



## Form CRS (Part 3 of Form ADV) for Matson Money, Inc.

March 31, 2022

Matson Money, Inc. (Matson) is registered with the SEC as an investment adviser. Investment advisory and brokerage services and fees differ, and it is important to understand the differences. Free and simple tools to research advisers, broker-dealers and financial professionals and educational materials are available at <https://www.investor.gov/CRS>.

### **What investment services and advice can you provide me?**

Matson offers discretionary asset allocation advice services to retail investors and provides educational and training programs. We use three investment programs to allocate your assets among various mutual funds managed by us (Matson Funds) or by third party advisers. As a discretionary adviser, we have the ability to add, remove or replace securities without first consulting you. We base our investment decisions on responses to a questionnaire that you will complete upon opening an account with us. If you participate in certain investment programs, you have the ability to impose limited restrictions on our discretion; however, we can choose not to manage your account based upon your responses to the questionnaire.

Our services are marketed almost exclusively through unaffiliated registered investment advisers (Co-Advisors) and broker-dealers and solicitors (collectively, Referrers). We are the only discretionary adviser over accounts you maintain with us.

As part of our standard services, we monitor your account on an on-going basis, and review for rebalancing purposes, at least quarterly. Changes to your portfolio are made infrequently based on significant changes in academic research and data; quantitative analytics; the tax code; the management of the securities used by the portfolio; and/or your personal circumstances, including your health, employment, marital and family status. The monitoring that we provide is in addition to any monitoring provided by Co-Advisors and/or Referrers.

*Additional information can be found in our Form ADV, Part 2A (Brochure), Items 4-5, 7, and 13 available at:*  
[https://www.matsonmoney.com/wp-content/uploads/2022/03/MatsonMoney\\_FormADV\\_Part\\_2\\_2022.pdf](https://www.matsonmoney.com/wp-content/uploads/2022/03/MatsonMoney_FormADV_Part_2_2022.pdf).

**You can ask us:** Given my financial situation, should I choose an investment advisory service? Why or why not? How will you choose investments to recommend to me? What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

### **What fees will I pay?**

You will be assessed fees based on which of the three program(s) you participate in. These programs are described below.

**Matson Fund Platform and/or the Frontier Adjusted Portfolio Platform:** These programs invest primarily in Matson Funds. As a shareholder, you will bear your pro rata share of the fees and expenses of these Matson Funds, including brokerage fees, operating expenses, underlying fund expenses and advisory fees. As set forth in each Matson Fund's prospectus, Matson receives and retains an advisory fee from the Matson Funds. Matson receives a maximum annual fee rate of 0.50% on each Fund's average daily net assets as described in the prospectus. As funds of funds, the Matson Funds invest in shares of other registered investment companies. Advisers to the underlying funds, including DFA, are paid an advisory fee by each underlying fund they manage. Thus, Clients bear their asset-based share of the fees and expenses of each underlying fund as well as of the Free Market Fund series or Matson Money Fund series in which their assets are invested. Neither we, nor any other party, receive a sales load in connection with Client investments in the Funds. Matson Money does not "double dip" advisory fees, meaning that Clients do not pay Matson Money any separate advisory fee above or beyond the fees embedded in the Funds to participate in the Matson Fund Platform or the Frontier Adjusted Portfolio Platform.

However, Clients do pay fees to Referrers separate and apart from the fees and expenses associated with the Funds. These fees are collected by Matson Money, but Matson retains no portion of this fee. Historically, these fees generally ranged from 0.25% to 1.4% of client assets under management; however, Matson Money has reduced the maximum allowed fee for all new clients to 1.2% of client assets under

management moving forward. This fee is agreed to either in the co-adviser's tri-party contract or the separate Matson Money contract for solicited clients. These fees are charged quarterly in advance. Fees are generally based upon the value of an account as of the last business day of each quarterly period. However, when a Client adds assets to, or withdraws assets from, an account during the quarter, we refund a portion of your fee for withdrawals (on a prorated basis), and we charge an additional fee for additions to your account (also on a prorated basis). We will make any applicable refunds or collect additional fees within 90 days of our receipt of notice of each withdrawal or addition. Click [HERE](#) for additional information on these programs and reference Page 7.

Private Account Asset Allocation: This program invests your assets primarily in mutual funds managed by third parties. In addition to your pro rata share of each fund's fees and expenses, you will pay fees to us based on the assets in your account at a rate that decreases as assets increase. This program is only available on a limited basis. Fees are payable quarterly in advance based on quarter-end account value. Click [HERE](#) for additional information on this program and reference Page 10.

Referrer Fees: For each program, you will pay fees to your Referrer. Such fees are subject to a maximum amount, as described in our Brochure, and are charged quarterly in advance. Under the Private Account Asset Allocation program, we pay Referrers a portion of the advisory fee that we receive from you. Friends and family who do not come to us through Referrers may pay lower fees for the same advisory services.

Other Fees and Costs: You will incur other costs including, brokerage commissions or other transaction fees and custodial fees.

Conflicts of Interest: Depending on the program, we invest your assets primarily in mutual funds advised by us or third parties we select. As discussed above, you will bear your pro rata share of the fees and expenses of these mutual funds. To the extent such mutual funds are advised by us, this creates a conflict of interest, because we are incentivized to invest your assets in Matson Funds in order to increase the assets in those funds, which increases the amount of advisory fees that we receive. In addition, the third-party advisers assist us with our marketing efforts and in some cases provide research assistance in connection with our investment strategies. This creates an incentive for us to invest in mutual funds advised by third-party managers who provide us with greater benefits. DFA has historically provided certain exclusivity arrangements with us to prohibit Referrers from purchasing DFA mutual funds for Referrers' other, non-Matson clients.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

**You can ask us:** Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

*Additional information can be found in our Brochure, Items 4-5, click [HERE](#).*

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

*When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.*

- Under two of our advisory programs (Matson Fund Platform and the Frontier Adjusted Portfolio Program), we recommend the purchase and sale of shares of Matson Funds. Although we receive advisory fees from these funds, we do not receive any additional advisory or sales-related compensation in connection with recommending and selecting these funds. The recommendation of Matson Funds creates a conflict of interest because we are incentivized to invest your assets in Matson Funds in order to increase the assets in those funds, which increases the advisory fees we receive from the Funds.

**You can ask us:** How might your conflicts of interest affect me, and how will you address them?

*Additional information can be found in our Brochure, Item 14, click [HERE](#).*

**How do your financial professionals make money?**

Some Matson personnel, including coaching staff, receive both a salary and a potential quarterly bonus based on a set percentage that is determined by total net new assets from clients during the quarter. A conflict of interest exists due to the Matson coaching staff can receive a bonus based on net new assets of referred clients. Therefore, an incentive to add new assets can increase the bonus received by such employees. Referrers are not employees of, or affiliated with, Matson.

**Do you or your financial professionals have legal or disciplinary history?**

No. Please visit <https://www.investor.gov/CRS> for a free and simple search tool to research Matson and our financial professionals.

**You can ask us:** As a financial professional, do you have any disciplinary history? For what type of conduct?

**You can ask us:** Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

*If you would like to obtain additional information about our services, a copy of this relationship summary or up-to-date information, please visit [www.matsonmoney.com](http://www.matsonmoney.com) or contact us at (513) 204-8000 or [info@MatsonMoney.com](mailto:info@MatsonMoney.com).*



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