Firm Brochure

(Part 2A of Form ADV)

This brochure provides information about the qualifications and business practices of Carnegie Investment Counsel. If you have any questions about the contents of this brochure, please contact us at (216) 367-4114 or by email at: info@carnegieinvest.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Carnegie Investment Counsel is also available on the SEC's website at www.adviserinfo.sec.gov. Carnegie Investment Counsel's CRD number is: 150488.

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Registration as an investment adviser does not imply a certain level of skill or training.

Version Date: 03/31/2023

Item 2: Material Changes

You may obtain a complete copy of our updated brochure by contacting us at 216.367.4114 or by e-mail at info@carnegieinvest.com. We will provide you a brochure any time at no charge. Our brochure is also available on the SEC's website at https://adviserinfo.sec.gov/.

The material changes in this brochure from the last annual updating amendment, March 30, 2022, of Carnegie Investment Counsel are described below. This list summarizes changes to policies, practices, or conflicts of interests only.

- CIC has added a branch office in Wexford, PA.
- CIC has adjusted language to better reflect its use of ESG.
- CIC no longer has an annual minimum fee of $2,500.
- CIC has added mutual fund share class selection practices information to Item 12.
- CIC added additional information in Item 15, Custody.

Item 3: Table of Contents

Item 4: Advisory Business

A. Description of the Advisory Firm

The firm registered by succession in April 30, 2009, taking over the former RIA registered in 1991 and was owned by Carnegie Capital Management Corporation which commenced operations in 1974. The firm's principal owners are Gary P. Wagner and Richard L. Alt. The legal name of this RIA is Carnegie Capital Asset Management, LLC but the firm does business under the name Carnegie Investment Counsel.

B. Types of Advisory Services

Carnegie Investment Counsel (hereinafter "CIC") offers the following services to advisory clients:

Investment Supervisory Services

CIC offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. CIC will work with Clients to help determine objectives and parameters for the managed account, then work to construct and manage a portfolio that matches each client's specific situation. CIC evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Upon request, CIC will create a written Investment Policy Statement, which outlines the client's current situation (income, tax levels, and risk tolerance levels).

In addition to portfolio management, Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Personal investment policy
- Risk tolerance evaluation
- Asset selection
- Regular portfolio monitoring

CIC will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction.

CIC occasionally provides investment supervisory services on a non-discretionary basis, meaning that clients must authorize CIC to implement a recommendation prior to our executing a transaction for a client's account.

Selection of Other Advisors

CIC may direct certain clients to third-party money managers. Under these arrangements, CIC will not be compensated via a fee share from the advisors to which it directs those clients. CIC would charge a separate fee. Therefore, clients may end up paying more in fees compared to going to the third-party advisor directly. This relationship will be disclosed in each contract between CIC and each third-party advisor. Before selecting other advisors for clients, CIC will always ensure those other advisors are properly licensed or registered as an investment advisor.

Financial and Investment Planning
CIC offers planning regarding investments, retirement, cash flow projections, estate planning, insurance, education, employee benefits, family business continuation and general business consulting. We also provide financial planning advice, incident to a divorce.

Should you choose to implement our recommendations resulting from our planning services, we encourage you to work closely with your attorney, accountant, insurance agent, and other advisors. Although you may choose to implement the recommendations through us, you are not obligated to do so.

Services Limited to Specific Types of Investments
CIC limits its investment advice to equities, bonds, fixed income, mutual funds, debt securities, ETFs, real estate, hedge funds, third-party money managers, REITs, insurance products including annuities, private placements, and government securities. CIC may use other securities as well to help diversify a portfolio when applicable.

Pension Consulting Services
CIC offers ongoing consulting services to pension or other employee benefit plans (including but not limited to 401(k) plans) based on the demographics, goals, objectives, time horizon, and/or risk tolerance of the plan's participants. Pension consulting services are provided on a non-discretionary basis and CIC does not perform trades as part of its pension consulting services.

C. Client Tailored Services and Client Imposed Restrictions

CIC offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client's current situation (income, tax levels, risk tolerance levels, and cash flow needs, for instance).

Additionally, our ongoing portfolio management service allows for client-specific faith-based and social preferences to be incorporated into the overall investment management for a client in accordance with their values and beliefs.

