

# **Pattern Advisors LLC**

## **Form ADV Part 2A – Disclosure Brochure**

**Effective: March 6, 2023**

This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Pattern Advisors LLC (“Pattern” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (503) 201-1375 or by email at [team@patternfi.com](mailto:team@patternfi.com).

Pattern is a registered investment advisor with the U.S. Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about Pattern to assist you in determining whether to retain the Advisor.

Additional information about Pattern and its Advisory Persons is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor’s firm name or CRD# 321915.

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## Item 2 – Material Changes

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The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest.

Pattern believes that communication and transparency are the foundation of its relationship with clients and will continually strive to provide you with complete and accurate information at all times. Pattern encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### Material Changes

Pattern is a newly formed registered investment advisor. There have been no material changes since the initial filing of the Disclosure Brochure.

### Future Changes

From time to time, the Advisor may amend this Disclosure Brochure to reflect changes in business practices, changes in regulations or routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to you annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 321915. You may also request a copy of this Disclosure Brochure at any time by contacting the Advisor at (503) 201-1375 or by email at [team@patternfi.com](mailto:team@patternfi.com).

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## Item 4 – Advisory Services

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### A. Firm Information

Pattern Advisors LLC (“Pattern” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission. The Advisor is organized as a Limited Liability Company (LLC) under the laws of the State of Delaware, located in Oregon. Pattern was founded in January 2022 and is owned by Pattern Technologies Inc. Christian Maynard-Philipp is the Founder, Chief Executive Officer and Chief Compliance Officer of Pattern. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Pattern.

### B. Advisory Services Offered

Pattern offers investment advisory services to individuals and high net worth individuals (each referred to as a “Client”).

The Advisor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, the Advisor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. Pattern's fiduciary commitment is further described in the Advisor's Code of Ethics. For more information regarding the Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

#### Investment Management Services

Pattern provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing discretionary investment management and related advisory services. The Advisor will also implement an autonomous trading technology to help support the ongoing management and rebalancing of client portfolios, to help consistently meet the needs and objectives of the Client. Pattern works closely with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio strategy. Pattern will then construct an investment portfolio, consisting of mutual funds, exchange-traded funds (“ETFs”) and/or stocks to achieve the Client's investment goals..

Pattern's investment strategies are primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held for less than one year to meet the objectives of the Client or due to market conditions. Pattern will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to acceptance by the Advisor.

Pattern evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. Pattern may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Pattern may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement.

Pattern may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client's risk tolerance.

At no time will Pattern accept or maintain custody of a Client's funds or securities, except for the limited authority as outlined in Item 15 – Custody. All Client assets will be managed within the designated account[s] at the Custodian, pursuant to the terms of the advisory agreement. Please see Item 12 – Brokerage Practices.

*Retirement Accounts* – When the Advisor provides investment advice to Clients regarding ERISA retirement accounts or individual retirement accounts (“IRAs”), the Advisor is a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act (“ERISA”) and/or the Internal Revenue Code (“IRC”), as applicable, which are laws governing retirement accounts. When deemed to be in the Client's best interest, the Advisor will provide investment advice to a Client regarding a distribution from an ERISA retirement account or to roll over the assets to an IRA, or recommend a similar transaction including rollovers from one ERISA sponsored Plan to

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another, one IRA to another IRA, or from one type of account to another account (e.g. commission-based account to fee-based account). Such a recommendation creates a conflict of interest if the Advisor will earn a new (or increase its current) advisory fee as a result of the transaction. No client is under any obligation to roll over a retirement account to an account managed by the Advisor.

*Financial Planning Services* - Pattern can also provide a variety of financial planning services, consulting services and/ or tools to help support to help achieve the Client's financial goals and objectives. This services may encompass one or more areas of need, including but not limited to, investment planning, retirement planning, personal savings, education savings, and other areas of a Client's financial situation.

Pattern may also refer Clients to an accountant, attorney or other specialists, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of the Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six (6) months of contract date, assuming all information and documents requested are provided promptly.

Financial planning and consulting recommendations pose a conflict between the interests of the Advisor and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients engage the Advisor for investment management services or to increase the level of investment assets with the Advisor, as it would increase the amount of advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to implement the transaction through the Advisor.

