

## Item 1 – Cover Page



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## Form ADV Part 2A Brochure

**August 29, 2024**

**This Brochure provides information about the qualifications and business practices of Mattern Capital Management, LLC (“Mattern Capital”). If you have any questions about the contents of this Brochure, please contact us at [caryn.egbert@matterncapital.com](mailto:caryn.egbert@matterncapital.com).**

**The information in this Brochure has not been approved or verified by the United States of America Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Mattern Capital is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser. Additional information about Mattern Capital also is available on the SEC’s website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Mattern Capital is 299342.**

## **Item 2 – Material Changes**

While Mattern Capital does not consider this to be a material change, We have updated the firm’s brochure to include language in Item 4 that describes the use of a third party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. There were no other material changes made since the firm’s last annual update in March 2023.

We encourage you to carefully review this Brochure prior to entering into an investment advisory contract with our firm. You may receive an updated copy of this brochure at any time by contacting our Chief Compliance Officer at [caryn.egbert@matterncapital.com](mailto:caryn.egbert@matterncapital.com).

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## **Item 4 – Advisory Business**

Mattern Capital is a registered investment adviser solely owned by Perry Mattern and has been providing advisory services since 2019. As of December 31, 2023, Mattern Capital has \$917,992,626 in discretionary regulatory assets under management.

Mattern Capital offers a variety of advisory services, which include investment and wealth management, financial planning, and consulting services. Prior to Mattern Capital rendering any of the foregoing services, clients are required to enter into one or more written agreements with Mattern Capital setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”). Mattern Capital manages investment portfolios for individuals, high net worth individuals, trusts, businesses and corporations. Mattern Capital will work with a client to determine the client's investment objectives and investor risk profile. These investment objectives may be set forth in a written Investment Policy Statement (IPS) that describes an asset allocation that conforms to a client's risk tolerance level and expected rate of return requirements. Investment and portfolio allocation software is used to evaluate alternative portfolio designs. Mattern Capital evaluates clients' existing investments with respect to their IPS and works with new clients to develop a plan to transition from a client's existing portfolio to the portfolio recommended by Mattern Capital. Mattern Capital then continuously monitors clients' portfolio holdings and holds regular review meetings with clients regarding their accounts, as necessary.

Mattern Capital will utilize the financial information provided by the client to analyze and develop strategies and solutions to assist the client in meeting their financial goals. Mattern Capital will allocate a client's assets among various investments taking into consideration the client's unique ability, need, and willingness to take risk.

### **Investment and Wealth Management Services**

Mattern Capital manages portfolios on a discretionary and, in very limited circumstances, non-discretionary basis. Mattern Capital may also provide its clients with a broad range of services, as described in more detail below. Mattern Capital advises its clients by delivering tailored wealth management services and solutions. These services are based on a comprehensive understanding of each client's current situation, past experiences, and future goals. With this acquired knowledge Mattern Capital will create, analyze, strategize, and implement goal-oriented investment solutions. These solutions become our client's investment policy. This policy and our matched strategies are designed to be risk appropriate, cost effective and tax efficient.

Mattern Capital provides clients with wealth management services which generally include a broad range of comprehensive financial planning and consulting services, as well as discretionary and/or, in very limited circumstances, non-discretionary management of investment portfolios.

Mattern Capital primarily allocates client assets among individual equity and debt securities, exchange-traded funds ("ETFs"), and institutional mutual funds in accordance with the client's

stated investment objective and risk/volatility parameter. Mattern Capital may also occasionally recommend clients allocate a certain portion of their assets to independent investment managers ("Independent Managers"). Where appropriate, Mattern Capital may also provide advice about many types of legacy positions or other investments held in client portfolios. Clients may engage Mattern Capital to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts (to the extent permissible without an insurance license) and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Mattern Capital will direct or make recommendations on a non-discretionary basis for the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or custodian for the plan trustee or administrator and clients retain responsibility for effecting trades in these accounts.

