

# Matter Family Office ADV Brochure

## As of March 30, 2021

[www.matterfamilyoffice.com](http://www.matterfamilyoffice.com)

This brochure provides information about the qualifications and business practices of Matter, LLC doing business as Matter Family Office. If you have any questions about the contents of this brochure, please contact Patti Peters at (303)590-9217 or [ppeters@matterfamilyoffice.com](mailto:ppeters@matterfamilyoffice.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 Matter Family Office is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view our firm's information on this website by searching for Matter Family Office. You may search for information by using the firm's CRD number. The CRD number for Matter Family Office is **106806**.

\*Registration as an investment advisor does not imply a certain level of skill or training.

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## **ITEM 2 – MATERIAL CHANGES**

Pursuant to current SEC rules, we will ensure that you receive a summary of any material changes to this and subsequent Disclosure Brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes no later than April 30 each year. At that time, we will also offer a copy of the most current Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

## **ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS:**

1. Whitney Kenter is no longer engaged as an outside consultant to provide advisory services to specified Matter clients under Matter's supervision.
2. Ono Road, LLC was dissolved December 31, 2020. All member's interests was transferred to the General Partner, OSCP, LLC.

## **ITEM 13 – REVIEW OF ACCOUNTS**

1. Ned Rollhaus is a new Partner and Shareholder of Matter effective April 12, 2021. More specific information about Ned is available via his U-4 at [www.sec.gov](http://www.sec.gov) or in his ADV brochure you can request from your Matter service team.
2. Effective April 9, 2021 Robin Catlin is no longer engaged by Matter.

## **ITEM 18 – FINANCIAL INFORMATION.**

We removed the disclosure of the \$773,900 Paycheck Protection Proceeds. At the time of disclosure, Matter believed the most transparent course of action was to disclose it as per compliance and legal guidance at that time. Since then, guidance has indicated that the loan should only be disclosed by firms experiencing conditions that are reasonably likely to impair its ability to meet contractual commitments to its clients and for which a PPP loan was received to mitigate this risk. Matter's ability to meet the contractual needs of its clients has never been in jeopardy.

## **ITEM 19 – PRIVACY NOTICE**

Patti Peters has been appointed Chief Compliance Officer by the Board of Managers. She has been with Matter for over 6 years and has over 20 years of industry experience in addition to having earned the Investment Advisor Certified Compliance Professional Designation (IACCP), in 2020. Matter finds no conflict with this appointment.

### ITEM 3 – TABLE OF CONTENTS

<b>Item 1 – Cover Page</b>	<b>1</b>
<b>Item 2 – Material Changes</b>	<b>2</b>
<b>Item 3 – Table of Contents</b>	<b>3</b>
<b>Item 4 – Advisory Business</b>	<b>4</b>
Client Assets Managed by Matter Family Office	4
General Description of Primary Advisory Services	4
Meetings and Communication	4
Specialization	7
Advice Limited to Certain Types of Investments	7
Advisory Services Tailored to Individual Needs of Clients	7
<b>Item 5 – Fees and Compensation</b>	<b>8</b>
Family Office Services	8
Our Relationship With Asset Consulting Group	8
<b>Item 6 – Performance-Based Fees and Side-By-Side Management</b>	<b>9</b>
<b>Item 7 – Types of Clients</b>	<b>9</b>
Minimum Investment Amounts Required	10
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss</b>	<b>10</b>
Use of Primary Method of Analysis or Strategy	10
Risk of Loss	11
<b>Item 9 – Disciplinary Information</b>	<b>12</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations</b>	<b>12</b>
Ono Road, LLC; South Fulton Parkway, LLC; Jackson 124, LLC	12
Fmp Generation, LLC	12
Fmp Generation Asia, LLC	12
Fmp Managing, LLC	13
Third-Party Money Managers	13
<b>Item 11 – Code of Ethics, Participation In Client Transactions and Personal Trading</b>	<b>13</b>
Code of Ethics Summary	13
Affiliate and Employee Personal Securities Transactions Disclosure	14
Real Estate Ventures	15
<b>Item 12 – Brokerage Practices</b>	<b>15</b>
Handling of Trade Errors	16
Block Trading Policy	17
<b>Item 13 – Review of Accounts</b>	<b>17</b>
Account Reviews and Reviewers	17
Statements and Reports	17
<b>Item 14 – Client Referrals and Other Compensation</b>	<b>18</b>
<b>Item 15 – Custody</b>	<b>18</b>
<b>Item 16 – Investment Discretion</b>	<b>19</b>
<b>Item 17 – Voting Client Securities</b>	<b>19</b>
<b>Item 18 – Financial Information</b>	<b>19</b>
<b>Item 19 – Privacy Notice</b>	<b>20</b>

