



# Part 2A of Form ADV

## Disclosure Brochure

Figure 8 Investment Strategies LLC

**Effective: March 16, 2023**

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This Form ADV Part 2A (“Disclosure Brochure”) provides information about the qualifications and business practices of Figure 8 Investment Strategies LLC (“Figure 8” or the “Advisor”). If you have any questions about the content of this Disclosure Brochure, please contact the Advisor at (208) 385-0078 or by email at [info@figure8investing.com](mailto:info@figure8investing.com).

Figure 8 is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). The information in this Disclosure Brochure has not been approved or verified by the 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 Figure 8 to assist you in determining whether to retain Figure 8.

Additional information about Figure 8 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# 282973.



## ITEM 2. Material Changes

Form ADV Part 2A (the "Disclosure Brochure") provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. For convenience, the Advisor has included the Privacy Policy within this disclosure document.

Figure 8 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. Figure 8 encourages all current and prospective clients to read this Disclosure Brochure and discuss any questions you may have with the Advisor.

### **Material Changes**

Since the previous filing, dated March 25, 2022, there has been an increase to Figure 8's minimum relationship size in Item 5 and the addition of a description of Figure 8's ESG Strategy and Methodology to Item 8.

### **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# 282973. You may also request a copy of this Disclosure Brochure at any time, by contacting the Advisor at (208) 385-0078 or by email at [info@figure8investing.com](mailto:info@figure8investing.com).



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## ITEM 4. Advisory Services

### A. Firm Information

Figure 8 Investment Strategies LLC (“Figure 8” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”). Figure 8 is organized as a limited liability company (“LLC”) under the laws of Idaho and is a Certified B Corporation. Figure 8 was founded in 2016 by Lisa M. Cooper CFP®, CFA® (Chief Executive Officer and Chief Compliance Officer) with a mission to deliver financial prosperity and intentional social impact to clients. Figure 8 is now owned by its employees: Lisa M. Cooper (majority owner), Ahmed Aljuboori, Richard Naing, and Travis Stright. This Disclosure Brochure provides information regarding the qualifications, business practices, and advisory services provided by Figure 8.

### B. Advisory Services Offered

Figure 8 is dedicated to sustainable, responsible, and impact investing, and offers investment management, financial planning, and advising to individuals, high net worth individuals, trusts, estates, charitable organizations, corporations or other businesses (each referred to as a “Client”).

Figure 8 serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As such, each recommendation made as part of the advisory services is based on the belief that the recommendation is in the Client's best interest. Figure 8's fiduciary commitment to each Client is further described in the Advisor's Code of Ethics. For more information regarding our Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

## Comprehensive Investment Management Services

Figure 8 may provide Clients with comprehensive investment management services, which combine ongoing investment management with personalized financial planning and advice. Figure 8 may also provide investment management as a stand-alone service, typically for Clients with a separate external investment advisory relationship for financial planning and advice. Figure 8 offers stand-alone financial planning services to those not engaged as ongoing Clients on a selective basis only. These services are described below.

## Investment Management Services

Figure 8 specializes in building and managing investment portfolios designed to meet each Client's financial goals and social impact objectives. Every Client relationship begins with an interview and questionnaire to learn about the Client's unique financial situation and identify specific needs and goals. This provides the basis for investment strategies and policies that will



be executed by Figure 8 on behalf of the Client. Investment management and other services are personalized for each Client based on risk tolerance as well as time horizon, income needs, tax considerations, social impact goals, and other financial planning considerations. These factors serve as inputs for Figure 8 to develop asset allocation targets and guidelines for each Client. Figure 8 Client portfolios may include individual stocks and bonds, mutual funds, exchange-traded funds (“ETFs”), Real Estate Investment Trusts (“REITS”) and private placements to meet the needs of its Clients. Figure 8 may retain certain legacy investments based on portfolio fit and/or tax considerations.

Figure 8 may use “model portfolios” together with a specific set of recommendations for each Client based on individual values, needs and objectives. Figure 8 evaluates and selects investments for inclusion in Client portfolios only after applying its internal due diligence process. Figure 8 may recommend, on occasion, redistributing investment allocations to diversify the portfolio. Figure 8 may recommend specific positions to increase sector or asset class weightings. Figure 8 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, deterioration of the environmental, social or governance (ESG) performance of the underlying business, change in risk tolerance of the Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

Figure 8’s investment approach is primarily long-term focused, but Figure 8 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. Figure 8 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 Figure 8.

At no time will Figure 8 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 their designated account at the Custodian, pursuant to the terms of the advisory agreement. Please see Item 12 – Brokerage Practices.

Figure 8 offers Equity and Balanced Account Strategies that integrate Environmental, Social & Governance (ESG) factors with traditional financial analysis. Balanced Account Strategies are offered across three primary allocations — Growth, Moderate, and Conservative – to meet a range of risk and return objectives. Across strategies, Figure 8 seeks to integrate thematic impact opportunities -- to invest in solutions designed to combat climate change, improve water and energy use, bring education and employment opportunities to underserved populations, boost community economic development and create more equitable outcomes around the world – where those investments fit with each Client’s financial goals and risk tolerance.



The Figure 8 Global Equity Strategy is a diversified portfolio of stocks designed to serve as the core of many of Client investment portfolios and is also available as a separate strategy for Clients seeking active sustainability-focused equity management. The strategy employs a growth-at-a-reasonable-price discipline, integrates analysis of ESG factors, and seeks to deliver competitive risk-adjusted investment returns over the long term. The strategy invests in individual US and non-US (ADR) equities, diversified across sectors and selected based on fundamental analysis of long-term earnings growth, management quality and vision, financial strength, and material ESG drivers. Additionally, the Figure 8 Global Equity Strategy seeks investment opportunities aligned with macro themes around health and wellness, the changing climate, resource management, research and innovation, education and employment, wealth distribution, and economic development. The strategy seeks to avoid exposure to fossil fuel production, tobacco, guns and other weapons, worker exploitation, egregious pollution, and the private prison system.

