

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

Name of Firm: Deschutes Investment Consulting LLC

Business Address: 200 SW Market Street, Suite 550 Portland, OR 97201

Contact Name: MacGregor Hall, phone (503) 223-2500, e-mail mac@deschutesadvisors.com

Web Address: None at the time of this brochure but we have acquired the domain name www.deschutesinvestment.com

Date of Brochure: September 30, 2011*

*Some statements in the brochure speak as of 12/31/2010, some as of 3/29/2011 and some as of 9/30/2011. We have attempted to make this clear throughout.

This brochure provides information about the qualifications and business practices of Deschutes Investment Consulting, LLC. If you have any questions about the contents of this brochure, please contact us at (503) 223-2500 or mac@deschutesadvisors.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 Deschutes Investment Consulting, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Please note that registration with the SEC as a Registered Investment Adviser does not imply a certain level of skill or training.

Throughout the rest of the document, we refer to Deschutes Investment Consulting LLC. as "DIC".

Item 2 Material Changes

DIC is a new entity that was formed from a former corporation, Deschutes Investment Advisors, Inc, this is the second brochure for the new LLC.

Material change #1: Change in SEC rules.

As of mid-2010, the rules governing the preparation and filing of form ADV changed. Prior to that date, ADV I had to be filed online, and available for public perusal, while ADV II could be kept as an internal document and offered only to clients and prospects as required by SEC rules. These procedures applied both to initial firm ADV filings, and also to Annual Updating Amendments. Due to these rules, DIA has not, prior to today, ever filed an ADV II online.

The new rule makes very slight changes to ADV I, continues to require that it be filed online and available for public search, and changes the name to ADV 1. However, the new rule makes larger changes to the old ADV II, adds the requirement that it be filed online and available for public search, and changes its name to ADV 2.

Material change #2: Forming DIC from Deschutes Investment Advisors

In late 2010, the two 50% owners of DIA, Bryn Torkelson and MacGregor Hall, formed two new investment advisers, and registered them with the SEC. Mr. Torkelson formed Deschutes Portfolio Strategy, LLC (100% owned by him, henceforth referred to as "DPS"), and Mr. Hall formed Deschutes Investment Consulting, LLC (100% owned by him, henceforth referred to as "DIC"). The intention was, and is, to ask current clients of DIA to sign new advisory agreements with either DPS or DIC, and then to file an ADV-W withdrawing the registration of DIA. This would mean that, subsequent to that filing, DIA would no longer have investment advisory clients, collect fees, or provide investment advisory services.

As of the date of this writing, March 16th, 2011, DPS and DIC are in possession of signed investment advisory agreements from the majority of the former clients of DIA. Both DPS and DIC have signed contracts from at least \$25 mln of assets under management.

The clients who have not yet signed new investment advisory agreements with DPS or DIC remain current clients of DIA, per the terms of their current investment advisory agreements, which remain valid until they expire under their terms. Current clients of DIA are of course perfectly free not to sign new investment advisory agreements with either DPS or DIC, and, if they have not done so prior to DIA's filing of ADV-W, and have not specifically indicated they wish to terminate their relationship with DIA, their investment advisory agreements with DIA will terminate when DIA withdraws its SEC registration.

Please note that we anticipate DIA will withdraw its SEC registration at some point in calendar 2011. Where possible, all statements in DIA's brochure ADV 2 on the following pages refer to DIA's business as it was on December 31st, 2010, a date which preceded nearly all of the client transfers. This is in order to provide the clearest and most complete picture of DIA. Please read these statements in light of the planned wind-up of DIA.

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Item 4 Advisory Business

DIC, an investment adviser formed in 2011, is 100% owned by MacGregor Hall (see bio below).

DIC provides investment advice, financial planning and retirement plan management (including employee education) to clients on both a discretionary and non-discretionary basis. Investment advisory services consist of advice on asset allocation, strategic portfolio structuring, the selection and monitoring of mutual funds (both closed-end and open-end), and the selection and monitoring of partnerships managed by third-party investment advisors. Financial planning services are offered on both a limited scope and a comprehensive basis.

