Legacy Financial, Ltd

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Item 1: Firm Brochure (Form ADV Part 2A)

This brochure provides information about the qualifications and business practices of Legacy Financial Ltd. If you have any questions about the contents of this brochure, please contact us at the phone number listed above. 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. Registration (e.g. "registered investment advisor") does not imply a certain level of skill or training.

Additional information about Legacy Financial Ltd. also is available on the SEC's website at www.adviserinfo.sec.gov. The firm's CRD number is 284437.

Item 2: Material Changes

Pursuant to Colorado and SEC rules, Legacy Financial Ltd will ensure that clients receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after the Firm's fiscal year end, December 31. This means that if there were any material changes over the past year, clients will receive a summary of those changes no later than April 30. At that time, Legacy Financial Ltd will also offer a copy of its most current disclosure brochure and may also provide other ongoing disclosure information about material changes as necessary. If there are no material changes over the past year, no notices will be sent.

Clients and prospective clients can always receive the most current disclosure brochure for Legacy Financial Ltd at any time by contacting their investment advisor representative.

The following material changes have been made since the last annual updating amendment dated January 11, 2024:

- Legacy Financial Ltd has disclosed the use and risk of Blockchain ETFs in Item 8.

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Item 4 Advisory Business

Firm Description

Legacy Financial Ltd. (“Legacy” or the “Firm”) is a Colorado registered investment advisor. Legacy was founded in August 2016.

Legacy Financial Ltd. is owned by 2D, Inc. which is owned by Derek Serlet. The Chief Compliance Officer of Legacy is Derek Serlet.

Types of Advisory Services

The Firm offers a large variety of services, including portfolio management, investment analysis and financial planning for individuals and high net worth individuals. The Firm offers these services to clients or potential clients (“clients”).

Investment Advisory Services

We offer discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives. Legacy assesses clients’ current holdings and ensures alignment with both short- and long-term goals. The Firm performs ongoing reviews of investment performance and portfolio exposure to market conditions. Any and all trades are made in the best interest of the client as part of Legacy’s fiduciary duty. However, risk is inherent to any investing strategy. Therefore, Legacy does not guarantee any results or returns.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm and the appropriate trading authorization forms. Note that, regardless of whether the account is discretionary or non-discretionary, the Custodian will require that you sign a Limited Power of Attorney Form. This will not, however, affect the non-discretionary nature of a non-discretionary account.

You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account or determining the allocations to securities in your account.) by providing our firm with your restrictions and guidelines in writing. These restrictions will be documented in your client profile and suitability analysis on the Advyzon platform.

We may also offer non-discretionary portfolio management services. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Prior to engaging Legacy to provide any investment advisory services, Legacy requires a written Investment Advisory Contract ("IAC") signed by the client prior to the engagement of any services. The IAC will outline services to which the client is entitled and fees the client will incur.

Legacy is an asset-based fee investment management firm. The firm does not receive commissions for purchasing or selling stocks, bonds, mutual funds, real estate investment trusts, or other commissioned products for clients. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted.

Legacy does not act as a custodian of client assets. The client always maintains asset control. Legacy places trades for clients under a limited power of attorney through qualified custodian/broker.

Services Tailored to Clients' Needs

Services are provided based on a client's specific needs within the scope of the services provided as discussed above. A review of the information provided by the client regarding the client's current financial situation, goals, and risk tolerances will be performed and advice will be provided that is in line with available information. This information will be documented in the client profile and suitability analysis in Advyzon.

Wrap Fee Program versus Portfolio Management Program

Legacy does not offer a Wrap Fee Program.

Types of Investments

We offer advice on equity securities, exchange-traded funds (ETFs) corporate debt securities (other than commercial paper) and mutual fund shares. In certain limited circumstances, we may also offer an options strategy which is typically limited to buying and selling covered calls and covered puts.

Additionally, we may advise you on various types of investments based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Assets Under Management

As of December 31, 2024, Adviser has the following assets under management:

Discretionary assets: $17,200,000
Non-discretionary assets: $200,000

Item 5 Fees and Compensation

Fees and other charges

Portfolio Management Services
Fees for portfolio management services are based on a progressive tiered annual rate based on the assets under management as follows:

Assets Under Management	Annual Fee
On the first $100,000	2.00%
On that portion of assets between $100,001 - $250,000	1.50%
On that portion of assets between $250,001 - $500,000	1.25%
On that portion of assets between $500,001 - $1,000,000	1.00%
On that portion of assets over $1,000,001	0.75%

With this progressive tiered fee schedule, different asset levels in an account are assessed by different fees. By way of example, an account valued at $600,000 would be charged annually:

2.00% on the first $100,000	= $2,000
1.50% on the next $150,000	= $2,250
1.25% on the next $250,000	= $3,125
1.00% on the remaining $100,000	= $1,000

For a Total Annual Fee of $8,375. This equates to an Annual Effective Rate of $8,375 / $600,000 = 1.4% or a Quarterly Effective Rate of 1.4% / 4 = 0.35%.

All asset-based fees are deducted by the qualified custodian of record on a quarterly basis in Arrears, or as otherwise indicated in the client agreement. The average daily balance totals each day's ending balance for the billing cycle and divides by the total number of days in the billing cycle. The balance is then multiplied by the accounts respective annual advisory fee, determined by the tiered fee schedule above. Client statements for prior deductions will be provided on a quarterly basis.

Fees are negotiable and may be higher or lower than fees determined by the above progressive tiered fee schedule, based on individual client circumstances and the nature of the account.

Accounts with a positive margin loan balance will be subject to additional margin interest fees to cover the quarterly advisory fees. Margin loan balances are currently charged a 13.25% annual fee, but this percentage can change at the behest of the custodian.

