

**Item 1. Introduction**

Pace Financial Advisors, Inc. ("PFA," "we," "us," and "our") is an Oregon corporation registered as an investment advisor with the United States Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important that you understand the differences. Please note that free and simple tools are available to research advisory and brokerage firms and their associated financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisors, and investing.

**Item 2. Relationships and Services*****What investment services and advice can you provide me?***

We offer wealth management services that combine ongoing and continuous portfolio management with the delivery of ad-hoc financial consulting advice that is uniquely tailored to the client's financial circumstances and needs. We also offer financial planning and consulting as a stand-alone service.

Our wealth management services include a review of your unique financial circumstances and the design, implementation, and ongoing management of your designated investment account(s). We will directly invest the assets deposited to your account(s) held at an independent qualified custodian and monitor your portfolio regularly, implementing changes to your holdings as we believe to be appropriate and in your best interests, acting in accordance with our fiduciary duty to you. You will be required to enter into a discretionary management arrangement that allows us to buy and sell investments within your account without obtaining your consent prior to each transaction (a "discretionary account"). You may impose reasonable restrictions on our ability to invest in certain securities or types of securities within your account. We will formally review your account at least annually.

Wealth management clients also receive ad-hoc financial consulting advice intended to assist with routine financial matters and questions, including, for example, concerns related to budgeting, cash flow, credit/debt management, insurance coverage, and basic retirement planning matters. This part of our wealth management services does not constitute broad-based financial planning and clients wishing to engage us for those services or the preparation of a written financial plan may only do so under a separate and discrete financial planning engagement. At your specific request, we may also provide you with recommendations regarding investments held-away from the accounts we manage directly on your behalf (e.g., employer sponsored retirement accounts, qualified tuition plans, and variable annuity sub-accounts). You will make all final investment decisions and be solely responsible for monitoring and implementation of our ad-hoc financial consulting recommendations and any advice we provide with respect to your held-away accounts. We will only review and update these recommendations upon your specific request.

For clients seeking in-depth financial planning or consulting advice beyond that offered under our wealth management services, we also offer financial planning and consulting as a stand-alone service. We will review your financial situation and assets, risk profile, investment time horizon, and investment

goals and provide you with our recommendations regarding the financial topics for which we are engaged. Our recommendations will typically take the form of either a formal written financial plan or a shorter written report, but may be delivered exclusively via e-mail, in-person, telephonic, or video conference-based consultation, as may be appropriate for the scope of the engagement. Our financial planning recommendations and report(s) will not be updated or reviewed following their delivery to you, unless specifically agreed. Additional fees will apply to all such reviews and updates. You will make all ultimate investment decisions with respect to our stand-alone financial planning and consulting recommendations and be responsible for implementation and monitoring of your investments.

We primarily advise our clients regarding investments in individual stocks and bonds, mutual funds, exchange traded funds ("ETFs"), publicly traded real estate investment trusts ("REITs"), money market funds, certificates of deposit, cash and cash equivalents. We may also offer advice on other types of investments, including investments held in your account at the inception of our relationship. We do not have any minimum fee or account balance requirements.

*More detailed information about our advisory services and account minimums is contained in our Form ADV Part 2A "firm brochure" at Items 4 and 7.*

***Conversation Starter:*** Ask us:

- (i) *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- (ii) *How will you choose investments to recommend to me?*
- (iii) *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

**Item 3. Fees, Costs, Conflicts, and Standard of Conduct*****What fees will I pay?***

We charge annual asset-based fees for wealth management services ranging from 0.50% - 2.00% per year of the market value of your account. Within these limitations, where you elect to have PFA implement an options-based investment strategy in your account, your account may be subject to an additional annual asset-based fee of up to 0.25% per year. The cash value of certain accounts may also be excluded from our advisory fee calculations. These fees are payable to us quarterly or monthly in arrears or advance (as set forth in a written advisory agreement) by direct deduction from the client's designated investment account(s) held at the custodian.

We charge hourly fees for *stand-alone* financial planning and consulting services of up to \$350 per hour, depending on the nature and scope of the engagement. These fees are typically paid to us monthly or quarterly in arrears by cash, check money order, or credit card or other payment method agreed to by our firm.

In addition to our advisory fees, you will separately pay (i) your proportionate share of the expense ratio and other internal fees and costs associated with any mutual funds, ETFs, and other pooled investment vehicles held in your account and (ii) all usual and customary transaction-based fees (brokerage fees and

commissions), custodial and administrative charges, wire transfer fees, and other fees and taxes associated with activity and holdings contained in your account.

In building client portfolios, we strive to avoid using mutual funds and ETFs that have high expense ratios. We also strive to avoid mutual funds and ETFs that have sales charges. Instead, we typically recommend clients utilize no-load funds.