DIC works with many different types of clients, including individuals, families, corporate boards, 401k or pension boards, foundations, endowments and trusts. Each client is unique, and we provide our investment advisory services with this fact in mind. For example, some clients prefer to be informed prior to all transactions, and to weigh in on the merits of different investment choices, while some prefer to allow us to make those choices. Some clients are qualified for, and wish to make investments in, hedge funds, while some do not. Some clients ask us to do independent research on an investment the client proposes to make, or to analyze and critique their current investment portfolio. DIC allows our clients to impose restrictions on investing in certain securities or types of securities, but such requests are rare.

DIC manages a total of \$443,743,619 mln across 284 client accounts. We manage \$390 mln of discretionary assets in 60 accounts, primarily in company 401k plans and \$53 mln in 224 non discretionary accounts, primarily in individual client accounts

PRINCIPAL OWNER-BACKGROUND

MacGregor Bruce Hall - Born August 9, 1956

Education: 1975-1979: University of Oregon; Eugene, OR; B.S. - Finance

Business Background: Mr. Hall has been in the investment business since 1987. He began his career with Crabbe-Huson ('87-'96), joined Copper Mountain Trust ('96-'98), and joined Deschutes Investment Advisors, INC IA in 1998. He has no current brokerage affiliations. Former brokerage affiliations: Raymond James ('99-'02); Cantella ('02-'04); KMS ('04-'05)

Item 5 Fees and Compensation

DIC offers most of its investment advisory services for a fixed percentage of assets under management according to a written fee schedule agreed upon at the outset of the advisory relationship. DIC occasionally charges hourly for its financial planning services, or charges a fixed fee for one-time special projects.

The negotiable fee structure for investment management has a typical minimum annual fee of \$10,000, or up to 1% of AUM. However, DCA's typical asset-based fee starts at 1% and declines to 0.25% on accounts greater than \$10 mln, and is typically negotiated on accounts greater than \$25 mln. Financial planning services are billed either hourly at \$180/hour, or on a retainer basis with a minimum retainer of \$5000/year. The fee structure may be amended from time to time by DIC upon 30-60 days prior written notice (depending on client type) to client.

Fees are typically paid directly to DIC from the Account by the custodian (typically Charles Schwab) upon submission of an invoice to the custodian showing the amount of fees, the value of the client's assets on which the fees are based, and the specific manner in which the fees are calculated. Copies of the fee invoices are mailed to the clients as required. In certain cases, the client prefers to remit payment of fees directly to DIC by check in response to an invoice sent by DIC. Clients may select either method. DIC's fees are payable quarterly in advance based on the most recent quarterly asset valuation.

If client assets are invested in mutual funds, the client may be required to pay, in addition to the DIC fee, a proportionate share of each fund's marketing and advertising expenses (12b-1), management fees, and other mutual fund operating expenses. These fees are deducted prior to a mutual fund stating its daily NAV, and are therefore not directly itemized expenses for the client. Clients will also incur brokerage and other transaction costs, and/or custodial fees. These fees are payable directly to the unrelated broker or custodian (in most cases, Charles Schwab), and DIC does not benefit directly from them. Please refer to page 12, Brokerage Practices, for further information.

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

All clients for whom DIC currently manages investments pay an asset-based fee rather than a performance fee.

Item 7 Types of *Clients*

DIG provides investment advice to high net worth individuals, trusts, estates, charitable organizations, corporations, pension and profit sharing plans. DIG generally requires a minimum of \$500,000 to open an individually managed account (or group of accounts), but reserves the right to waive this minimum. Our clients are mostly located in the Pacific Northwest, although we have clients in a few other states as well.

