



SOUND LEGACY
WEALTH ADVISORS

Sound Legacy Wealth Advisors, LLC

Form ADV Disclosure Brochure

Business Address:

10900 NE 4th Street, Suite 2300-2362

Bellevue, WA 98004

425-800-6862

www.soundlegacy.com

This Brochure provides information about the qualifications and business practices of Sound Legacy Wealth Advisors, LLC (“Sound Legacy” or “the Firm”). If you have any questions about the contents of this brochure, please contact us at the telephone number listed above. For compliance specific requests, please call 425-800-6862. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. The Firm has filed to become a state registered investment adviser with the State of Washington. Registration does not imply any level of skill or training.

ITEM 2 - MATERIAL CHANGES

In this Item, Sound Legacy Wealth Advisors, LLC (hereby known as “Sound Legacy” or the “Firm”) is required to discuss any material changes that have been made to the Brochure since the last annual amendment.

Sound Legacy has adjusted the rates on its published Investment Management fee schedule.

Sound Legacy is migrating its custody provider from Bank of New York Mellon Pershing to Fidelity Investments and Charles Schwab.

We will ensure that all current clients receive a Summary of Material Changes and updated Brochure within 120 days of the close of our business’ fiscal year. A Summary of Material Changes is also included with our Brochure on the SEC’s website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Sound Legacy is 306332. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Joel Petersen, Chief Compliance Officer at 206-399-6427 or joel.petersen@soundlegacy.com.

ITEM 3 - TABLE OF CONTENTS

ITEM 1 - COVER PAGE 1

ITEM 2 - MATERIAL CHANGES 2

ITEM 3 - TABLE OF CONTENTS 3

ITEM 4 - ADVISORY BUSINESS 4

ITEM 5 - FEES AND COMPENSATION 6

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT 8

ITEM 7 - TYPES OF CLIENTS 8

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS 8

ITEM 9 - DISCIPLINARY INFORMATION 13

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS 14

ITEM 11 - CODE OF ETHICS, CLIENT TRANSACTIONS AND PERSONAL TRADING 14

ITEM 12 - BROKERAGE PRACTICES 15

ITEM 13 - REVIEW OF ACCOUNTS 18

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION 18

ITEM 15 - CUSTODY 19

ITEM 16 - INVESTMENT DISCRETION 20

ITEM 17 - VOTING CLIENT SECURITIES 20

ITEM 18 - FINANCIAL INFORMATION 20

ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISORS 21

ITEM 4 - ADVISORY BUSINESS

Description of Advisory Firm

Sound Legacy Wealth Advisors, LLC (“Sound Legacy”, “the Firm”, “we”, “our,” or “us”) is a privately owned limited liability company headquartered in Bellevue, WA.

Sound Legacy is registered as an investment adviser with the State of Washington. Sound Legacy was formed in 2019 and is owned by Joel Petersen, Tera Probst, Christine Trostle, Brendan Sullivan, and Michael Roupp. As of August 1st, 2024, the Firm manages approximately \$85,000,000.00 for 30 clients, on a discretionary basis.

While this brochure generally describes the business of the Firm, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on the Firm’s behalf and is subject to the Firm’s supervision or control.

Advisory Services Offered

The Firm offers discretionary investment management, investment advisory and certain family office services. Prior to the Firm rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with the Firm setting forth the relevant terms and conditions of the advisory relationship (the “Wealth Management Agreement”). The Firm does not participate in a wrap fee program.

Investment Management Services

Sound Legacy offers continuous and regular investment supervisory services on a discretionary basis. We work with clients and have the ongoing responsibility to select and/or make recommendations based upon the objectives of the client, as to specific securities or other investments that he/she recommends or purchases/sells in clients’ accounts. We utilize a variety of investment types when making investment recommendations/purchases in client accounts which include, but are not limited to: equity securities, fixed income securities, and mutual funds. The investments recommended/purchased are based off of the clients’ individual needs, goals and objectives. Sound Legacy offers investment advice on any investment held by the client at the start of the advisory relationship. We describe the material investment risks under *Item 8 – Methods of Analysis Investment Strategies, and Risk of Loss*. Financial Planning is provided to clients as a part of the Investment Management Services.

The Firm offers two programs for investment management – Diversified accounts and Fixed Income only accounts. Diversified accounts are those which are invested in models that utilize different types of securities that are chosen based on the client’s suitability and risk tolerance. Fixed Income only accounts are invested in fixed income products that are chosen based on the clients’ suitability and risk tolerance. We discuss our discretionary authority below under *Item 16 – Investment Discretion*. For more information about the restrictions clients can put on their accounts, see *General Investment Strategies* in this item below. We describe the fees charged for investment management services below under *Item 5 – Fees and Compensation*.