## ITEM 4 – ADVISORY BUSINESS

Matter LLC (“Matter Family Office”) is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) and is a Limited Liability Company formed under the laws of the State of Missouri. Matter Family Office was founded in 1990, and is owned entirely by current management and employees of the firm. To provide for management and ownership succession and a broadening of equity ownership to associates in the firm, Matter Family Office completed a reorganization of its predecessor entity, Matter, Inc., in May of 2015. This reorganization provided for a conversion of Matter, Inc. to Matter Family Office, such that the original shareholders of Matter, Inc., own their interests in Matter Family Office through Matter Holding Company, Inc. Matter Holding Company, Inc., is the majority owner of Matter Family Office. Matter Family Office also issued additional equity interests to certain original shareholders of Matter, Inc. as well as interests to additional employees to begin the process of broadening ownership.

### CLIENT ASSETS MANAGED BY MATTER FAMILY OFFICE

As of December 31, 2020, Matter Family Office had direct management responsibility for \$3,026,000,882 of our clients’ assets. In addition, Matter Family Office considers our clients’ full net worth when developing plans and strategic recommendations, and typically reports on a fully consolidated basis. In that context, we advise on wealth in excess of \$6 billion. The firm’s clients are all individuals or families; we manage no institutional funds. All assets are managed on a non-discretionary basis with the exception of less than 4% of assets that are pooled and used as conduits to access non-Matter investment opportunities.

### GENERAL DESCRIPTION OF PRIMARY ADVISORY SERVICES

Matter Family Office provides fully integrated investment management, wealth planning and coordination, and culture and legacy services to support successful families across generations, defined as follows:

**Investment Management:** Matter empowers families to invest with clarity and conviction. Our disciplined and transparent process draws upon: independent and proprietary research; integrated collaboration with your family and advisors; and solid investment insights from respected endowments, institutions, and single-family offices. Our philosophy helps drive this approach and is predicated on the following primary beliefs:

- **Preserve& Protect:** We place a higher priority on the preservation of capital rather than on the achievement of “home run” returns that can create unintended and sizeable risk.
- **A Global View with Staying Power:** Matter builds sophisticated portfolios designed to participate in global economic growth across all asset classes.
- **Respected Skills and Access:** Our experience, scale, and independent approach provide Matter access to today’s most respected investment managers and capital markets research.
- **Keep What You Get:** Our exclusive focus on families ensures we balance tax and fee sensitivity with the opportunity to compound performance over time.

We support our families in the role of Chief Investment Officer to deliver our investment management advice. We are accountable to you for a process that ultimately creates a portfolio that is customized for your family. This involves a meaningful investment of time to ensure

there is an alignment of constituents and objectives from the outset, the development of an investment portfolio that reflects this understanding, and a continual loop of communication and reporting to keep you fully informed. Generally, we focus on delivering the following specific investment services:

- **Investment Strategy:** Development of individual entity and group level investment policy statements, and asset allocation analyses. This may include Monte Carlo simulations to provide scenario analyses of different investment portfolio allocations to help families determine the most appropriate risk and return objectives that meet their needs.
- **Asset Custody and Geography:** We assist families with the selection of custody providers. We have numerous custodians and brokers that feed into our reporting systems daily, so families don't need to be concerned with "moving" investment assets to a single platform. We also work with you to ensure that your investment assets are held in the appropriate title or entity to ensure your overall wealth management and transfer objectives are met.
- **Research:** We conduct thorough research of capital markets and asset classes to identify thematic opportunities to strategically and tactically allocate your investment assets. We provide ongoing communication of our research and findings to your family to ensure that you are fully informed on our views of your portfolio.
- **Investment Manager Screening, Selection, Due Diligence and Monitoring:** We rely on an open architecture approach to selecting investment solutions for your portfolio. Through a consulting relationship with Asset Consulting Group LLC ("ACG"), one of the premier national investment consultants focusing on endowments and institutions, we are able to provide our families with the benefit of ACG's scale of more than \$100 billion in investment assets under advisement and more than 40 research professionals. This helps to ensure that we have coverage and access to the best investment solutions for your portfolios.
- **Performance Reporting/Analytics and Portfolio Accounting:** We provide your families with up-to-date and aggregated reporting on all of your investment assets. This information is available to you at any time through our on-line portfolio which means you have the power to access information when it is convenient for you.
- **Direct Private Investment Activities (Private Equity, Real Estate, etc.):** Many of our families are active in direct investing in other private businesses and real estate. Matter supports these efforts through detailed review and analysis, and assessment of the appropriateness of the investment relative to your investment objectives and needs.