All fees paid to the Adviser for investment advisory services are separate and distinct from the expenses charged by third-party managers and Investment Companies to their shareholders. These fees and expenses are described to the client in separate disclosures. These fees will generally include third-party management fees, an Investment Company management fee, other fund expenses, and in some situations a possible distribution fee.

Adviser will provide investment advisory services and portfolio management services but will not provide custodial or other administrative services. At no time will Adviser accept or maintain custody of a client's funds or securities except for authorized fee deduction. The Client may contact the Custodian directly for disbursements, or account record changes, and may also do so in writing to the custodian. Adviser may act at the client's convenience to facilitate such written communications to the Custodian, provided that such action is not construed to be custody of client assets.

Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. Fees paid to Adviser are separate and distinct from the custodian and execution fees.

Clients may request to terminate their advisory contract with Adviser, in whole or in part, by providing advance written notice. Upon termination, any fees paid in advance will be prorated to the date of termination and any excess will be refunded to client through the Custodian. Client's advisory agreement with the Advisor is non-transferable without Client's written approval.

Fee Deduction Disclosure

Where Adviser deducts its management fee from client accounts utilizing a qualified custodian, the Adviser is required to meet the following requirements.

a. Possess written authorization from the client to deduct advisory fees from an account held by a qualified custodian

b. The firm must send the qualified custodian a written invoice detailing the fee amount to be deducted from the client account; and,

c. The firm must send the client a written invoice itemizing the fee, the invoice must detail any formulae used to calculate the fee, the time period covered by the fee and the amount of assets under management on which the fee was based. This may be included with the clients quarterly performance report.

Fixed Fees

Fixed fees are commensurate with asset-based fees and may be negotiated for investment services and are established as fixed fees where the intent of the client is that fees are not variable automatically with changes in asset values on a quarterly basis. Fixed fee arrangements under the client agreement are for a period of one year, and then convert automatically to asset-based fees unless a new fixed fee agreement is established. Fixed fees are deducted and invoiced in the same fashion as asset-based fees for investment services.

All fixed fees for services offered by the firm will be determined in advance based on the agreement between the client and the firm and based on the information provided by the client at that time.

Fixed fees paid in advance will be prorated to the date of termination and the excess refunded to the client by check as soon as practicable. Where the firm may request a fee in advance, the amount paid in advance will not be more than $500 per client and 6 months in advance. The remaining fixed fees will be paid after the services are performed.

Right of Cancellation

In addition to the right to terminate an agreement pursuant to its terms, a client may cancel an agreement with Adviser within five (5) business days of first receiving a copy of this disclosure brochure and supplement without penalty or fee.

Adviser's Investment management fees are payable quarterly in arrears, based on average daily balances with adjustments for additional deposits of funds if any made in a quarter already billed, which will be billed in arrears at the beginning of the next quarter for the additional cash flow. Upon termination, any fees paid in advance will be prorated to the date of termination and any excess will be refunded to the client by check issued to the customer as soon as practicable.

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client.

Unless otherwise instructed by our client, we will combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

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

Legacy Financial Ltd. does not charge or accept performance-based fees.

Item 7 Types of Clients

Legacy Financial Ltd. provides investment advice to many different types of clients. These clients generally include individuals, high net worth individuals, trusts, estates, corporations, and other types of business entities.

Minimum Account Size

Legacy's minimum account size is $50,000. Third party managed programs generally have account minimum requirements, and these minimum requirements vary from manager to manager. If an account drops below the minimum, Legacy has the discretion to keep or terminate the account, depending on whether the account can still be effectively managed. Short-term drops in account AUM will not result in account termination. Legacy reserves the right to waive this minimum at any time.

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

A. Methods of Analysis

The Firm may use the following methods when considering investment strategies and recommendations.

<u>Charting Review</u>

Charting is a technical analysis that charts the patterns of stocks, bonds, and commodities to help determine buy and sell recommendations for clients. It is a way of gathering and processing price and volume information in a security by applying mathematical equations and plotting the resulting data onto graphs in order to predict future price movements. A graphical historical record assists the analyst in spotting the effect of key events on a security's price, its performance over a period of time, and whether it is trading near its high, near its low or in between. Chartists believe that recurring patterns of trading, commonly referred to as indicators, can help them forecast future price movements.

<u>Fundamental Review</u>

A fundamental analysis is a method of evaluating a company or security by attempting to measure its intrinsic value. Fundamental analysis attempts to determine the true value of a company or security by looking at all aspects of the company or security, including both tangible factors (e.g., machinery, buildings, land, etc.) and intangible factors (e.g., patents, trademarks, "brand" names, etc.). Fundamental analysis also involves examining related economic factors (e.g., overall economy and industry conditions, etc.), financial factors (e.g., company debt, interest rates, management salaries and bonuses, etc.), qualitative factors (e.g., management expertise, industry cycles, labor relations, etc.), and quantitative factors (e.g., debt-to-equity and price-to-equity ratios).

The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price with the aim of determining what sort of position to take with that security (e.g., if underpriced, the security should be bought; if overpriced the security should sold). Fundamental analysis uses real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for many types of securities.

<u>Technical Review</u>

Technical analysis is a method of evaluating securities that analyzes statistics generated by market activity, such as past prices and volume. Technical analysis does not attempt to measure a security's intrinsic value, but instead uses past market data and statistical tools to identify patterns that can suggest future activity. Historical performance of securities and the markets can indicate future performance.

<u>Cyclical Review</u>

A cyclical analysis assumes the market reacts in reoccurring patterns that can be identified and leveraged to provide performance. Cyclical analysis of economic cycles is used to determine how these reoccurring patterns, or cycles, affect the returns of a given investment, asset, or company. Cyclical analysis is a time-based assessment which incorporates past and present performance to determine future value. Cyclical analyses exist because the broad economy has been shown to move in cycles, from periods of peak performance to periods of low performance. The risks of this strategy are two-fold: (1) the markets do not always repeat cyclical patterns; and (2) if too many investors begin to implement this strategy, it changes the very cycles of which they are trying to take advantage.

