelity and these funds are paid to Capital Markets Consultants. Capital Markets Consultants (CMC) directly assists HWM in developing private-labeled open architecture investment programs. These programs include the development of a mix of risk or objectives-based model portfolios. CMC assists HWM in developing and maintaining collateral marketing materials used in connection with investor communications.

**2. Brokerage Referrals** - HWM does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where HWM 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, HWM 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 designated 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 broker. HWM will execute its transactions through an unaffiliated broker-dealer selected by the Client. HWM aggregates orders in a block trade or trades when securities are purchased or sold through the same broker-dealer 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.

## **Item 13 – Review of Accounts**

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

Accounts are monitored on a regular and continuous basis by the following: Dickson Griswold, President and Portfolio Manager, Kathy Raabe, Portfolio Manager, Greg Giuffra, Portfolio Manager, and Sara D. Boyd, Portfolio Manager. An attempt is made to contact all clients and offer a formal review at least quarterly. Formal reviews may be made more or less frequently than quarterly depending on the needs of the Client.

### **B. Review Reports**

The Client will receive brokerage statements no less than quarterly from the trustee or 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 will provide Clients with periodic reports regarding their holdings, allocations, and performance.

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

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### **A. Compensation Received by HWM**

HWM is a fee-only advisor, who, in all circumstances, is compensated solely by the Client. HWM does not receive commissions or other compensation from product sponsors, broker dealers or any un-related third party. HWM refers Clients to various third-parties to provide certain financial services necessary to meet the goals of its Clients. Likewise, HWM receives referrals of new Clients from a third-party.

#### Participation in Institutional Advisor Platform

HWM has established an institutional relationship with Fidelity and TD Ameritrade to assist the Advisor in managing Client account[s]. Access to the Institutional platforms 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 and TD Ameritrade. 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 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 receives 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**

HWM does compensate solicitors for referring investment advisory clients to the firm. This arrangement is pursuant to a written agreement between the solicitor and HWM. Solicitors are compensated by sharing in the management fee collected by HWM from the solicited clients. The solicitor may have a conflict of interest in referring clients to HWM. The management fee paid by the client does not increase because the client was obtained through a solicitor. The referred client will always receive a disclosure document that contains specific details regarding the arrangement and a copy of HWM's Form ADV Part 2A. HWM will always comply with Rule 206(4)-3 "Solicitors Rule".

## **Item 15 – Custody**

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HWM does not accept or maintain custody of any Client accounts. All Clients must place their assets in a qualified custodian. Clients are required to select their own custodian to retain their funds and securities and direct HWM to utilize that custodian for the Client's security transactions. All Clients will receive account statements directly from their own custodian and are advised to carefully review those statements and compare them to the account statements HWM provides. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

## **Item 16 – Investment Discretion**

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HWM 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 HWM. 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 Advisory Agreement containing all applicable limitations to such authority. All discretionary trades made by HWM will be in accordance with each Client's investment objectives and goals.

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

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HWM acknowledges its fiduciary obligation to vote proxies on behalf of those clients that have delegated to it, or for which it is deemed to have, proxy voting authority. HWM will vote proxies on behalf of a client solely in the best interest of the relevant client. HWM has established general guidelines for voting proxies. HWM may also abstain from voting if, based on factors such as expense or difficulty of exercise, it determines that a client's interests are better served by abstaining. Further, because proxy proposals and individual company facts and circumstances may vary, HWM may vote in a manner that is contrary to the general guidelines if it believes that it would be in a client's best interest to do so. If a proxy proposal presents a material conflict of interest between HWM and a client, HWM will determine how to vote that proxy and whether the conflict of interest will be disclosed to the client.

Clients may obtain a complete copy of the proxy voting policies and procedures by contacting HWM in writing and requesting such information. Each client may also request, by contacting HWM in writing, information concerning the manner in which proxy votes have been cast with respect to portfolio securities held by the relevant client during the prior annual period. Clients can send written requests to the office email [support@highwaterwealth.com](mailto:support@highwaterwealth.com)

## **Item 18 – Financial Information**

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



# HIGHWATER

WEALTH MANAGEMENT LLC

## Form ADV Part 2B – Brochure Supplement

**Effective: January 1, 2017**

This Brochure Supplement provides information about the background and qualifications of Highwater Wealth Management's Investment Advisor Representatives in addition to the information contained in the Highwater Wealth Management ("HWM" or the "Advisor" - CRD #157237) Disclosure Brochure. If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the HWM Disclosure Brochure or this Brochure Supplement, please contact us at (720) 476-7924 or by email at [support@highwaterwealth.com](mailto:support@highwaterwealth.com).