Mattern Capital tailors its advisory services to meet the needs of its individual clients and seeks to manage client portfolios in a manner consistent with the client's investment objective and risk tolerance parameter. Mattern Capital consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Mattern Capital if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if Mattern Capital determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

To the extent a client decides to invest with an Independent Manager or in a particular fund, those managers and funds will have their own investment practices. Those investment practices are described in each managers' Form ADV or fund's prospectus, or in its offering or other disclosure documents. In addition, selected money managers or funds typically have discretion to determine the type and amount of securities to be purchased or sold for the client for that portion of the client's assets managed by the money manager or fund.

Mattern Capital makes available to clients the FICA® | For Advisors cash management program sponsored by StoneCastle Cash Management, LLC ("StoneCastle"). The Federally Insured Cash Account program offered by StoneCastle allows customers the ability to protect their money by placing it in deposit accounts at banks, savings institutions and credit unions in a manner that maintains full insurance of the funds by the Federal Deposit Insurance Corporation ("FDIC") or National Credit Union Administration ("NCUA"), whichever is applicable. Funds will be deposited within StoneCastle's network of insured depositories. StoneCastle requires a \$250,000 minimum deposit to open a FICA account. Mattern Capital does not receive compensation from StoneCastle if clients participate in this program, nor does Mattern Capital charge any additional fees for this service offering. Mattern Capital will assist clients in signing up for this program and facilitating the transfer of funds between the client's like-named accounts. Clients participating in this program will receive a copy of the StoneCastle Form ADV.

Participant Account Management (Discretionary) - Mattern Capital offers to provide an additional service for accounts not directly held in our custody, but where we do have discretion, and may leverage an Order Management System to implement tax-efficient asset location and opportunistic rebalancing strategies on behalf of the client. These are primarily 401(k) accounts, HSA's, and other assets we do not custody. We regularly review the available investment options in these accounts, monitor them, and rebalance and implement our strategies in the same way we do other accounts, though using different tools as necessary.

## **Independent Managers**

As mentioned above, Mattern Capital may select certain Independent Managers to actively manage a portion of its clients' assets. Pursuant to the terms of the investment advisory agreement, Mattern Capital shall have the discretion to appoint and terminate these third-party advisers. The specific terms and conditions under which a client engages an Independent Manager may also be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients will also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets. Mattern Capital evaluates a variety of information about Independent Managers, which may include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, Mattern Capital seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. Mattern Capital also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Mattern Capital continues to provide services relative to the discretionary or non-discretionary selection of the Independent Managers. On an ongoing basis, Mattern Capital monitors the performance of those accounts being managed by Independent Managers. Mattern Capital seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

## **Financial Planning and Consulting Services**

Mattern Capital starts with an extensive review of a client's family situation which includes assets and liabilities as well as estate, tax, and insurance needs. The Firm then employs a risk tolerance and risk capacity-focused simulation to get a detailed cash flow analysis and proposed asset allocation. Together, this information is analyzed to develop a proposed financial plan, which is designed to be dynamic in nature, ever-evolving due to life changes resulting from changes in cash flow needs, risk tolerance, time horizon, or investment objectives.

Mattern Capital's financial planning and consulting services may include any or all of the following functions:

Business Planning

Liability Management

Cash Flow Forecasting

Risk Management

Trust and Estate Planning

Charitable Planning

Financial Planning

Distribution Planning

Investment Consulting

Tax Planning

Insurance Planning

Retirement Plan Consulting

While each of these services is available on a stand-alone basis, certain of them may also be rendered in conjunction with investment portfolio management services, as part of a comprehensive wealth management engagement (described in more detail below). In performing these services, Mattern Capital is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.), and is expressly authorized to rely on such information. Mattern Capital may recommend clients engage the firm for additional related services, or we may recommend other professionals to implement recommendations made by Mattern Capital. Such additional services by Mattern Capital or another professional will be provided for additional compensation, commensurate with the nature, extent, complexity, and other characteristics of such services. Clients are advised that a conflict of interest exists because the firm will have an incentive to recommend such additional services based on the compensation to be received, rather than solely based on the client's needs, and in some cases, based on the prospect of cross-referrals of advisory clients from the other professional or his or her firm.