**Wealth Planning and Coordination:** Serving in a role analogous to that of a Chief Financial Officer, we support your family in the following areas depending on the needs and complexities your family has:

**Coordination of Administrative Activities**

- Cash management and money transfers
- Development and oversight of family office internal controls (including existing family administrative personnel, outside accountants or vendors)
- Oversight of bill pay activities, vendor selection, etc.
- Annual planning and objective setting across disciplines (tax, estate, legal, accounting)
- Evaluation and selection management of key advisors (CPAs, Attorneys, etc.)
- Secure document storage and paper flow management (contracts, agreements, tax and estate documents, etc.)

**Net Worth Reporting & Analysis**

- Preparation of consolidated balance sheets at family group and individual levels

- Oversight and coordination of entity level accounting (trusts, foundations, direct investments and operating businesses)
- Cash flow and spending analysis
- Custom reporting and analysis, as necessary
- Risk management and insurance adequacy assessment

#### **Multi-Year Budgeting and Capital Sufficiency Planning & Analysis**

- Detailed scenario analysis of projected net worth, spending and cash flow for family group and individuals
- Budget setting and ongoing monitoring
- Spending analysis
- Project analysis – residential purchases, private aviation, direct investment activities
- Coordination with Family operating business executives to integrate budgeting, planning and analysis as it impacts the family

#### **Tax, Trust & Estate Coordination**

- Consolidation of tax documents and supporting information for annual tax preparation and compliance
- Coordination of estate, wealth transfer and tax planning with family advisors and family operating business personnel, etc.
- Processing of tax payments, including estimated payments
- Administration and implementation of estate and tax planning decisions
- Oversight of administrative and corporate trustee activities, including selection of third-party trust administration
- Administration of charitable giving strategies and implementation, including oversight of foundation accounting and administration

**Family Culture & Legacy:** Families who are intentional about engaging all family members in the development of skills and communication around the responsibilities and opportunities that come with wealth significantly improve the odds of preserving their legacy across generations. Our approach to wealth management involves the integration of the technical aspects of a family office (investments and wealth planning & coordination) with an intensive focus on preparation and effective communication. Modern research has shown that failure of successful wealth transfer stems from poor communication and preparation within the family rather than mismanagement of the technical aspects. To help your family address these challenges, Matter provides the following services:

**Preparation:** Preparing the rising generation for wealth is as critical as managing it. From quick tutorials to personalized discussions and materials for family members of all ages and abilities and financial skill levels, Matter helps each member of your family understand their wealth and build a solid foundation for informed decision-making together.

Your Matter team members also build meaningful relationships with the young adults in your family to help prepare them for beneficiary, inheritance and future trustee roles.

**Communication:** Communicating effectively is the foundation of sustainable families. Matter guides your family through exercises that build good communication, promote collaboration and trust, and provide a firm foundation for effective goal-setting, transition-planning, and decision-making.

We help your family define the things that matter most, individually and collectively, articulate shared values and the greater purpose of your wealth, and set goals and objectives for our work together. All this contributes to family meetings that are dynamic, purposeful, and foster multi-generational collaboration and input.

**Alignment:** Aligning wealth plans with values and purpose increases impact. Your Matter advisors are your family's thought partners as you navigate everything from investments and philanthropic activities to career plans. We help you see the breadth of your opportunities and create an integrated strategy that addresses the impact you want to have and the legacy you want to leave as a family.

## MEETINGS AND COMMUNICATION

We generally meet with you quarterly, but often more frequently as circumstances warrant. Our meetings with you are designed around executing an annual plan of objectives we create with you each year. This ensures the services we are providing you align with the needs of your family. Meeting agendas may include: review of your investment holdings and performance, assessment of your current estate plan with your advisors, tax planning with your CPAs, coordination of administrative activities to ensure your day to day wealth management needs are supported, or planning for upcoming family meetings. The important point is that our meetings with you are "your" meetings, and are used to provide you the opportunity to express the needs you have with respect to your wealth and family. We augment our time with you with technology platforms to provide you immediate access to your most important information such as estate documents, investment performance, etc.

## SPECIALIZATION

Matter Family Office does not specialize in any particular type of advisory service, but prides itself on offering objective, independent advice on a range of financial issues.

## ADVICE LIMITED TO CERTAIN TYPES OF INVESTMENTS

Matter Family Office develops asset allocation models and provides investment management services, generally through funds with outside managers, across the following asset classes:

- Fixed Income (Bonds)
- Large Cap Stocks
- Mid Cap Stocks
- Small Cap Stocks
- International Stocks
- Emerging Market Equity
- Equity Long/Short
- Covered Call
- Private Equity
- Master Limited Partnerships (MLPs)
- Real Estate
- Commodities

Individually held securities represent about 15% of our aggregate holdings and are typically related to clients' legacy portfolio positions. Matter Family Office recommendations include

both active and passive (index) managers. Matter Family Office's primary focus is on wealth accumulation and protection, and on attempting to minimize volatility while maintaining competitive returns.