Figure 8's Fixed Income Strategy seeks to provide portfolio stability and income and focuses on high-quality investment-grade government, corporate, and municipal bonds. The strategy may also incorporate impact-focused instruments including green bonds, sustainability bonds, and social impact bonds, and securities issued by Community Development Financial Institutions (CDFIs), and other entities providing capital specifically for economic development and small business formation across low income and rural communities, organic and regenerative agriculture, the build-out of renewable energy and sustainable infrastructure, watershed protection, access to healthcare, and affordable housing.

Clients may apply specific restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. Figure 8 applies avoidance screens to Client portfolios on a best-efforts basis. In most cases, Figure 8 applies avoidance screens in a way it believes will not damage investment disciplines or have a significant negative impact on investment returns. However, where Figure 8 believes certain avoidance screens may impact investment opportunities and/or portfolio performance, Figure 8 will work Clients to explain the trade-offs and document Client-specified priorities.

## **Financial Planning and Consulting Services**

Figure 8 will typically provide a variety of financial planning and consulting services to Clients as part of its comprehensive investment management services. Figure 8 offers stand-alone financial planning services to those not engaged as ongoing Clients on a selective basis only. Financial planning services are delivered pursuant to a written financial planning agreement. Services are offered in several areas of a Client's financial situation, depending on their goals and objectives. Generally, such financial planning services involve preparing a formal financial plan or rendering a specific financial consultation based on the Client's financial goals and objectives. This planning or consulting may encompass one or more areas of need, including but not limited to, investment planning, retirement planning, personal savings, education savings, tax



planning, philanthropic strategy, estate planning, and other areas of a Client's financial situation.

A financial plan developed for, or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs.

Figure 8 may also refer Clients to an accountant, attorney or another specialist, as appropriate for their unique situation. For certain financial planning engagements, Figure 8 will provide a written summary of the Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, Figure 8 may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly. Time frames may vary based on the specifics of each engagement.

Financial planning and consulting recommendations pose a conflict between the interests of Figure 8 and the interests of the Client. For example, the Advisor has an incentive to recommend that Clients engage Figure 8 for investment management services or to increase the level of investment assets with Figure 8, as it would increase the amount of advisory fees paid to Figure 8. Clients are not obligated to implement any recommendations made by Figure 8 or maintain an ongoing relationship with Figure 8. If the Client elects to act on any of the recommendations made by Figure 8, the Client is under no obligation to implement the transaction[s] through Figure 8.

## **Educational Seminars and Workshops**

Figure 8 provides educational seminars and workshops for "emerging investors" – that is, individuals and families new to investing and financial planning – on topics that may include how to get started investing, ways to save for retirement, investment basics (asset classes, allocations, time value of money, etc.), and ways to invest for impact.

In addition, Figure 8 provides educational seminars and workshops for both new and experienced investors on subjects related to planning and investing for social and environmental impact. Specific topics may include financial planning for a changing climate, ways to help repair the racial economic injustices of the past, and impactful charitable giving strategies .

These seminars and workshops engagements are educational in nature and typically do not involve the sale of investment products. The information presented in these general sessions will not be based on any one person's need. In cases where Figure 8 does provide individualized



investment advice to attendees as part of a workshop, there will be a specific contract issued for those services.

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

Prior to engaging Figure 8 to provide investment advisory services, each Client is required to enter into one or more agreements with Figure 8 that define the terms, conditions, authority and responsibilities of Figure 8 and the Client. These services may include:

- **Establishing an Investment Strategy** – Figure 8, in connection with the Client, will develop an investment strategy that seeks to achieve the Client's investment goals and objectives, and document this strategy in a written Investment Policy Statement.
- **Asset Allocation** – Figure 8 will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk of each Client.
- **Portfolio Construction** – Figure 8 will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- **Investment Management and Supervision** – Figure 8 will provide investment management and ongoing oversight of the Client's investment portfolio.

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

Figure 8 does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by Figure 8.

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

As of December 31, 2022, Figure 8 manages \$132,651,832 in Client assets, all of which are managed on a discretionary basis. Clients may request more current information at any time by contacting Figure 8.





## ITEM 5. Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for services provided by Figure 8. Each Client engaging Figure 8 for services described herein shall be required to enter into a written agreement with Figure 8.

### A. Fees for Advisory Services

#### Comprehensive Investment Management Services

Comprehensive investment management fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the comprehensive investment management agreement. Comprehensive investment management includes ongoing investment management and account servicing along with personalized financial planning and advice. Fees are based on the market value of assets under management at the end of the prior quarter. Fees are based on the following straight tiered schedule:

##### Fee Schedule for Comprehensive Investment Management

Total Assets Under Management	Annual Fees
Up to \$1,000,000	1.00%
\$1,000,001 - \$10,000,000	0.80%
\$10,000,001 and up	0.50%

The initial year of a new Client engagement may involve more intensive financial planning, transition of complex assets, and additional meeting time with Figure 8's professionals. In these cases, Figure 8 may charge an additional financial planning fee which is offered on flat fee or hourly basis as described below.

Similarly, a major change in Client circumstances may trigger an additional planning engagement with more intensive financial planning. In addition, certain Clients may require more detailed financial plans for complex situations such as intricate trust relationships and restricted stock ownership. In these instances, Figure 8 may charge an additional financial planning fee which is offered on flat fee or hourly basis as described below.

The comprehensive investment management fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter.



For Comprehensive Investment Management, Figure 8 generally requires a \$500,000 minimum relationship size and charges a minimum annual fee of \$5,000. Fees and minimums may be negotiable at the sole discretion of Figure 8. The Client's fees will take into consideration the aggregate assets under management with Figure 8. All securities held in accounts managed by Figure 8 will be independently valued by the Custodian or outside fund manager. Figure 8 will not have the authority or responsibility to value portfolio securities.