<u>Economic Review</u>

An economic analysis determines the economic environment over a certain time horizon. This involves following and updating historic economic data such as U.S. gross domestic product and consumer price index as well as monitoring key economic drivers such as employment, inflation, and money supply for the world's major economies.

B. Investment Strategies

When implementing investment advice to clients, the Firm may employ a variety of strategies to best pursue the objectives of clients. Depending on market trends and conditions, Legacy will employ any technique or strategy herein described, at the Firm's discretion and in the best interests of the client. The Firm does not recommend any particular security or type of security. Instead, the Firm makes recommendations to meet a particular client's financial objectives. There is inherent risk to any investment and clients may suffer a loss of ALL OR PART of a principal investment.

Long-Term Purchases

Long-term purchases are securities that are purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Long-term purchases may be affected by unforeseen changes in the company in which a client is invested or in the overall market. Long-term trading is designed to capture market rates of both return and risk. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes. Due to its nature, the long-term 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, and political/regulatory risk.

Short-Term Purchases

Short-term purchases are securities that are purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Short-term trading generally holds greater risk. Frequent trading can affect investment performance due to increased brokerage fees and other transaction costs and taxes.

Strategic Asset Allocation

Asset allocation is a combination of several different types of investments; typically, this includes stocks, bonds, and cash equivalents among various asset classes to achieve diversification. The objective of asset allocation is to manage risk and market exposure while still positioning a portfolio to meet financial objectives.

C. Risk of Loss

Investing inherently involves risk up to and including loss of the principal sum. Further, past performance of any security is not necessarily indicative of future results. Therefore, future performance of any specific investment or investment strategy based on past performance should not be assumed as a guarantee. Legacy does not provide any representation or guarantee that the financial goals of clients will be achieved.

The potential return or gain and potential risk or loss of an investment varies, generally speaking, with the type of product invested in. Below is an overview of the types of products available on the market and the associated risks of each:

General Risks. Investing in securities always involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives can or will be met. Past performance is in no way an indication of future performance. We also cannot assure that third parties will satisfy their obligations in a timely manner or perform as expected or marketed.

General Market Risk. Investment returns will fluctuate based upon changes in the value of the portfolio securities. Certain securities held may be worth less than the price originally paid for them, or less than they were worth at an earlier time.

Common Stocks. Investments in common stocks, both directly and indirectly through investment in shares of ETFs, may fluctuate in value in response to many factors, including, but not limited to, the activities of the individual companies, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject certain strategies to potential losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for each strategy.

Portfolio Turnover Risk. High rates of portfolio turnover could lower the performance of an investment strategy due to increased costs and may result in the realization of capital gains. If an investment strategy realizes capital gains when it sells its portfolio investments, it will increase taxable distributions to you. High rates of portfolio turnover in a given year would likely result in short-term capital gains and under current tax law you would be taxed on short-term capital gains at ordinary income tax rates, if held in a taxable account.

Non-Diversified Strategy Risk. Some investment strategies may be non-diversified (e.g., investing a greater percentage of portfolio assets in a particular issuer and owning fewer securities than a

diversified strategy). Accordingly, each such strategy is subject to the risk that a large loss in an individual issuer will cause a greater loss than it would if the strategy held a larger number of securities or smaller positions sizes.

Model Risk. Financial and economic data series are subject to regime shifts, meaning past information may lack value under future market conditions. Models are based upon assumptions that may prove invalid or incorrect under many market environments. We may use certain model outputs to help identify market opportunities and/or to make certain asset allocation decisions.
There is no guarantee any model will work under all market conditions. For this reason, we include model related results as part of our investment decision process, but we often weigh professional judgment more heavily in making trades or asset allocations.

ETF Risks, including Net Asset Valuations and Tracking Error. An ETF's performance may not exactly match the performance of the index or market benchmark that the ETF is designed to track because 1) the ETF will incur expenses and transaction costs not incurred by any applicable index or market benchmark; 2) certain securities comprising the index or market benchmark tracked by the ETF may, from time to time, temporarily be unavailable; and 3) supply and demand in the market for either the ETF and/or for the securities held by the ETF may cause the ETF shares to trade at a premium or discount to the actual net asset value of the securities owned by the ETF. Certain ETF strategies may from time to time include the purchase of fixed income, commodities, foreign securities, American Depository Receipts, or other securities for which expenses and commission rates could be higher than normally charged for exchange-traded equity securities, and for which market quotations or valuation may be limited or inaccurate.

Clients should be aware that to the extent they invest in ETF securities they will pay two levels of advisory compensation – advisory fees charged by Adviser plus any advisory fees charged by the issuer of the ETF. This scenario may cause a higher advisory cost (and potentially lower investment returns) than if a Client purchased the ETF directly. An ETF typically includes embedded expenses that may reduce the ETF's net asset value, and therefore directly affect the ETF's performance and indirectly affect a Client's portfolio performance or an index benchmark comparison. Expenses of the ETF may include investment advisor management fees, custodian fees, brokerage commissions, and legal and accounting fees. ETF expenses may change from time to time at the sole discretion of the ETF issuer. ETF tracking error and expenses may vary.

<u>Inflation, Currency, and Interest Rate Risks.</u> Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of an investor's future interest payments and principal. Inflation also generally leads to higher interest rates, which in turn may cause the value of many types of fixed income investments to decline. In addition, the relative value of the U.S. dollar-denominated assets primarily managed by Adviser may be affected by the risk that currency devaluations affect Client purchasing power.