## **ADVISORY SERVICES TAILORED TO INDIVIDUAL NEEDS OF CLIENTS**

Matter Family Office services are based on the individual needs of each client. Depending on the size and complexity of your family our scope of services may vary meaningfully. All engagements are supported by a mutually agreed upon scope of services. We review our services with you on an annual basis to determine whether we would need to expand or contract our level of support depending on your needs.

## **ITEM 5 – FEES AND COMPENSATION**

### **FAMILY OFFICE SERVICES**

Typically, Family Office Services engagements are for a one-year period from the date of the agreement for services and automatically continue on a year-to-year basis. Either party may terminate the Family Office Services agreement upon 30 days' prior notice to the other party. Fees for Family Office Services vary based on the complexity of the services to be provided and the size and complexity of the family. Additionally, the structure of the fees may vary based on the mix of services anticipated, client circumstances and preferences, and previous practices (long term clients). Matter typically receives fees in two ways:

1. A percentage of investment Assets under Management (AUM) to cover investment management services and basic wealth planning and coordination services. Fees generally range between .30 and 1.0% depending on size and complexity. Your contract with Matter will always detail your exact fee schedule.

Unless specifically structured differently, our fee is charged quarterly in advance and deducted from your account. Asset based fees are based upon the value of your assets under management approximately 60 days prior to the billing date. For example, for the quarter ending on March 31<sup>st</sup>, your invoices will be computed based on your respective investment portfolio balances as of January 31<sup>st</sup>. By providing an approximate 60-day period between the valuation date and billing date, we can ensure that our valuation procedure utilizes the most accurate portfolio valuation. Fees are prorated for the quarter when the relationship commences or is terminated.

2. A Family Office Fee retainer that covers complex wealth planning and coordination support and culture and legacy services. These fees are always custom and vary widely based on the size and complexity of the engagement, and are discussed following a detailed assessment and agreement on a scope of services with your family. Annual retainer fees are charged one-fourth (25%) each quarter. Fees are pro-rated for the quarter when the relationship commences or is terminated.

In connection with the implementation of your investment portfolio, you are provided the opportunity to designate a broker for the implementation of your investment transactions. If you do not designate a broker, then you will authorize us to select a broker on your behalf. You will be responsible for any brokerage charges in connection with any investment transactions. As a matter of practice, we ask our clients to appoint us as an agent and attorney-in-fact and to



expressly authorize us to place, order, and direct investment transactions on behalf of the client. Matter Family Office does not maintain discretionary accounts and will obtain verbal or written authorization prior to acting for or on behalf of the client.

Your assets will be held at a third party institutional custodian of your choice or we will work with Schwab Institutional by default, and Matter Family Office will provide consolidated investment reporting on a quarterly basis or as requested.

## OUR RELATIONSHIP WITH ASSET CONSULTING GROUP

Matter Family Office engages the services of Asset Consulting Group (ACG) for economic, market, and specific manager due diligence and modeling. ACG is an investment consulting firm focused exclusively on providing objective, sophisticated, detailed research and investment advice to a select group of endowments, institutions and large single family offices. ACG was founded in 1989 and advises on more than \$100 billion in client assets.

- Asset Consulting Group is a registered investment adviser that specializes in assisting pension, insurance, and high net worth family office clients with a variety of investment consulting and money management needs.
- We use Asset Consulting Group Inc.'s (ACG) in-depth capital market research, and proprietary economic and risk management models to develop the customized investment allocations that are the basis of each client's personal Investment Policy.
- We rely on ACG's rigorous investment manager selection and evaluation process to identify the best available money managers for each sub-class of investment.
- ACG develops customized asset allocation models at the sub-class level, recommends the best managers for each sub-class, and provides ongoing performance monitoring, review and recommendations for rebalancing of model portfolios.

Matter Family Office pays for ACG services directly; there is no additional charge to the client for the information ACG provides.

## ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because Matter Family Office **does not charge or accept performance-based fees**.

Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

## ITEM 7 – TYPES OF CLIENTS

We provide services to high net worth families and non-high net worth individuals associated with those families. Matter Family Office does not serve institutional clients, except where an existing client has created a donor-advised fund or has gifted money to a non-profit organization or foundation.

All clients are required to execute an agreement for services in order to establish a client arrangement with Matter Family Office. In the case where you have gifted money to a non-profit organization or foundation, if the account is in the name of the organization or foundation (e.g. an irrevocable gift), we require an advisory agreement with them directly, even though you may continue to oversee the administration of the account.

## MINIMUM INVESTMENT AMOUNTS REQUIRED

We provide our services with a target client minimum portfolio of \$5 million. However, if a family's investment portfolio is less than \$5 million, we will still consider an engagement with a target minimum annual fee of at least \$50,000.