Mattern Capital also provides advice in the form of financial consultations. This service consists of consultations based on specific investment and financial concerns of the client. Consulting services may include, for example, assistance with establishing and implementing a retirement plan, preparation or review of an investment policy statement, the compilation of reports on various investment accounts, and asset allocation recommendations. The scope and depth of the consultation varies depending on the client's particular circumstances and needs. Mattern Capital provides financial planning and consulting services to non-advisory clients for a fixed fee or hourly fee.

Clients are under no obligation to act upon any recommendations made by Mattern Capital under a financial planning or consulting engagement or to engage the services of a third-party professional. Clients retain the absolute right to decide whether or not to act on such recommendations, and if they choose to act on such recommendations, whether to engage the Firm or such professional for such services or to engage another investment adviser or professional of their choosing, which may charge less (or more) for such services. Should a client choose to implement the recommendations contained in the plan, Mattern Capital suggests the client work closely with his/her attorney, accountant and/or insurance agent.

Implementation of financial plan recommendations is entirely at the client's discretion. Financial planning recommendations are of a generic nature and are not limited to any specific product or service offered by a broker dealer or insurance company.

No Legal, Accounting or Tax Advice. Mattern Capital will act solely in its capacity as a registered investment advisor and does not provide any legal, accounting or tax advice. Client should seek the counsel of a qualified accountant and/or attorney when necessary. Mattern Capital may assist clients with tax harvesting and we will work with a client's tax specialist to answer any questions related to the client's portfolio account.

### **Family Office Services**

Clients may desire services that are not part of our traditional wealth management, financial planning, or investment management engagement. Some examples include bill paying and expense management, various aspect of the estate settlement process, financial education for children and grandchildren, broad family support services, family meeting and governance, and many other highly customizable concierge level services. These services will be negotiated individually based on the complexity and time commitment required and billed separately through a consulting agreement and can be cancelled at any time by either party.

### **Item 5 – Fees and Compensation**

Mattern Capital offers investment and wealth management services for an annual fee based on the amount of assets under the firm's management. The specific manner in which fees are charged by Mattern Capital is established in a client's written investment advisory agreement. Mattern Capital will generally bill its fees in arrears each calendar quarter based on the client's average daily balance. Clients may elect to be billed directly for fees or to authorize Mattern Capital to directly debit fees from the client's portfolio accounts. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

For investment and wealth management services Mattern Capital provides with respect to certain client holdings (e.g., held-away assets, 529 plans, etc.), Mattern Capital may negotiate a fee rate that differs from the range set forth below. Mattern Capital, may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention and pro bono activities. Clients should note that similar advisory services may be available from other registered investment advisers for similar or lower fees. Mattern Capital also charges clients a fee when aggregating outside accounts in performance reports ("Reporting Accounts") but reserves the right to waive this fee in its sole discretion. Mattern Capital does not provide any investment advice on Reporting Accounts, nor will Reporting Accounts be considered in any investment decisions or recommendations made for a client.

Mattern Capital's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed



by custodians, brokers, third-party investments and other third parties such as fees charged by independent managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Mattern Capital's fee, and Mattern Capital shall not receive any portion of these commissions, fees, and costs.

As part of our investment advisory services, Mattern Capital may provide clients advice on insurance products. Clients who choose to implement any insurance product recommendations provided by Mattern Capital must do so through an insurance agent. Mattern Capital may refer clients to an insurance agent and will not receive any compensation for such referral. Mattern Capital will not receive any commissions or benefits, either directly or indirectly, for any such transactions.