<u>Liquidity Risk.</u> Liquidity is the ability to readily convert an investment into cash to prevent a loss, realize an anticipated profit, or otherwise transfer funds out of the particular investment. Generally, investments are more liquid if the investment has an established market of purchasers and sellers, such as a stock or bond listed on a national securities exchange. Conversely, investments that do not have an established market of purchasers and sellers may be considered illiquid. Your investment in illiquid investments may be for an indefinite time, because of the lack of purchasers willing to convert your investment to cash or other assets.

<u>Legislative and Tax Risk.</u> Performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment advisor or securities trading regulation; change in the U.S. government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the tax code that could affect interest income, income characterization and/or tax reporting obligations, particularly for options, swaps, master limited partnerships, Real Estate Investment Trust, Exchange Traded Products/Funds/Securities. We do not engage in tax planning, and in certain circumstances a client

may incur taxable income on their investments without a cash distribution to pay the tax due. Clients and their personal tax advisors are responsible for how the transactions in their account are reported to the IRS or any other taxing authority.

Foreign Investing and Emerging Markets Risk. Foreign investing involves risks not typically associated with U.S. investments, and the risks maybe exacerbated further in emerging market countries. These risks may include, among others, adverse fluctuations in foreign currency values, as well as adverse political, social, and economic developments affecting one or more foreign countries.

In addition, foreign investing may involve less publicly available information and more volatile or less liquid securities markets, particularly in markets that trade a small number of securities, have unstable governments, or involve limited industry. Investments in foreign countries could be affected by factors not present in the U.S., such as restrictions on receiving the investment proceeds from a foreign country, foreign tax laws or tax withholding requirements, unique trade clearance or settlement procedures, and potential difficulties in enforcing contractual obligations or other legal rules that jeopardize shareholder protection. Foreign accounting may be less transparent than U.S. accounting practices and foreign regulation may be inadequate or irregular.

Information Security Risk. We may be susceptible to risks to the confidentiality and security of its operations and proprietary and customer information. Information risks, including theft or corruption of electronically stored data, denial of service attacks on our website or websites of our third-party service providers, and the unauthorized release of confidential information are a few of the more common risks faced by us and other investment advisers. Data security breaches of our electronic data infrastructure could have the effect of disrupting our operations and compromising our customers' confidential and personally identifiable information. Such breaches could result in an inability of us to conduct business, potential losses, including identity theft and theft of investment funds from customers, and other adverse consequences to customers. We have taken and will continue to take steps to detect and limit the risks associated with these threats.

Tax Risks. Tax laws and regulations applicable to an account with Adviser may be subject to change and unanticipated tax liabilities may be incurred by an investor as a result of such changes. In addition, customers may experience adverse tax consequences from the early assignment of options purchased for a customer's account. Customers should consult their own tax advisers and counsel to determine the potential tax-related consequences of investing.

Advisory Risk. There is no guarantee that our judgment or investment decisions on behalf of particular any account will necessarily produce the intended results. Our judgement may prove to be incorrect, and an account might not achieve her investment objectives. In addition, it is possible that we may experience computer equipment failure, loss of internet access, viruses, or other events that may impair access to accounts' custodians' software. Adviser and its representatives are not responsible to any account for losses unless caused by Adviser breaching our fiduciary duty.

Dependence on Key Employees. An account's success depends, in part, upon the ability of our key professionals to achieve the targeted investment goals. The loss of any of these key personnel could adversely impact the ability to achieve such investment goals and objectives of the account.

Use of Margin. While the use of margin borrowing can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally affected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets in order to satisfy the client's outstanding obligation, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

The use of margin loans is meant as a short-term strategy for clients with aggressive allocations in brokerage accounts and is not done without client instruction. Margin is utilized to enter a position for a short period of time, often if a client instructs the advisor to enter a position before they can deposit additional funds into their account, or to cover a short options position expiring typically in 75 days or less and to be held for less than 30 days. Margin balances are monitored to never exceed more than 25% of their account balance in order to decrease the chances of a margin call. Margin loan balances are currently charged a 13.25% annual fee, but this percentage can change at the behest of the custodian.

Accounts with a positive margin loan balance will be subject to additional margin interest fees to cover the quarterly advisory fee.

Option Contracts. Options are complex securities that involve risks and are not suitable for everyone. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts:

A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the stock will increase substantially before the option expires.

A put gives the holder the right to sell an asset at a certain price within a specific period of time. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires.

The option trading risks pertaining to options buyers are:

- Risk of losing your entire investment in a relatively short period of time.
- The risk of losing your entire investment increases if, as expiration nears, the stock is below

the strike price of the call (for a call option) or if the stock is higher than the strike price of the put (for a put option).

- European style options which do not have secondary markets on which to sell the options prior to expiration can only realize its value upon expiration.
- Specific exercise provisions of a specific option contract may create risks.
- Regulatory agencies may impose exercise restrictions, which stops you from realizing value.

The option trading risks pertaining to options sellers are:

- American options sold may be exercised at any time before expiration. European options (such as SPX, NDX, DJX, etc.) cannot be exercised before expiration.

- Covered Call traders forgo the right to profit when the underlying stock rises above the strike price of the call options sold and continues to risk a loss due to a decline in the underlying stock.
- Writers of call options could lose more money than a short seller of that stock could on the same rise on that underlying stock. This is an example of how the leverage in options can work against the option trader.
- Call options can be exercised outside of market hours such that effective remedy actions cannot be performed by the writer of those options.
- Writers of stock options are obligated under the options that they sold even if a trading market is not available or that they are unable to perform a closing transaction.
- The value of the underlying stock may surge or ditch unexpectedly, leading to automatic exercises.