## **ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

As stated previously, our investment philosophy is grounded in the endowment model of investment management. This philosophy prescribes an emphasis on diversification across asset class, geography and investment style to provide a long-term return opportunity that is favorable relative to the portfolio's implied risk.

Our portfolio construction process starts with our firm's investment committee and a sixteen-year partnership with one of the leading endowment and single family office investment consultants, Asset Consulting Group (ACG). ACG is a renowned endowment and institution consultant advising on more than \$100 billion in investment assets with approximately 40 professionals on staff. As an integrated member of our investment committee, ACG provides Matter families unparalleled knowledge and access that only the combination of talent and scale provides.

Together, we continually scrutinize capital markets research and global economic and investment data to develop a thematic foundation for our clients' portfolios. These themes are designed to address the near term (3-5 year) opportunities and risks that we identify in the global investment landscape. To reflect these views, we first develop broad and then ultimately specific asset allocation and investment solutions to deploy capital in a manner consistent with our view of an optimal investment portfolio. Because our families have many different constraints, objectives or points of view on investing, we customize portfolios to reflect both our firm view and your family's specific circumstances.

### **USE OF PRIMARY METHOD OF ANALYSIS OR STRATEGY**

As with any investment strategy, there are inherent risks. Matter Family Office's primary strategy is to emphasize the reduction of volatility while maintaining competitive returns through adequate diversification across asset classes.

### **RISK OF LOSS**

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should always be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. Additional risks associated when investing in securities include:

- **Market Risk:** Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- **Equity (stock) market risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change.
- **Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry.
- **Fixed Income Risk:** When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **Options Risk:** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- **ETF and Mutual Fund Risk:** When you invest in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- **Management Risk:** Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

## ITEM 9 – DISCIPLINARY INFORMATION

Matter Family Office is required to disclose all material facts regarding any legal or disciplinary events that may be material to your evaluation of us or the integrity of our management. Matter Family Office has no information applicable to this Item.

## ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Matter Family Office is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) insurance company or agency, (9) pension consultant, (10) real estate broker or

dealer, or (11) sponsor or syndicator of limited partnerships. Matter Family Office **does** have pooled investment vehicles that are related per (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund). Each of these LLCs and their conflicts, or lack thereof, is more fully disclosed below.

**Katherine B. Lintz individually or Katherine B. Lintz and David M. Dankmyer, together as FMP Managing LLC serve as Managing Member for a few limited liability companies (LLCs).**

Neither Matter Family Office nor any of its related persons are named as General Partner or have any controlling interest in any of the outside managed funds or LLCs that the LLCs listed below invest in. Matter Family Office does not receive any compensation from these LLCs other than an administrative fee for the LLC bookkeeping responsibilities. An annual audit of the LLC books is performed annually by an independent auditor. LLC Members may request a copy of the annual exam by contacting one of their Matter Family Office advisors.

Copies of Operating Agreements of all LLCs are on file at Matter Family Office and available upon request.

**South Fulton Parkway, LLC; Jackson 124, LLC**

These investment vehicles were created to pool client assets for the specific purpose of purchasing land parcels in the Atlanta, GA area. Katherine B. Lintz is the Managing Member of each LLC but is not the General Partner of the outside fund.

**FMP Generation, LLC**

This entity was created to pool client funds to invest in Generation IM Global Equity Fund, LLC, an outside managed fund. The Managing Member of the LLC is FMP Managing, LLC and no one associated with Matter has any authority at Generation IM Global Equity Fund, LLC.

**FMP Generation Asia, LLC**

This entity was created to pool client funds to invest in Generation IM Asia Equity Fund, LP, an outside managed fund. The Managing Member of the LLC is FMP Managing, LLC and no one associated with Matter has any authority at Generation IM Asia Equity Fund, LP.

**FMP Managing, LLC**

A Missouri limited liability company organized for the purpose of serving as the manager of FMP Generation, LLC. This LLC may act as manager for future Matter Family Office LLC's. Katherine B. Lintz and David Dankmyer are the Managing Members of the LLC.

**Third-Party Money Managers**

As described in *Item 4 – Advisory Business* and *Item 5 – Fees and Compensation*, Matter Family Office utilizes independent, third-party money managers to manage a majority of clients' portfolios. As with any investment, clients always have the ability to approve or disapprove a particular manager, or to request a change of managers.

Matter Family Office recommendations are based on the research of its investment consulting firm, Asset Consulting Group, and its own Investment Committee vetting based on decades of combined experience. When we recommend a money manager it is because we believe they are the best choice for the particular asset class and the best fit for clients' needs. Matter Family Office never receives a fee, commission, or any other compensatory consideration from any third-party managers.