Financial Planning Services

Our Financial Planning Service offers clients the ability to have their investment portfolio allocated among different financial institutions and reviewed by an Investment Adviser Representative as a part of the Investment Management fee.

This service offers the client a detailed look at their financial condition in relation to their investment objectives, risk tolerance, time horizon, and any financial goals that they may be seeking to achieve.

We provide a variety of financial planning services to our clients regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. This encompasses one or more of the following areas:

- Investment Planning – A holistic look at aspects of a client's investments;
- Retirement Planning - At what age can a client retire, how much income is needed;
- Real Estate Analysis - Residential and investment property analysis and cash flow needs;
- Mortgage/Debt Analysis – An analysis of existing debt/liabilities;
- Lines of Credit Evaluation - A credit analysis of either margin or non-purpose loans; and/or
- Business and Personal Financial Planning – An analysis of a client's business and personal finances through financial planning.

Our financial planning services rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. In performing these services, Sound Legacy 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. Sound Legacy may recommend clients engage the Firm for additional related services, and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest may exist if clients engage the Firm or its affiliates to provide additional services for compensation. Any conflict would be disclosed at the time of the recommendation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by the Firm under the financial planning services. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Sound Legacy's recommendations and/or services. Investment advisers have a duty to make reasonable efforts to document and annually update client suitability information to affirm we have reasonable grounds for believing that the recommendation is suitable for the customer upon the basis of information disclosed by the customer under RCW 21.20.702.

For financial planning, we provide our clients with a written summary of our observations and recommendations. The client is under no obligation to act upon the investment adviser's recommendation. If the client elects to act on our recommendations, the client is under no obligation to effect the transaction through us. Clients have the option to purchase recommended investment products through other brokers or agents that are not affiliated with Sound Legacy.

We describe fees charged for Financial Planning Services below under *Item 5 - Fees and Compensation*.

Family Office Services

Our Family Office Services are offered to select clients on an as-needed or as-requested basis. The Firm charges a flat quarterly fee (plus any expenses) based on the services provided.

These services may include but are not limited to the following:

- Family entity tracking and administration
- Bill pay
- Family foundation administration, coordination, and representation
- Acting as liaison between other professional service providers
- Coordination of family privacy and anonymity protocols
- Various other services requested by the family

ITEM 5 - FEES AND COMPENSATION

Fee Schedule & Billing Method

The Firm offers services on a fee basis, which may include fixed fees, as well as fees based upon assets under management or advisement. Multiple accounts of a client, at the discretion of Sound Legacy, may be aggregated in the calculation of the Adviser's fee. Additionally, certain of the Firm's Supervised Persons, in their individual capacities, may offer securities brokerage services under a separate commission-based arrangement.

Note that if you are not provided a copy of this Brochure within forty-eight hours of entering into an advisory contract, you may terminate the advisory contract within 5 business days of entering into the contract without penalty.

Investment Management Services

The annual management fee for our Investment Management Services is based on the total dollar asset value of the assets maintained in your account. The fee assessed and/or charged is based on what is stipulated in the Investment Advisory Agreement signed by each client. If the advisory fee calculated for the cycle does not meet the minimum fee amount, the minimum fee that will be applied to the account/household is \$5,000. For accounts with less than \$250,000 of assets under management, a minimum annual fee will be at the discretion of the advisor and will be less than the annual fee for larger accounts. The fee(s) may be higher than normally charged in the industry and that similar services may be offered by another investment adviser at a lower fee. The Firm offers services on a fee basis, which may include fixed fees, as well as fees based upon assets under management or advisement.

In all instances, Sound Legacy will send the client a written invoice, including the fee, the formula used to calculate the fee, the fee calculation itself, the time period covered by the fee, and, if applicable, the amount of assets under management on which the fee was based. Also, the Adviser will include the name of the custodian(s) on your fee invoice. The Firm will send these to the client concurrent with the request for payment or payment of the Adviser's advisory fees. We urge you to compare this information with the fees listed in the account statement.

Our annual fee ranges up to 1.00% annually and is assessed and/or charged quarterly in advance, based on prior period-end value. Fees will be prorated based upon the number of days the account was open during the billing period. Inflows and outflows of cash are considered on a prorated basis in this calculation. Margin debits in accounts will decrease the fee calculated. Fees will be structured on a tiered fee schedule whereby the fee is calculated by applying different rates to different levels of assets or a linear fee schedule where a breakpoint percentage fee is assessed to total assets in the account.