DIC invests client assets primarily in low-fee, institutional class, no-load, open-end mutual funds. Our core expertise is in combining multiple mutual funds from different management companies in order to build a diversified portfolio with risk parameters matching the client's. We collect no 12b-1 or other fees to place client assets in any particular mutual fund, and the resultant reduction in conflicts of interest is one of our key strengths. We use the tenets of modern portfolio theory (as regards the basic relationship between risk and return, the reduction in risk that comes from diversification, etc.) as an initial guide in constructing optimal portfolios, but are well aware of MPT's many flaws, and are therefore not dogmatic in our adherence to it. We select mutual funds, all else equal, with:

- Excellent long-term performance under a consistently applied strategy and/or manager group
- Low expense ratios
- Low historical volatility, and protection of capital in bear markets
- Smaller fund size
- Low turnover
- For equity funds, a demonstrable value-based (or growth-at-a-reasonable-price) approach
- Good historical stewardship of shareholder capital
- Consistency of results over time, and a high alpha
- Lower correlation to one another, thereby increasing the benefits of diversification

DIC favors open-end mutual funds for several reasons:

- Legally required diversification within a fund (per the '40 Act), reducing risk of loss that comes from concentration
- Lower fees than many other types of structures
- Daily liquidity
- Many institutional low-cost funds are available on the platform we use for most of our accounts, Schwab
- Access to many types of strategies beyond traditional long stocks and bonds

Although approximately 80% of the funds under our management are invested in open-end mutual funds, we also make use of many other types of securities in client accounts, such as: individual equity securities (exchange-listed, over-the-counter and foreign), ETFs, closed-end funds, warrants and options, individual corporate bonds, CDs, municipal bonds, annuities, US government securities, and investment partnerships. When selecting from these security types, we favor fundamental analysis (rather than technical, charting, cyclical or other methods) that attempts to determine a security's intrinsic value and compare its current trading price to that value. We gather information for making this value determination from multiple sources, including financial newspapers, our own (or outside analyst) inspection of corporate activities, research materials prepared by others, corporate rating services, a company's own SEC filings, company press releases, etc. Our main research tools include a Bloomberg terminal and Morningstar AdvisorWorkstation. Generally, DIC implements long-term strategies to build client wealth, but some of our strategies are based on more of a short-term or trading method.

For all of the above investment strategies, including mutual funds, clients and prospective clients should note carefully that investing in securities involves risk of loss that clients should be prepared to bear. For example, most equity mutual funds have very high correlation to the broad stock market and should be expected to lose as much or more than the stock market in any given period. In 2008, the S&P 500, a broad measure of the US stock market, fell 37%, and many mutual funds lost even more. Any strategy involving frequent trading can negatively affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Item 9 Disciplinary Information

There have been no legal or disciplinary events involving DIG or any of our management persons **that** are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

As described on page 2, "Material Changes", DIC was formed as DIA is in the process of winding down its investment advisory business, and "handing it over" to DPS and DIC (although neither DPS nor DIC will be considered a "successor firm"). Each 50% owner of DIA is a sole owner of DPS or DIC, and therefore DIA, DPS and DIC are all "related persons", in the terminology of the SEC. For clients and prospects, this means that there is a conflict of interest inherent in the advice provided by DIA. Specifically, DIA owners and employees will (continue to) recommend that DIA clients sign new advisory agreements with DPS or DIC. Further, some clients (those who worked most closely with Bryn Torkelson and the DIA employees most closely associated with him) have received, or will receive, the recommendation to sign new advisory contracts with DPS; while other clients (those who worked most closely with MacGregor Hall and the DIA employees most closely associated with him) have received, or will receive, the recommendation to sign new advisory contracts with DIC. All clients and prospective clients of all three firms should be aware of the above conflicts of interest so that they may formulate the best decisions. As a practical matter, several factors are present which help to mitigate the problems associated with these conflicts of interest: -There have so far been no personnel changes at the firm, and none are planned. All former employees of DIA are expected to become employees of either DPS or DIC. -Clients of DIA are in general already being served only by future employees of DPS, or only by future employees of DIC. Therefore they will experience no fundamental change in their service. -DPS and DIC have shared, and will continue to share through late 2011 at least, office space and phone number. -Arrangements have been made so that the research methods employed by DIA will continue to be used by both DPS and DIC for the foreseeable future. (A key analyst who is expected to become a DPS employee will lease some of his time, efforts and research tools back to DIC.)

DIC is not registered as a broker dealer, futures commission merchant, commodity pool operator or commodity trading adviser.

Registered Advisors of DIC in their individual capacities may be Registered Representatives of Financial Services Int'l Corp., a registered broker-dealer. In their capacity as registered Representatives of Financial Services Int'l Corp. our advisors can transact security purchases and sales of stocks, bonds, mutual funds, ETFs, annuities, insurance contracts, limited partnerships, and alternative investments. Financial Services Int'l Corp. pays sales commission to their Registered Representatives for transacting that type of brokerage business.