Mattern Capital has contracted with multiple broker-dealers and custodians for services including trade processing, collection of management fees, record maintenance, report preparation, marketing assistance and research. Item 12 further describes the factors that Mattern Capital considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Mattern Capital's standard tiered fee schedule is as follows:

<b>Assets Under Management</b>	<b>Annual Advisory Management Fee</b>
First \$2,000,000	1.25%
Next \$3,000,000	0.875%
Next \$5,000,000	0.65%
Next \$10,000,000	0.55%
Assets over \$20,000,000	Negotiable

This fee schedule may be based on cumulative household assets under management. However, certain ERISA rules prevent householding corporate plans with personal assets for fee reduction.

### **Independent Managers**

Any Independent Manager used to manage all or a portion of an account will determine the manner in which advisory fees are billed (in advance or arrears). You should refer to the manager's Form ADV Part 2A Brochure for additional information on how fees are paid for their services.

### **Separate Financial Planning and Consulting Fee**

Fees for financial planning and/or consulting services can be billed on a project, fixed rate, or an hourly rate of \$350 per hour. There is no minimum fee required for this service, however the financial analysis fee shall not exceed \$20,000. Mattern Capital requires a retainer for the services

which is payable upon entering the agreement. The balance of the fee is due and payable upon receipt of the final consulting or planning services. Mattern Capital may agree with clients to charge fixed fees for consulting. Based on the task(s) to be performed, Mattern Capital and the client may agree on a fixed fee based on an estimate of the number of hours necessary for completion. Mattern Capital may request a deposit to initiate consulting services. Mattern Capital will not request the prepayment of fees more than \$1,200 more than six months in advance.

Mattern Capital may retain or consult with qualified and properly licensed experts to assist in the preparation of financial plans. Such experts may include investment advisers, benefit planning specialists, and life and disability insurance agents or brokers and will be retained at no additional cost, unless specifically disclosed in advance.

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

Mattern Capital does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). All fees are calculated as described above and are not charged on the basis of income or capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

## **Item 7 – Types of Clients**

Mattern Capital provides portfolio management services to individuals, high net worth individuals, pension and profit-sharing plans, trusts, estates, family entities, charitable institutions, foundations, corporations, and other business entities.

Mattern Capital generally requires a minimum household value of \$1,000,000. The firm, in its sole discretion, may accept client with smaller portfolios based upon each client's particular circumstances as it deems appropriate. Mattern Capital may aggregate the portfolios of family/household members to meet the minimum portfolio size.

Additionally, certain Independent Managers may impose more restrictive account requirements and varying billing practices than Mattern Capital. In such instances, Mattern Capital may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

## **Item 8 – Methods of Analysis, Investment Strategies**

Mattern Capital will carefully construct a tax-efficient and cost-effective asset allocation strategy based on a client's unique cash flow needs, stated return and risk profile. Security selection is based on qualitative, quantitative, technical, and relative strength metrics. Portfolios holdings are

constantly monitored and adjusted as market conditions and our clients' circumstances dictate. Clients may hold or retain other types of assets as well, and Mattern Capital may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve asset management services but may help to more generally assist the client.

Mattern Capital predominantly allocates client assets to a combination of active and passive (tax-efficient and cost-effective) strategies, utilizing combinations of publicly traded securities such as stocks, bonds, ETFs, mutual funds, and/or separately managed portfolios. Nevertheless, individual client circumstances may dictate the use of other types of securities, actively managed portfolios, or alternative investments.

## **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear.

All investments present the risk of loss of principal – the risk that the value of securities (e.g., stocks, mutual funds, ETFs, bonds, etc.), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

Mattern Capital may recommend a variety of types of funds to our clients, including, but not limited to, U.S. or offshore unit investment trusts, open-end and closed-end mutual funds and hedge funds, private equity funds, venture capital funds, advisory accounts, real estate investment trusts, ETFs, or other private alternative or other investment funds. An investment in such other funds and managers may present risks peculiar to the particular investment vehicle, such as: long-term illiquidity, redemption notice periods or other restrictions on redemptions, capital calls, or periodic taxable income distribution.