Additional information about Highwater's investment advisor representatives is available on the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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**Highwater Wealth Management**  
650 S. Cherry Street, Suite 630 Glendale, CO 80246  
Phone: (720) 476-7924 Fax: (720)-593-4502  
[www.highwaterwealth.com](http://www.highwaterwealth.com)

# **SUPERVISED PERSONS, EDUCATION & BUSINESS STANDARDS AND PROFESSIONAL CERTIFICATIONS**

## ***Education and Business Standards***

Highwater Wealth Management requires that those involved in determining or giving investment advice to clients be properly qualified by examination as well as knowledge and experience in providing investment advisory services.

### ***SUPERVISED PERSONS***

**George Dickson Griswold, CFP®**  
**Founder**

#### **Item 1 – Educational Background and Business Experience**

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The Founder of HWM is George Dickson Griswold. Mr. Griswold, born in 1967, is a dedicated Portfolio Manager for Client accounts of HWM. Mr. Griswold earned a Bachelor's degree from University of Mississippi in 1989. Additional information regarding Mr. Griswold's employment history is included below.

#### **Designations:**

CFP® - Certified Financial Planner

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

**Education** – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

**Examination** – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

**Experience** – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

**Ethics** – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

**Continuing Education** – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and

**Ethics** – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.



**Employment History:**

Founder, Highwater Wealth Management	7/2011 to Present
Senior Vice President and Portfolio Manager, CoBiz Wealth Management	5/2006 to 7/2011
Vice President, Portfolio Manager and Partner, Waters Parkerson & Co.	1990 to 2006

**Item 2 – Disciplinary Information**

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*There are no legal, civil or disciplinary events to disclose regarding Mr. Griswold.*

However, we do encourage you to independently view the background of Mr. Griswold on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select Investment Adviser Search from the left navigation menu. Then select the option for Investment Adviser Representative and enter **2190236** in the field labeled “Individual CRD Number”.

**Item 3 – Other Business Activities**

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Mr. Griswold is a dedicated to the investment advisory activities of HWM’s Clients. Mr. Griswold does not have any other business activities.

**Item 4 – Additional Compensation**

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Mr. Griswold is a dedicated to the investment advisory activities of HWM’s Clients. Mr. Griswold does not receive any additional forms of compensation.

**Item 5 – Supervision**

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Mr. Griswold serves as the President of HWM. Mr. Griswold can be reached at (720)-476-7924. Mr. Griswold is supervised by Sharon Gaare, CCO for compliance related matters only.

HWM has implemented a Code of Ethics and internal compliance that guide each employee in meeting their fiduciary obligations to Clients of HWM. Further, HWM is subject to regulatory oversight by various agencies. These agencies require registration by HWM and its employees. As a registered entity, HWM is subject to examinations by regulators, which may be announced or unannounced. HWM is required to periodically update the information provided to these agencies and to provide various reports regarding firm business and assets.

## Elizabeth (Kathy) Raabe, CFP® Portfolio Manager

### Item 1 – Educational Background and Business Experience

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Kathy Raabe, born in 1959, is a Portfolio Manager at HWM. Kathy Raabe earned a Bachelor's degree in International Relations from the American University in 1981. She also earned a Bachelor's degree in Economics from the American University in 1981.

#### Designations:

CFP® - Certified Financial Planner

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The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

**Education** – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

**Examination** – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;

**Experience** – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

**Ethics** – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

**Continuing Education** – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and

**Ethics** – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Employment History:**

Portfolio Manager, Highwater Wealth Management	09/2014 to Present
Portfolio Manager, Capital Investment Counsel	10/2003 – 9/2014

**Item 2 – Disciplinary Information**

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*There are no legal, civil or disciplinary events to disclose regarding Kathy Raabe.*

However, we do encourage you to independently view the background of Kathy Raabe on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select Investment Adviser Search from the left navigation menu. Then select the option for Investment Adviser Representative and enter **1079353** in the field labeled “Individual CRD Number”.

**Item 3 – Other Business Activities**

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Kathy Raabe is not engaged in any investment-related business or occupation (other than this advisory firm).

