

# Business Logic Corporation

## Client Brochure

*This brochure provides information about the qualifications and business practices of Business Logic Corporation. If you have any questions about the contents of this brochure, please contact us at (312) 264-7628 or by email at: [pattersonb@businesslogic.com](mailto:pattersonb@businesslogic.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 Business Logic Corporation is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Business Logic Corporation's CRD number is: 154859*

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*Registration does not imply a certain level of skill or training.*

Version Date: 9/24/2010

## **Item 2: Material Changes**

Business Logic Corporation has not yet filed an annual updating amendment. Therefore there are not material changes from an annual updating amendment to report.

## Item 3: Table of Contents

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

This firm has been in business since DATE, and the principal owners are William Daniel Patterson, John Clay Patterson, Jon Christopher Hagen, and Dirk Allen Quayle.

### **B. Types of Advisory Services**

Business Logic Corporation (hereinafter "BLC") offers the following services to advisory clients:

#### ***Investment Advisory not involving Investment Supervisory Services***

BLC offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. BLC creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Advisory Services include, but are not limited to, the following:

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

BLC evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

#### ***Services Limited to Specific Types of Investments***

BLC does not limit its investment advice to specific types of investments or securities. BLC may use other securities as well to help diversify a portfolio when applicable.

### **C. Client Tailored Services and Client Imposed Restrictions**

BLC offers the same suite of services to all of its clients. However, specific client models and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent BLC from properly servicing the client account, or if the restrictions would require BLC to deviate from its standard suite of services, BLC reserves the right to end the relationship.

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

BLC does not participate in any wrap fee programs.

### **E. Amounts Under Management**

BLC is a newly formed investment advisory firm, as such; its current assets under management are not yet reported.

## **Item 5: Fees and Compensation**

### **A. Fee Schedule**

#### ***Investment Advisory Services Fees***

<b>Total Assets Under Management</b>	<b>Annual Fee</b>
All Assets Under Management	0.20% - 0.50%

These fees are negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in arrears, and clients may terminate their contracts with thirty days' written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their accounts without penalty within 5 business days of signing the advisory contract. Advisory fees will be invoiced directly to the clients.

### ***Subscription Fees***

Subscription fee for online computer models that generate advice portfolios for investors or advisors to consider and may take action based on this advice ranges between \$50 and \$200. Fees are paid quarterly, in advance. Computer models will be provided via the internet and may be cancelled by giving 30 days written notice. Any fees collected, but unearned, will be refunded by IA at the time of cancellation. Client may terminate the Agreement within five (5) business days of signing, without penalty, and with full refund.

## **B. Payment of Fees**

### ***Payment of Investment Advisory Fees***

Advisory fees are invoiced and billed directly to the client quarterly in arrears. Clients may not select the method in which they are billed.

### ***Payment of Subscription Fees***

Subscription fees are paid in advance via credit card.

## **C. Clients Are Responsible For Third Party Fees**

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

## **D. Prepayment of Fees**

BLC collects its fees in arrears. It does not collect fees in advance.

BLC also collect 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 or return to credit card.

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither BLC 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**

BLC does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

BLC generally provides investment advice to the following Types of Clients:

- ❖ Individuals
- ❖ Investment Companies
- ❖ Pension and Profit Sharing Plans

### ***Minimum Account Size***

There is no account minimum.

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

### **A. Methods of Analysis and Investment Strategies**

BLC's methods of analysis include computer analysis to generate optimal asset allocations for best investments. BLC also uses human capital methodology to assign appropriate portfolios to investors.

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

### **B. Material Risks Involved**

BLC uses Long Term purchases and does not feel that there are any material risks with either method. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

### **C. Risks of Specific Securities Utilized**

BLC utilizes a number of different securities, none of which include a significant or unusual risk.



## **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 BLC 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 BLC nor its representatives are registered as a FCM, CPO, or CTA.

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

Neither BLC nor its representatives have any material relationships to this advisory business that would present a possible conflict of interest.

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

BLC does not utilize nor select other advisors or third party managers.

## **Item 11: Code of Ethics, Participation in Transactions, 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**

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

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of BLC may buy or sell securities for themselves that they also recommend to clients. BLC will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of BLC may buy or sell securities for themselves at or around the same time as clients. BLC will not trade non-mutual fund or non-ETF securities 5 days prior to or 5 days after trading the same security for clients.

## **Item 12: Brokerage Practices**

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

BLC does not recommend custodians/brokers/dealers to their clients.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

BLC maintains the ability to block trades purchases across accounts but will rarely do so. While block trading may benefit clients buy purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## **Item 13: Reviews of Accounts**

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

All model portfolio accounts are reviewed upon creation and delivery by William Daniel Patterson, Chief Compliance Officer. There is only one level of review and that is the total review conducted to create the model portfolio.

### **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, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Clients are provided a one-time model portfolio concerning their financial situation. After the presentation of the portfolio, there are no further reports. Clients may request additional updates for a fee.

## **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)**

BLC does not receive any economic benefit, directly or indirectly from any third party for advice rendered to BLC clients.

### **B. Compensation to Non –Advisory Personnel for Client Referrals**

BLC does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

BLC does not take custody of client accounts at any time.

## **Item 16: Investment Discretion**

BLC does not have discretion over client accounts at any time.

## **Item 17: Voting Client Securities (Proxy Voting)**

BLC will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

BLC 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**

BLC nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

BLC nor its management have been the subject of a bankruptcy petition in the last ten years.