

# Sound Financial Investment Management, LLC

## Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Sound Financial Investment Management, LLC. If you have any questions about the contents of this brochure, please contact us at (937) 264-9300 or by email at: [mattdeller@soundfinancial.net](mailto:mattdeller@soundfinancial.net). 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 Sound Financial Investment Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Sound Financial Investment Management, LLC's CRD number is: 163025.*

320 James E. Bohanan Drive  
Vandalia, Ohio, 45377  
(937) 264-9300  
[mattdeller@soundfinancial.net](mailto:mattdeller@soundfinancial.net)  
[www.Soundfinancial.net](http://www.Soundfinancial.net)

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

Version Date: 03/14/2016

## Item 2: Material Changes

The material changes in this brochure from the last annual updating amendment of Sound Financial Investment Management, LLC on February 5, 2015 are described below. This list summarizes changes to policies, practices or conflicts of interests only.

- Sound Financial Investment Management, LLC has updated their fee schedule. (Item 5).
- Sound Financial Investment Management, LLC may refer client to Third Party Advisors. (Item 10.D).
- Sound Financial Investment Management, LLC provide Educational Seminars. (Item 4 and Item 5).

## Item 3: Table of Contents

### Table of Contents

Item 2: Material Changes.....	i
Item 3: Table of Contents.....	ii
Item 4: Advisory Business.....	1
A. Description of the Advisory Firm.....	1
B. Types of Advisory Services.....	1
Investment Supervisory & Selection of Other Advisers Services.....	1
Financial Planning.....	2
Services Limited to Specific Types of Investments.....	2
Educational Seminars.....	2
C. Client Tailored Services and Client Imposed Restrictions.....	2
D. Wrap Fee Programs.....	2
E. Amounts Under Management.....	2
Item 5: Fees and Compensation.....	3
A. Fee Schedule.....	3
Investment Supervisory Services & Selection of Other Advisers Fees.....	3
Financial Planning Fees.....	3
Fixed Fees.....	3
Hourly Fees.....	4
Educational Seminar Fees.....	4
B. Payment of Fees.....	4
Payment of Investment Supervisory Fees.....	4
Payment of Financial Planning Fees.....	4
C. Clients Are Responsible For Third Party Fees.....	4
D. Prepayment of Fees.....	5
E. Outside Compensation For the Sale of Securities to Clients.....	5
1. This is a Conflict of Interest.....	5
2. Clients Have the Option to Purchase Recommended Products From Other Brokers.....	5
3. Advisory Fees in Addition to Commissions or Markups.....	5
Item 6: Performance-Based Fees and Side-By-Side Management.....	6
Item 7: Types of Clients.....	6
Minimum Account Size.....	6
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss.....	6
A. Methods of Analysis and Investment Strategies.....	6
Methods of Analysis.....	6

Fundamental analysis .....	6
Technical analysis.....	6
Investment Strategies.....	6
B. Material Risks Involved .....	7
Methods of Analysis .....	7
Fundamental analysis .....	7
Technical analysis.....	7
Investment Strategies.....	7
C. Risks of Specific Securities Utilized .....	7
Item 9: Disciplinary Information .....	8
A. Criminal or Civil Actions .....	8
B. Administrative Proceedings .....	8
C. Self-regulatory Organization (SRO) Proceedings .....	8
Item 10: Other Financial Industry Activities and Affiliations.....	8
A. Registration as a Broker/Dealer or Broker/Dealer Representative .....	8
B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.....	9
C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests.....	9
D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections .....	9
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	10
A. Code of Ethics.....	10
B. Recommendations Involving Material Financial Interests .....	10
C. Investing Personal Money in the Same Securities as Clients.....	10
D. Trading Securities At/ Around the Same Time as Clients' Securities .....	10
Item 12: Brokerage Practices.....	11
A. Factors Used to Select Custodians and/or Broker/Dealers .....	11
1. Research and Other Soft-Dollar Benefits .....	11
2. Brokerage for Client Referrals .....	11
3. Clients Directing Which Broker/Dealer/Custodian to Use .....	11
B. Aggregating (Block) Trading for Multiple Client Accounts .....	11
Item 13: Reviews of Accounts .....	11
A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews.....	12
B. Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	12
C. Content and Frequency of Regular Reports Provided to Clients.....	12
Item 14: Client Referrals and Other Compensation .....	12
A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes) .....	12
B. Compensation to Non – Advisory Personnel for Client Referrals.....	12
Item 15: Custody.....	13
Item 16: Investment Discretion .....	13