Registered Advisors of DIC in their individual capacities may be agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

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

The DIC Code of Ethics is based on the principle that supervised persons, access persons and administrative staff members owe a fiduciary duty to our clients for which DIC serves as an advisor. This Code is to protect the interests of both clients and advisors by demanding that advisory personnel perform their duties with complete propriety and do not take advantage of their position. Accordingly, DIC employees must avoid activities, interests and relationships that might interfere or appear to interfere with making decisions in the best interest of our advisory clients. Failure to abide by this Code results in disciplinary action, including termination of employment. A complete copy of our Code of Ethics is available to our clients or prospective clients upon request.

Employees of DIC may occasionally purchase or sell for their own personal accounts securities held or traded in DIC client accounts. Trades in the personal accounts may happen at times close to the times trades happen in the client accounts. To avoid any potential front-running of client trades, a record of all personal trades by Access Persons is collected quarterly and reviewed by DIC's Chief Compliance Officer. If evidence of front-running is found, the guilty party may be forced to disgorge any illegal profits, and the client account will be reimbursed by DIA. As a practical matter, most client trades involve mutual funds (for which front-running is not a concern), and Access Persons are in general not active traders in individual securities.

For its individual clients DIC and its employees typically (depending on the advisory agreement) have the authority to determine, without obtaining specific client consent, the securities to be bought or sold, the amount of securities to be bought or sold, the broker or dealer to be used, and the commission rate paid.

As a practical matter:

- Nearly all DIC client accounts are custodied at a single broker, Charles Schwab, and client trades are executed at Schwab. When DIC client accounts are custodied elsewhere, this is where trading is done.
- DIC has a standard advisor commission and fee schedule with Schwab and other broker/custodians, and thus can not typically negotiate commissions on a trade-by-trade basis.
- DIC is not a broker-dealer, and no DIC related person is a broker-dealer.
- DIC does not have custody of client accounts.
- DIC does not use soft dollars (research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions).
- Schwab, and our other custodians, are low-cost institutional brokers, and very few trades could possibly be executed for a lower commission elsewhere. Even when they could, tradeaway fees would erase the advantage.

DIC seeks best execution for all client trades, but will not obligate itself to obtain the lowest commission or best net price on any particular transaction. DIC will not execute any order in a fashion either preferential to one account relative to other like accounts managed by DIC, or materially adverse to such other accounts.

DIC is authorized in its discretion to aggregate purchases and sales made for one client account with purchases and sales in the same or similar securities for other client accounts. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price so obtained. Stock exchange regulations may, in certain instances, prevent the executing broker-dealer from delivering to the account a confirmation slip with respect to its participation in the aggregated transaction, and in such event, DIC will advise the client in writing of any purchase or disposition of securities for the account with respect to any such aggregated transaction. DIC aggregates orders whenever a particular trade is appropriate, in DIC's best judgment, for more than one client account at the same time. Occasionally, trades that occur on the same day in two different client accounts may not be aggregated, usually for timing reasons. The effect of this failure to aggregate may be higher commissions for both client accounts, and one account may receive a more favorable price than the other account.

Item 13 Review of Accounts

DIC reviews our managed client accounts not less than quarterly. The basic level of review is the same for each account. When DIC has advised a client with regard to selection and retention of 3rd-party investment managers, DIC reviews client positions with the 3rd-party manager when the manager issues its reports, generally quarterly. Reviews generally consider factors like overall allocation of the account as compared to the investment policy, historical performance of the account relative to relevant benchmarks, industry or security concentrations, prospects of each security held, percentage invested in each issue, and cash management. Mr. Hall reviews all accounts. Due to the stability of its investments (primarily mutual funds) and the relatively small number of accounts, DIACs review process is informal.

DIC prepares written quarterly reports for clients. These reports include performance information, holdings, transactions and statistical analysis. Some of these reports are customized by DIC. They are delivered by hard copy, e-mail or in person, depending on the client's preference.