## Stand-Alone Investment Management Services

Stand-Alone investment management fees are paid quarterly, in advance of each calendar quarter, pursuant to the terms of the investment management agreement. Stand-alone investment management is limited to investment management only, and is intended for Clients who have retained a separate external investment advisory relationship for financial planning and advice. Fees are based on the market value of assets under management at the end of the prior calendar quarter. Fees are based on the following straight tiered schedule:

### Fee Schedule for Stand-Alone Investment Management

Total Assets Under Management	Annual Fees
Up to \$1,000,000	0.80%
\$1,000,001 - \$10,000,000	0.60%
\$10,000,001 and up	0.40%

The investment management fee in the first quarter of service is prorated from the inception date of the account[s] to the end of the first quarter.

For Stand-Alone Investment Management, Figure 8 generally requires a \$250,000 minimum relationship size and charges a minimum annual fee of \$2,000. Fees and minimums may be negotiable at the sole discretion of Figure 8. The Client's fees will take into consideration the aggregate assets under management with Figure 8. All securities held in accounts managed by Figure 8 will be independently valued by the designated Custodian. Figure 8 will not have the authority or responsibility to value portfolio securities.

Figure 8'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, Figure 8 shall not receive any portion of these commissions, fees, and costs.



## **Initial, Additional, or Stand-Alone Financial Planning and Consulting Services**

Figure 8 offers additional Financial Planning and Consulting Services to Clients in their initial year as a Figure 8 Client and/or to address major life changes or special circumstances that may arise over time. Figure 8 offers stand-alone financial planning services to those not engaged as ongoing Clients on a selective basis only. Fees for these services may be charged on either a fixed flat fee or hourly basis. Hourly engagements are offered at a rate of \$250 per hour and fixed fee engagements typically range from \$500 to \$20,000 depending on the nature and complexity of the services to be provided and the overall relationship with Figure 8. An estimate for total hours and/or total costs will be provided to the Client prior to engaging for these services.

## **Educational Seminars and Workshops**

Figure 8 offers educational seminars and workshops on specific financial planning and investment topics. Fees for these services may be charged on a fixed flat fee basis and typically range from \$100 to \$2,000 depending on the nature, length, and complexity of the seminar or workshop.

In cases where Figure 8 provides individualized investment advice to attendees as part of a workshop, there will be a specific contract issued for those services, based on Figure 8's investment management and financial planning fee schedules as described above.

## **B. Fee Billing**

### **Comprehensive and Stand-Alone Investment Management Services**

Investment management fees are calculated by Figure 8 or its delegate and deducted from the Client's account[s] at the Custodian. Figure 8 or its delegate shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the beginning of the respective quarter-end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with Figure 8 at the end of the prior quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting advisory fees to be deducted by Figure 8 directly from their account[s] held by the Custodian as part of the investment management agreement and separate account forms provided by the Custodian.



## **Financial Planning and Consulting Services**

Financial planning fees may be invoiced up to fifty percent (50%) of the expected total fee upon execution of the financial planning agreement. The balance shall be invoiced upon completion of the agreed upon deliverable[s]. Clients will not be invoiced for \$1200 or more, more than six months in advance of receiving the agreed upon deliverable[s].

## **Educational Seminars and Workshops**

Fees for Educational Seminars and Workshops may be invoiced in full upon execution of the workshop or seminar agreement or may be invoiced with periodic payments. Clients will not be invoiced for \$1200 or more, more than six months in advance of receiving the agreed upon deliverable[s].

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

Clients may incur certain fees or charges imposed by third parties, other than Figure 8, 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. The Advisor's recommended Custodian does not charge securities transaction fees for ETF and equity trades in Client accounts, but typically charges for mutual funds and other types of investments. The fees charged by Figure 8 are separate and distinct from these custody and execution fees.

In addition, all fees paid to Figure 8 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 Figure 8, but would not receive the services provided by Figure 8 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 Figure 8 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**

## **Comprehensive and Stand-Alone Investment Management Services**



Figure 8 is compensated for its services in advance of the quarter in which investment management services are rendered. Either party may terminate the investment management agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the investment management agreement within five (5) business days of signing Figure 8'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. Upon termination, Figure 8 will refund any unearned, prepaid investment advisory fees from the effective date of termination to the end of the quarter. The Client's investment management agreement with Figure 8 is non-transferable without the Client's prior consent.

### **Financial Planning and Consulting Services**

Figure 8 requires an advance deposit as described in Item 5B above. Either party may terminate the financial planning agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the financial planning agreement within five (5) business days of signing Figure 8'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. Upon termination, the Client shall be billed for actual hours logged on the planning project times the contractual hourly rate or in the case of a fixed fee engagement, the percentage of the engagement scope completed by Figure 8. Figure 8 will refund any unearned, prepaid planning fees from the effective date of termination. The Client's financial planning agreement with Figure 8 is non-transferable without the Client's prior consent.

### **Educational Workshops and Seminars**

Figure 8 typically requires an advance deposit for workshop and seminars upon registration, as described in Item 5B above. Either party may terminate the workshop or seminar agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the workshop or seminar agreement within five (5) business days of signing Figure 8's agreement at no cost to the Client. Figure 8 will refund any unearned, prepaid workshop or seminar fees from the effective date of termination. The Client's workshop or seminar agreement with Figure 8 is non-transferable without the Client's prior consent.

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

Figure 8 does not buy or sell securities 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

Figure 8 **does not** charge performance-based fees for its investment advisory services. The fees charged by Figure 8 are as described in Item 5 above and are not based upon the capital appreciation of the funds or securities held by any Client.