Although all investments involve risk, Mattern Capital's investment advice seeks to limit risk through diversification among asset classes and, as appropriate for particular clients, the investment directly in fixed income securities to represent the fixed income class.

Depending upon the client's financial needs, strategies implemented might include long term purchases (securities held at least a year), short term purchases (securities sold within a year), trading (securities sold within 30 days), short sales, margin transactions, option writing, including covered options, uncovered options or spreading strategies, structured products, and other securities or derivatives transactions.

Certain securities utilized by Mattern Capital may contain international securities. Investing outside the United States of America involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

## **Equity Securities**

Equity securities (common, convertible preferred stocks and other securities whose values are tied to the price of stocks, such as rights, warrants and convertible debt securities) could decline in value if the issuer's financial condition declines or in response to overall market and economic conditions. A fund's principal market segment(s), such as large cap, mid-cap or small-cap stocks, or growth or value stocks, may underperform other market segments or the equity markets as a whole. Investments in smaller companies and mid-size companies may involve greater risk and price volatility than investments in larger, more mature companies.

### **Fixed-Income Securities**

Fixed-income securities are subject to interest rate risk and credit quality risk. The market value of fixed-income securities generally declines when interest rates rise, and an issuer of fixed-income securities could default on its payment obligations.

### **Mutual Funds**

Mutual funds may invest in different types of securities, such as value or growth stocks, real estate investment trusts, corporate bonds or U.S. government bonds. There are risks associated with each asset class.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund. Redemption is at the current net asset value, which may be more or less than the original cost. Aggressive growth funds are most suitable for investors willing to accept price per share volatility since many companies that demonstrate high growth potential can also be high risk. Income from tax-free mutual funds may be subject to local, state and/or the alternative minimum tax.

Because each mutual fund owns different types of investments, performance will be affected by a variety of factors. The value of your investment in a mutual fund will vary from day to day as the values of the underlying investments in a fund vary. Such variations generally reflect changes in interest rates, market conditions and other company and economic news. These risks may become magnified depending on how much a fund invests or uses certain strategies. A fund's principal market segment(s), such as large-cap, mid-cap or small-cap stocks, or growth or value stocks may underperform other market segments or the equity markets as a whole.

You can find additional information regarding these risks in the fund's prospectus.

### **Exchange-Traded Funds (ETFs)**

ETFs are typically investment companies that are legally classified as open-end mutual funds or unit investment trusts. ETFs differ from traditional mutual funds in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other

publicly traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and ask price is often referred to as the “spread.” The spread varies over time based on the ETF’s trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Liquidity risks are higher for ETFs with a large spread. ETFs may be closed and liquidated at the discretion of the issuing company.

### **International Investing**

The risks of foreign securities include loss of value as a result of: political or economic instability; nationalization, expropriation or confiscatory taxation; changes in foreign exchange rates and foreign exchange restrictions; settlement delays; and limited government regulation (including less stringent reporting, accounting, and disclosure standards than are required of U.S. companies). Certain of these risks are greater for investments in emerging markets.

### **Cash and Cash Equivalents**

A portion of your assets may be invested in cash or cash equivalents to achieve your investment objective, provide ongoing distributions and/or take a defensive position. Cash holdings may result in a loss of market exposure.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Mattern Capital or the integrity of Mattern Capital’s management. Mattern Capital has no information applicable to this Item.

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

Mattern Capital has no other financial industry activities or affiliations to disclose.