Other option trading risks are:

- The complexity of some option strategies is a significant risk on its own.
- Option trading exchanges or markets and option contracts themselves are open to changes at all times.
- Options markets have the right to halt the trading of any options, thus preventing investors from realizing value.
- Risk of erroneous reporting of exercise value.
- If an options brokerage firm goes insolvent, investors trading through that firm may be affected.
- Internationally traded options have special risks due to timing across borders.

Options Strategy:

Legacy Financial utilizes options contracts primarily to decrease risk in a client's portfolio, as well as to generate portfolio income from the collection of premiums in flat or down markets. Clients who give options permission and hold 100 share lots of individual stocks can engage in a covered call strategy where calls are sold against their positions to generate income from the premium collected on the call options sold, as well as have downside protection on those individual stocks. If a client is more conservative, more defensive “in the money” calls (calls with strikes below the current price of the stock or ETF) can be sold to increase downside protection while limiting upside potential. If a client is more aggressive, further “out of the money calls” (calls with a strike above the current price of the stock or ETF) can be sold to increase potential upside while still offering a small amount of downside protection.

Cover Call Rolling: If a covered call is bought back, while simultaneously selling a new call with a different strike price and expiration date, it is called rolling the call. Legacy Financial uses a covered call rolling strategy with the following trade executions:

- When a covered call is sold and the value of the call decreases by 60%, the call is purchased back at and rolled to a new strike further out in the future.
- If a stock that is covered with a call that rallies and the call doubles in value, the call is rolled to a higher strike and a date further in the future. Typically, the new strike price and expiration date are selected to make the call price equivalent or similar to the current price of the option being bought back.
- In instances where a stock rallies very hard, Legacy Financial will allow the stock to be called away at expiration, or they will roll the call to a strike price and expiration date combination with a lower call price, where the investor realizes a loss on the trade of the call.
- Covered calls are not sold with an expiration date further out than two years as extrinsic premium does not decay fast enough to make selling the call worthwhile with this much time left to expiration.

In addition to covered calls, options strategies designed to profit in flat market conditions such as iron condors are sometimes utilized as an income generation trade in client accounts. These strategies are profitable during a flat market and are used in client accounts with options permission that would like to attempt to generate income from premium sold on these options combinations. Options strategies with strike prices close to the money increase in risk and volatility as the option date to expiration approaches 0. Short-dated option strategies are only suitable for investors with a high-risk tolerance.

Iron Condors are exclusively traded using SPX, which is an options market product with many advantages to individual stocks and ETFs. SPX is an option only position with no underlying shares. SPX trades European style options which cannot be exercised any time before the time of sale/purchase and the expiration date. This is very advantageous to the seller of options contracts as there is no need to worry about early assignment. SPX is also cash settled so there is no need to use margin to buy shares to cover your position. Finally, SPX is tax-advantaged as 60% of the gains are reported as long-term capital gain even if the contract is held for less than one year.

Iron Condors are typically entered on a day with a spike in the VIX, which coincides with a spike in options prices. A call spread and put spread are sold with identical wingspans with the typical short strike being a 15 or 10 delta value strike and 60 days to expiration. If the trade is successful and the market calms down and the VIX drops, within 2 to 4 weeks, the position can be bought back at a 25%-50% profit. Iron Condors are monitored on a daily basis while they are open.

Lastly, in down markets, the purchasing of puts or put spreads as a hedge against additional downside are purchased to protect client accounts. Ideally, these contracts are purchased when the VIX is low, and options are cheap. In this scenario, accounts can be protected for 6 months to a year. Every client's account has a delta value calculated using ThinkPipes software provided by Charles Schwab (custodian). This value is calculated using the portfolios overall beta value and determines how many contracts of an underlying position are required to theoretically protect a portfolio with puts. SPY, an S&P 500 ETF is typically used for this instead of SPX, as many accounts are not large enough to require an entire SPX contract for protection (SPY is 1/10th the share price of SPX).

Risks that are not specific to options trading include market risk, sector risk and individual stock risk. Option trading risks are closely related to stock risks, as stock options are a derivative of stocks.

Blockchain ETFs. Legacy Financial Ltd will use model portfolios designed to provide investors with indirect exposure to the cryptocurrency space using publicly traded companies and ETFs. The goal for the model portfolio is to benefit from the assets class, without the need to directly purchase the actual cryptocurrency itself. Narrowly focused investments typically exhibit higher volatility. A model portfolio concentrated in a single industry, such as companies actively engaged in blockchain technology may never develop or be able to transact processes that lead to returns for any company in which the model invests. Such investments may be subject to the following risks: Lack of liquid markets, possible manipulation of blockchain-based assets; lack of regulation; third party product defects or vulnerabilities; reliance on the internet, and line of business risk.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of the advisory business or integrity of the Firm's management.

ETFs to clients. The Consent Agreement also required Legacy Financial Ltd to develop additional required policies and procedures to ensure compliance with the Colorado Securities Act and rules thereunder.

Item 10 Other Financial Industry Activities and Affiliations

Registration as a Broker/Dealer or Broker/Dealer Representative

Legacy is not registered and does not have an application pending to register, as a broker dealer and its management persons are not registered as broker/dealer representative.

Registration as a Futures Commission merchant, Commodity Pool Operator

Legacy and its management persons are not registered and do not have application pending to register, as a futures commission merchant, commodity pool operator/advisor.

Other Business Activities

Derek Serlet is separately licensed as an independent insurance agent. In this capacity, he can effect transactions in insurance products for his clients and earn commissions for these activities. The fees you pay our firm for advisory services are separate and distinct from the commissions earned by Mr. Serlet for insurance-related activities. This presents a conflict of interest because Mr. Serlet may have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. No Legacy client is obligated to implement any recommendation to purchase insurance products through Mr. Serlet in his capacity as an insurance agent.