Item 14 *Client Referrals and Other Compensation*

Item 14 A. Clients may be referred to DIG by an unaffiliated third party (as defined under the Investment Advisors Act of 1940). In certain instances, there may be a solicitation agreement between DIG and the third party. In exchange for referring clients to DIG, third party will be paid a percentage of the total advisory fee charged and collected from the referred client for as long as the agreement is in place. The agreement does not result in increased fees to the client and is not transferable.

Item 15 Custody

DIC does not have direct custody for client funds or securities. Instead, a qualified custodian/broker (usually Schwab) has custody, and is responsible for sending monthly account statements, transaction reports and year-end tax reports, directly to clients. Clients should carefully review those statements (which can be delivered electronically or by mail or both, depending on client preference) for inaccuracies. DIC also sends periodic performance reports, as more fully described on page 13. Clients should compare the account statements they receive from the custodian with the reports they receive from DIC.

Item 16 Investment Discretion

DIC, as part of our standard investment advisory contract, accepts discretionary authority to manage securities accounts on behalf of clients. For some of DIC's clients (typically 401k plans), our authority is non-discretionary.

For our discretionary accounts, our customary practice is to discuss proposed positions and trades with the client before we implement them. However, we can and do at times exercise discretionary authority in client accounts without such advance discussion. Clients may place limits on this authority if they so desire. Typically, any such limits are informal arrangements between DIC and each client, since trust is a key element of each client relationship. Before assuming discretionary investment authority, DIC requires an executed investment advisory agreement with a client, and also the execution of a limited power of attorney between DIC, the custodian and the client.

DIC's discretionary clients, when setting up their accounts at the third-party broker/custodian, may elect to retain authority for voting securities held in their accounts, or may elect to transfer that authority to DIC as investment manager. DIC accepts such authority, if granted by the client.

DIC votes proxies in accordance with the client's best interest at all times. DIC votes proxies following the below general guidelines, but examines each proxy on its own merits:

- FOR uncontested director elections where we perceive a company is managing shareholder capital well
- FOR reputable auditor firms
- FOR company share grant plans where we perceive a company is minimizing dilution
- AGAINST shareholder proposals related to environmental reports or political donations
- FOR most shareholder proposals which in our view will improve corporate governance

Clients may obtain a copy of our proxy voting policies and procedures upon request.

In any particular solicitation, a client may direct us to vote securities in a particular way. In such situations, we will explain to the client our views on the solicitation, and disclose any conflicts of interest related to the solicitation (exceedingly rare), but will always follow the client's direction. Clients may obtain information about how their proxies were voted upon request to us,

Item 18 Financial Information

DIG is in good financial shape, and there is no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

Because DIG does not require or solicit payment of fees more than 6 months in advance, we are not required to include in this brochure a balance sheet for our most recent fiscal year, and we have elected not to do so.

Item 19 Requirements for State-Registered Advisers

Not applicable.

Part 2B of Form ADV: *Brochure Supplement*

Full name: **MacGregor Bruce Hall**

Year of Birth: 1956

Educational Background: University of Oregon; Eugene, OR; 1979; B.S. - Finance

Business experience for past 5 years: President and Sole Owner; Deschutes Investment Consulting LLC; 2010-present Managing Principal; Deschutes Investment Advisors, Inc.; continuous

Professional Designation: Certified Investment Management Analyst (CIMA) Certified Investment Management Analyst professionals provide objective investment advice and guidance to both individuals and institutions. The CIMA professional integrates a complex body of investment knowledge and applies it systematically and ethically to assist clients in making prudent investment decisions. The CIMA certification program requires that candidates meet all eligibility requirements, including experience, education, examination, and ethics. To qualify for the designation, you must pass the online Qualification Examination, complete the education program with a Registered Education Provider, pass the online Certification Examination, and agree to adhere to IMCA's Code of Professional Responsibility, Standards of Practice, and Rules and Guidelines for Use of the Marks.

Disciplinary Information: There are no legal or disciplinary events material to a client's or prospective client's evaluation.