Clients may impose restrictions on investing in certain specific securities or type of securities. However, if the restrictions prevent CIC from properly servicing the client account, or if the restriction would require CIC to deviate from its standard suite of services, CIC reserves the right to end the relationship.

D. Wrap Fee Programs

CIC does not participate in any wrap fee programs.

E. Assets Under Management and Assets Under Advisement

CIC has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
$3,425,401,660	$44,934,919	12/31/2022

As of December 31, 2021, CIC also had assets under advisement of $318,501,576. These are client assets that CIC oversees, primarily as part of our retirement plan services, but does not manage on a discretionary basis nor direct trades.

Item 5: Fees and Compensation

A. Fee Schedule

Investment Supervisory Services Fees

Assets Managed	Annual Fee
Up to $500,000	1.75% or less
Over $500,000	1.50% or less

These fees are negotiable, and the final fee schedule is attached to the Investment Advisory Contract. Fees are paid quarterly in advance and in some cases in arrears, and clients may terminate their contracts with written notice. Additionally, there are some “grandfathered” fee schedules due to mergers and acquisitions. Refunds for clients that are billed in advance are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Individual client fee rates may be lower than the stated fee schedule.

Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract.

CIC will use the market value at the end of the last day of the previous quarter to determine advisory fees.

Selection of Third-Party Advisor Fees

CIC may direct clients to third party investment advisers. CIC will receive its standard fee on top of the fee paid to the third-party adviser. This relationship will be memorialized in each contract between CIC and each third-party adviser. The fees will not exceed any limit imposed by any regulatory agency. The notice of termination requirement and payment of fees for third-party investment advisers will depend on the specific third-party adviser selected.

Pension Consulting Services Fees

The rate charged for pension consulting services is either an annual flat fixed dollar fee of between $5,000 and $95,000 paid quarterly or, at the request of a client, a percentage of assets between 0.1 % and 1% of the amount of assets. These fees are negotiable depending on the service agreed upon and the level of assets in the retirement plan.

B. Payment of Fees

Payment of Investment Supervisory Fees

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Generally, fees are paid quarterly in advance and in some cases in arrears. At CIC's discretion, with client agreement, and as outlined in the Investment Advisory Contract, CIC may charge fees in arrears and/or on a monthly rather than quarterly basis.

Advisory fees may also be invoiced and billed directly to the client with payments due at the end of the quarter in which they are billed. Clients may select the method in which they are billed.

Payment of Selection of Third-Party Advisor Fees

The timing, frequency, and method of paying fees for selection of third-party managers will depend on the specific third-party adviser selected and will be disclosed to the client prior to entering into a relationship with the third-party advisor.

Payment of Pension Consulting Services Fees

Pension Consulting fees are withdrawn directly from the client's accounts with client's written authorization or may be invoiced and billed directly and are paid in arrears.

C. Client Responsibility For Third-Party Fees

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

D. Prepayment of Fees

CIC collects fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be returned within fourteen days to the client via check.

In certain circumstances, fees may be collected in arrears. Client will be assessed any unpaid fees for work performed.

E. Fees for Financial Planning Services

Upon agreement between the client and CIC, additional fees may be charged when the planning needs of a client exceed the necessary level required for appropriate management of the Client's account(s), or for special projects. An estimate of potential charges is provided in the Investment Advisory Contract and can result in additional charges. A maximum "not to exceed" fixed-fee for a project will be quoted upon request based on estimated time and scope.

There is no size limitation on asset size or minimum fee for Clients desiring financial planning assistance on a fixed rate project or hourly basis. Fees are negotiable for a limited number of services.

Fees for financial planning are usually billed at completion of the plan or project. However, CIC may request that a portion of the fee be paid initially and will present a bill for the remainder upon the completion of services. If fees are collected initially, never more than $1,200 and never more than 6 months in advance. If the financial planning fee is to be charged hourly, the hourly rate is negotiable and will depend on the complexity of the situation and the needs of the client. The hourly rate will not be greater than $300.

For portions of fees that are paid in advance, refunds will be based upon the prorated amount of work that has been completed up to the point of termination. When prepayment is made, the Client will be given ten business days following the payment of the prepaid fee to request a full refund.