Item 17: Voting Client Securities (Proxy Voting).....	13
Item 18: Financial Information.....	13
A. Balance Sheet .....	13
B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients .....	13
C. Bankruptcy Petitions in Previous Ten Years .....	13
Item 19: Requirements For State Registered Advisers .....	13
A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background .....	14
B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any).....	14
C. How Performance Based Fees are Calculated and Degree of Risk to Clients .....	14
D. Material Disciplinary Disclosures for Management Persons of this Firm .....	14
E. Material Relationships That Management Persons Have With Issuers of Securities (If Any) .....	14

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Sound Financial Investment Management, LLC is a Limited Liability Company organized in the state of Ohio.

This firm has been in business since January 2012, and the principal owners are Matthew G. Deller and Christopher M. Strehle.

### B. Types of Advisory Services

Sound Financial Investment Management, LLC (hereinafter "SFIM") offers the following services to advisory clients:

#### *Investment Supervisory & Selection of Other Advisers Services*

SFIM offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. SFIM creates an Investment Policy Statement for each client, which outlines the client's current situation (income, tax levels, and risk tolerance levels) and then constructs a plan (the Investment Policy Statement) to aid in the selection of a portfolio that matches each client's specific situation. Investment Supervisory Services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

SFIM may direct clients to a third-party investment adviser (Matson Money, Inc.) to manage all or a portion of the client's assets. Before selecting other advisers for clients, SFIM will always ensure those other advisers are properly licensed or registered as an investment adviser. SFIM conducts due diligence on any third-party investment adviser, which may involve one or more of the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. SFIM then makes investments with a third-party investment adviser by referring the client to the third-party adviser. SFIM will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

SFIM evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

## *Financial Planning*

Financial plans and financial planning may include, but are not limited to: investment planning, life insurance; tax concerns; retirement planning; college planning; and debt/credit planning. These services are based on fixed fees or hourly fees and the final fee structure is documented in Exhibit II of the Financial Planning Agreement.

## *Services Limited to Specific Types of Investments*

SFIM generally limits its investment advice and/or money management to mutual funds, equities, bonds, fixed income, debt securities, ETFs, REITs, insurance products including annuities, and government securities. SFIM may use other securities as well to help diversify a portfolio when applicable.

## *Educational Seminars*

SFIM provides Educational Seminars to ongoing clients.

## **C. Client Tailored Services and Client Imposed Restrictions**

SFIM offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent SFIM from properly servicing the client account, or if the restrictions would require SFIM to deviate from its standard suite of services, SFIM reserves the right to end the relationship.

## **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and any other administrative fees. SFIM DOES NOT participate in any wrap fee programs.

## **E. Amounts Under Management**

SFIM has the following assets under management:

<b>Discretionary Amounts:</b>	<b>Non-discretionary Amounts:</b>	<b>Date Calculated:</b>
\$0.00	\$1,630,000.00	12/31/2015

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services & Selection of Other Advisers Fees*

Total Assets	SFIM's Fee	Matson Money, Inc.'s Fee	Total Fee
Up to \$4,000,000	0.4 up to 1.5%	0.50%	2.00% Max
Over \$4,000,000	0.4 up to 1.0%	0.5%	Up to 1.5% Max

SFIM may direct clients to Matson Money, Inc. and will be compensated via a fee share. Advisory fees are withdrawn directly from the client's accounts with client written authorization.

These fees are negotiable depending upon the needs of the client and complexity of the situation, and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in advance, and clients may terminate their contracts with seven days' written notice.

Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Fees that are collected in advance will be refunded based on the prorated amount of work completed up to the day of termination within the quarter terminated. The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter). Clients may terminate their contracts without penalty, for full refund, within 5 business days of signing the advisory contract.

#### *Financial Planning Fees*

##### *Fixed Fees*

Depending upon the complexity of the situation and the needs of the client, the rate for creating client financial plans is between \$250 and \$5,000. Fees are paid in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.