The fee schedules are:

Diversified Accounts Fee Schedule (all accounts excluding fixed income only)

| Assets | Tier | Fee |
|------------------------------|-------------------|--------------------------|
| Up to \$2,000,000 | First \$2,000,000 | 1.00% (100 basis points) |
| \$2,000,001 to \$5,000,000 | Next \$3,000,000 | 0.90% (90 basis points) |
| \$5,000,001 to \$10,000,000 | Next \$5,000,000 | 0.70% (70 basis points) |
| \$10,000,001 to \$25,000,000 | Next \$15,000,000 | 0.55% (55 basis points) |
| Greater than \$25,000,001 | Next \$25,000,000 | 0.45% (45 basis points) |

Fixed Income Only Accounts Fee Schedule

| Assets | Tier | Fee |
|----------------------------|-------------------|-------------------------|
| Up to \$2,000,000 | First \$2,000,000 | 0.60% (60 basis points) |
| \$2,000,001 to \$5,000,000 | Next \$3,000,000 | 0.50% (50 basis points) |
| Greater than \$5,000,000 | Next \$5,000,000 | 0.40% (40 basis points) |

We discuss our discretionary authority below under *Item 16 – Investment Discretion*.

Financial Planning Service

Pursuant to the Discretionary Wealth Management Agreement with Financial Planning, the fee for such service is included in the overall annual fee as described above.

Family Office Services

The Firm charges a flat quarterly fee (plus any expenses) based on the services requested by, negotiated with and provided to the individual client family. These fees are independent of any Investment Management Service fee.

Other Fees and Expenses

In addition to the advisory fees paid to Sound Legacy, clients may incur certain charges imposed by other third parties, such as broker-dealers, custodians. These additional charges may include securities brokerage commissions, transaction fees, custodial fees, reporting charges, margin costs, charges imposed directly by a mutual fund or ETF in a client’s account, as disclosed in the fund’s prospectus (e.g.,

fund management fees and other fund expenses), 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. The Firm's brokerage practices are described at length in Item 12, below.

Direct Fee Debit

Clients generally provide Sound Legacy with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing account transactions, including any amounts paid to Sound Legacy.

Account Additions and Withdrawals

As stated above, clients may make additions to and withdrawals from their account at any time, subject to right to terminate an account.

Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account.

Clients may withdraw account assets on notice to Sound Legacy, subject to the usual and customary securities settlement procedures. However, the Firm generally designs its portfolios as long-term investments, and the withdrawal of assets may impair the achievement of a client's investment objectives. The Firm may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

Termination

Either party may terminate the advisory agreement at any time by providing written notice to the other party. The client may terminate the agreement with Sound Legacy at any time by writing or calling Sound Legacy at our office. Sound Legacy will refund any prepaid, unearned advisory fees. Since Sound Legacy charges fees in advance, we must provide an itemized invoice to the client upon termination of the relationship showing the amount of unearned fees retained by Sound Legacy and the amount of fees returned to the client. Itemization includes the formula used to calculate the fee, the fee calculation itself, the amount of assets under management the fee is based on, the time period covered by the fee, and if you charge performance compensation, the client's cumulative net investment gain (or loss), and the amount of cumulative net investment gain above which you will receive performance compensation.

Terminations will not affect liabilities or obligations from transactions initiated in client accounts prior to termination. In the event the client terminates the investment advisory agreement, Sound Legacy will not liquidate any securities in the account unless instructed by the client to do so. In the event of client's death or disability, Sound Legacy will continue management of the account until we are notified of client's death or disability and given alternative instructions by an authorized party.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Sound Legacy does not charge performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

ITEM 7 - TYPES OF CLIENTS

Sound Legacy provides asset management, financial planning, and investment advisory services. Our services are provided on a discretionary basis to a variety of clients, such as institutional investors, individuals, high net worth individuals, trusts and estates, qualified purchasers, and individual participants of retirement plans. In addition, we may also provide advisory services to entities such as pension and profit sharing plans, businesses, and other investment advisers.

In regards to account requirements, Sound Legacy does not have a specific account minimum.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

We will typically use fundamental, cyclical, charting, and/or technical analysis in the selection of individual securities. Sound Legacy selects categories of investments based on the clients' attitudes about risk and their need for capital appreciation or income. Different instruments involve different levels of exposure to risk. We seek to select individual securities with characteristics that are most consistent with the client's objectives. Since Sound Legacy treats each client account uniquely, client portfolios with similar investment objectives and asset allocation goals may own different securities. Tax factors will

not influence Sound Legacy investment decisions. As an investment adviser registered under the Securities Act of Washington and other applicable federal and state securities laws, the Adviser owes the client a fiduciary duty to put the Client's interest first which includes, but is not limited to, a duty of care, loyalty, obedience, and utmost good faith.