F. Outside Compensation For the Sale of Securities to Clients

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

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

CIC does not routinely accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client. However, under special circumstances, and only when the client meets certain net worth and/or account size thresholds as required by law, would CIC enter into an agreement with such qualifying clients that includes a performance or incentive fee. Any performance fee that CIC does charge to a client is intended to comply with Rule 205-3 under the Investment Advisers Act of 1940.

To the extent that CIC charges a performance fee for a particular account, CIC may be perceived to have an incentive to maximize gains in that account (and, therefore, maximizing CIC's performance fee) by making investments for that account that are riskier or more speculative than would be the case in the absence of a performance fee. CIC may also be perceived to have an incentive to favor accounts for which it charges a performance fee over other types of client accounts, as by allocating more profitable investments to performance fee accounts or by devoting more resources toward the management of those accounts. CIC seeks to mitigate the conflicts which could arise from managing accounts that bear a performance fee by monitoring and enforcing its policies and procedures that, among other things, require that allocation and other similar decisions may not be influenced by fee arrangements and investment opportunities will be allocated in a manner that CIC believes is consistent with its obligations as an investment adviser. See also Item 13 for information regarding the account review policies and procedures of CIC.

Item 7: Types of Clients

CIC generally provides investment advice and/or management supervisory services to the following types of clients:

- Individuals
- Non-Profit Organizations
- Pension and Profit Sharing Plans
- Corporations or Business Entities
- Independent Trust Companies
- Government Entities

Minimum Account Size

There is an account minimum, $500,000, which may be waived by the investment advisor, based on the needs of the client and the complexity of the situation.

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

A. Methods of Analysis and Investment Strategies

Methods of Analysis

CIC's methods of analysis include charting analysis, fundamental analysis, technical analysis, cyclical analysis and environmental, social and governance (ESG) analysis.

Charting analysis involves the use of patterns in performance charts. CIC uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

Technical analysis involves the analysis of past market data; primarily price and volume.

Cyclical analysis involved the analysis of business cycles to find favorable conditionsfor buying and/or selling a security.

ESG analysis involves the analysis of the track record of management in terms of environmental sustainability, social factors and corporate governance ("ESG").

Investment Strategies

CIC uses long term trading, short term trading, margin transactions, options writing (including covered options, uncovered options, or spreading strategies).

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

B. Material Risks Involved

Methods of Analysis

Fundamental analysis concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

Charting analysis strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in solely using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

Technical analysis attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

Cyclical analysis assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy aretwo- fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles they are trying to take advantage of.

ESG analysis is the measurement and scoring of factors that are subject to various degrees of judgement. The available research and evaluation methodology may not be reflective of secondary, tertiary, or unintended impacts.

Investment Strategies

Long-term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading, margin transactions, and options writing generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

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

C. Risks of Specific Securities Utilized

CIC generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it will utilize margin transactions, and options writing. Margin transactions, and options writing generally hold greater risk of capital loss and clients should be aware that there is a material risk of loss using any of those strategies.

Mutual Funds (open end and closed end): Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (generally, lower risk) or stock "equity" nature (mentioned below).

Equity investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

Treasury Inflation Protected/Inflation Linked Bonds: The risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

Fixed income investments generally pay a return on a fixed schedule, though the amount of the payments can vary and include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general the fixed income market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk and credit and default risks for both issuers and counterparties. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

Debt securities carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

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

Exchange Traded Funds (ETFs): An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a company declaring bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed "electronic shares" not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, and (3) a significant change in the attitude of speculators and investors.

Real Estate funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and

fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

Private placements carry a substantial risk as they are subject to less regulation than publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

Annuities are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirements or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

Options are contracts to purchase a security at a given price, risking that an option may expire out of the money resulting in minimal or no value. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The purchase of a call or put option has limited risk up to the initial amount invested. The sale of a call or put option has unlimited and limitless risk, respectively, whereby losses can exceed the initial investment. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option transactions also involve risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

Option writing involves a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value and the possibility of leveraged loss of trading capital due to the leveraged nature of stock options. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option writing also involves risks including but not limited to economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk and interest rate risk.

Long term trading is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

Short term trading risks include liquidity, economic stability and inflation.

Margin transactions use leverage that is borrowed from a brokerage firm as collateral.

