

**Form ADV Part 2A – Firm Brochure****MP3 Finance LLC****Effective: January 11<sup>th</sup>, 2025****Contact Information:**

- **Email:** MP3Finance@outlook.com
- **Phone:** (530) 635-0206
- **Website:** [www.MP3Finance.com](http://www.MP3Finance.com)
- **Business Address:** 3546 Fairway Drive, Cameron Park, CA 95630

This brochure provides information about the qualifications and business practices of MP3 Finance LLC and Matthew Pederson. If you have any questions about the contents of this brochure, please contact us at (530) 635-0206 or MP3Finance@outlook.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about MP3 Finance LLC and Matthew Pederson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Registration does not imply a certain level of skill or training.**

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## **Item 2 – Material Changes**

This brochure, dated January 11, 2025, reflects the following material changes:

- MP3 Finance LLC now provides portfolio management services, including discretionary and non-discretionary management of client assets.
- Custody arrangements have been established with Charles Schwab as the qualified custodian.
- MP3 Finance LLC may aggregate client orders for securities transactions to achieve better execution prices or reduce trading costs.
- MP3 Finance LLC has discretionary authority to execute transactions on behalf of clients.
- A tiered pricing structure has been introduced for portfolio management services.
- Brokerage practices now reflect the custodial relationship with Charles Schwab for safekeeping and transaction execution.
- Updated custody details include the ability to deduct fees directly from client accounts.
- Additional disclosures have been added regarding economic benefits received from Charles Schwab.

The last annual update of this brochure was dated June 17, 2024.

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## Item 4 – Advisory Business

### A. Description of Your Advisory Firm

MP3 Finance LLC, established in 2024, is a single-member LLC founded and solely owned by Matthew Pederson. MP3 Finance LLC maintains a website at [www.MP3Finance.com](http://www.MP3Finance.com), where clients can find additional information about our services, policies, and disclosures.

### B. Types of Advisory Services Offered

MP3 Finance LLC offers the following services:

- **Portfolio Management:** Management of client assets on a discretionary and non-discretionary basis, including account reviews and rebalancing.
- **Financial Planning:** Comprehensive planning for retirement, education, major purchases, and life's milestones.
- **Financial Coaching:** Guidance on financial strategies and management tailored to your risk tolerance and long-term objectives.
- **Tax Optimization:** Strategic tax planning to help you keep more of what you earn.

**C. Tailoring Services to Individual Needs** We tailor our services to the individual needs of our clients. Clients may impose restrictions on investing in certain securities or types of securities. The process includes:

1. **Initial Consultation:** Conducting a thorough initial consultation to understand the client's financial situation, goals, risk tolerance, and investment preferences.
2. **Personalized Financial Plan:** Developing a personalized financial plan based on the initial consultation, including recommendations for investment strategies, retirement planning, tax optimization, and other financial goals.
3. **Client Preferences and Restrictions:** Respecting and incorporating any restrictions or preferences clients may have regarding certain types of investments or industries.
4. **Ongoing Review and Adjustments:** Providing ongoing monitoring and review of the client's financial plan to ensure it remains aligned with their evolving financial situation and goals.
5. **Education and Empowerment:** Empowering clients through education, providing them with the knowledge and tools needed to make informed decisions about their financial future.

### D. Wrap Fee Programs

We do not participate in wrap fee programs.

### **E. Amount of Client Assets Managed**

As of January 11th, 2025, MP3 Finance LLC manages \$0 in client assets on a discretionary basis and \$0 on a non-discretionary basis. In 2025 MP3 Finance will begin managing client asset.

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### **Additional Disclosures for Compliance with California Code of Regulations section 260.235.2:**

#### **a. Potential Conflicts of Interest**

MP3 Finance LLC, or an affiliate or associated person of MP3 Finance LLC, may receive commissions from the sale of insurance or real estate, or may receive fees or other compensation from the sale of securities or other products or services recommended in the financial plan. This presents a conflict of interest as these commissions or fees could incentivize the recommendation of certain products or services over others.

#### **b. No Obligation to Act**

Clients are under no obligation to act on MP3 Finance LLC's or any associated person's recommendations.