Where asset-based fees apply, you should consider that the more assets you have in your account, the more you will pay us, thus creating an incentive for us to encourage you to increase and/or maintain the current level of assets in your account.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

*More detailed information about our advisory fees is contained in our firm brochure at Item 5.*

**Conversation Starter:** Ask us: "Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?"

**What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment advisor, we have to act in your best interests and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. *Here are two examples to help you understand what this means:* (1) the value of your asset-based advisory fee account goes up, and while the annual percentage we charge may stay the same, the total compensation you pay us goes up proportionately; (2) your account value goes down, but you still must pay us an asset-based advisory fee proportional to your assets under management.

Some of our financial professionals are dually registered representatives or investment advisor representatives of LPL Financial, LLC ("LPL") and/or DMK Advisor Group, Inc., both of which are independent SEC registered broker-dealers and investment advisor firms. Clients can enter into a separate commission-based arrangement with such individuals (but not PFA directly) and LPL and/or DMK for securities brokerage services (a "Brokerage Relationship"). Under this arrangement, these financial professionals, acting in their capacity as registered representatives of LPL and/or DMK, may receive commissions, ongoing distribution fees (i.e., trails), and other compensation based on sales of securities to clients. Investments made through a Brokerage Relationship may be separate from the advisory services we provide to you, and therefore, our firm does not have a fiduciary duty over such Brokerage Relationship recommendations.

Certain of our financial professionals are also independently licensed to sell insurance in one or more states and may receive commissions or fees in connection with the sale of insurance products to clients.

PFA's investment advisory fees are separate and distinct from insurance or brokerage commissions or fees or investment advisory fees earned by our financial professionals from LPL, DMK, or in their individual capacities as insurance agents. The receipt of insurance or brokerage related commissions or fees and/or investment advisory fees as a result of these outside business activities creates a conflict of interest with clients. We will only transact securities and insurance business with clients when fully disclosed, suitable, and appropriate. You may use any insurance or brokerage firm, agent, or registered representative you choose.

*More detailed information related to these conflicts of interest is contained in our firm brochure at Item 5.*

**Conversation Starter:** Ask us: "How might your conflicts of interest affect me, and how will you address them?"

#### **How do your financial professionals make money?**

Our financial professionals are compensated with annual salaries and/or discretionary bonuses. Insurance licensed professionals may also receive commissions, as described above.

*More detailed information about our conflicts of interest is contained in our firm brochure at Item 5 and in the Form ADV Part 2Bs related to each of our financial professionals.*

#### **Item 4. Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?**

No. We encourage you to visit [Investor.gov/CRS](https://investor.gov/CRS) for a free and simple search tool to research any of our financial professionals.

**Conversation Starter:** Ask us: "As a financial professional, do you have any disciplinary history? For what type of conduct?"

#### **Item 5. Additional Information**

You can find additional information regarding our firm, including our Form ADV Part 2A firm brochure and this client relationship summary by visiting <https://adviserinfo.sec.gov> and searching for our firm by its name or its unique CRD number (318159). You can also obtain a copy of this relationship summary by visiting our website at [www.pace-fa.com](http://www.pace-fa.com) or by contacting us by telephone at (971) 727-8434.

**Conversation Starter:** Ask us: "Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?"

**SUMMARY OF MATERIAL CHANGES**

This Client Relationship Summary contains the following material changes since the prior version dated April 25, 2023:

- Item 2 has been amended to reflect that for the most limited stand-alone financial planning and consulting engagements, our advice and recommendations may be delivered exclusively via e-mail, in-person, telephonic, or video conference-based consultation with the client.
- Item 3 has been amended to reflect as follows:
  - Where the client elects to implement an investment strategy incorporating the use of options, PFA may charge an additional asset-based fee of up to 0.25% per annum on the subject account(s).
  - We may charge a maximum asset-based fee of up to 2.00% per annum. The previous version of this Client Relationship Summary reflected a maximum asset-based fee of 1.50%.
  - We may elect not to apply our asset-based fees to the value of the client's cash holdings.
- Item 3 has been amended to reflect that certain of our investment advisor representatives are dually registered as registered representatives of LPL Financial, LLC ("LPL"), an independent securities broker-dealer and investment advisor and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). This dual licensure creates conflicts of interest that clients should consider when engaging our firm and our associated persons for advisory services. Please see Item 3 for more details.
- Item 3 has been amended to reflect that certain of our investment advisor representatives are dually registered as registered representatives and/or investment advisory representatives of DMK Advisor Group, Inc. ("DMK"), an independent securities broker-dealer and investment advisor and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). This dual licensure creates conflicts of interest that clients should consider when engaging our firm and our associated persons for advisory services. Please see Item 3 for more details.