

Part 2A of Form ADV: Firm *Brochure*

Item 1 Cover Page

Item 2 Material Changes

Item 3 Table of Contents

Item 1	1
Item 2	2
Item 3	3
Item 4	4
Item 5	5
Item 6	6
Item 7	7
Item 8	8
Item 9	9
Item 10	10
Item 11	11
Item 12	12
Item 13	13
Item 14	14
Item 15	15
Item 16	16
Item 17	17
Item 18	18
Item 19	19
Item 20	20
Item 21	21
Item 22	22
Item 23	23
Item 24	24
Item 25	25
Item 26	26
Item 27	27
Item 28	28
Item 29	29
Item 30	30
Item 31	31
Item 32	32
Item 33	33
Item 34	34
Item 35	35
Item 36	36
Item 37	37
Item 38	38
Item 39	39
Item 40	40
Item 41	41
Item 42	42
Item 43	43
Item 44	44
Item 45	45
Item 46	46
Item 47	47
Item 48	48
Item 49	49
Item 50	50
Item 51	51
Item 52	52
Item 53	53
Item 54	54
Item 55	55
Item 56	56
Item 57	57
Item 58	58
Item 59	59
Item 60	60
Item 61	61
Item 62	62
Item 63	63
Item 64	64
Item 65	65
Item 66	66
Item 67	67
Item 68	68
Item 69	69
Item 70	70
Item 71	71
Item 72	72
Item 73	73
Item 74	74
Item 75	75
Item 76	76
Item 77	77
Item 78	78
Item 79	79
Item 80	80
Item 81	81
Item 82	82
Item 83	83
Item 84	84
Item 85	85
Item 86	86
Item 87	87
Item 88	88
Item 89	89
Item 90	90
Item 91	91
Item 92	92
Item 93	93
Item 94	94
Item 95	95
Item 96	96
Item 97	97
Item 98	98
Item 99	99
Item 100	100

Item 4 Advisory Business

Item 5 Fees and Compensation

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

Item 7 Types of *Clients*

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

Item 10 Other Financial Industry Activities and Affiliations

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

Item 12 Brokerage Practices

Item 13 Review of Accounts

Item 14 *Client* Referrals and Other Compensation

Item 15 *Custody*

Item 16 Investment Discretion

Item 17 Voting *Client* Securities

Item 19 Requirements for State-Registered Advisers

Part 2B of Form ADV: *Brochure Supplement*

Full name: Bryn Heyser Torkelson

Year of Birth: 1956

Educational Background:

University of Oregon; Eugene, OR; 1980; B.S. - Finance

Business experience for past 5 years:

President and Sole Owner; Deschutes Portfolio Strategy LLC; 2010-present

President, Principal and Chief Compliance Officer; Deschutes Investment Advisors, Inc. until 2011

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. Torkelson is the sole owner of DPS, which is the investment advisor to Matisse Discounted Closed-End Fund Strategy, an open-end fund, ticker MDCEX. As also previously discussed, Mr. Torkelson is the sole owner of Matisse Capital Management, the general partner to Matisse Absolute Return Fund, a private investment partnership. This creates a conflict of interest in that Mr. Torkelson has a greater financial incentive in DPS clients investing in the funds.

Additional Compensation:

Mr. Torkelson, as sole owner of Matisse Capital Management, may receive payments from partners in Matisse Absolute Return Fund who are not clients of DPS.

Supervision:

As President of DPS, Mr. Torkelson is self-supervised.

Full name: Daniel Creston Sholian

Year of Birth: 1956

Educational Background:

University of Oregon; Eugene, OR; 1980; B.S. - Finance

Business experience for past 5 years:

Senior Client Services; Deschutes Portfolio Strategy LLC; 2010-present

Senior Client Services; Deschutes Investment Advisors, Inc. until 2011

Disciplinary Information:

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

Other Business Activities:

None

Additional Compensation:

None

Supervision:

Bryn Torkelson monitors, on an informal basis, and supervises, the advisory activities of Mr. Sholian on behalf of the firm.

Full name: Eric Boughton, CFA

Year of Birth: 1975

Educational Background:

University of Houston; Houston, TX; 1997; B.S. – Mathematics—Applied Analysis

Business experience for past 5 years:

Portfolio Manager and Analyst; Deschutes Portfolio Strategy LLC; 2010-present

Portfolio Manager and Analyst; Deschutes Investment Advisors, Inc. until 2011

Professional Designation:

Chartered Financial Analyst (CFA)

To earn a CFA charter, you must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the Program takes most candidates between two and five years. The Program reflects a broad Candidate Body of Knowledge™ (CBOK) developed and continuously updated by active practitioners to ensure that charterholders possess knowledge grounded in the real world of today's global investment industry.

Disciplinary Information:

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

Other Business Activities:

None

Additional Compensation:

Mr. Boughton receives a portion of the advisory fees collected from certain clients.

Supervision:

Bryn Torkelson monitors, on an informal basis, and supervises, the advisory activities of Mr. Boughton on behalf of the firm.