General Investment Strategies

Sound Legacy generally uses diversification in an effort to minimize risk and optimize the potential return of a portfolio. More specifically, we utilize multiple asset classes, investment styles, market capitalizations, sectors, and regions to provide diversification. Each portfolio composition is determined in accordance with the clients' investment objectives, risk tolerance, and time horizon. We utilize both passive and active investment management strategies in an effort to optimize portfolios.

Our general investment strategy is to seek real capital growth proportionate with the level of risk the client is willing to take. We develop a Client Profile to help identify the client's investment objectives, time horizon, risk tolerance, tax considerations, target asset allocation, and any special considerations and/or restrictions the client chooses to place on the management of the account.

Sound Legacy will then recommend investments that we feel are consistent with the Client Profile.

After defining client needs, Sound Legacy develops and implements plans for the client's account. Then, we monitor the results and make adjustments as needed. As the initial assumptions change, the plans themselves may need to be adapted. Continuous portfolio management is important in an effort to keep the client's portfolio consistent with the client's objectives.

Methods of Analysis for Selecting Securities

Sound Legacy IARs may use, among others, technical, fundamental, and/or charting analysis in the selection of individual equity securities. Additionally, our IARs may use specific strategies or resources in the method of analysis and selection of mutual funds.

Technical Analysis

The effectiveness of technical analysis depends upon the accurate forecasting of major price moves or trends in the securities traded by the IAR. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernable trends and similar periods will presumably occur in the future. Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses. Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

The calculations that underline our system, methods, and strategies involve many variables, including determinants from information generated by computers and/or charts. The use of a computer in collating

information or in developing and operating a trading method does not assure the success of the method because a computer is merely an aid in compiling and organizing trade information.

Accordingly, no assurance is given that the decisions based on computer-generated information will produce profits for a client's account.

Relative Strength Analysis

Relative strength measures one stock versus another or a group of stocks versus an index, such as the S&P 500. Through relative strength analysis, we can rank areas of the market that are outperforming or underperforming the broad market, whether it's the Russell 3000 or S&P 500. For our purposes, we use the S&P 500. We then add the highest relative strength sectors and macro areas (i.e. small cap vs. large cap) to our investment model, using primarily ETFs. The general premise is that those areas of the market with highest relative strength outperform over the long term. Additionally, as a risk override, we run moving average analysis to identify when markets are most vulnerable, and from time to time lighten market exposure.

Fundamental Analysis

Fundamental analysis assesses the financial health and management effectiveness of a business by analyzing a company's financial reports, key financial ratios, industry developments, economic data, competitive landscape, and management. The objective of fundamental analysis is to use historical and current financial data to assess the stock valuation of a company, evaluate company profitability, credit risk, and forecast future performance of the company and its share price. Fundamental analysis assumptions and calculations are based on historical data and forecasts; therefore, the quality of information and assumptions used are critical. Differences can exist between market fundamentals and how you analyze them.

Cyclical Analysis

Cyclical risk is the risk of business cycles or other economic cycles adversely affecting the returns of an investment, an asset class, or an individual company's profits. Cyclical risk does not typically have a tangible measure but instead is reflected in the prices or valuations of assets that are deemed to have higher or lower cyclical risks than the market.

Some companies are more volatile than others, struggling during an economic slowdown and excelling when a recovery is underway. Sound Legacy reviews cyclical risks and employs strategies to profit from them.

Charting Analysis

Charting analysis involves the use of patterns in performance charts. Our IARs use this charting technique to search for patterns in an effort to predict favorable conditions for buying and/or selling a security.

Mutual Funds

In analyzing mutual funds, our IARs use various sources of information, including data provided by Morningstar. We review key characteristics such as historical performance, consistency of returns, risk

level, and size of fund. Expense ratio and other costs are also significant factors in fund selection. We also subscribe to/access additional information from other sources that inform our general macro- economic view.

Specific Investment Strategies for Managing Portfolios

IARs may use Modern Portfolio Theory tactical asset allocation, cash as a strategic asset, long-term holding, trend, dollar-cost-averaging, defensive portfolio strategies in the construction and management of client portfolios. There is no guarantee that any of the following strategies will be successful, and we make no promises or warranties as to the accuracy of our market analysis.

Modern Portfolio Theory (MPT)

IARs use the Modern Portfolio Theory, which has a basic concept of using diversification in an effort to help minimize risk and optimize the potential return of a portfolio.