#### **c. No Obligation to Effect Transactions Through MP3 Finance LLC**

If clients elect to act on any recommendations, they are under no obligation to effect the transaction through MP3 Finance LLC, any associated person, or any affiliate of MP3 Finance LLC, even if the associated person is employed as an agent with a licensed broker-dealer or is licensed as a broker-dealer.

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## **Item 5 – Fees and Compensation**

### **A. Compensation for Advisory Services**

#### **1. Starter Tier: \$500 annually**

- Basic portfolio guidance and foundational investment education.
- Annual check-in meeting to discuss goals and progress
- Eligibility: Available to individuals under 30 years old or students currently enrolled in an accredited educational program.

#### **Basic Tier: \$1,200 annually**

- Core portfolio management with a focus on fundamental securities.
- Annual performance review and strategy session.
- Access to online portfolio tracking tools.

#### **2. Mid-Level Tier: \$2,500 annually**

- All services from the Basic Tier.
- Semi-annual performance review and personalized investment planning.
- Inclusion of diversified investment options and risk management.

### **3. High-Touch Tier: \$4,000 annually**

- All services from the Mid-Level Tier.
- Quarterly performance reviews and proactive investment adjustments.
- Priority access to exclusive investment opportunities and dedicated advisor support.

#### **Creating a Financial Plan: \$500**

*Description:* This comprehensive service involves the development of a detailed financial plan tailored to the client's specific needs and goals. The plan includes an analysis of the client's current financial situation, identification of short-term and long-term objectives, and strategic recommendations to achieve these objectives. The plan typically covers various aspects such as budgeting, savings, investments, debt management, insurance, and estate planning.

*Deliverables:* A detailed financial plan document, personalized recommendations, and a roadmap for implementation.

*Time Commitment:* This service involves several hours of data collection, analysis, and plan creation, typically requiring multiple meetings with the client.

*Outcome:* The client receives a comprehensive financial plan that provides a clear path to achieving their financial goals.

#### **Retirement Analysis: \$500**

*Description:* This service focuses specifically on retirement planning. It includes an in-depth analysis of the client's current retirement savings, projected future income needs, and the development of strategies to ensure a comfortable retirement. The analysis considers factors such as Social Security benefits, pension plans, retirement accounts (e.g., 401(k), IRA), investment strategies, and potential healthcare costs.

*Deliverables:* A retirement analysis report, including a summary of findings, projections of retirement income and expenses, and actionable recommendations.

*Time Commitment:* This service typically involves a few meetings with the client to gather information, discuss goals, and present the analysis.

*Outcome:* The client gains a clear understanding of their readiness for retirement and receives a plan to address any gaps or concerns.

#### **Financial Planning Session: \$100/hour**

*Description:* This service offers flexible, hourly financial planning support. Clients can use this time to address specific questions or concerns they have about their financial situation. Sessions can cover a wide range of topics, such as investment strategies, debt management, tax planning, education funding, or any other financial issue the client wishes to discuss.

*Deliverables:* Personalized advice and recommendations provided during the session, along with any follow-up notes or action items discussed.

*Time Commitment:* The length of each session is determined by the client's needs, and clients

can book as many sessions as necessary.

*Outcome:* Clients receive targeted, actionable advice tailored to their immediate financial concerns or questions.

### **Subscription Fees**

MP3 Finance LLC offers subscription-based financial planning services, which include ongoing access to financial advice, periodic reviews of financial plans, and updates as needed. The subscription fee is \$200 per month.

### **Lower Fees Disclosure**

Lower fees for comparable services may be available from other sources.

Our fees are not negotiable.

### **B. Fee Payment Methods**

Clients are billed directly for the services requested. Billing occurs quarterly or on an hourly basis for financial planning sessions. Subscription fees are billed monthly in advance.

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

Clients may incur additional fees such as custodian fees or mutual fund expenses. Clients will also incur brokerage and transaction costs.

### **D. Prepaid Fees**

Clients do not pay fees in advance.

### **E. Compensation for the Sale of Securities**

MP3 Finance LLC and its associated persons do not accept any compensation for the sale of securities, including commissions or transaction-based fees. Our compensation is solely derived from advisory fees for portfolio management and financial planning services as detailed above.