Since 2001 Advisory Research has been one of Matter's recommended Third-Party Managers. Beginning in 2014 one employee of Advisory Research and his immediate family members became clients of Matter. A letter detailing this potential conflict was distributed to clients at that time. Any decisions to recommend or not recommend Advisory Research will continue to be based solely on a client's objectives and AR's performance as determined by Matter's Investment Committee – not Matter's relationship with the Family Clients. This position was communicated and fully endorsed by the Family Clients as a condition of becoming our clients.

**Bradley J. Bishop** has been engaged as an outside consultant to serve on the Matter Family Office Investment Committee and to provide advisory services to specified Matter clients under Matter's supervision. There will be no referral agreements between Bishop and Matter. Matter believes no potential or perceived conflicts of interest exist as a result of this arrangement.

## **ITEM 11 – CODE OF ETHICS, PARTICIPATION IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **CODE OF ETHICS SUMMARY**

All investment advisers are required to establish, maintain and enforce a Code of Ethics. Matter Family Office has established a Code of Ethics that applies to all of its associated persons. As a fiduciary, it is Matter Family Office's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle for our Code of Ethics, which also covers our Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and when changes occur, all supervised persons will sign an acknowledgement that they have read, understand and agree to comply with our Code of Ethics. Matter Family Office has the responsibility to make sure that the interests of all clients are placed ahead of the investment interests of Matter Family Office or its supervised persons. You will be provided with full disclosure of all material facts and potential conflicts of interest prior to any services being conducted. Matter Family Office and its supervised persons must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if you wish to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

All partners, directors, consultants and employees of Matter Family Office are bound by the following standards of behavior:

- 1. Act with honesty and integrity**, including handling actual or apparent conflicts of interest between personal and professional relationships in an ethical manner;

**2. File complete, accurate, timely, and understandable disclosure statements** as required by applicable laws, rules, or policies;

**3. Comply with all governing regulations and rules**, including applicable federal or state laws and local ordinances, as well as applicable rules and policies of Matter Family Office;

**4. Act in good faith, responsibly, and with due care, competence and diligence**, without misrepresenting material facts or allowing one's independence of judgment to be subordinated;

**5. Adhere to Matter Family Office investment policies**, following investment committee direction, committing clients only to investments known and approved by the committee;

**6. Share knowledge and maintain skills** important and relevant to job requirements;

**7. Respect the confidentiality of information** acquired in the course of work and made confidential by law.

#### **AFFILIATE AND EMPLOYEE PERSONAL SECURITIES TRANSACTIONS DISCLOSURE**

Matter Family Office or its associated persons may not buy or sell for their personal accounts, investment products identical to those recommended to clients in any manner that creates a potential conflict of interest. It is the express policy of Matter Family Office that all persons associated in any manner with the firm must place the interests of our clients ahead of their own when implementing personal investments. Matter Family Office and its associated persons shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry. In order to minimize this conflict of interest, securities recommended by Matter Family Office are widely held and publicly traded and employee transactions are reviewed for asset classes in which a potential conflict or the appearance of a conflict could arise.

#### **REAL ESTATE VENTURES**

Matter Family Office has recommended investments in several real estate ventures. Principals of the firm and their related parties have entered into partnership with clients to participate in the investment. There is no fee received or preferential treatment involved. The clients are aware of the principals' participation. All transactions are reviewed annually by an independent Auditor in accordance with SEC Custody rules.

#### **ITEM 12 – BROKERAGE PRACTICES**

Matter Family Office has no soft dollar arrangements but may be granted access to third-party research at certain brokerage firms such as Schwab or Fidelity simply because you choose to custody your account there. Matter Family Office does not pay compensation for client referrals from any broker/dealer, or other third-party.

Clients are under no obligation to act on the financial planning recommendations of Matter Family Office. If we assist or direct the implementation of any recommendations, it is our responsibility to ensure you receive the best execution possible.

There are no limitations on the authority of Matter Family Office to determine the broker or dealer to be used or the commission rates to be paid, except that we allow you the opportunity to use the broker or dealer of your choice. We use our best efforts to ensure that reasonable commission rates are charged. Unless you indicate another preference, we will use Schwab Institutional for custody and brokerage services based on the excellent service and competitive rates we have experienced to date. For certain securities, we will test the market through its network of approved brokers for the best price, availability and execution. Often times Matter will receive research and relevant industry information from the custodians we use free of charge, and with no consideration for our recommendation. Likewise, we do not participate in any process to direct transactions to a particular broker in return for products and/or research services received.

Specific to Schwab, Matter Family Office will recommend or in some cases require that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer, Member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Matter Family Office will recommend or require that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Matter Family Office is independently owned and operated and not affiliated with Schwab. Matter Family Office can recommend additional unaffiliated broker-dealers to affect fixed income transactions.