Tactical Asset Allocation

IARs may use a tactical asset allocation strategy in the shorter term to deviate from a client's long-term strategic asset allocation target in an effort to take advantage of what we perceive as market pricing anomalies or strong market sectors or to avoid perceived weak sectors. Once they achieve the desired short-term opportunities or perceive that opportunities have passed, we generally return a client's portfolio to the original strategic asset mix.

Cash as a Strategic Asset

IARs may use cash as a strategic asset and at times move or keep client's assets in cash or cash equivalents. While high cash levels can help protect a client's assets during periods of market decline, there is a risk that our timing in moving to cash is less than optimal upon either exit or reentry into the market, potentially resulting in missed opportunities during positive market moves.

Sound Legacy will not charge an ongoing advisory fee for unmanaged or static assets held in accounts.

Long-term Holding

IARs do not generally purchase securities for clients with the intent to sell the securities within 30 days of purchase, as we do not generally use short-term trading as an investment strategy as frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and tax. However, there may be times when we will sell a security for a client when the client has held the position for less than 30 days.

IARs do not attempt to time short-term market swings. Short-term buying and selling of securities is typically limited to those cases where a purchase has resulted in an unanticipated gain or loss in which we believe that a subsequent sale is in the best interest of the client.

Trend

IARs may manage client assets using a trend following methodology based on the 200-day average and grounded in a strong sell discipline for all positions within the portfolio.

Dollar-Cost-Averaging

Dollar cost averaging involves investing money in multiple installments over time to take advantage of price fluctuations in the attempt to get a lower average cost per share.

Defensive Strategies

If our IAR anticipates poor near-term prospects for equity markets, we may adopt a defensive strategy for clients' accounts by investing substantially in fixed income securities and/or money market instruments. We may also utilize low, non or negatively correlated investments through mutual funds and EFT's. There can be no guarantee that the use of defensive techniques would be successful in avoiding losses.

Margin

Some clients of Sound Legacy maintain margin accounts to facilitate short-term borrowing needs, which are unrelated to our investment strategy (ies). For some high-net worth (HNW) clients that are seeking a more aggressive strategy for their portfolio, our IARs may work with those clients on an individual basis to develop a leveraged strategy utilizing margin to increase market participation portfolio as part of a customized investment strategy. Clients are responsible for any brokerage or margin charges in addition to advisory fees. Risks of using margin include "margin calls" (also called "fed calls" or "maintenance calls.") Margin calls occur when account values decrease below minimum maintenance margin levels established by the broker-dealer that holds the securities in the client's account, requiring the investor to deposit additional money or securities into their margin account.

While the use of margin borrowing can increase returns, it can also magnify losses. Clients must specifically request to establish a margin account.

Additional Strategies

Clients interested in learning more about any of the above strategies should contact us for more information and/or refer to the prospectus of any mutual fund. We may also consider additional strategies by specific client request.

Investing Involves Risk

General Risks of Owning Securities

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease, and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

Risk of Loss

Diversification does not guarantee a profit or guarantee to protect you against loss, and there is no guarantee that your investment objectives will be achieved. Sound Legacy strategies and recommendations may lose value. All investments have certain risks involved including, but not limited to

the following:

- **Stock Market Risk:** The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.
- **Managed Portfolio Risk:** The manager's investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- **Industry Risk:** The portfolio's investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries will disproportionately impact your portfolio. Investments focused on a particular industry are subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- **Non-U.S. Securities Risk:** Non-U.S. securities are subject to the risks of foreign currency fluctuations, generally higher volatility and lower liquidity than U.S. securities, less developed securities markets and economic systems and political economic instability.
- **Emerging Markets Risk:** To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.
- **Currency Risk:** The value of your portfolio's investments may fall as a result of changes in exchange rates.
- **Credit Risk:** Most fixed income instruments are dependent on the underlying credit of the issuer. If we are wrong about the underlying financial strength of an issuer, we may purchase securities where the issuer is unable to meet its obligations. If this happens, your portfolio could sustain an unrealized or realized loss.
- **Inflation Risk:** Most fixed income instruments will sustain losses if inflation increases, or the market anticipates increases in inflation. If we enter a period of moderate or heavy inflation, the value of your fixed income securities could go down.
- **Interest Rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate.
- **Margin Risk:** The use of margin is not suitable for all investors, since it increases leverage in your Account and therefore risk.
- **ETF and Mutual Fund Risk:** When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operation expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund greatly reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients may also incur brokerage costs when purchasing ETFs.
- **Management Risk:** Your investment with us varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment may decrease.

ITEM 9 - DISCIPLINARY INFORMATION

Sound Legacy and our personnel seek to maintain the highest level of business professionalism, integrity, and ethics. We are required to disclose the facts of any legal or disciplinary events that are material to a

client's evaluation of our business or the integrity of our management.