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

Mattern Capital strives to identify, eliminate and/or mitigate conflicts and potential conflicts of interest and has adopted policies, procedures and oversight mechanisms to address such conflicts and potential conflicts of interest. Mattern Capital has specifically adopted a Code of Ethics in

compliance with Rule 204A-1 under the Investment Advisers Act of 1940. The Code of Ethics emphasizes Mattern Capital's fiduciary obligation to put client interests first and is designed to ensure personal securities transactions, activities, and interests of employees will not interfere with the responsibilities to make decisions in the best interest of clients.

Mattern Capital has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Mattern Capital must acknowledge the terms of the Code of Ethics annually, or as amended.

Mattern Capital anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Mattern Capital has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Mattern Capital, its affiliates and/or clients, directly or indirectly, have a position of interest. Mattern Capital's employees and persons associated with Mattern Capital are required to follow Mattern Capital's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Mattern Capital may trade for their own accounts in securities which are recommended to and/or purchased for Mattern Capital's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Mattern Capital will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Mattern Capital's clients. Nonetheless, because the Code of Ethics would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Mattern Capital and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Mattern Capital's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Mattern Capital will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

Mattern Capital's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting our Chief Compliance Officer at [caryn.egbert@matterncapital.com](mailto:caryn.egbert@matterncapital.com).

It is Mattern Capital's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Mattern Capital will also not cross trades between client accounts.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

### **Selection and Recommendation of Broker-Dealers**

Though Mattern Capital recommends brokers with which we've negotiated pricing on behalf of our clients, we do not have discretionary authority to select brokers. We endeavor to recommend broker-dealers that will provide the best services at the lowest commission rates possible. The reasonableness of commissions is based on the broker's ability to provide professional services, competitive commission rates, research and other services that will help our firm provide investment management services to clients. Mattern Capital may recommend brokers who provide useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance.

We have negotiated competitive pricing and services with Trade-PMR, Inc. ("Trade-PMR") and Charles Schwab & Co., Inc. ("Schwab") for brokerage back-office and trade execution services. Trade-PMR clears trades and custodies assets at First Clearing Corp. ("FCC"). First Clearing Corp. is a trade name used by Wells Fargo Clearing Services, LLC., a non-bank affiliate of Wells Fargo & Company. Trade-PMR, FCC and Schwab are unaffiliated registered FINRA/SIPC member broker-dealers. The brokerage commissions and/or transaction fees charged by the broker-dealer are exclusive of and in addition to Mattern Capital's advisory fee. Mattern Capital regularly reviews the reasonableness of the compensation received by the broker-dealers used for executing client transactions in an effort to ensure that our clients receive favorable execution consistent with our fiduciary duty. Factors which Mattern Capital considers in recommending broker-dealers to clients include, but is not limited to, their respective financial strength, reputation, execution, pricing, research, and service. The commissions and/or transaction fees charged by these brokers may be higher or lower than those charged by other broker-dealers.

Effective October 7, 2019, Schwab has eliminated commissions for online trades of U.S. equities, ETFs and options (subject to \$0.65 per contract fee). We encourage you to review your broker-dealer's pricing to compare the total costs of entering into a wrap fee arrangement versus a non-wrap arrangement. You will still incur commissions and fees at Schwab for certain types of transactions in a non-wrap fee arrangement. To see what you would pay for transactions in a non-wrap account, please refer to Schwab's most recent pricing schedules available at [www.schwab.com/aspricingguide](http://www.schwab.com/aspricingguide).

The commissions paid by Mattern Capital's clients are intended to be consistent with our duty to obtain "best execution." However, a client may pay a commission that is higher than what another qualified broker-dealer might charge to effect the same transaction when Mattern Capital determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while Mattern Capital will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

Independent Managers selected by clients to manage clients' assets will generally also request the discretion to select brokers and negotiate commissions on behalf of a client. Mattern Capital will not have control over trading execution by such managers. Clients should review the Form ADV disclosure documents of such managers regarding their trading practices.