Schwab provides Matter Family Office 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 at Schwab Institutional. These services are not contingent upon Matter Family Office committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

For Matter Family Office's clients' accounts maintained in 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 Institutional also makes available to Matter Family Office other products or services that benefit Matter Family Office but not directly benefit clients' accounts. Many of these products and services can be used to service all or some substantial number of Matter Family Office accounts, including accounts not maintained by Schwab.

Schwab's products and services that assist Matter Family Office in managing and administering clients' accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Matter Family Office's fees

from some of its accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help Matter Family Office manage and further develop its business enterprise. These services include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers; human capital consultants and insurance providers.

Schwab Institutional will discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to Matter Family Office. Schwab Institutional can also provide other benefits such as educational events or occasional business entertainment of Matter Family Office personnel. While as a fiduciary, Matter Family Office endeavors to act in its clients' best interests, Matter Family Office's recommendation that clients maintain their assets in accounts at Schwab may result in receipt of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by Schwab, which is a conflict of interest.

#### **HANDLING OF TRADE ERRORS**

Matter Family Office has implemented procedures designed to prevent trade errors; however, trade errors cannot always be avoided. Consistent with our fiduciary duty, it is the policy of Matter Family Office to correct trade errors in a manner that is in your best interest. In cases where you cause the trade error, then you will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, you may not be able to receive any gains generated as a result of the error correction. In all situations where you do not cause the trade error, you will be made whole and any loss resulting from the trade error will be absorbed by Matter Family Office if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. Matter Family Office may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons). Matter Family Office will never benefit or profit from trade errors.

#### **BLOCK TRADING POLICY**

Transactions implemented by Matter Family Office for your accounts are generally effected independently, unless the firm decides to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by the firm when Matter Family Office believes such action may prove advantageous to you. When Matter Family Office aggregates client orders, the allocation of securities among client accounts will be done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among the firm's clients in proportion to the purchase



and sale orders placed for each client account on any given day. When Matter Family Office determines to aggregate client orders for the purchase or sale of securities, including securities in which Matter Family Office may invest, the firm will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* It should be noted; Matter Family Office does not receive any additional compensation or remuneration as a result of aggregation.

## ITEM 13 – REVIEW OF ACCOUNTS

### ACCOUNT REVIEWS AND REVIEWERS

Matter Family Office assigns each client a service team, generally consisting of a Partner, a Director, Financial Consultant and Client Service Associate. While formal reviews may be conducted by the team in preparation for quarterly or semi-annual meetings, the team, or individual members of the team, may also conduct informal account reviews periodically in response to economic changes, market events, or a change in your individual circumstances. The level of review depends on what prompted the action, your situation, and the type and size of the investment portfolio. The following client service team members are responsible for account reviews:

Partners	# of Clients	Directors/Sr FC	# of Clients	Consultants	# of Clients
Katherine Lintz	40-50	Thierry Brunel	25-45	Scott Wimmer	15-25
Ryan Blackburn	15-25	Cathleen Crews	25-45	Adam Kerschinske	15-25
David Dankmyer	30-40	Lauren Hebel	10-20	Andrew Sanders	15-35
Brian Fernandez	35-45	Ashley Martin	15-35	Cecilia Tarlas	15-35
Kirby Ott	15-30	Margaux Roth	15-35	Laura Slawski	15-25
Ned Rollhaus	5-10	Kate Awbrey	15-35	Kristin Tracy	15-25
		Erin McCloskey	15-35		
		Maddie Atherton	15-35		

### STATEMENTS AND REPORTS

A detailed written plan tailored to your needs is developed after meetings and conversations with you. This plan is updated and reviewed as needed and comprehensive performance reports are produced for you. You also receive periodic summaries of investments as requested. In most instances, statements, reports, summaries of investments and other materials specific to our relationship with you are provided via a secure portal which you access directly.

## ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Matter Family Office does not directly or indirectly compensate any person for client referrals. The only forms of compensation received from or for advisory services are the fees charged for providing investment advisory services as described at Item 5 of this brochure. Matter Family Office receives no other forms of compensation in connection with providing investment advice. From time to time, we provide educational workshops and seminars. Topics are typically general in nature, but may cover a wide-array of financial planning, educational, charitable, family governance, and investment related topics. We generally do not charge a fee to attend, but for some events may charge a nominal fee per attendee to pay for additional or extra expenses unique to the particular event.

## ITEM 15 – CUSTODY

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

Matter Family Office is deemed to have custody of client funds and securities whenever Matter Family Office is given the authority to have fees deducted directly from client accounts.

Additionally, Matter Family Office has custody of client funds and securities for any clients who have appointed Matter Family Office to act as the client's agent and attorney-in-fact. If the appointment as agent and attorney-in-fact is limited to trading, then that will not be considered custody. Authorization to trade in client accounts is not deemed by regulators to be custody.