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

MP3 Finance LLC and its supervised persons do not accept performance-based fees.

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## **Item 7 – Types of Clients**

We primarily serve:

- **Pre-Retirees (55-65):** Professionals and individuals approaching retirement with complex financial needs.
- **Young Investors (18-40):** Millennials and Gen Z looking to build a solid financial foundation.

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

### **A. Methods of Analysis and Investment Strategies**

We use a combination of fundamental and technical analysis to formulate investment advice. Our strategies involve long-term investments in stocks, bonds, and ETFs.

### **B. Material Risks Involved**

Investing in securities involves risk of loss that clients should be prepared to bear. Frequent trading can affect investment performance due to increased transaction costs and taxes.

### **C. Particular Types of Securities**

We primarily recommend stocks, bonds, and ETFs. Each type involves its own risks, which we discuss in detail with our clients.

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## **Item 9 – Disciplinary Information**

There are no legal, civil, or disciplinary events to disclose regarding Mr. Pederson or MP3 Finance LLC.

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

### **A. Registration as a Broker-Dealer or Registered Representative**

Mr. Pederson is not registered as a broker-dealer or a registered representative.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor**

Mr. Pederson is not registered as any of the above.

### **C. Material Relationships or Arrangements**

Mr. Pederson does not have any material relationships or arrangements with any related persons that create a material conflict of interest.

### **D. Other Investment Advisers**



We do not receive compensation for recommending other investment advisers.

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

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

We uphold the highest ethical standards in the financial industry. Our Code of Ethics is available upon request.

### **B. Material Financial Interest**

Mr. Pederson does not have a material financial interest in any securities he recommends to clients.

### **C. Personal Trading**

Mr. Pederson may buy or sell securities that are also recommended to clients. These transactions are executed in a manner that does not disadvantage clients.

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## **Item 12 – Brokerage Practices**

### **A. Selection of Broker-Dealers**

MP3 Finance LLC has established a custodial relationship with Charles Schwab, a qualified custodian, to facilitate the safekeeping of client funds and securities. While clients retain the ability to select their own broker-dealers, most transactions for managed accounts are executed through Charles Schwab to streamline account management and ensure seamless service delivery.

As part of our portfolio management services, MP3 Finance LLC may execute transactions on behalf of clients through Charles Schwab. Clients are encouraged to review the custodial statements provided directly by Schwab to ensure accuracy and alignment with our reports.

Clients can visit [www.MP3Finance.com](http://www.MP3Finance.com) to access detailed disclosures about our brokerage practices and custody arrangements.

### **B. Aggregation of Orders**

MP3 Finance LLC may aggregate client orders for securities transactions to achieve more favorable execution prices or reduce trading costs. When orders are aggregated, all clients participating in the aggregated order will receive the average share price and transaction costs will be shared on a pro-rata basis.

As part of our portfolio management services, MP3 Finance LLC executes transactions on behalf of clients through Charles Schwab, the designated qualified custodian. Clients retain the right to review all transactions and account statements provided directly by Schwab for accuracy and transparency.

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## **Item 13 – Review of Accounts**

### **A. Periodic Reviews**

Client accounts and financial plans are reviewed quarterly by Mr. Pederson.

### **B. Non-Periodic Reviews**

Reviews may be triggered by significant market events or changes in a client's financial situation.

### **C. Regular Reports**

Clients receive quarterly written reports regarding their accounts.

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

### **A. Economic Benefits for Providing Services**

Mr. Pederson does not receive any economic benefits from non-clients for providing advisory services.

### **B. Compensation for Client Referrals**

We do not compensate any person for client referrals.

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## **Item 15 – Custody**

MP3 Finance LLC has custody of client funds and securities through its ability to deduct fees directly from client accounts. Custody services are provided through Charles Schwab, a qualified custodian. Schwab provides account statements directly to clients. Clients are encouraged to review these statements carefully and compare them to any reports provided by MP3 Finance LLC.

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## **Item 16 – Investment Discretion**

MP3 Finance LLC offers portfolio management services that include discretionary authority over client accounts. This means that, with client consent, MP3 Finance LLC can make investment decisions and execute transactions on behalf of clients without obtaining prior approval for each transaction.