### **Products & Services Available to Us from Broker-Dealers**

The broker-dealers we recommend to clients provide Mattern Capital with access to its institutional trading and custody services, which are typically not available to retail investors. These brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. Other benefits we may receive include receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its participants; access to block trading, which provides the ability to aggregate securities transactions and then allocates the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information. Schwab's support services are generally available on an unsolicited basis and at no charge to us as long as we maintain a total of at least \$10 million of our clients' assets in accounts at Schwab.

Mattern Capital also receives other services from broker-dealers (or third-party vendors with which they do business) to help us manage and further develop our business enterprise. These services include educational conferences and events; technology, compliance, legal, marketing and business consulting; publications and conferences on practice management and business succession; and access to employee benefits providers, human capital consultants and insurance providers. Fees for these services may be waived, discounted or compensated by the broker-dealer. Trade-PMR also provided Mattern Capital with nominal funding to assist with startup expenses establishing the business entity. Irrespective of these direct and indirect benefits to our clients, we strive to enhance our clients' experience and always put the needs of our clients first.

### **Research and Other Soft Dollar Benefits**

Mattern Capital does not participate in soft-dollar relationships.

### **Brokerage for Client Referrals**



When selecting broker-dealers for the execution of client securities transactions, Mattern Capital does not consider whether we will receive any client referrals from the broker-dealer or any other third-party.

### **Directed Brokerage**

As Mattern Capital will not request the discretionary authority to determine the broker-dealer to be used or the commission rates to be paid, clients must direct Mattern Capital as to the broker-dealer to be used. The commissions and transaction fees charged by these broker-dealers could be higher or lower than those charged by other custodians and broker-dealers. In directing the use of a particular broker-dealer, it should be understood that Mattern Capital will not have authority to negotiate commissions among various broker-dealers or obtain volume discounts. As such, best execution may not be achieved. Not all investment advisers require clients to direct the use of specific broker-dealers.

### **Aggregation of Orders**

Mattern Capital will generally block trades where possible and when advantageous to clients. Certain trades will be effected independently. The blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts where transaction costs are shared equally and on a pro-rated basis between all accounts included in the block. Block trading allows us to execute equity or fixed income trades in a timely, equitable manner and to reduce overall commission charges to clients. Clients who do not provide Mattern Capital with discretion will not participate in block trades, and their trades in similar securities will be placed with brokers after trades for discretionary accounts. Accounts owned by supervised persons of our firm may participate in block trading with your accounts; however, these individuals will not be given preferential treatment of any kind.

## **Item 13 – Review of Accounts**

For those clients to whom Mattern Capital provides investment management services, Mattern Capital performs periodic account reviews. This informal review may include assessing client goals and objectives, monitoring the portfolios and addressing the need to rebalance. Individual securities held in client accounts will be periodically monitored by Mattern Capital, while the firm will monitor any selected third-party managers on a quarterly basis. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, market conditions, or the political or economic environment.

Additional reviews that Mattern Capital may periodically perform include tax-planning, cash-flow needs, as well as charitable giving, insurance, and estate planning. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Mattern Capital and to keep Mattern Capital informed of any changes thereto. Mattern Capital shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to

discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

## **Reports**

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom Mattern Capital provides investment advisory services will also receive a written report from Mattern Capital that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance.

As a convenience to our clients, in addition to reporting on clients' financial assets, at a client's request, the client's global consolidated report may also include certain non-financial assets (e.g., real assets). In such instances, Mattern Capital relies on the client to provide current and accurate price or other valuation information for those assets to be included in the client's consolidated account report. Mattern Capital does not independently verify, and expressly disclaims responsibility for, the accuracy of any non-financial asset values clients provided to us to include in their reporting.

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

### **Other Compensation Arrangements**

Mattern Capital receives compensation from the broker-dealers and custodians used for your account in the form of access to electronic systems that assist us in the management of client accounts, as well as research, software and other technology that provide access to client account data (such as trade confirmations and account statements), pricing information and other market data, facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), and client reporting capabilities. Trade-PMR provided our firm with nominal funding to assist with startup expenses establishing our business entity.