### **C. Client Account Management**

Prior to engaging Pattern to provide investment advisory services, each Client is required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – Pattern, in connection with the Client, will develop a strategy that seeks to achieve the Client's goals and objectives.
- Asset Allocation – Pattern will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – Pattern will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Pattern will provide investment management and ongoing oversight of the Client's investment portfolio.

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

Pattern does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by Pattern.

### **E. Assets Under Management**

Pattern is a newly established advisor. Clients may request more current information at any time by contacting the Advisor.

## **Item 5 – Fees and Compensation**

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The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall be required to enter into one or more written agreements with the Advisor.

## **A. Fees for Advisory Services**

### Investment Management Services

Investment advisory fees are paid monthly, in arrears of each calendar month pursuant to the terms of the investment advisory agreement. Investment advisory fees are based on the market value of assets under management at the end of the calendar month. Investment advisory fees will be charged at a fixed rate of 0.50% annually based on several factors, including: the scope and complexity of the services to be provided; the level of assets to be managed; and the overall relationship with the Advisor. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee. The Advisor will also charge a subscription fee of \$8 a month, to accommodate for planning and tools made available via the Advisor's technology.

The investment advisory fee in the first month of service is prorated from the inception date of the account[s] to the end of the first month. Fees may be negotiable at the sole discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with the Advisor. All securities held in accounts managed by Pattern will be independently valued by the Custodian. The Advisor will conduct periodic reviews of the Custodian's valuation to ensure accurate billing.

The Client may make additions or withdrawals from the account[s] at any time, subject to the Advisor's right to terminate an account or the overall relationship. Additions may be in cash or securities provided that the Advisor reserves the right to liquidate any transferred securities or decline to accept particular securities into a Client's account[s]. Clients may withdraw account assets on notice to Pattern, subject to the usual and customary securities settlement procedures. However, the Advisor typically designs its investment portfolios as long-term investments and the withdrawal of assets may impair the achievement of a Client's investment objectives. Pattern may consult the Client about certain implications of such transactions. Clients are advised that when such securities are liquidated, they may be subject to securities transaction fees, short-term redemption fees, and/or tax ramifications. If assets in excess of \$10,000 are deposited into or withdrawn from the Client's account[s], the Advisor's fee will be adjusted in the next billing period to reflect the fee difference. The Advisor, at its sole discretion, will negotiate a fee that differs from the schedule above for certain account[s] or holdings.

The Advisor's fee is exclusive of, and in addition to any applicable securities transaction and custody fees, and other related costs and expenses described in Item 5.C below, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs.

## **B. Fee Billing**

### Investment Management Services

Investment advisory fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the respective months end date. The amount due is calculated by applying the monthly rate (annual rate divided by 12) to the total assets under management with Pattern at the end of each month. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. Clients are urged to also review and compare the statement provided by the Advisor to the brokerage statement from the Custodian, as the Custodian does not perform a verification of fees. Clients provide written authorization permitting advisory fees to be deducted by Pattern to be paid directly from their account[s] held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

## **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than Pattern, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian, as applicable. The Advisor's recommended Custodian does not charge securities transaction fees for ETF and equity trades in a Client's account, provided that the account meets the terms and conditions of the Custodian's brokerage requirements. However, the Custodian typically charges for mutual funds and other types of investments. The fees charged by Pattern are separate and distinct from these custody and execution fees.

In addition, all fees paid to Pattern for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of Pattern, but would not receive the services provided by Pattern which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Pattern to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

#### **D. Advance Payment of Fees and Termination**

##### **Investment Management Services**

Pattern may be compensated for its investment management services at the end of the month after services are rendered. Either party may terminate the investment advisory agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the investment advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client's investment advisory agreement with the Advisor is non-transferable without the Client's prior consent.

#### **E. Compensation for Sales of Securities**

Pattern does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

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

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Pattern does not charge performance-based fees for its investment advisory services. The fees charged by Pattern are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

Pattern does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

#### **Item 7 – Types of Clients**

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Pattern offers investment advisory services to individuals and high net worth individuals. The Advisor does not require a minimum relationship size.