Other Business Activities: As discussed elsewhere in this brochure, Mr. Hall is the sole owner of DIC. This creates a conflict of interest in that Mr. Hall can be expected to recommend to DIA clients that they become clients of DIC. Additional Compensation: Mr. Hall receives payments from Mr. Torkelson for certain clients of DIA who also invest in Matisse Absolute Return Fund or Matisse Long/Short Income Focus Fund.

Supervision: As a Managing Principal of DIC, Mr. Hall is self-supervised.

Full name: **Dennis Munsey**

Year of Birth: 1945

Educational Background: Associates Degree in Business

Business experience for past 5 years: Senior Consultant; Deschutes Investment Consulting LLC; 2010-present Senior Consultant; Deschutes Investment Advisors, Inc.; continuous

Disciplinary Information: There are no legal or disciplinary events material to a client's or prospective client's evaluation.

Other Business Activities: As an employee of DIC, Mr. Munsey can be expected to recommend that clients of DIA become clients of DIC.

Additional Compensation: None

Supervision: MacGregor Hall monitors, on an informal basis, and supervises, the advisory activities of Mr. Munsey on behalf of the firm. Corporate retirement plan investment decisions are reviewed by Mr. Hall. New accounts and advisory agreements for both individual and corporate retirement plans are prepared and reviewed by office staff and approved by Mr. Hall.

Full name: Laura Fallon-Burns

Year of Birth: 1960

Educational Background: 2 years Portland Community College

2 years University of Phoenix

Business Management

Business experience for past 5 years:

Investment Advisor; Deschutes Investment Consulting LLC; 2010-present

Investment Advisor; Deschutes Investment Advisors, Inc.; 2007-present

Investment Advisor & Insurance Agent; Mass Mutual; 2007

Director of Channel Marketing & Sales; Air Advice; 2006-2007

Director of Business Development; Harland Financial Solutions; 2002-2006

Vice President, Investment Center Manager; West Coast Bank; 1996-2002

Disciplinary Information: There are no legal or disciplinary events material to a client's or prospective client's evaluation.

Other Business Activities: As an employee of DIC, Ms. Fallon-Burns can be expected to recommend that clients of DIA become clients of DIC. Ms. Fallon-Burns has a small book of life insurance clients that she continues to service. Laura Fallon-Burns is licensed as an insurance agent. As an insurance agent she may recommend a client purchase insurance products. If the client purchases an insurance product through Ms. Fallon-Burns, she may or may not receive a sales commission that is usually based upon the amount of premium paid by the purchaser. Insurance sales commissions may in some cases continue to be paid to the insurance agent for several years. The sales commission creates a financial incentive to recommend that the client purchase an insurance product. The financial incentive generated by the sales commission creates a potential conflict of interest between the client, Deschutes Investment Consulting, LLC and Ms. Fallon-Burns, whereby Ms. Fallon-Burns may have a financial incentive to recommend an action not in the best interest of the client. Time spent on this activity is no more than 120 hours per calendar quarter. Types of products Deschutes Investment Consulting, LLC and Ms. Fallon-Burns may recommend to clients, include term, whole, universal life, long term care, disability, variable annuities or fixed annuity insurance policies.

Additional Compensation: Ms. Fallon-Burns receives a small amount of life insurance compensation from individual clients. Compensation is typically less than 10% of total income.

Supervision: MacGregor Hall monitors, on an informal basis, and supervises, the advisory activities of Ms. Fallon-Burns on behalf of the firm. Corporate retirement plan investment decisions are reviewed by Mr. Hall. New accounts and advisory agreements for both individual and corporate retirement plans are prepared and reviewed by office staff and approved by Mr. Hall.

Full name: David Tarr Foster

Year of Birth: 1980

Educational Background: American University; BS-Business; 2002

Business experience for past 5 years:

Financial Advisor; Deschutes Investment Consulting LLC; 2010- present

Financial Advisor; Deschutes Investment Advisors, Inc.; 2006-present

Financial Advisor; Strategic Alliance; 2004-2006

Professional Designation:

Certified Financial Planner (CFP)

Before applying for the CFP® Certification Examination, you need to complete the education requirements set by CFP Board, through either: completing a CFP Board-Registered Education Program; applying for Challenge Status (certain degrees and professional credentials fulfill the educational requirement and allow you to sit for the CFP® Certification Examination); or requesting a Transcript