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

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

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

Neither CIC nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

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

Neither CIC nor its representatives are registered as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

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

Maria Isabel "Bel" Pedrosa is an Investment Adviser Representative of Gesar Capital Management, LLC, and as such may also offer other advisory services offered by Gesar Capital Management. If you choose to engage with Ms. Pedrosa in these other services, then Ms. Pedrosa may receive additional compensation.

CIC strives to act in the best interest of the client, including with respect to its representatives (in their outside activities) providing outside advisory services to advisory clients. Clients of CIC are in no way required to utilize the services of any Investment Adviser Representative of CIC in such individual's outside capacities.

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

CIC may direct clients to third-party investment advisers. Clients will pay CIC its standard fee in addition to the standard fee for the advisers to which it directs those clients. This relationship will be memorialized in each contract between CIC and each third-party advisor. The fees will not exceed any limit imposed by any regulatory agency. CIC will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. CIC will ensure that all recommended advisers are licensed or notice filed in the states in which CIC is recommending them to clients.

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

A. Code of Ethics

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

B. Recommendations Involving Material Financial Interests

CIC does not recommend that clients buy or sell any security in which a related person to CIC has a material financial interest.

C. Investing Personal Money in the Same Securities as Clients

From time to time, representatives of CIC buy or sell securities for themselves that they also recommend to clients. Representatives of CIC sometimes buy or sell securities for themselves within the same block or aggregated transaction as clients. It is the goal of CIC to put client's interest first, and the Chief Compliance Officer evaluates such transactions in the context of the personal trading process to ensure that such transactions do not generally compete with the pricing received by clients.

D. Personal Trading

Representatives of CIC may buy or sell securities for themselves that they also recommend to clients. If CIC representatives wish to do so around the time of a client trade, they are encouraged to include personal trade orders within aggregated or "block" trades (see Item 12 below) in order to reduce the chances that personal trades receive a more favorable price or are otherwise detrimental to client interests. In all cases, to address potential conflicts, CIC representatives must obtain preapproval of personal trades from the firm's compliance department. It is the goal of CIC to put client's interest first, and the Chief Compliance Officer evaluates such transactions in the context of the personal trading process to ensure that such transactions do not generally compete with the pricing received by clients.

Item 12: Brokerage Practices

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

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

CIC participates in the Schwab Advisor Services program offered by Charles Schwab & Co., Inc. (Schwab) and the TD Ameritrade Institutional program offered by TD Ameritrade, Inc. CIC also recommends Fidelity Brokerage Services. Schwab, TD Ameritrade, and Fidelity are independent and unaffiliated broker-dealers.

1. Research and Other Soft-Dollar Benefits

While CIC has no formal soft dollars program in which soft dollars are used to pay for third party services, CIC may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). CIC may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and CIC does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. CIC benefits by not having to produce or pay for the research, products or services, and CIC will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that CIC's acceptance of soft dollar benefits may result in higher commissions charged to the client.

CIC may recommend/require that clients establish brokerage accounts with the Schwab Advisor Services division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The final decision to custody assets with Schwab is at the discretion of the Advisor's clients, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA accountholder. CIC is independently owned and operated and not affiliated with Schwab. Schwab provides CIC with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least $10 million of the advisor's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For CIC client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to CIC other products and services that benefit CIC but may not benefit its clients' accounts. These benefits may include national, regional or CIC specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of CIC by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist CIC in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of CIC's fees from its clients' accounts, and assist with back- office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of CIC's accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to CIC other services intended to help CIC manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to CIC by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to CIC. While, as a fiduciary, CIC endeavors to act in its clients' best interests, CIC's recommendation/requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to CIC of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade "), an unaffiliated SEC-registered broker-dealer and FINRA member. Advisor receives some benefits from TD Ameritrade through its participation in the program.

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

2. Brokerage for Client Referrals

Please see Item 14B for a description of the referral arrangement CIC has with Charles Schwab & Co., Inc. and TD Ameritrade Institutional.

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

CIC allows clients to direct brokerage, however, CIC may recommend specific broker- dealers and custodians. CIC may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage, CIC may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices. Not all investment advisers allow their clients to direct brokerage.