Figure 8 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

Figure 8 offers investment advisory services to individuals, high net worth individuals, trusts, estates, charitable organizations, corporations or other businesses. The amount of each type of Client is available on Figure 8's Form ADV Part 1A. These amounts may change over time and are updated at least annually by Figure 8.

For Comprehensive Investment Management, Figure 8 generally requires a \$500,000 minimum relationship size and charges a minimum annual fee of \$5,000. This minimum may be waived at the sole discretion of Figure 8.

For Stand-Alone Investment Management, Figure 8 generally requires a \$250,000 minimum relationship size and charges a minimum annual fee of \$2,000. This minimum may be waived at the sole discretion of Figure 8.

For Educational Seminars and Workshops, Figure 8 does not require a minimum relationship size or minimum annual fee.



## ITEM 8. Methods of Analysis, Investment Strategies and Risk of Loss

### A. Methods of Analysis

#### Equity Strategy

The Figure 8 Global Equity Strategy is an actively managed portfolio of US and international stocks. The strategy employs a growth-at-a-reasonable-price discipline, integrates analysis of ESG factors, and seeks to deliver competitive risk-adjusted investment returns over the long term. The strategy invests in individual US and non-US (ADR) equities, diversified across sectors and selected based on fundamental analysis of long-term earnings growth, management quality and vision, financial strength, and material ESG factors driving growth opportunities and/or reduction of risk. Additionally, the Figure 8 Global Equity Strategy seeks investment opportunities aligned with macro themes around health and wellness, the changing climate, resource management, research and innovation, education and employment, wealth distribution, and economic development. The strategy seeks to avoid exposure to fossil fuel production, tobacco, guns and other weapons, worker exploitation, egregious pollution, and the private prison system.

The strategy begins with macroeconomic analysis incorporating forecasts for US and global growth, inflation, interest rates and income trends, along with an analysis of geopolitical events, demographics, and key thematic areas including health and wellness, climate change, and international economic development. From this, Figure 8's analysts develop top-down allocation strategies around geographic, capitalization and sector weightings.

This macroeconomic approach is paired with a bottom-up stock selection process that uses fundamental analysis seeking to identify high-quality companies as investment candidates, especially those where ESG factors are driving growth opportunities and/or minimizing business risks in a material way. The analysis of each individual security includes reviewing company financial statements; assessment of financial strength and stability; industry and company-specific opportunities, innovation and risks; quality of management; outlook for near-term and long-term revenue and earnings growth; the company's positioning for expected changes in the geopolitical and regulatory landscape; and multiple other factors. Finally, Figure 8 employs a growth-at-a-reasonable-price ("GARP") discipline to purchase stocks at attractive valuations that its analysts believe don't fully reflect their long-term value.

While the core of Figure 8's equity approach is actively managed individual stocks, Figure 8 also uses mutual funds and exchange-traded funds (ETFs) to augment exposures based on market conditions. In specific situations, Figure 8 may also employ private equity funds to meet Client financial and social impact objectives. Figure 8's evaluation of funds includes an analysis of the



investment discipline, skill of the management team, integration of ESG factors and sensitivity around fees and transparency. Figure 8 may employ mutual funds and ETFs to provide additional exposure in certain market segments, particularly international and smaller capitalization stocks.

## Fixed Income Strategy

Figure 8's Fixed Income Strategy is designed to provide portfolio stability and to generate income. Figure 8 manages the core of its fixed income portfolio in individual securities – typically a diversified blend of high-quality government and corporate bonds, along with federally tax-free municipal bonds where they are deemed to provide returns competitive on an after-tax basis. Figure 8's bond portfolios are comprised primarily of securities rated as investment-grade by the credit agencies (e.g., S&P, Moody's).

Figure 8's Fixed Income Strategy seeks to provide portfolio stability and to generate income and focuses on investment-grade government, corporate, and municipal bonds. The strategy may also incorporate impact-focused instruments including green bonds, sustainability bonds, and social impact bonds, and securities issued by Community Development Financial Institutions (CDFIs), and other entities providing capital specifically for economic development and small business formation across low income and rural communities, organic and regenerative agriculture, the build-out of renewable energy and sustainable infrastructure, watershed protection, access to healthcare, and affordable housing.

Figure 8 may also use other vehicles in constructing its fixed income portfolios, including mutual funds, ETFs and/or private placements and promissory notes targeted for social and/or environmental impact. As with equity mutual funds, Figure 8's evaluation of fixed income funds includes an analysis of the investment discipline, skill of the management team, integration of ESG factors and sensitivity around fees and transparency. All vehicles are selected to fit with the stability-oriented goals of the fixed income segment, and may provide targeted opportunities for social and environmental impact, sometimes on a local level.

## B. ESG Strategy and Methodology

Figure 8 specializes in sustainable, responsible, and impact investing (or "SRI investing"). Figure 8's commitment to SRI Investing includes consideration of Environmental, Social, and Governance (ESG) factors and standards across the firm's investment disciplines, security selection, and portfolio management processes.

Across its investment strategies, Figure 8 employs four primary tools related to SRI Investing and consideration of ESG factors:

1. **Avoidance screening:** The process of excluding investments in companies that





derive revenues from certain products, services, or activities; avoidance screens may be implemented to reflect client values and/or to avoid areas deemed to present material financial risk.

2. **ESG Integration:** The process of integrating ESG factors into traditional financial analysis to identify and evaluate material ESG-related risks and opportunities, with the overall goal of better informing security selection and making better investment decisions; ESG factors may be integrated at a big-picture thematic level or at the individual security level.
3. **Engagement and Proxy Voting:** The practice of advocating as investors for changes in policies and practices at companies, governments, and other organizations, particularly around improved measurement and management of ESG-related risks; Engagement may be conducted through proxy voting, shareholder proposals, dialogue with management, and/or letter writing, often in collaboration with other investors and organizations.
4. **Targeted Impact:** Investments directed to provide capital to communities and projects that accelerate positive social and environmental change, while generating a financial return

Figure 8 offers Equity and Balanced Account Strategies that integrate ESG factors with traditional financial analysis. Across strategies, Figure 8 adheres to the six UN Principles for Responsible Investment, although the firm is not a current registered UN PRI signatory.