Discretionary authority is granted through the Investment Advisory Agreement signed by the client. This authority is limited to investment transactions consistent with the client's financial objectives, risk tolerance, and stated preferences. Clients are encouraged to regularly review account statements provided by Charles Schwab, the qualified custodian, to ensure accuracy and alignment with their expectations.

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

We do not have authority to vote client securities. Clients receive proxies directly from their custodian.

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## **Item 18 – Financial Information**

### **A. Balance Sheet**

MP3 Finance LLC does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, a balance sheet is not required with this brochure.

### **B. Financial Condition**

MP3 Finance LLC does not have any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

### **C. Bankruptcy Petition**

MP3 Finance LLC has never been the subject of a bankruptcy petition.

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## **Item 19 – Requirements for State-Registered Advisers**

### **A. Principal Executive Officers and Management Persons**

Matthew Pederson is the founder and lead financial planner.

**B. Other Business Activities**

Mr. Pederson is not engaged in any other business activities.

**C. Performance-Based Fees**

We do not charge performance-based fees.

**D. Disciplinary Information**

There are no disciplinary events to disclose.

**E. Relationships with Issuers of Securities**

Mr. Pederson does not have any relationships with issuers of securities that require disclosure.

**F. Material Conflicts of Interest**

MP3 Finance LLC has reasonably disclosed all material conflicts of interest regarding the investment adviser, its representatives, or any of its employees, which may impair the rendering of unbiased and objective advice. Clients are informed of these conflicts prior to entering into or renewing an advisory agreement.

**G. Business Continuity Plan (BCP)**

MP3 Finance LLC maintains a written Business Continuity Plan (BCP) to identify procedures relating to an emergency or significant business disruption, including but not limited to incapacitation, dissolution, or death of the investment adviser or its representatives. The BCP is designed to enable MP3 Finance LLC and its representatives to meet their existing fiduciary obligations to clients.

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This brochure supplement provides information about Matthew Pederson and supplements the MP3 Finance LLC brochure. If you have any questions or need additional information, please contact us at (530) 635-0206.

**Form ADV Part 2B – Brochure Supplement  
For**

**Matthew Pederson**

**(530) 635-0206**

**MP3 Finance LLC**

**WWW.MP3Finance.com**

**3546 Fairway Drive, Cameron Park, CA 95630**

**Effective: January 11<sup>th</sup>, 2025**

This Form ADV 2B (“Brochure Supplement”) provides information about the background and qualifications of Matthew Pederson (CRD# 7922207) If you have not received a copy of the Disclosure Brochure or if you have any questions about the contents of the MP3 Finance LLC Disclosure Brochure or this Brochure Supplement, please contact the Advisor at (530) 635-0206 or visit our website at [www.MP3Finance.com](http://www.MP3Finance.com). Additional information about Mr. Pederson is available on the SEC’s Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or individual CRD# 7922207.

## **Item 2 – Educational Background and Business Experience**

Matthew Pederson, born in 1995, is the Founder and lead financial planner of MP3 Finance LLC. He is dedicated to empowering clients with over 4 years of experience serving pre-retirees and young investors. He has passed the Series 65/63 and SIE exams.

While Mr. Pederson does not have previous employment with a registered investment adviser firm, his four years of experience comes from extensive personal market engagement and self-directed financial planning. During this period, he has:

- **Managed Personal Investments:** Actively managed his own investment portfolio, gaining hands-on experience in market analysis, investment strategies, risk management, and financial planning.
- **Advised Friends and Family:** Provided informal financial advice and planning services to friends and family, focusing on retirement planning, investment strategies, and general financial wellness. No fee was charged for these services.
- **Continuous Learning and Development:** Engaged in continuous education through courses, certifications, and self-study in finance, investment, and planning methodologies to stay informed about industry standards and best practices.

This self-directed and practical experience has equipped Mr. Pederson with a robust understanding of financial markets, investment strategies, and the needs of individuals planning for retirement or other financial goals. His personal market experience has been complemented by formal education, training, and certifications relevant to financial planning and investment advisory.

Mr. Pederson is committed to applying this knowledge and experience to empower his clients, helping them navigate their financial journeys with confidence and informed decision-making.