B. Aggregating (Block) Trading for Multiple Client Accounts

CIC maintains the ability to block trade purchases across accounts. When more than one account is trading a particular stock or ETF on the same day, block trading may be used to get identical pricing on the trades. Executing a block trade allows transaction costs to be shared equally and on a pro rata basis among all of the participating clients. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

We are not obligated to include any client transaction in a block trade. Declining to block trade may result in less favorable prices.

C. Mutual Fund Share Class Selection

Mutual funds offer many different share classes for purchase by clients. Some share classes of a fund charge higher internal expenses, whereas other share classes of a fund charge lower internal expenses. Institutional and advisory share classes typically have lower expense ratios and are less costly for a client to hold than Class A shares and other share classes that may be eligible for purchase in an advisory account. Mutual funds that offer institutional share classes, advisory share classes, and other share classes with lower expense ratios are available to investors who meet specific eligibility requirements that are described in the mutual fund's prospectus or its statement of additional information. These eligibility requirements include, but may not be limited to, investments meeting certain minimum dollar amounts and accounts that the fund considers qualified fee-based programs. It is also possible that the lowest cost mutual fund share class for a particular fund may not be offered through CIC's custodians or available for purchase within specific types of accounts.

CIC urges clients to discuss with their financial advisor whether lower-cost share classes are available and appropriate given their expected holding period, amount invested, trading frequency, the amount of the advisory fee charged, whether the client will pay transaction charges for fund purchases and sales, whether clients will pay higher internal fund expenses in lieu of transaction charges that could adversely affect long-term performance, and relevant tax considerations. An advisor may recommend, select, or continue to hold a fund share class that charges clients higher internal expenses than other available share classes for the same fund.

Some mutual funds are "no transaction-fee" ("NTF") funds that do not assess transaction charges. Most NTF funds have higher internal expenses than funds that do not participate in an NTF program. These higher internal fund expenses are assessed to investors who purchase or hold NTF funds. Depending upon the frequency of trading and hold periods, NTF funds may cost you more, than mutual funds that assess transaction charges but have lower internal expenses. In addition, the higher internal expenses charged to clients who hold NTF funds will adversely affect the long-term performance of a client's account when compared to share classes of the same fund that assess lower internal expenses. CIC and its advisers do not have a financial incentive to select and recommend share classes with 12b-1 fees or shareholder service fees, because when an account holds mutual funds that charge 12b-1 or shareholder service fees, CIC and its advisors receive none of the 12b-1 fees assessed by the Client's account holdings nor shareholder service fees. The Firm and its advisors do not receive any 12b-1 or shareholder service fees from client account holdings.

While striving to act in client's best interest, Carnegie endeavors to invest client assets in the most cost-effective share class available at the time of investment and reviews the share classes available on a regular basis. For the reasons mentioned above, Clients should not assume that they will be invested in the share class with the lowest possible expense ratio or cost at any given point in time.

Item 13: Review of Accounts

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

For clients to whom CIC provides investment supervisory services, accounts are reviewed on a periodic basis by CIC's investment advisor representatives to ensure the client's objectives are being met. The firm's chief advisors and/or delegated firm investment professionals review client account trading and communications on an ongoing basis, and the firm's management or designee, periodically reviews a sample of client accounts to confirm the accounts are managed consistent with the client's objectives and restrictions. Clients are encouraged to review their financial situation and investment objectives with CIC on a periodic basis and to advise CIC of any changes to their financial situation.

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

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

C. Content and Frequency of Regular Reports Provided to Clients

Each client will receive, at least quarterly, a written report that details the client's account which will come from the custodian.

Financial Planning clients are provided a one-time financial plan concerning their financial situation. Additional reports may be provided depending on the client situation.

Item 14: Client Referrals and Other Compensation

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

As indicated under the disclosure for Item 12, CIC utilizes the services of Schwab, TD Ameritrade and Fidelity. Schwab, TD Ameritrade and Fidelity each respectively provide CIC with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them. The services may include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Schwab and TD Ameritrade also make available to CIC other products and services that benefit CIC but may not benefit its clients' accounts. Some of these other products and services assist CIC in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of CIC's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. These custodians may also provide training and education to CIC associates to better interface with the custodial platforms. At times, custodians will also pay for expenses (airfare and/or accommodations) associated with such training and education.

Many of these benefits and services generally may be used to service all or a substantial number of CIC's accounts. Offered brokers also make available to CIC other services intended to help CIC manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. CIC does not, however, enter into any commitments with the brokers for transaction levels in exchange for any services or products from brokers.