ESG factors and standards are a core part of all investment analyses and decisions at Figure 8. As a matter of course, the monitoring and reviewing of securities and client portfolios includes ESG considerations.

Figure 8 analysts meet weekly to review specific securities and monitor changes in earnings, outlook, and ESG factors.

Figure 8 includes a section on “Social Impact Strategy” in the Investment Policy Statement for every client. Figure 8 reviews portfolio holdings at the client level at least annually to ensure that investments adhere to client Investment Policy Statements and the ESG-related “Social Impact Guidelines”.

## Sources and Types of ESG Information

Figure 8’s analyst team reviews internally-produced research as well as third-party sources on ESG issues as indicators of where there may be particular ESG-related strengths, weaknesses, opportunities, and risks. Figure 8 also reviews third-party sources to confirm our understand of an issuer’s exposures where we may have avoidance screens. These third-party resources currently include ESG specific data from Eikon, ISS, and As You Sow, as well as ESG-related



information from sell-side analysts, credit rating agencies, company documents (at the issuer level), and a range of issue-specific non-profit and advocacy groups. We evaluate research from these data sources frequently:

- In our initial review of the security, prior to purchase
- In our regular review of core holdings, which is at minimum quarterly
- On any major change in corporate structure (e.g., merger or acquisition)
- On news indicating an ESG-related concern or opportunity
- When there's a major move in the price of the security

In gathering and analyzing this information, Figure 8 seeks to:

- Understand the case for long-term growth opportunities, including ESG-related drivers of opportunity
- Identify material risks to the issuer, including those related to ESG factors
- Make sure we are avoiding unwanted ESG-related exposures, and
- Identify opportunities for ESG-related engagement with the issuer

## Avoidance Screening

Figure 8 applies firm-wide avoidance screens to the individual equity and fixed income securities across portfolios. Avoidance screens are determined based on either industry codes or revenue thresholds, which may be qualitative or quantitative. Avoidance screens are applied at the onset of the security selection screening process; our list of holdings and potential opportunities is reviewed regularly to ensure avoidance screens are upheld. Securities that meet any of the criteria listed below are excluded from the security selection universe. If a current holding is subsequently found to be in violation of Figure 8's avoidance criteria, Figure 8 will set a strategy to sell the security within 180 days.

Figure 8 uses multiple ESG data providers, including the Eikon database and As You Sow, to determine which securities to exclude from its portfolios based on the defined avoidance criteria.

In addition, Figure 8 clients may apply additional avoidance screens to their portfolios. These client-directed screens are applied on a best efforts basis across the client's assets.

Avoidance screens are applied on a best efforts basis to money market, mutual fund, and ETF securities and may be relaxed if appropriate fully screened options are not available.



Figure 8's firmwide avoidance screens are as follows:

	Environmental	Social	Governance
<b>Avoidance screens</b>  <i>(these apply across portfolios; additional avoidance screens may be client-mandated)</i>	<ul style="list-style-type: none"> <li>Companies whose primary business is the exploration, production or burning of fossil fuels (oil, gas, and coal)</li> <li>Egregious polluters with worst-in-class performance around toxic and/or hazardous releases to air, land &amp; water, land use, mismanagement of waste</li> </ul>	<ul style="list-style-type: none"> <li>Producers of tobacco products</li> <li>Manufacturers of guns and/or weapons systems</li> <li>Companies with egregious and/or ongoing records of discriminatory or exploitive workplace practices</li> <li>Companies with significant revenues from the prison and detention system</li> </ul>	<ul style="list-style-type: none"> <li>Significant, recent and/or ongoing record of corruption, bribery, fraud</li> <li>Significant lack of responsiveness to product safety concerns</li> </ul>

## ESG Integration

Figure 8 evaluates ESG risks and opportunities for every security considered for inclusion in investment portfolios. Figure 8 analysts focus on assessing ESG factors deemed material to financial outcomes. ESG factors include:

	Environmental	Social	Governance
<b>ESG Integration</b>	<ul style="list-style-type: none"> <li>GHG emissions: reductions &amp; strength of targets</li> <li>Research &amp; Innovation around clean energy &amp; sustainable technologies</li> <li>Physical &amp; transition risks of climate change</li> <li>Resource management, especially around energy &amp; water use</li> <li>Land use policy and impacts on biodiversity</li> <li>Management of toxic &amp; hazardous releases to air, land, &amp; water</li> </ul>	<ul style="list-style-type: none"> <li>Human capital management across company operations &amp; the supply chain, including:</li> <li>Hiring, promotion, &amp; compensation practices</li> <li>Diversity &amp; inclusion at all levels of firm</li> <li>Training &amp; development</li> <li>Labor relations</li> <li>Workplace policies (e.g., flexible scheduling, paid sick leave)</li> </ul>	<ul style="list-style-type: none"> <li>Transparency &amp; reporting (GRI, others)</li> <li>Executive compensation; alignment with human capital management goals</li> <li>Board structure, independence, &amp; diversity</li> </ul>

Figure 8 offers active ESG-integrated investment management across four allocation strategies – Global Equity, Balanced Growth, Balanced Moderate, and Balanced Conservative – to meet a range of risk and return objectives. Please see Item 8A, “Methods of Analysis” on pages 15-16 for additional discussion of how ESG factors are integrated in the Equity and Fixed Income segments of these product strategies.

## Engagement and Proxy Voting

Figure 8 is an active owner and incorporates ESG issues into our ownership policies and practices.