The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

The fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

### ***Hourly Fees***

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is between \$150 and \$300. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

The fee refunded will be the balance of the fees collected in advance minus the hourly rate times the number of hours of work that has been completed up to and including the day of termination.

### ***Educational Seminar Fees***

There is no additional charge for Educational Seminars.

## **B. Payment of Fees**

### ***Payment of Investment Supervisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client written authorization. Fees are paid quarterly in advance.

### ***Payment of Financial Planning Fees***

Hourly Financial Planning fees are paid via check in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

Fixed Financial Planning fees are paid via check in advance, but never more than six months in advance. Fees that are charged in advance will be refunded based on the prorated amount of work completed at the point of termination.

## **C. Clients Are Responsible For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by SFIM. Please see Item 12 of this brochure regarding broker/custodian.

#### **D. Prepayment of Fees**

SFIM collects fees in advance. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will be deposited back into client's account within fourteen days.

The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly AUM fee by the number of days in the termination quarter).

#### **E. Outside Compensation For the Sale of Securities to Clients**

Matthew G. Deller and Christopher M. Strehle in their roles as registered representatives accept compensation for the sale of securities to SFIM clients.

##### ***1. This is a Conflict of Interest***

SFIM and its supervised persons will accept compensation for the sale of securities or other investment products, including asset based sales charges or services fees from the sale of mutual funds to its clients. This presents a conflict of interest and gives the supervised person and SFIM an incentive to recommend products based on the compensation received rather than on the client's needs. When recommending the sale of securities or investment products for which SFIM receives compensation, SFIM will document the conflict of interest in the client file and inform the client of the conflict of interest.

##### ***2. Clients Have the Option to Purchase Recommended Products From Other Brokers***

Clients always have the option to purchase SFIM recommended products through other brokers or agents that are not affiliated with SFIM.

##### ***3. Advisory Fees in Addition to Commissions or Markups***

Advisory fees that are charged to clients are not reduced to offset the commissions or markups on securities or investment products recommended to clients.

## Item 6: Performance-Based Fees and Side-By-Side Management

SFIM does not accept 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

SFIM generally provides investment advice and/or management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals
- ❖ Investment Companies

### *Minimum Account Size*

There is no account minimum.

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

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

SFIM's methods of analysis include fundamental and technical analysis.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

#### *Investment Strategies*

SFIM uses long term and short term trading strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **B. Material Risks Involved**

### *Methods of Analysis*

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not work long term.

### *Investment Strategies*

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Short term trading generally hold greater risk and clients should be aware that there is a material risk of loss using any of those strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **C. Risks of Specific Securities Utilized**

SFIM generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss. Mutual funds are not guaranteed or insured by the FDIC or any other government agency. You can lose money investing in mutual funds. All mutual funds have costs that lower investment returns. They can be of bond "fixed income" nature (lower risk) or stock "equity" nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks by an individual or firms in return for receiving a future payment of dividends and capital gains if the value of the stock increases. There is an innate risk involved when purchasing a stock that it may decrease in value and the investment may incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various other types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## Item 9: Disciplinary Information

### A. Criminal or Civil Actions

There are no criminal or civil actions to report.

### B. Administrative Proceedings

There are no administrative proceedings to report.

### C. Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

## Item 10: Other Financial Industry Activities and Affiliations

### A. Registration as a Broker/Dealer or Broker/Dealer Representative

Matthew G. Deller and Christopher Mark Strehle are registered representatives of Triad Advisors.

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

Neither SFIM nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

## **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Matthew G. Deller and Christopher Mark Strehle are registered representatives of Triad-Advisors. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. SFIM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of SFIM in their capacity as registered representatives.

Matthew G. Deller and Christopher Mark Strehle are licensed insurance agents and owners of the insurance agency, Sound Financial Solutions, Inc. From time to time, they will offer clients advice or products from those activities. Clients should be aware that these services pay a commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. SFIM always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to implement the plan through any representative of SFIM in their capacity as an insurance agent.

Matthew G. Deller and Christopher Mark Strehle are owners of Dynamic Employee Solutions, an RIA. From time to time, they may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. SFIM always acts in the best interest of the client and clients are in no way required to the services of any representative of SFIM in connection with such individual's activities outside of SFIM.