Selection of other Advisors

Legacy does not recommend or select other investment advisers for its clients.

Item 11 Code of Ethics, Conflicts of Interest, and Personal Trading

A. Fiduciary Status

According to Colorado law, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each of its clients. Legacy Financial Ltd. and its representatives have a fiduciary duty to all clients.
Legacy Financial Ltd. and its representatives 'fiduciary duty to clients is considered the core underlying principle for Legacy Financial Ltd. 's Code of Ethics and represents the expected basis for

all representatives ’dealings with clients. Legacy Financial Ltd. has the responsibility to ensure that the interests of clients are placed ahead of it or its representatives ’own investment interest. All representatives will conduct business in an honest, ethical, and fair manner. All representatives will always comply with all federal and state securities laws. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to services being conducted. All representatives have a responsibility to avoid circumstances that might negatively affect or appear to affect the representatives ’duty of complete loyalty to their clients.

B. Recommendations Involving Material Financial Interests

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

C. Trading Securities At/Around the Same Time as Clients’ Securities

Adviser and/or its investment advisory representatives may from time-to-time purchase or sell products or investments that they may recommend to clients. Adviser has adopted a Code of Ethics that sets forth the basic policies of ethical conduct for all managers, officers, and employees of the adviser.

Clients should note that the Adviser’s, and/or its investment advisory representatives’, investment objectives and suitability may not match that of its clients. This could lead to the adviser to trade against the clients (i.e., take opposite positions in trades)

In addition, the Code of Ethics governs personal trading by each employee of Adviser deemed to be an Access Person and is intended to ensure that securities transactions effected by Access Persons of Adviser are conducted in a manner that avoids any actual or potential conflict of interest between such persons and clients of the adviser or its affiliates.

Adviser collects and maintains records of securities holdings and securities transactions effected by Access Persons. These records are reviewed to identify and resolve potential conflicts of interest. Adviser’s Code of Ethics is available upon request.

Item 12 Brokerage Practices

A. Selection and Recommendation

Legacy has a duty to select brokers, dealers and other trading venues that provide best execution for clients. The duty of best execution requires an investment adviser to seek to execute securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, taking into account all relevant factors. The lowest possible commission, while very important, is not the only consideration. The broker dealer Legacy currently utilizes is Charles Schwab.

It is the policy of the Firm to seek best execution in all portfolio trading activities for all investment disciplines and products, regardless of whether commissions are charged. This applies to trading in any instrument, security, or contract including equities, bonds, and forward or derivative contracts.

The standards and procedures governing best execution are set forth in several written policies. Generally, to achieve best execution, Legacy considers the following factors, without limitation, in selecting brokers and intermediaries:

• Execution capability	• Confidentiality
• Order size and market depth	• Reputation and integrity
• Availability of competing markets & liquidity	• Responsiveness
• Trading characteristics & security	• Recordkeeping
• Availability of accurate information comparing markets	• Ability and willingness to commit capital
• Quantity and quality of research received from the broker dealer	• Available technology
• Financial responsibility of the broker-dealer	• Ability to address current market conditions

Legacy evaluates the execution, performance, and risk profile of the broker-dealers it uses at least quarterly.

B. Research and Other Soft Dollar Benefits

Soft dollar practices are arrangements whereby an investment adviser directs transactions to a broker-dealer in exchange for certain products and services that are allowable under SEC and Colorado rules. Client commissions may be used to pay for brokerage and research services and products as long as they are eligible under Section 28(e) of the Exchange Act of 1934. Section 28(e) sets forth a "safe harbor," which provides that an investment adviser that has discretion over a client account is not in breach of its fiduciary duty when paying more than the lowest commission rate available if the adviser determines in good faith that the rate paid is commensurate with the value of brokerage and research services provided by the broker-dealer.

Although Charles Schwab does not consider the research services described above to be "soft dollars" the State of Colorado does classify them as such and we are therefore disclosing them as soft dollars. Soft dollar arrangements present a conflict of interest since we have an incentive to use Charles Schwab in order to have access to those research materials. Benefits received are generally for the benefit of all of our clients. However, some research may benefit some clients and not others. Nevertheless, we believe that access to this material is in the best interests of our clients. We periodically review our relationship with Charles Schwab and the services it offers to ensure it remains in the best interest of our clients to maintain this custodial arrangement.

C. Charles Schwab

We recommend that investment advisory accounts be maintained at Charles Schwab. Charles Schwab is a division of Charles Schwab Inc., member FINRA/SIPC ("Charles Schwab "), an unaffiliated SEC-registered broker-dealer and FINRA member. Charles Schwab offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from Charles Schwab through our participation in the Program.

As disclosed above, we participate in Charles Schwab's institutional customer program and we may recommend Charles Schwab to you for custody and brokerage services. There is no direct link between our participation in the Program and the investment advice we give you, although we receive economic benefits through our participation in the Program that are typically not available to Charles Schwab retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving our participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to your accounts); the ability to have advisory fees deducted directly from your accounts; access to an electronic communications network for order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. Charles Schwab may also have paid for business consulting and professional services received by our related persons. Some of the products and services made available by Charles Schwab through the Program may benefit us but may not benefit your accounts. These products or services may assist us in managing and administering your accounts, including accounts not maintained at Charles Schwab. Other services made available by Charles Schwab are intended to help us manage and further develop our business enterprise. The benefits received by us or our personnel through participation in the Program do not depend on the amount of brokerage transactions directed to Charles Schwab. As part of our fiduciary duties to you, we endeavor at all times to put your interests first. You should be aware, however, that the receipt of economic benefits by us or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of Charles Schwab for custody and brokerage services.