There are pooled fund LLCs established by Matter Family Office to take advantage of various alternative investment opportunities. Since the general manager of the underlying investment is not a "Qualified Custodian" and does not provide audited statements to each of Matter Family Office's clients invested in the LLC, Matter Family Office is required by SEC rules to have an annual audit conducted by an independent Auditor. The results of that audit are available to Matter Family Office clients, and members of the LLCs.

For accounts in which Matter Family Office is deemed to have custody that are accounts other than the pooled fund LLCs established by Matter Family Office to take advantage of various alternative investment opportunities, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Matter Family Office. When clients have questions about their account statements, they should contact Matter Family Office or the qualified custodian preparing the statement.

## ITEM 16 – INVESTMENT DISCRETION

It is the policy of Matter Family Office to consult with the client prior to making any changes in their account. Therefore, Matter Family Office does not maintain discretionary trading authority on any client accounts. Before any changes are made to your account, Matter Family Office will contact you to discuss the changes. You will be asked to approve the following:

- The security being recommended;
- The number of shares or units; and
- Whether to buy or sell.

With that approval, Matter Family Office will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. Trades may or may not occur immediately, as sometimes approval is obtained prior to a particular target price being achieved, an anticipated corporate action takes place, or some other event occurs. At the same time, you need to be aware that if you are not able to be

reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

## **ITEM 17 – VOTING CLIENT SECURITIES**

For client accounts in which Matter Family Office has proxy voting authority, the voting procedures are one of the following:

1. We have engaged the services of Broadridge Investor Communication Solutions Inc. to provide an internet based proxy voting platform. We have established voting guidelines to assure client proxies are voted properly. Client and employee proxies are voted based on the same guidelines to avoid any conflict of interest. Additionally, a Proxy Committee reviews voting to confirm no material conflicts exist. Should you desire to direct a forthcoming vote, or want information as to how Matter has voted for you in the past, the Compliance Department at Matter can make this available to you via your service team

OR

2. If your account is not eligible for proxy voting services from Broadridge Investor Communication Solution Inc., you should receive your proxies directly from your custodian or potentially a transfer agent. The Proxy Committee will determine how we should vote your proxies in accordance with applicable voting guidelines, and we will complete and vote the proxy on your behalf. As of this writing, Matter Family Office does not have any accounts that are not eligible for Broadridge Investor Communication Solution Inc. Clients can request a copy of our Proxy Policy from any service team member.

**ITEM 18 – FINANCIAL INFORMATION:** We do not require or solicit prepayment of client fees, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. Finally, we have never been the subject of a bankruptcy petition.

## **ITEM 19 – PRIVACY NOTICE**

Matter Family Office maintains physical, electronic, and procedural safeguards that comply with federal standards to protect its clients' nonpublic personal information ("information"). Through this policy and its underlying procedures, Matter Family Office attempts to secure the confidentiality of customer records and information and protect against anticipated threats or hazards to the security or integrity of customer records and information.

It is the policy of Matter Family Office to restrict access to all current and former clients' information (i.e., information and records pertaining to personal background, investment objectives, financial situation, tax information/returns, investment holdings, account numbers, account balances, etc.) to those employees and affiliated/nonaffiliated entities who need to know that information in order to provide products or services to the client. Matter Family Office may disclose the client's information if Matter Family Office is: (1) previously authorized to disclose the information to individuals and/or entities not affiliated with Matter Family Office, including, but not limited to the client's other professional advisors and/or service providers (i.e., attorney, accountant, insurance agent, broker-dealer, investment adviser, account custodian, etc.); (2) required to do so by judicial or regulatory process; or (3) otherwise permitted to do so in accordance with the parameters of applicable federal and/or state privacy regulations. The disclosure of information contained in any document completed by the client for processing and/or transmittal by Matter Family Office in order to facilitate the

commencement/continuation/termination of a business relationship between the client and a nonaffiliated third party service provider (i.e., broker-dealer, investment adviser, account custodian, insurance company, etc.), including information contained in any document completed and/or executed by the client for Matter Family Office (i.e., advisory agreement, client information form, etc.), shall be deemed as having been automatically authorized by the client with respect to the corresponding nonaffiliated third party service provider.

Matter Family Office permits only authorized employees and affiliates who have signed a copy of Matter Family Office's Privacy Policy to have access to client information. Employees violating Matter Family Office's Privacy Policy will be subject to Matter Family Office's disciplinary process. Additionally, whenever Matter Family Office hires other organizations to provide services to Matter Family Office's clients, Matter Family Office will require them to sign confidentiality agreements and/or the Privacy Policy.

Should you have any questions regarding the above, or need to discuss opting out of our Privacy Policy, contact Patti Peters, Chief Compliance Officer at [ppeters@matterfamilyoffice.com](mailto:ppeters@matterfamilyoffice.com).