Full name: Amanda Harvey, CFP®

Year of Birth: 1978

Educational Background:

California Polytechnic State University; BS-Business Administration—Financial Management; 2000

Business experience for past 5 years:

Operations Manager & Client Services; Deschutes Portfolio Strategy LLC; 2010-present

Operations Manager & Client Services; Deschutes Investment Advisors, Inc. until 2011

Professional Designation:

Certified Financial Planner (CFP): The Certified Financial Planner (CFP) designation is a professional certification mark for financial planners conferred by the Certified Financial Planner Board of Standards, Inc. (CFP Board) in the United States. To receive authorization to use the designation, the candidate must meet education, examination, experience and ethics requirements, and pay an ongoing certification fee. To earn the CFP designation, candidates must meet several requirements—the first of which is the educational requirement, which requires candidates to have a bachelor's degree or higher from an accredited U.S. college or university. As a first step to the present CFP certification criteria, students must master a list of nearly 100 topics on integrated financial planning. The topics cover major planning areas such as:

- General Principles of Finance and Financial Planning
- Insurance Planning
- Employee Benefits Planning
- Investment and Securities Planning
- State and Federal Income Tax Planning
- Estate Tax, Gift Tax, and Transfer Tax Planning
- Asset Protection Planning
- Retirement Planning
- Estate Planning

To fulfill the education requirement, students are required to complete course training in the above listed topic areas in order to meet the first requirement to sit for the 10 hour CFP Board Certification Examination. A bachelor's degree (or higher), or its equivalent in any discipline, from an accredited college or university is required to attain CFP certification. The bachelor's degree requirement is a condition of initial certification; it is not a requirement to be eligible to take the CFP Certification Examination. The CFP Certification Examination is a 10-hour multiple choice exam, divided into one four-hour session (Friday afternoon) and two three-hour sessions (Saturday). The exam includes three major case problems and is designed to assess the student's ability to apply his or her knowledge of the aforementioned areas to financial planning situations.

Disciplinary Information:

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

Other Business Activities:

None

Additional Compensation:

None

Supervision:

Bryn Torkelson monitors, on an informal basis, and supervises, the advisory activities of Mrs. Harvey on behalf of the firm. Recommendations are made within company-selected mutual funds and company-constructed model portfolios.

Full Name: James Donald Mendenhall

Year of Birth: 1957

Educational Background:
Oregon State University; BA-Political Science

Business experience for past 5 years:
Vice President of Marketing; Deschutes Portfolio Strategy LLC; 2012-present
Business Owner

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

Other Business Activities:
No Other Investment-related business activities

Additional Compensation:
Mr. Mendenhall receives a portion of the advisory fees collected from certain clients.

Supervision:
Bryn Torkelson monitors, on an informal basis, and supervises, the advisory activities of Mr. Mendenhall on behalf of the firm.

Full name: Andrew Charles Hedges
Year of Birth: 1977

Educational Background:
BS-Oregon State; MAT-Concordia University

Business experience for past 5 years:
Director of Marketing; Deschutes Portfolio Strategy LLC; 2012-present
Regional Director; Jani-King of Oregon; 2008-2011

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

Other Business Activities:
None

Additional Compensation:
None

Supervision:
Bryn Torkelson monitors, on an informal basis, and supervises, the advisory activities of Mr. Hedges on behalf of the firm.

Full name: Rebecca Wei, CFA, CIPM
Year of Birth: 1973

Educational Background:

BA – University of California, Los Angeles

Business experience for past 5 years:

Performance and Research Analyst; Deschutes Portfolio Strategy LLC; 2013-present
Analyst/Associate; Pension Consulting Alliance Inc.; 2002-2011

Professional Designation:

Chartered Financial Analyst (CFA)

To earn a CFA charter, you must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program. The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the Program takes most candidates between two and five years. The Program reflects a broad Candidate Body of Knowledge™ (CBOK) developed and continuously updated by active practitioners to ensure that charterholders possess knowledge grounded in the real world of today's global investment industry.

Certificate in Investment Performance Measurement (CIPM)

According to the CIPM Association, the CIPM program was developed by the CFA Institute as a specialty credentialing program that develops and recognizes the performance evaluation and presentation expertise of investment professionals who "pursue excellence with a passion." The program also provides a strict code of ethics to guide investment professionals throughout their careers.

Disciplinary Information:

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

Other Business Activities:

None

Additional Compensation:

None

Supervision:

Bryn Torkelson monitors, on an informal basis, and supervises, the advisory activities of Ms. Wei on behalf of the firm.

Full name: Niklas Heyser Torkelson

Year of Birth: 1991

Educational Background:

B.S. – Business Administration, Finance, with Honors; University of Oregon; Eugene, OR; 2013

Business experience for past 5 years:

Analyst; Deschutes Portfolio Strategy LLC; 2013-present

Disciplinary Information:

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

Other Business Activities:

None

Additional Compensation:

None

Supervision:

Bryn Torkelson monitors, on an informal basis, and supervises, the advisory activities of Mr. Torkelson on behalf of the firm.