D. Brokerage for Client Referrals

Legacy does not receive client referrals from third parties for recommending the use of specific broker-dealer brokerage services.

E. Directed Brokerage

Directed brokerage refers to an arrangement whereby a client directs those trades for its account be executed through a specific broker.

Advisor recommends that all clients use a particular broker-dealer for execution and/or custodial services. The broker-dealer is recommended based on criteria such as, but not limited to, reasonableness of commissions charged to the client, tools and services made available to the client and the Advisor, and convenience of access to account trading and reporting. The client will provide authority to Advisor to direct all transactions through that broker-dealer in the IAC.

Legacy does not allow client directed brokerage.

F. Order Aggregation

Legacy may, at times, aggregate sale and purchase orders of securities ("block trading") for advisory accounts with similar orders in order to obtain the best pricing averages and minimize trading costs. This practice is reasonably likely to result in administrative convenience or an overall economic benefit to the client. Clients also benefit relatively from better purchase or sale execution prices, or beneficial timing of transactions or a combination of these and other factors. Aggregate orders will be allocated to client accounts in a systematic non-preferential manner. Legacy may aggregate or "bunch" transactions for a client's account with those of other clients in an effort to obtain the best execution under the circumstances.

Block trades are completed and dispersed to all clients with an equal price to the fifth decimal place. Client account values are always rounded up at the expense of Legacy Financial if there is a split price on a block trade. Legacy Financials' trading errors account pays for any discrepancies beyond the fifth decimal place and is charged monthly for the total value of these discrepancies. In the event a block trade is partial filled and the market closes, the shares are dispersed pro-rata in an equal number of shares to the clients in the block.

Legacy does not aggregate trade for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

G. Mutual Fund Share Classes

Mutual funds are sold with different share classes, which carry different cost structures. Each available share class is described in the mutual fund's prospectus. When we purchase, or recommend the purchase of, mutual funds for a client, we select the share class that is deemed to be in the client's best interest, taking into consideration cost, tax implications, and other factors. When the fund is available for purchase at net asset value, we will purchase, or recommend the purchase of, the fund at net asset value. We also review the mutual funds held in accounts that come under our management to determine whether a more beneficial share class is available, considering cost, tax implications, and the impact of contingent deferred sales charges.

H. Trade Error Policy

Legacy maintains a record of any trading errors that occur in connection with investment activities of its clients. Both gains and losses that result from a trading error made by Legacy will be borne or realized by Legacy.

Item 13 Review of Accounts

A. Periodic Reviews

The Firm regularly reviews and evaluates client accounts for compliance with each client's investment objectives, policies and restrictions. The Firm analyzes rates of return and allocation of assets to determine model strategy effectiveness. Such reviews are conducted by the Chief Compliance Officer of Legacy and shall occur at least twice per calendar year. Clients are always encouraged to participate in these semi-annual reviews but are not required to do so.

B. Intermittent Review Factors

Intermittent reviews may be triggered by substantial market fluctuation, economic or political events, or changes in the client's financial status (such as retirement, termination of employment, relocation, inheritance, etc.). Clients are advised to notify Legacy promptly if there are any material changes in their financial situation, investment objectives, or in the event they wish to place restrictions on their account.

C. Reports

Legacy will not provide you with regular written reports. Clients may receive confirmations of purchases and sales in their accounts and will receive monthly and/or quarterly statements containing account information such as account value, transactions, and other relevant information. Confirmations and statements are prepared and delivered by the custodian.

Item 14 Client Referrals and Other Compensation

Client Referrals

Adviser will not receive any economic benefit from another person or entity for soliciting or referring clients.

Other Compensation

Adviser will not pay another person or entity for referring or soliciting clients for Adviser.

As disclosed in *"Item 10 Other Financial Industry Activities and Affiliations"* above, persons providing investment advice on behalf of our firm are licensed insurance agents. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the *"Item 10 Other Financial Industry Activities and Affiliations*" section.

Item 15 Custody

A. Custodian of Assets

Custody means holding, directly or indirectly, client funds or securities or having any authority to obtain possession of them.

Legacy does not have direct custody of any client funds and/or securities. Legacy will not maintain physical possession of client funds and securities. Instead, clients' funds and securities are held by a qualified custodian.

While Legacy does not have physical custody of client funds or securities, payments of fees may be paid by the custodian from the custodial brokerage account that holds client funds pursuant to the client's account application.

In certain jurisdictions, the ability of Legacy to withdraw its management fees from the client's account may be deemed custody. Prior to permitting direct debit of fees, each client provides written authorization permitting fees to be paid directly from the custodian.

As part of the billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. The custodian does not calculate the amount of the fee to be deducted and does not verify the accuracy of Legacy's advisory calculation. Therefore, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation. Clients should contact Legacy directly if they believe that there may be an error in their statement.

The current custodian Legacy currently utilizes is Charles Schwab.

Item 16 Investment Discretion

Legacy may exercise full discretionary authority to supervise and direct the investments of a client's account. This authority will be granted by clients upon completion of Legacy's IAC. This authority allows Legacy and its affiliates to implement investment decisions without prior consultation with the client. Such investment decisions are made in the client's best interest and in accordance with the client's investment objectives. Other than agreed upon management fees due to Legacy, this discretionary authority does not grant the Firm the authority to have custody of any assets in the client's account or to direct the delivery of any securities or the payment of any funds held in the account to Legacy. The discretionary authority granted by the client to the Firm does not allow Legacy to direct the disposition of such securities or funds to anyone except the account holder.

You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Refer to the *"Item 4 Advisory Business"* section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

The Firm does not perform proxy voting services on the client's behalf. Clients are encouraged to read through the information provided with the proxy voting documents and to make a determination based on the information provided. Upon the client's request, Firm representatives may provide limited clarifications of the issues presented in the proxy voting materials based on his or her understanding of issues presented in the proxy voting materials. However, clients have the ultimate responsibility for making all proxy voting decisions.