### **Business Experience:**

- **05/2024 – Present:** Founder and Lead Financial Planner, MP3 Finance LLC, Cameron Park, CA, United States (Investment Related)
- **01/2020 – Present:** Personal Trainer, MP3 Fitness, Cameron Park, CA, United States (Not Investment Related)
- **01/2017 – 01/2020:** Personal Trainer, Life Time Fitness, Folsom, CA, United States (Not Investment Related)
- **01/2014 – 01/2017:** Insurance Accountant, Sutter Health, Rancho Cordova, CA, United States (Not Investment Related)

**Disclosure:** Mr. Pederson's experience in financial planning and investment advice is derived from personal market engagement and continuous self-directed learning, rather than formal employment in a registered investment adviser firm.

### **Item 3 – Disciplinary Information**

There are no legal, civil, or disciplinary events to disclose regarding Mr. Pederson. Mr. Pederson has never been involved in any regulatory, civil, or criminal action. There have been no client complaints, lawsuits, arbitration claims, or administrative proceedings against Mr. Pederson. Securities laws require an advisor to disclose any instances where the advisor or its advisory persons have been found liable in a legal, regulatory, civil, or arbitration matter that alleges violation of securities and other statutes; fraud; false statements or omissions; theft, embezzlement, or wrongful taking of property; bribery, forgery, counterfeiting, or extortion; and/or dishonest, unfair, or unethical practices. As previously noted, there are no legal, civil, or disciplinary events to disclose regarding Mr. Pederson. However, the Advisor encourages you to independently view the background of Mr. Pederson on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) by searching with his full name or individual CRD# 7922207.

### **Item 4 – Other Business Activities Broker-Dealer Affiliation**

Mr. Pederson manages client assets as part of MP3 Finance LLC's portfolio management services. Through a custodial relationship with Charles Schwab, Mr. Pederson facilitates the safekeeping of client funds and securities and may execute transactions on behalf of clients as part of discretionary portfolio management. Clients can find additional information about our services and policies on the website at [www.MP3Finance.com](http://www.MP3Finance.com).

Mr. Pederson does not receive compensation for the purchase or sale of securities, nor does he have affiliations with any issuer or broker-dealer that would create a conflict of interest.

### **Item 5 – Additional Compensation**

Mr. Pederson does not receive bonuses or additional compensation from outside parties for providing advisory services. Economic benefits received in connection with managing client assets, such as reduced trading fees or platform discounts provided by Charles Schwab, are disclosed to clients as required by regulatory standards. Additional disclosures can be found on our website at [www.MP3Finance.com](http://www.MP3Finance.com).

These economic benefits do not affect Mr. Pederson's fiduciary obligation to act in the best interests of clients. MP3 Finance LLC's compensation is derived solely from advisory and portfolio management fees, as outlined in the fee schedule.

### **Item 6 – Supervision**

As the sole member of a single-member LLC, Mr. Pederson supervises himself. He ensures that the advice provided to clients is in their best interests by regularly reviewing and updating his knowledge of financial markets, regulations, and best practices. Mr. Pederson also maintains detailed records of all client

interactions and advice given, and periodically reviews these records to ensure compliance with all relevant laws and regulations. The responsible person for supervising Mr. Pederson's advisory activities is Mr. Pederson himself.

### **Item 7 – Requirements for State-Registered Advisers**

None of these questions apply to Mr. Pederson. Therefore, there are no events to disclose regarding:

1. Liability in an arbitration claim alleging damages in excess of \$2,500 involving:
  - An investment or an investment-related business or activity;
  - Fraud, false statements, or omissions;
  - Theft, embezzlement, or other wrongful taking of property;
  - Bribery, forgery, counterfeiting, or extortion;
  - Dishonest, unfair, or unethical practices.
2. Liability in a civil, self-regulatory organization, or administrative proceeding involving:
  - An investment or an investment-related business or activity;
  - Fraud, false statements, or omissions;
  - Theft, embezzlement, or other wrongful taking of property;
  - Bribery, forgery, counterfeiting, or extortion;
  - Dishonest, unfair, or unethical practices.
3. Being the subject of a bankruptcy petition, including the date the petition was first brought and the current status.

Since none of these situations apply to Mr. Pederson, there are no material facts to disclose.