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

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##### **A. Methods of Analysis**

Pattern primarily employs fundamental, technical and cyclical analysis methods in developing investment strategies for its Clients. Research and analysis from Pattern are derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

*Fundamental analysis* utilizes economic and business indicators as investment selection criteria. This criteria consists generally of ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors



these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

*Technical analysis* involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends, which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Pattern will be able to accurately predict such a reoccurrence.

*Cyclical analysis* is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that Pattern is recommending. The risks with cyclical analysis are similar to those of technical analysis.

As noted above, Pattern generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. Pattern will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, Pattern may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

## **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. Pattern will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals. Please see Item 8.B. for risks associated with the Advisor's investment strategies as well as general risks of investing.

While the methods of analysis help the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in these methods of analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included below in Item 13 – Review of Accounts.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account[s]. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process. Following are some of the risks associated with the Advisor's investment strategies:

### Market Risks

The value of a Client's holdings may fluctuate in response to events specific to companies or markets, as well as economic, political, or social events in the U.S. and abroad. This risk is linked to the performance of the overall financial markets.

### ETF Risks

The performance of ETFs is subject to market risk, including the possible loss of principal. The price of the ETFs will fluctuate with the price of the underlying securities that make up the funds. In addition, ETFs have a trading risk based on the loss of cost efficiency if the ETFs are traded actively and a liquidity risk if the ETFs has a large bid-

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ask spread and low trading volume. The price of an ETF fluctuates based upon the market movements and may dissociate from the index being tracked by the ETF or the price of the underlying investments. An ETF purchased or sold at one point in the day may have a different price than the same ETF purchased or sold a short time later.

#### Mutual Fund Risks

The performance of mutual funds is subject to market risk, including the possible loss of principal. The price of the mutual funds will fluctuate with the value of the underlying securities that make up the funds. The price of a mutual fund is typically set daily therefore a mutual fund purchased at one point in the day will typically have the same price as a mutual fund purchased later that same day.

#### Options Contracts

Investments in options contracts have the risk of losing value in a relatively short period of time. Option contracts are leveraged instruments that allow the holder of a single contract to control many shares of an underlying stock. This leverage can compound gains or losses.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### **Item 9 – Disciplinary Information**

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**There are no legal, regulatory or disciplinary events involving Pattern or its owner.** Pattern values the trust Clients place in the Advisor. The Advisor encourages Clients to perform the requisite due diligence on any advisor or service provider that the Client engages. The backgrounds of the Advisor or Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with the Advisor's firm name or CRD# 321915.

### **Item 10 – Other Financial Industry Activities and Affiliations**

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#### Broker-Dealer Affiliation

Certain Advisory Persons are also a registered representative of Good Investor. In their separate capacity as registered representatives, Advisory Persons will receive commissions for the implementation of recommendations for commissionable transactions. Clients are not obligated to implement any recommendation provided by Advisory Persons. Neither the Advisor nor Advisory Persons will earn ongoing investment advisory fees in connection with any services implemented in an Advisory Person's separate capacity as a registered representative.

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

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#### **A. Code of Ethics**

Pattern has implemented a Code of Ethics (the "Code") that defines the Advisor's fiduciary commitment to each Client. This Code applies to all persons associated with Pattern ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding the Advisor's duties to each Client. Pattern and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Pattern's Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of the Code, please contact the Advisor at (503) 201-1375 or via email at [team@patternfi.com](mailto:team@patternfi.com).

#### **B. Personal Trading with Material Interest**

Pattern allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Pattern does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. Pattern does not have a material interest in any securities traded in Client accounts.

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### C. Personal Trading in Same Securities as Clients

Pattern allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities that are recommended (purchase or sell) to Clients presents a conflict of interest that, as fiduciaries, must be disclosed to Clients and mitigated through policies and procedures. As noted above, the Advisor has adopted the Code to address insider trading (material non-public information controls); gifts and entertainment; outside business activities and personal securities reporting. When trading for personal accounts, Supervised Persons have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Pattern requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. The Advisor has also adopted written policies and procedures to detect the misuse of material, non-public information.

### D. Personal Trading at Same Time as Client

While Pattern allows Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically aggregated with Client orders or traded afterwards. **At no time will Pattern, or any Supervised Person of Pattern, transact in any security to the detriment of any Client.**

## Item 12 – Brokerage Practices

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### A. Recommendation of Custodian[s]

Pattern does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Pattern to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, Pattern does not have the discretionary authority to negotiate commissions on behalf of Clients on a trade-by-trade basis.