**Item 4 – Additional Compensation**

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Kathy Raabe does not receive any economic benefit from any person, company, or organization, other than Highwater Wealth Management LLC in exchange for providing clients advisory services through Highwater Wealth Management LLC.

**Item 5 – Supervision**

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As a representative of Highwater Wealth Management LLC, Kathy Raabe works closely with supervisor Dickson Griswold, and all advice provided to clients is reviewed by this supervisor prior to implementation. Dickson Griswold can be reached at (720) 476-7924. Kathy Raabe adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm’s policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

## Greg Giuffra, CFP® Portfolio Manager

### Item 1 – Educational Background and Business Experience

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Greg Giuffra, born in 1983, is a Portfolio Manager at HWM. Greg Giuffra earned a Bachelor of Science degree in Business Administration from the University of Colorado at Boulder, Leeds School of Business, in 2005.

#### Designations:

CFP® - Certified Financial Planner

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The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

**Education** – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

**Examination** – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;

**Experience** – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

**Ethics** – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

**Continuing Education** – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and

**Ethics** – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

**Employment History:**

Portfolio Manager, Highwater Wealth Management	08/2015 to Present
VP-Financial Consultant, Charles Schwab & Company	02/2011 – 8/2015
Associate Financial Consultant, Charles Schwab & Company	08/2009 – 8/2011
Financial Brokerage Representative, Charles Schwab & Company	11/2007 – 8/2009

**Item 2 – Disciplinary Information**

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***There are no legal, civil or disciplinary events to disclose regarding Greg Giuffra.***

However, we do encourage you to independently view the background of Greg Giuffra on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select Investment Adviser Search from the left navigation menu. Then select the option for Investment Adviser Representative and enter 5454882 in the field labeled “Individual CRD Number”.

**Item 3 – Other Business Activities**

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Greg Giuffra is not engaged in any investment-related business or occupation (other than this advisory firm).

**Item 4 – Additional Compensation**

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Greg Giuffra does not receive any economic benefit from any person, company, or organization, other than Highwater Wealth Management LLC in exchange for providing clients advisory services through Highwater Wealth Management LLC.

**Item 5 – Supervision**

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As a representative of Highwater Wealth Management LLC, Greg Giuffra works closely with supervisor Dickson Griswold, and all advice provided to clients is reviewed by this supervisor prior to implementation. Dickson Griswold can be reached at (720) 476-7924. Greg Giuffra adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm’s policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.

## Sara D. Boyd Portfolio Manager

### Item 1 – Educational Background and Business Experience

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Sara D. Boyd, born in 1957, is a Portfolio Manager at HWM. Sara D. Boyd earned a Bachelor of Arts degree in Economics from the University of Arizona in Tucson in 1979, and an MBA in Finance from the Rensselaer Polytechnic Institute, Troy New York in 1984.

#### **Employment History:**

Portfolio Manager, Highwater Wealth Management, LLC.	01/2016 to Present
Senior Vice President/Senior Portfolio Manager, COBIZ Wealth	07/2010 – 12/2015
Managing Director/Senior Portfolio Manager, Wagner Investment Management, Inc.	12/1996 – 06/2010

### Item 2 – Disciplinary Information

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***There are no legal, civil or disciplinary events to disclose regarding Sara Boyd.***

However, we do encourage you to independently view the background of Sara Boyd on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select Investment Adviser Search from the left navigation menu. Then select the option for Investment Adviser Representative and enter 2540881 in the field labeled “Individual CRD Number”.

### Item 3 – Other Business Activities

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Sara D. Boyd is not engaged in any investment-related business or occupation (other than this advisory firm).

### Item 4 – Additional Compensation

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Sara D. Boyd does not receive any economic benefit from any person, company, or organization, other than Highwater Wealth Management LLC in exchange for providing clients advisory services through Highwater Wealth Management LLC.

### Item 5 – Supervision

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As a representative of Highwater Wealth Management LLC, Sara D. Boyd works closely with supervisor Dickson Griswold, and all advice provided to clients is reviewed by this supervisor prior to implementation. Dickson Griswold can be reached at (720) 476-7924. Sara D. Boyd adheres to all required regulations regarding the activities of an Investment Adviser Representative and follows all policies and procedures outlined in the firm’s policies and procedures manual, including the Code of Ethics, and appropriate securities regulatory requirements.