We do not have any required disclosures to this Item.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

This item requires investment advisers to disclose certain financial industry activities and affiliations. In addition to investment advisory services, Sound Legacy also provides the below services to certain clients. These services may be provided individually or in combination with Sound Legacy advisory services provided for additional fees as agreed upon with a client.

- Family office services
- Facilitating third party lending and banking services

ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

Sound Legacy believes that we owe clients the highest level of trust and fair dealing. As part of our fiduciary duty, we place the interests of our clients ahead of the interests of the firm and our personnel. Sound Legacy has adopted a Code of Ethics that emphasizes the high standards of conduct that Sound Legacy seeks to observe. Sound Legacy personnel are required to conduct themselves with integrity at all times and follow the principles and policies detailed in our Code of Ethics.

Sound Legacy Code of Ethics attempts to address specific conflicts of interest that either we have identified or that could likely arise. Sound Legacy personnel are required to follow clear guidelines from the Code of Ethics in areas such as gifts and entertainment, other business activities, prohibitions of insider trading, and adherence to applicable federal securities laws. Additionally, individuals who formulate investment advice for clients, or who have access to nonpublic information regarding any clients' purchase or sale of securities, are subject to personal trading policies governed by the Code of Ethics (see below). Sound Legacy does not recommend to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest.

Sound Legacy will provide a complete copy of the Code of Ethics to any client or prospective client upon request.

Personal Trading Practices

Sound Legacy and our personnel may purchase or sell securities for themselves, regardless of whether the transaction would be appropriate for a client's account. Sound Legacy and our personnel may purchase or sell securities for themselves that we also recommend/utilize for clients. This includes related securities (e.g., warrants, options, or other derivatives). This presents a potential conflict of interest, as we have an incentive to take investment opportunities from clients for our own benefit,

favor our personal trades over client transactions when allocating trades, or use the information about the transactions we intend to make for clients to our personal benefit by trading ahead of clients. Sound Legacy does not offer these particular items to clients at this time.

Our policies to address these conflicts include the following:

- The client receives the opportunity to act on investment decisions/recommendations prior to and in preference to accounts of your Sound Legacy investment advisor representative (“IAR”).
- Sound Legacy prohibits trading in a manner that takes personal advantage of price movements caused by client transactions.
- If your Sound Legacy IAR wishes to purchase or sell the same security as he/she recommends or takes action to purchase or sell for a client, he/she will not do so until the custodian fills the client’s order, if the order cannot be aggregated with the client order. As a result of this policy, it is possible that clients may receive a better or worse price than Sound Legacy IAR for transactions in the same security on the same day as a client.
- Sound Legacy requires our IARs to report personal securities transactions on at least a quarterly basis.
- Conflicts of interest also may arise when Sound Legacy IARs become aware of limited offerings or IPOs, including private placements or offerings of interests in limited partnerships or any thinly traded securities, whether public or private. Given the inherent potential for conflict, limited offerings and IPOs demand extreme care. Sound Legacy IARs are required to obtain pre-approval from the Chief Compliance Officer before trading in limited offerings and are prohibited from transacting in IPOs for personal accounts.
- Under certain limited circumstances, we make exceptions to the policies stated above. Sound Legacy will maintain records of these trades, including the reasons for any exceptions.

ITEM 12 - BROKERAGE PRACTICES

Sound Legacy requires accounts to be established with Fidelity or Schwab. Sound Legacy engages the custodians to clear transactions and custody assets. The custodian provides Sound Legacy with services that assist us in managing and administering clients' accounts which include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with certain back-office functions, recordkeeping and client reporting. No client referrals are received from the custodian.

As part of the arrangement described above, the custodian also makes certain research and brokerage services available at no additional cost to our firm. These services include certain research and brokerage services, including research services obtained by the custodians directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by the custodians to our firm may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software services; computerized news and

pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by the custodians to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

As a result of receiving the services discussed above, we have an incentive to continue to use or expand the use of the custodians' services. Our firm examined this conflict of interest when we chose to enter into the relationship with the custodians and we have determined that the relationship is in the best interest of our firm's clients and satisfies our client obligations, including our duty to seek best execution.

The custodians charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions).

The custodians generally do not charge clients separately for custody services but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodians or that settle into accounts at the custodians. The custodians charge brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). The custodians enable us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. The custodians' commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by the custodians may be higher or lower than those charged by other custodians and broker-dealers.

We may aggregate (combine) trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker-dealer(s) through which such transactions will be placed;
2. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated;
3. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction;
4. We will prepare a procedure specifying how to allocate the order among those clients;
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, it will be allocated pro-rata based on the allocation statement;
6. Our books and records will separately reflect, for each client account, the orders of which

- aggregated, the securities held by, and bought for that account;
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and,
 8. Individual advice and treatment will be accorded to each advisory client.