Review. A bachelor's degree (or higher), or its equivalent, in any discipline, from an accredited college or university is also required to attain CFP® certification. Then you must pass the CFP® Certification Examination testing your ability to apply your financial planning knowledge to client situations. The 10-hour multiple choice exam is divided into three separate sessions. At least three years of qualifying full-time work experience are also required for certification. Applicants for CFP® certification must also pass CFP Board's *Fitness Standards for Candidates and Registrants*, which describe conduct that will or may bar an individual from being certified. Certified Financial Planners agree to abide by CFP Board's *Code of Ethics and Professional Responsibility, Rules of Conduct* and *Financial Planning Practice Standards*. A background check is also conducted.

Disciplinary Information: There are no legal or disciplinary events material to a client's or prospective client's evaluation.

Other Business Activities: As an employee of DIC, Mr. Foster can be expected to recommend that clients of DIA become clients of DIC.

Additional Compensation: None

Supervision: MacGregor Hall monitors, on an informal basis, and supervises, the advisory activities of Mr. Foster on behalf of the firm.

Full name: **Timothy Edward Wood**
Year of Birth: 1967
Educational Background: Oregon State University; BS; 1990
Lewis and Clark College; MPA; 1993

Business experience for past 5 years:
Independent Fiduciary; Deschutes Investment Consulting LLC; 2010-present
Independent Fiduciary; Deschutes Investment Advisors, Inc.; continuous

Disciplinary Information: There are no legal or disciplinary events material to a client's or prospective client's evaluation.

Other Business Activities: As an employee of DIC, Mr. Wood can be expected to recommend that clients of DIA become clients of DIC.

Additional Compensation: None

Supervision: MacGregor Hall monitors, on an informal basis, and supervises, the advisory activities of Mr. Wood on behalf of the firm.

Full name: **Carl Von Hoffmann Burnham III**
Year of Birth: 1962
Educational Background: University of Oregon; Eugene, OR; 1984; B.S. - Finance

Business experience for past 5 years:
Financial Advisor; Deschutes Investment Consulting LLC; 2011- present

Financial Advisor and Executive Benefit Consultant; Partners Wealth Management; 2006-2011

Professional Designations: Chartered Life Underwriter (CLU®) to receive the CLU® designation, you must successfully complete all courses in your selected program, meet experience requirements and ethics standards, and agree to comply with The American College Code of Ethics and Procedures. Chartered Financial Consultant (ChFC®) to receive the ChFC® designation, you must successfully complete all courses in your selected program, meet experience requirements and ethics standards, and

agree to comply with The American College Code of Ethics and Procedures.

Licenses: Series 7: FINRA General Securities Representative, Series 24: FINRA General Securities Principal, Series 63: FINRA Uniform Securities Agent & State Law Examination, and Series 66: FINRA Uniform Combined Securities Agent & Investment Advisor State Law Exam licenses.

Disciplinary Information: There are no legal or disciplinary events material to a client's or prospective client's evaluation.

Other Business Activities: Mr. Burnham has a book of insurance clients that he continues to service. Carl Burnham III is licensed as an insurance agent. As an insurance agent he may recommend a client purchase insurance products. If the client purchases an insurance product through Mr. Burnham, he may or may not receive a sales commission that is usually based upon the amount of premium paid by the purchaser. Insurance sales commissions may in some cases continue to be paid to the insurance agent for several years. The sales commission creates a financial incentive to recommend that the client purchase an insurance product. The financial incentive generated by the sales commission creates a potential conflict of interest between the client, Deschutes Investment Consulting, LLC and Mr. Burnham, whereby Mr. Burnham may have a financial incentive to recommend an action not in the best interest of the client. Time spent on this activity is no more than 120 hours per calendar quarter. Types of products Deschutes Investment Consulting, LLC and Mr. Burnham may recommend to clients, include term, whole, universal life, long term care, disability, variable annuities or fixed annuity insurance policies.

Additional Compensation: Mr. Burnham receives life insurance compensation from individual and business clients.

Supervision: MacGregor Hall monitors, on an informal basis, and supervises, the advisory activities of Mr. Burnham on behalf of the firm.