B. Compensation to Non-Advisory Personnel for Client Referrals

CIC has compensated eligible employees who refer clients to us for investment advisory services. These payments are taken from the stated investment management fee charged by us and does not result in an increase in the amount of fees paid by you or any client.

While it is not a common practice, CIC, from time to time engages solicitors whom it pays for client referrals. CIC discloses this practice in writing to the affected clients and complies with the requirements of Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended, to the extent required by applicable law. These payments, also, are taken from the stated investment management fee charged by us and does not result in an increase in the amount of fees paid by you or any client.

Item 15: Custody

Custody is defined as “holding, directly or indirectly, client funds or securities, or having any authority to obtain possession of them.” For CIC clients, physical custody a of assets is held with a qualified custodian, and CIC does not take physical custody of client funds or securities.

CIC does, however, perform activities on behalf of certain clients where we are deemed to have custody of assets. For example, we are deemed to have limited custody because most clients have provided consent for us to deduct management fees in accordance with the advisory agreement but to not otherwise have any access to their funds or securities. Also, we are deemed to have custody because certain clients have signed a standing letter of authorization, maintained with the custodian, that allows us to conduct business on their behalf, including withdrawing assets to be sent to a specific client-designated third-party.

In certain instances, CIC is deemed, under federal securities laws, to have custody of a small number of client accounts by virtue of a specific Adviser’s role as trustee to such accounts. In these cases, the assets are maintained by independent, unaffiliated qualified custodians and are subject to an annual surprise custody examination in compliance with Rule 206(4)2 under the Investment Advisers Act.

Clients will receive statements from the custodian no less than quarterly showing transactions and the value of the account assets. Clients should carefully review those statements for accuracy.

Occasionally, at the direction of the client, CIC will use a third-party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of client funds since CIC does not have direct access to client log-in credentials to affect trades, deduct management fees nor withdraw client assets. CIC is not affiliated with the platform in any way and receives no compensation from the third-party platform provider for using its services.

Item 16: Investment Discretion

For those clients' accounts where CIC provides ongoing supervision, the client generally has given CIC written discretionary authority over the client's accounts with respect to securities to be bought or sold and the amount of securities to be bought or sold. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides CIC discretionary authority via a limited power of attorney in the Investment Advisory Contract and in the contract between the client and the custodian. Certain accounts may be managed on a non-discretionary basis where client permission is required before a trade can be placed. This authority will be described in the Investment Advisory Contract.

Item 17: Voting Client Securities (Proxy Voting)

CIC will accept voting authority for client securities in certain cases. Such authority is determined at the inception of each client account and is generally specified in the new account application. Authority may consequently be amended only with signed client authorization. Some clients may not elect for Carnegie to have voting rights and in some situations, it may be appropriate for another party to have voting rights as required by certain regulations.

When CIC does accept voting authority for client securities, CIC generally votes with management. That said, CIC reserves the right, in certain cases, to vote otherwise. Doing so may cause the appearance of a conflict of interest between CIC and the management of the companies CIC clients invest in, so CIC only votes against management when, after research and analysis, it determines that voting in such a manner is in the best interest of the client (such as opposing proposals we believe would cause a position to decline in value).

CIC uses a Broadridge proxy product to aid in the voting of proxies whereby proxies flow through the ProxyEdge Proxy Policies & Insights (PPI) online platform. CIC is currently using the Integrated Recommendations feature of ProxyEdge to discern the voting records of 30 top global fund families, using those records as a best practice to help determine how CIC should vote on Board matters.

Clients may direct CIC on how to vote client securities by communicating their wishes in writing or electronically to CIC.

Clients of CIC may obtain the voting record of CIC on client securities by contacting CIC at the phone number or e-mail address listed on the cover page of this brochure. Clients may obtain a copy of CIC's proxy voting policies and procedures upon request. Where CIC does not have voting authority, Clients will receive Proxy information from the account Custodian.

Item 18: Financial Information

A. Balance Sheet

CIC does not require nor solicit prepayment of more than $1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

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

Neither CIC nor its management has any financial conditions which are likely to reasonably impair our ability to meet contractual commitments to clients.

C. Bankruptcy Petitions in Previous Ten Years

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