## **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

SFIM may direct clients to third-party investment advisers. SFIM will be compensated via a fee share from the advisers to which it directs those clients. This relationship will be memorialized in each contract between SFIM and each third-party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that SFIM has an incentive to direct clients to the third-party investment advisers that provide AAA with a larger fee split. SFIM will always act in the best interests of the client, including when determining which third-party investment

adviser to recommend to clients. SFIM will ensure that all recommended advisers are licensed or notice filed in the states in which SFIM is recommending them to clients.

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

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

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Our Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

SFIM does not recommend that clients buy or sell any security in which a related person to SFIM or SFIM has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of SFIM may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of SFIM to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SFIM will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

### **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of SFIM may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SFIM to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SFIM will always transact client's transactions before its own when similar securities are being bought or sold.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

The Custodian, Charles Schwab & Co, Inc., was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. SFIM will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

#### **1. *Research and Other Soft-Dollar Benefits***

SFIM receives research, products, or other services from its broker/dealer or another third-party in connection with client securities transactions (“soft dollar benefits”). There is no minimum client number or dollar number that SFIM must meet in order to receive free research from the custodian or broker/dealer. There is no incentive for SFIM to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. However, because this firm does not have to produce or pay for services or products it has an incentive to choose a custodian that provides those services based on its interests rather than the clients’ interests. The first consideration when recommending broker/dealers to clients is best execution. SFIM always acts in the best interest of the client.

#### **2. *Brokerage for Client Referrals***

SFIM receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### **3. *Clients Directing Which Broker/Dealer/Custodian to Use***

SFIM will not allow clients to direct SFIM to use a specific broker-dealer to execute transactions. Clients must use SFIM recommended custodian (broker-dealer).

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

SFIM maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing SFIM the ability to purchase larger blocks resulting in smaller transaction costs to the client. Declining to block trade can cause more expensive trades for clients.

## **Item 13: Reviews of Accounts**



### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed at least quarterly by Matthew G. Deller and Christopher M. Strehle. They are the chief advisors and are instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at SFIM are assigned to these reviewers.

All financial planning accounts are reviewed upon financial plan creation and plan delivery by Matthew G. Deller and Christopher M. Strehle.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client will receive at least quarterly from the custodian, a written report that details the client's account including assets held and asset value which will come from the custodian.

Clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

SFIM does not receive any economic benefit, directly or indirectly from any third party for advice rendered to SFIM clients.

### **B. Compensation to Non - Advisory Personnel for Client Referrals**

SFIM has in place a solicitor arrangement who provides referrals to the firm for compensation. All compensation with respect to the foregoing will be fully disclosed to each client to the extent required by applicable law. SFIM will ensure each solicitor is properly registered in all appropriate jurisdictions.

## **Item 15: Custody**

SFIM, with client written authority, has limited custody of client's assets through direct fee deduction of SFIM's Fees only. If the client chooses to be billed directly by the Custodian, SFIM would have constructive custody over that account and must have written authorization from the client to do so. Clients will receive all required account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

## **Item 16: Investment Discretion**

SFIM does not have discretion over client accounts at any time.

## **Item 17: Voting Client Securities (Proxy Voting)**

SFIM will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

SFIM does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither SFIM nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

SFIM has not been the subject of a bankruptcy petition in the last ten years.

## **Item 19: Requirements For State Registered Advisers**

**A. Principal Executive Officers and Management Persons; Their Formal Education and Business Background**

SFIM currently has two management person/executive officer; Matthew G. Deller and Christopher M. Strehle. Their education and business backgrounds can be found on the Supplemental ADV Part 2B forms.

**B. Other Businesses in Which This Advisory Firm or its Personnel are Engaged and Time Spent on Those (If Any)**

Matthew G. Deller's and Christopher M. Strehle's other business activities can be found on the Supplemental ADV Part 2B forms.

**C. How Performance Based Fees are Calculated and Degree of Risk to Clients**

SFIM does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

**D. Material Disciplinary Disclosures for Management Persons of this Firm**

No management person at SFIM has been involved in an arbitration claim or been found liable in a civil, self-regulatory organization, or administrative proceeding that is material to the client's evaluation of the firm or its management.

**E. Material Relationships That Management Persons Have With Issuers of Securities (If Any)**

Neither SFIM, nor its management persons, has any relationship or arrangement with issuers of securities.