Figure 8 exercises voting rights on behalf of clients and votes proxies in a way that considers the impact ESG issues will have on creating and protecting long-term shareholder value. Figure 8 has retained the services of Institutional Shareholder Services (ISS) to vote proxies in line with their SRI Proxy Voting Guidelines. Figure 8 monitors ISS votes to ensure they are aligned with Figure 8's analysis and policies and approach.

In addition, Figure 8 is an active Affiliate member of the Interfaith Center on Corporate Responsibility (ICCR) and participates in meetings, strategy sessions, and collaborations with other shareholders that engage with companies and policymakers around ESG considerations. Figure 8 is also an active member of The Forum for Sustainable and Responsible Investment (US SIF) and participates in meetings and collaborations around a range of ESG issues, as well as shareholder rights. Figure 8 collaborates with these and other investor networks to engage with corporate and government leaders, file shareholder resolutions, and vote client proxies on issues including climate action, racial justice, human dignity, and decent work, with specific issues including the following:

	Environmental	Social	Governance
<b>Engagement &amp; Proxy Voting</b>	<ul style="list-style-type: none"> <li>• Commitment to science-based GhG emission reduction targets</li> <li>• Disclosure of Scope 1, 2 &amp; 3 GhG emissions</li> <li>• Support for climate initiatives in policy, with financing &amp; proxies</li> <li>• Reduced use of plastics</li> </ul>	<ul style="list-style-type: none"> <li>• Human capital management disclosures</li> <li>• Strengthen human rights policies (e.g. re: forced labor)</li> <li>• Non-discrimination on gender identity, race,</li> <li>• Address gender &amp; racial pay gaps</li> </ul>	<ul style="list-style-type: none"> <li>• Board diversity</li> <li>• Board independence</li> <li>• Sustainability reporting</li> <li>• CEO/worker compensation</li> <li>• Disclosure of lobbying expenditures</li> </ul>

## Targeted Impact Strategies

Where client risk and return objectives align, Figure 8 directs investment to provide capital to communities and projects that accelerate positive social and environmental change, while generating a financial return. Areas of targeted impact include:

	Environmental	Social	Governance
<b>Targeted Impact</b>	<ul style="list-style-type: none"> <li>• Direct investments to the buildout of renewable alternatives, regenerative agriculture, new and more efficient technologies, and affordable access to clean energy resources.</li> </ul>	<ul style="list-style-type: none"> <li>• Investments in CDFIs &amp; others providing capital to historically underserved communities for: <ul style="list-style-type: none"> <li>○ Affordable housing</li> <li>○ Sustainable Infrastructure</li> <li>○ Small business formation</li> <li>○ Education &amp; job training</li> <li>○ Organic &amp; regenerative agriculture</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Investments in worker-owned cooperatives</li> </ul>



## C. 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. Figure 8 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.

While the methods of analysis help Figure 8 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. Figure 8 monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on Figure 8'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. Figure 8 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 Figure 8 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. Figure 8 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 Figure 8's investment approach:

### 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 have a large bid-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.

### **Smaller Company Risk**

Small and medium sized companies are often more susceptible to changing conditions and their stock values may be more volatile. Risks are generally higher for the equity securities of smaller companies than for larger companies.

### **Social Investment Risk**

Social investment portfolios have demonstrated that, over the long-term, there has been no sacrifice of risk-adjusted investment returns when compared with major market benchmarks. However, in the shorter term, portfolios invested with avoidance screens may be prevented from participating in outperforming segments of the markets, presenting specific short-term risk.

### **Private Placements Risk**

Private placements carry a substantial risk as they are subject to less regulation than publicly offered securities. The markets to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

### **Venture Capital Risk**

Venture capital funds invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

### **Community Investment Risk**

Figure 8's investments include community investment promissory notes. These are debt instruments issued by companies, organizations and nonprofits that allow individual investors, rather than a bank, to provide financing. These investments are not insured, do not carry an investment grade and have the risk of default—issuers of promissory notes are making a promise to repay the lender. Investors should also recognize that notes are illiquid and can tie up money for extended periods of time.

Figure 8 purchases promissory notes from companies and organizations dedicated to community development. Promissory notes carry a risk of loss, including the loss of the full investment, and are only recommended when they align with a Client's investment objectives, risk tolerance and time horizon.



### Alternative Investments

The performance of alternative investments can be volatile and may have limited liquidity. An investor could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. Client should only have a portion of their assets in these investments.

### Real Estate Investment Trusts (“REITs”)

Investing in Real Estate Investment Trusts (“REITs”) involves certain distinct risks in addition to those risks associated with investing in the real estate industry in general. Equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while mortgage REITs may be affected by the quality of credit extended. REITs are subject to heavy cash flow dependency, default by borrowers and self-liquidation. REITs, especially mortgage REITs, are also subject to interest rate risk (i.e., as interest rates rise, the value of the REIT may decline).

**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

There are no legal, regulatory or disciplinary events involving Figure 8 or any of its Supervised Persons. Figure 8 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 and its Advisory Persons are available on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching by with the Advisor’s firm name or CRD# 282973.

## ITEM 10. Other Financial Industry Activities and Affiliations

### A-B. Financial Registration and Affiliations

Neither Figure 8 nor the Advisory Persons have any registrations or affiliations with a broker-dealer, futures commission merchant, commodity pool operator, or commodity-trading advisor.

### C. Material Relationships

Neither Figure 8 nor the Advisory Persons is licensed to sell insurance.



## **D. Selection of Other Advisors**

Figure 8 will not utilize a third-party money manager.

## **Board Membership**

Ms. Cooper, in her separate capacity, serves on the board of MoFi, a charitable organization whose mission is to provide financing and consulting services that transform the lives of individuals and strengthen community prosperity. MoFi is a 501(c)(3) nonprofit organization and is certified by the US Treasury Department as a Community Development Financial Institution (CDFI). MoFi issues simple promissory notes which may be recommended to Clients.