Factors Considered in Recommending Custodians

We consider several factors in recommending custodians to a client. Factors that we consider when recommending custodians may include financial strength, reputation, execution, pricing, reporting, research, and service. We will also take into consideration the availability of the products and services received or offered (detailed above) by the custodians.

Directed Brokerage Transactions

Sound Legacy, LLC does not allow clients to direct brokerage to a specific broker-dealer.

Special Considerations for ERISA Clients

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who directs plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the Custodian, the Custodian will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will be donated to charity. We will never benefit or profit from trade errors.

ITEM 13 - REVIEW OF ACCOUNTS

Account Reviews & Reporting

Managed Accounts Reviews

We manage portfolios on a continuous basis and we, along with Joel Petersen, the Firm's CCO, generally

review all positions in client accounts on a regular basis, but no less than quarterly. We generally offer account reviews to clients annually. Clients may choose to receive reviews in person, by telephone, or via e-mail. Sound Legacy IARs conduct reviews based on a variety of factors. These factors include, but are not limited to, stated investment objectives, economic environment, outlook for the securities markets, and the merits of the securities in the accounts.

In addition, Sound Legacy and the Firm's CCO, may conduct a special review of an account based on, but not limited to, the following:

1. A change in the client's investment objectives, guidelines and/or financial situation;
2. Changes in diversification;
3. Tax considerations; or
4. Material cash deposits or withdrawals.

Financial Planning Service

Clients do not receive reviews of their written plans unless they take action to schedule a financial planning meeting with us for a post-financial plan meeting or update to their initial written financial plan. The type of reporting is agreed upon by Sound Legacy and the client on a case-by-case basis.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

Brokerage Support Products and Services

We receive an economic benefit from the brokers used for transactions in client accounts in the form of the support products and services they make available to us and other independent firms whose clients maintain their accounts at the broker. These products and services, how they benefit us, and the related conflicts of interest are described above (see **Item 12 – Brokerage Practices**). We do not base particular investment advice, such as buying particular securities for our clients, on the availability of the brokers' products and services to us.

Outside Compensation

We do not pay referral fees (non-commission based) to independent solicitors for the referral of their clients to our firm.

Sound Legacy IARs may refer clients to unaffiliated professionals for specific needs, such as mortgage brokerage, real estate sales, estate planning, legal, and/or tax/accounting. In turn, these professionals may refer clients to our IARs for investment management needs. We do not have any arrangements with individuals or companies that we refer clients to, and we do not receive any compensation for these referrals.

However, it could be concluded that our IARs are receiving an indirect economic benefit from this practice, as the relationships are mutually beneficial. For example, there could be an incentive for us to recommend services of firms who refer clients to Sound Legacy.

Our IARs only refer clients to professionals we believe are competent and qualified in their field, but it is

ultimately the client's responsibility to evaluate the provider, and it is solely the client's decision whether to engage a recommended firm. Clients are under no obligation to purchase any products or services through these professionals, and our IARs have no control over the services provided by another firm. Clients who chose to engage these professionals will sign a separate agreement with the other firm. Fees charged by the other firm are separate from and in addition to fees charged by Sound Legacy.

If the client desires, our IARs will work with these professionals or the client's other advisers (such as an accountant, attorney, or other investment adviser) to help ensure that the provider understands the client's investments and to coordinate services for the client. We do not share information with an unaffiliated professional unless first authorized by the client.

ITEM 15 - CUSTODY

Sound Legacy has limited custody of some of our clients' funds or securities when the clients authorize us to deduct our management fees directly from the client's account. A qualified custodian (generally a broker-dealer, bank, trust company, or other financial institution) holds clients' funds and securities. Clients will receive statements directly from their qualified custodian at least quarterly. The statements will reflect the client's funds and securities held with the qualified custodian as well as any transactions that occurred in the account, including the deduction of our fee.

Clients should carefully review the account statements they receive from the qualified custodian. When clients receive invoices from Sound Legacy as well as statements from the qualified custodian, they should compare these two reports carefully. Clients with any questions about their statements should contact us at the address or phone number on the cover of this brochure. Clients who do not receive a statement from their qualified custodian at least quarterly should also notify us.