Where Pattern does not exercise discretion over the selection of the Custodian, it may recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a custodian not recommended by Pattern. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. Pattern may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and its reputation and/or the location of the Custodian's offices.

Pattern will generally recommend that Clients establish their account[s] at Alpaca Securities LLC ("Alpaca"), a FINRA-registered broker-dealer and member SIPC. Alpaca will serve as the Client's "qualified custodian".

Following are additional details regarding the brokerage practices of the Advisor:

**1. Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. **Pattern does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor receives certain economic benefits from the Custodian. Please see Item 14 below.**

**2. Brokerage Referrals** - Pattern does not receive any compensation from any third party in connection with the recommendation for establishing an account.

**3. Directed Brokerage** - All Clients are serviced on a "directed brokerage basis", where Pattern will place trades within the established account[s] at the Custodian designated by the Client. Further, all Client accounts are traded within their respective account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor's own account) or cross transactions with other Client accounts (i.e., purchase of a

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security into one Client account from another Client's account[s]). Pattern will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the Custodian.

### **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of the order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. Pattern will execute its transactions through the Custodian as authorized by the Client. Pattern may aggregate orders in a block trade or trades when securities are purchased or sold through the Custodian for multiple (discretionary) accounts in the same trading day. If a block trade cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Clients' accounts.

## **Item 13 – Review of Accounts**

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### **A. Frequency of Reviews**

Securities in Client accounts are monitored on a regular and continuous basis by Christian Maynard-Philipp, Chief Compliance Officer of Pattern. Formal reviews are generally conducted at least annually or more frequently depending on the needs of the Client.

### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13.A., each Client account shall be reviewed at least annually. Reviews may be conducted more frequently at the Client's request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Client's financial situation, and/or large deposits or withdrawals in the Client's account[s]. The Client is encouraged to notify Pattern if changes occur in the Client's personal financial situation that might adversely affect the Client's investment plan. Additional reviews may be triggered by material market, economic or political events.

### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the Custodian. These brokerage statements are sent directly from the Custodian to the Client. The Client may also establish electronic access to the Custodian's website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client's account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

## **Item 14 – Client Referrals and Other Compensation**

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### **A. Compensation Received by Pattern**

Pattern is a fee-based advisory firm, that is compensated solely by its Clients and not from any investment product. Pattern does not receive commissions or other compensation from product sponsors, broker-dealers or any unrelated third party. Pattern may refer Clients to various unaffiliated, non-advisory professionals (e.g. attorneys, accountants, estate planners) to provide certain financial services necessary to meet the goals of its Clients. Likewise, Pattern may receive non-compensated referrals of new Clients from various third-parties.

### **B. Client Referrals from Promoters**

If a Client is introduced to the Advisor by either an unaffiliated or affiliated party (herein a "Promoter"), the Advisor compensates that Promoter a fee in accordance with the applicable state securities requirements. Any such compensation shall be paid solely from the investment advisory fees earned by the Advisor, and shall not result in any additional charge to the Client.

## **Item 15 – Custody**

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### **Pattern Advisors LLC**

2741 Southwest Old Orchard Road, Portland, OR 97201

Phone: (503) 201-1375

<https://www.patternfi.com/>

Pattern does not accept or maintain custody of any Client accounts, except for the authorized deduction of the Advisor's fees. All Clients must place their assets with a "qualified custodian". Clients are required to engage the Custodian to retain their funds and securities and direct Pattern to utilize that Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by Pattern to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

### **Item 16 – Investment Discretion**

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Pattern generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Pattern. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by Pattern will be in accordance with each Client's investment objectives and goals.

### **Item 17 – Voting Client Securities**

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Pattern does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

### **Item 18 – Financial Information**

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Neither Pattern, nor its management, have any adverse financial situations that would reasonably impair the ability of Pattern to meet all obligations to its Clients. Neither Pattern, nor any of its Advisory Persons, have been subject to a bankruptcy or financial compromise. Pattern is not required to deliver a balance sheet along with this Disclosure Brochure as the Advisor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.