Prior to recommending investments in MoFi, Figure 8 will conduct appropriate due diligence to ensure any recommendation to a Client to invest aligns with the Client's investment needs and objectives. In addition, Figure 8 will provide additional disclosure information to each Client, which will include relevant details regarding the board membership arrangement. Finally, there is no requirement for Figure 8 to recommend an investment in MoFi to Clients, nor are Clients obligated to invest.

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

## **A. Code of Ethics**

Figure 8 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 Figure 8 ("Supervised Persons"). The Code was developed to provide general ethical guidelines and specific instructions regarding Figure 8's duties to the Client. Figure 8 and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Figure 8'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 (208) 385-0078 or via email at [info@figure8investing.com](mailto:info@figure8investing.com).

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

Figure 8 allows its Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Figure 8 does not act as principal in any transactions. In addition, Figure 8 does not act as the general partner of a fund, or advise an





investment company. Figure 8 does not have a material interest in any securities traded in Client accounts.

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

Figure 8 allows its Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities recommended to Clients, for purchase or sale, presents a conflict of interest that, as fiduciaries, Figure 8 must disclose to Clients and mitigate through policies and procedures. As noted above, Figure 8 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 may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially 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 Figure 8 requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. Figure 8 has also adopted written policies and procedures to detect the misuse of material, nonpublic information.

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

While Figure 8 allows its 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 afterward. **At no time will Figure 8, or any Supervised Person of Figure 8, transact in any security to the detriment of any Client.**

## **ITEM 12. Brokerage Practices**

### **A. Recommendation of Custodian[s]**

Figure 8 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 Figure 8 to direct trades to this Custodian as agreed upon in the investment advisory agreement. Further, Figure 8 does not have the discretionary authority to negotiate commissions on behalf of its Clients on a trade-by-trade basis.

Where Figure 8 does not exercise discretion over the selection of the Custodian, Figure 8 will typically recommend the Custodian to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by Figure 8 and will not incur any extra fee or



cost associated with using a custodian not recommended by Figure 8. However, Figure 8 may be limited in the services it can provide if the recommended Custodian is not engaged. Figure 8 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, its reputation and/or the location of the Custodian's offices. Figure 8 will generally recommend that Clients establish their account[s] at Charles Schwab & Co., Inc. ("Schwab"), a FINRA-registered broker-dealer and member SIPC. Schwab will serve as the Client's "qualified custodian". Figure 8 maintains an institutional relationship with Schwab, whereby Figure 8 receives economic benefits from Schwab. Please see Item 14 below.

Following are additional details regarding the brokerage practices of Figure 8:

**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. Figure 8 does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, Figure 8 does receive certain economic benefits from Schwab. Please see Item 14.

**2. Brokerage Referrals** – Figure 8 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 Figure 8 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] at the Custodian. Figure 8 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 security into one Client account from another Client's account[s]). Figure 8 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. Figure 8 will execute its transactions through the Custodian as authorized by the Client. Figure 8 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 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 Client accounts.



## ITEM 13. Review of Accounts

### A. Frequency of Reviews

Securities in Client accounts are monitored on a regular and continuous basis by Ms. Cooper, President and Chief Compliance Officer of Figure 8. 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 Figure 8 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]. Figure 8 may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

## ITEM 14. Client Referrals and Other Compensation

### A. Compensation Received by Figure 8

Figure 8 is a fee-only advisory firm, who, in all circumstances, is compensated solely by the Client. Figure 8 does not receive commissions or other compensation from product sponsors, broker dealers or any unrelated third party. Figure 8 may refer Clients to various third parties to provide certain financial services necessary to meet the goals of its Clients. Likewise, Figure 8 may receive referrals of new Clients from a third-party.



## Participation in an Institutional Advisor Platform

Figure 8 has established an institutional relationship with Schwab through its “Schwab Advisor Services” unit, a division of Schwab dedicated to serving independent advisory firms like Figure 8. As a registered investment advisor participating on the Schwab Advisor Services platform, Figure 8 receives access to software and related support without cost because Figure 8 renders investment management services to Clients that maintain assets at Schwab. Services provided by Schwab Advisor Services benefit Figure 8 and many, but not all, services provided by Schwab will benefit Clients. In fulfilling its duties to its Clients, Figure 8 endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits from a custodian creates a conflict of interest since these benefits may influence Figure 8’s recommendation of this custodian over one that does not furnish similar software, systems support, or services.

**Services that Benefit the Client** – Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of Client’s funds and securities. Through Schwab, Figure 8 may be able to access certain investments and asset classes that the Client would not be able to obtain directly or through other sources. Further, Figure 8 may be able to invest in certain mutual funds and other investments without having to adhere to investment minimums that might be required if the Client were to directly access the investments.

**Services that May Indirectly Benefit the Client** – Schwab provides participating advisors with access to technology, research, discounts and other services. In addition, Figure 8 receives duplicate statements for Client accounts, the ability to deduct advisory fees, trading tools, and back office support services as part of its relationship with Schwab. These services are intended to assist Figure 8 in effectively managing accounts for its Clients, but may not directly benefit all Clients.

**Services that May Only Benefit the Advisor** – Schwab also offers other services to Figure 8 that may not benefit the Client, including: educational conferences and events, consulting services and discounts for various service providers. Access to these services creates a financial incentive for Figure 8 to recommend Schwab, which results in a conflict of interest. Figure 8 believes, however, that the selection of Schwab as Custodian is in the best interests of its Clients.

## B. Client Referrals from Solicitors

Figure 8 does not engage paid solicitors for Client referrals.