Third-Party Standing Letters of Authorization ("SLOA")

Our firm is deemed to have custody of clients' funds or securities when clients have standing authorizations with their custodian to move money from a client's account to a third-party ("SLOA"), the client has provided access to the account for such movements of cash (e.g. clients may set specific passwords for read only access for Sound Legacy) and, under that SLOA, it authorizes us to designate the amount or timing of transfers with the custodian. The SEC has set forth a set of standards intended to protect client assets in such situations, which we follow. We do not have a beneficial interest on any of the accounts we are deemed to have Custody where SLOAs are on file. In addition, account statements reflecting all activity on the account(s), are delivered directly from the qualified custodian to each client or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from us. When you have questions about your account statements, you should contact us, your Advisor or the qualified custodian preparing the statement.

ITEM 16 - INVESTMENT DISCRETION

Sound Legacy accepts discretionary authority over client accounts. When a Sound Legacy IAR is acting in a

discretionary capacity, the IAR may place trades within a client account without pre-approval from the client.

Prior to accepting discretionary authority over a client account, the provision of the ADV disclosure documents, suitability review and execution of investment adviser agreement with a discretionary authority contract provision must be completed.

ITEM 17 - VOTING CLIENT SECURITIES

Proxy Voting

We do not accept or have the authority to vote client securities. However, clients may call us if they have questions about a particular solicitation. We will not be deemed to have proxy voting authority solely as a result of providing advice or information about a particular proxy vote to a client. Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent.

Mutual Funds

The investment adviser that manages the assets of a registered investment company (i.e., mutual fund) generally votes proxies issued on securities held by the mutual fund.

Class Actions

Sound Legacy does not instruct or give advice to clients on whether or not to participate as a member of class action lawsuits and will not automatically file claims on the client's behalf. However, if a client notifies us that they wish to participate in a class action, we will provide the client with any transaction information pertaining to the client's account needed for the client to file a proof of claim in a class action.

ITEM 18 - FINANCIAL INFORMATION

Registered investment advisers are required in this item to provide clients with certain financial information or disclosures about the firm's financial condition. Sound Legacy does not require the prepayment of more than \$500 in fees per client, six months or more in advance, does not have or foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy proceeding.

ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Registered investment advisers with the State of Washington are required in this item to provide clients with the below additional disclosure.

- A. A list of all principal executive officers and management persons with a description of their formal education and business background:

| Name | Title | Formal Education | Business Background |
|---------------|------------------|--|---|
| Joel Petersen | Managing Partner | BA, Business Administration; Western Washington University | <p>01/2020 – Present Sound Legacy Wealth Advisors, LLC Managing Partner, Senior Wealth Advisor</p> <p>06/2011 –10/2019 Bank of America, N.A./US Trust Senior Vice President, Private Client Advisor</p> <p>02/2011 –10/2019 Merrill Lynch, Pierce, Fenner & Smith, Inc. Sr Vice President, Private Client Advisor</p> <p>09/2005 – 12/2010 Bernstein Global Wealth Management Financial Advisor</p> <p>09/2005 – 12/2010 Sanford C. Bernstein Vice President Financial Advisor</p> <p>08/2003 – 09/2005 Ascential/IBM Sr Account Executive</p> <p>01/2002 – 10/2003 Stellent Account Executive</p> <p>04/1996 – 01/2002 Onyx Software Sr. Account Executive</p> <p>01/1993 – 08/1996 Greendisk Vice President</p> |

| | | | |
|-------------|--|-------------------------------------|--|
| Tera Probst | Partner, Chief Investment Officer | Western Washington University | 01/2020 – Present Sound Legacy Wealth Advisors, LLC Partner, Chief Investment Officer 5/1992 – 11/2019 Bank of America/US Trust Portfolio Manager |
|-------------|--|-------------------------------------|--|

- B. Sound Legacy is not actively engaged in any other business other than that of investment advice.
- C. In addition to the description of your fees in response to Item 5 of Part 2A, if you or a supervised person are compensated for advisory services with performance-based fees, explain how these fees will be calculated. Disclose specifically that performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.
- D. No principal executive officers and management persons have been involved in any of the events listed below:
 - 1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
 - a. an investment or an investment-related business or activity;
 - b. fraud, false statement(s), or omissions;
 - c. theft, embezzlement, or other wrongful taking of property;
 - d. bribery, forgery, counterfeiting, or extortion; or
 - e. dishonest, unfair, or unethical practices.
 - 2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
 - a. an investment or an investment-related business or activity;
 - b. fraud, false statement(s), or omissions;
 - c. theft, embezzlement, or other wrongful taking of property;
 - d. bribery, forgery, counterfeiting, or extortion; or
 - e. dishonest, unfair, or unethical practices.
- E. No principal executive officers and management persons have any relationship or arrangement with any issuer of securities that is not listed in Item 10.C. of this document.
- F. No supervised persons are compensated for advisory services with performance-based fees.