Your account custodian also offers Mattern Capital discounts for products and services offered by vendors and third-party service providers, such as research, software and technology solutions, as well as attendance to educational conferences and events; consulting on technology, compliance and business needs; and access to publications and conferences on practice management and business succession. While these products and services assist us in managing and administering your account, these economic benefits create a conflict of interest in that it gives our firm an incentive to recommend one broker-dealer or custodian over another that does not provide similar electronic systems, support or services. We address this conflict of interest by disclosing to our clients the types of compensation that our firm receives so clients can consider this when evaluating our firm. It is important that you consider the fees, level of service and investment strategies, among other factors, when selecting an investment manager.

## **Client Referrals**

Mattern Capital does not pay any referral fees to other individuals for referring clients to our firm.

## **Item 15 – Custody**

When you establish a relationship with our firm for investment management services, your assets will be maintained by a bank, broker -dealer, mutual fund transfer agent or other such institution deemed a 'qualified custodian' by the SEC. We rely on the custodian to price and value assets, execute and clear transactions, maintain custody of assets in your account and perform other custodial functions. Mattern Capital does not maintain physical possession of any client account assets. Clients' assets must be held by a bank, broker dealer, mutual fund transfer agent or other such institution deemed a qualified custodian. We utilize First Clearing and Charles Schwab as the qualified custodian for client accounts.

Nevertheless, Mattern Capital is deemed to have custody, pursuant to Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended, due to its authority over certain accounts to distribute assets subject to a third-party standing letter of authorization. Effective January 1, 2021, Mattern Capital began relying on the SEC No-Action Letter issued to the Investment Advisers Association, dated February 21, 2017, which provides an exemption from surprise custody examination by an independent accountant annually.

You will receive monthly and/or quarterly account statements directly from the qualified custodian. Mattern Capital may also provide you with written quarterly performance reports for your account. We urge you to carefully review your account statements and compare the account balances with the balances reflected on any performance report you may receive from our firm for accuracy. Balances on our reports may vary slightly from custodial statements due to differences in accounting procedures, reporting dates, valuation methodologies of certain securities or other operational factors. You should promptly notify us if you do not receive account statements from your custodian at least quarterly or if you believe the information on your account statements is inaccurate.

## **Item 16 – Investment Discretion**

Mattern Capital usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Investment guidelines and restrictions must be provided to Mattern Capital in writing.

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

As a general policy, Mattern Capital will retain proxy voting authority for clients that have given us the authority to do so. In such cases, we will follow the proxy voting guidelines outlined in our Proxy Voting Policies and Procedures. You may obtain a copy of our Proxy Voting Policies and Procedures and/or a record of ballots voted upon by contacting our Chief Compliance Officer at [caryn.egbert@matterncapital.com](mailto:caryn.egbert@matterncapital.com). In certain situations, the Independent Manager may be responsible for the voting of client proxies.

In instances where Mattern Capital does not have any authority to and does not vote proxies on behalf of a client, the client will retain the responsibility for receiving and voting proxies for any and all securities maintained in their account(s). Mattern Capital may provide advice to such clients regarding the client's voting of proxies.

Clients may also elect to have us participate in class action lawsuits and related settlements on their behalf. In such cases, we utilize a third-party service provider to assist the firm with the filing process, who receives 20% of any settlement awarded to the client for their services. These class action litigation services do not include Fair Fund recoveries, which must be handled directly by you.

## **Item 18 – Financial Information**

As a registered investment adviser, Mattern Capital is required to provide you with certain financial information about our firm.

### **Prepayment of Fees**

We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

### **Our Financial Condition**

We do not have any financial commitment that is reasonably likely to impair our contractual commitments to our clients, nor has our firm ever been the subject of a bankruptcy proceeding.