## ITEM 15. Custody

Figure 8 does not accept or maintain custody of any Client accounts, except for the authorized deduction of Figure 8's fees, as provided by the Client by executing the advisory agreement. 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 Figure 8 to utilize the Custodian for the Client's security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by Figure 8 to ensure accuracy, as the Custodian does not perform this review. Figure 8 shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the beginning of the respective quarter-end date. The Client will provide written authorization to Figure 8 permitting them to be paid directly for their accounts held by the Custodian.

In addition, Figure 8's Quarterly Report, delivered to Clients following the end of each quarter, includes an itemization of the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee. For more information about custodians and brokerage practices, see Item 12 – Brokerage Practices.

## ITEM 16. Investment Discretion

Figure 8 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 Figure 8. 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 Figure 8 will be in accordance with each Client's investment objectives and goals.

## ITEM 17. Voting Client Securities

Figure 8 will vote proxies on behalf of its Clients as each Client has delegated that authority to Figure 8 in their contract agreement. When Figure 8 accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its Clients. Absent special circumstances, all proxies will be voted consistent with guidelines established and described in Figure 8's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Figure 8 understands its duty to vote Client proxies and to do so in the best interest of Clients. Furthermore, it is understood that any material conflicts between Figure 8's interests and Clients with regard to proxy voting must be resolved before proxies are voted. Clients may



request a copy of Figure 8's written policies and procedures regarding proxy voting and/or information on how particular proxies were voted by contacting Figure 8's Chief Compliance Officer, Lisa Cooper.

Please see additional discussion about Figure 8's ESG-related Engagement and Proxy Voting practices on pages 19-20.

## ITEM 18. Financial Information

Neither Figure 8, nor Ms. Cooper have any adverse financial situations that would reasonably impair the ability of Figure 8 to meet all obligations to its Clients. Neither Figure 8, nor any of its Advisory Persons have been subject to a bankruptcy or financial compromise. Figure 8 is not required to deliver a balance sheet along with this Disclosure Brochure as Figure 8 does not collect advance fees of \$1,200 or more for services to be performed **six months** or more in the future.



# Privacy Policy

**Effective: March 16, 2023**

## **Our Commitment to You**

Figure 8 Investment Strategies LLC (“Figure 8” or the “Advisor”) is committed to safeguarding the use of personal information of our Clients (also referred to as “you” and “your”) that we obtain as your Investment Advisor, as described here in our Privacy Policy (“Policy”).

Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything that we can to maintain that trust. Figure 8 (also referred to as “we”, “our” and “us”) protects the security and confidentiality of the personal information we have and implements controls to ensure that such information is used for proper business purposes in connection with the management or servicing of our relationship with you.

Figure 8 does not sell your non-public personal information to anyone. Nor do we provide such information to others except for discrete and reasonable business purposes in connection with the servicing and management of our relationship with you, as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this Policy.

## **Why you need to know?**

Registered Investment Advisors (“RIAs”) must share some of your personal information in the course of servicing your account. Federal and State laws give you the right to limit some of this sharing and require RIAs to disclose how we collect, share, and protect your personal information.

## **What information do we collect from you?**

- Date of birth
- Name, address and phone number[s]
- E-mail address[es]
- Driver’s license number
- Social security or taxpayer identification number
- Income and expenses
- Assets and liabilities
- Investment activity
- Account information (including other institutions)
- Investment experience and goals



## What information do we collect from other sources

- Custody, brokerage and advisory agreements
- Account applications and forms
- Other advisory agreements and legal documents
- Investment questionnaires and suitability documents
- Transactional information with us or others
- Other information needed to service account

## How do we protect your information?

To safeguard your personal information from unauthorized access and use we maintain physical, procedural and electronic security measures. These include such safeguards as secure passwords, encrypted file storage and a secure office environment. Our technology vendors provide security and access control over personal information and have policies over the transmission of data. Our associates are trained on their responsibilities to protect Client's personal information.

We require third parties that assist in providing our services to you to protect the personal information they receive from us.

## How do we share your information?

An RIA shares Client personal information to effectively implement its services. In the section below, we list some reasons we may share your personal information.

Basis For Sharing	Do we share?	Can you limit?
<b>Servicing our Clients</b> We may share non-public personal information with non-affiliated third parties (such as administrators, brokers, custodians, regulators, credit agencies, other financial institutions) as necessary for us to provide agreed upon services to you, consistent with applicable law, including but not limited to: processing transactions; general account maintenance; responding to regulators or legal investigations; and credit reporting.	Yes	No
<b>Marketing Purposes</b> Figure 8 does not disclose, and does not intend to disclose, personal information with non-affiliated third parties to offer you services. Certain laws may give us the right to share your personal information with financial institutions where you are a customer and where Figure 8 or the Client has a formal agreement with the financial institution. We will only share information for purposes of servicing your accounts, not for marketing purposes.	No	Not Shared
<b>Authorized Users</b> Your non-public personal information may be disclosed to you and persons that we believe to be your authorized agent[s] or representative[s].	Yes	Yes





<b>Information About Former Clients</b> Figure 8 does not disclose and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our Clients.	No	Not Shared
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### State-specific Regulations

<b>California</b>	In response to a California law, to be conservative, we assume accounts with California addresses do not want us to disclose personal information about you to non-affiliated third parties, except as permitted by California law. We also limit the sharing of personal information about you with our affiliates to ensure compliance with California privacy laws.
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### Changes to our Privacy Policy

We will send you a copy of this Policy annually for as long as you maintain an ongoing relationship with us.

Periodically, we may revise this Policy, and will provide you with a revised policy if the changes materially alter the previous Privacy Policy. We will not, however, revise our Privacy Policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing.

### Any Questions?

You may ask questions or voice any concerns, as well as obtain a copy of our current Privacy Policy by contacting us at (208) 385-0078 or via email at [info@figure8investing.com](mailto:info@figure8investing.com).