Item 18 Financial Information

A. Balance Sheet Requirement

Legacy is not the qualified custodian for client funds or securities and does not require prepayment of fees of more than $500 per client, six (6) months or more in advance.

B. Financial Condition

Legacy does not have any financial impairment that would preclude the Firm from meeting contractual commitments to clients.

C. Bankruptcy Petition

Legacy has not been the subject of a bankruptcy petition at any time during the last 10 years.

Item 19 Requirements for State-Registered Advisors

Refer to the ADV Part 2B for background information about those giving advice on behalf of the Firm.

The Firm is not actively engaged in any business other than giving investment advice that is not already disclosed above.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Refer to the Performance-Based Fees and Side-by-Side Management section above for additional information on this topic.

On December 20, 2022, Colorado Division of Securities alleged that Legacy Financial Ltd failed to exercise due care when recommending leveraged and inverse exchange traded funds (ETFs) to clients and did not disclose the associated risks to clients in the Form ADV Part 2A. In addition, the Division alleged that Legacy Financial Ltd failed to keep adequate client records and failed to maintain supervision procedures in relation to leveraged ETFs. On May 5, 2023, Legacy Financial Ltd entered into a Consent Agreement with the Division and agreed to no longer recommend leveraged or inverse ETFs to clients. The Consent Agreement also required Legacy Financial Ltd to develop additional required policies and procedures to ensure compliance with the Colorado Securities Act and rules thereunder.

Neither our firm, nor any of our management persons, have a material relationship or arrangement with any issues of securities.

Derek Serlet

Legacy Financial, Ltd

1731 S Poplar Way
Denver, CO 80224

Telephone: 303-596-6214

January 16, 2025

Form ADV Part 2B

This brochure supplement provides information about Derek Serlet that supplements the Legacy Financial, Ltd brochure. You should have received a copy of that brochure. Contact us at 303-596-6214 if you did not receive Legacy Financial, Ltd.'s brochure or if you have any questions about the contents of this supplement. Additional information about Derek Serlet (CRD # 6033918) is available on the SEC's website at https://adviserinfo.sec.gov/

Item 2 Educational Background and Business Experience

Derek Serlet

Year of Birth: 1982

Formal Education After High School:
- University of Colorado at Denver, MBA Business Administration, 1/2008 - 12/2010
- University of Colorado at Denver, BS Civil Engineering, 8/2000 - 5/2006

Business Background:
- Legacy Financial, Ltd, President, 7/2016 - Present
- 2D, Inc., President/Owner, 5/2012 - Present
- Waddell & Reed, Financial Advisor, 3/2012 - 8/2016

Designations:
- Master of Business Administration (MBA)
  - Attended University of Colorado at Denver graduate business program for 3 years. CU Denver is fully accredited by the AACSB. Program entry required a review of past academic performance and a passing GMAT score. The program required completion of 48 total credit hours: 24 hours of core required courses and 24 hours of elective courses. The program required a minimum GPA of 3.0 to be maintained at all times.

- Professional Engineer (PE)
  - Graduated from CU Denver with an undergraduate degree in Civil Engineering.
  - Passed the FE Exam, an 8-hour examination of general civil engineering knowledge.
  - Worked as an EIT under a PE for 4 years at Jacobs Engineering.
  - Passed the PE Exam, an 8-hour exam, 4 hours focused on general knowledge, 4 hours on transportation engineering.
  - Currently licensed and active with the State of CO, License Number: PE.0045444. PE licensure requires no continuing education in the State of Colorado.

Item 3 Disciplinary Information

Form ADV Part 2B requires disclosure of certain criminal or civil actions, administrative proceedings, and self-regulatory organization proceedings, as well as certain other proceedings related to suspension or revocation of a professional attainment, designation, or license.

Financial Ltd failed to keep adequate client records and failed to maintain supervision procedures in relation to leveraged ETFs. On May 5, 2023, Legacy Financial Ltd entered into a Consent Agreement with the Division and agreed to no longer recommend leveraged or inverse ETFs to clients. The Consent Agreement also required Legacy Financial Ltd to develop additional required policies and procedures to ensure compliance with the Colorado Securities Act and rules thereunder. As the President and Chief Compliance Officer of Legacy Financial Ltd, Derek Serlet was named in this Consent Agreement and is required to disclose this regulatory action under this section.

Item 4 Other Business Activities

Derek Serlet is separately licensed as an independent insurance agent. In this capacity, he can effect transactions in insurance products for his clients and earn commissions for these activities. The fees you pay our firm for advisory services are separate and distinct from the commissions earned by Mr. Serlet for insurance-related activities. This presents a conflict of interest because Mr. Serlet may have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Item 5 Additional Compensation

Refer to the Other Business Activities section above for disclosures on Mr. Serlet's receipt of additional compensation as a result of his other business activities.

Also, refer to the Fees and Compensation, Client Referrals and Other Compensation, and Other Financial Industry Activities and Affiliations section(s) of Legacy Financial, Ltd. firm brochure for additional disclosures on this topic.

Item 6 Supervision

As the President and Chief Compliance Officer of Legacy Financial, Ltd, Derek Serlet supervises the advisory activities of our firm. Derek Serlet is not supervised by someone else, however, he is bound by our compliance procedures and code of ethics. Derek Serlet can be reached at 303-596-6214. Mr. Serlet will adhere to the firm's policies and procedures as set forth in the Firm's Compliance Manual.

Item 7 Requirements for State Registered Advisers.

Refer to the Disciplinary Information section above for information regarding a reportable event. Other than this required disclosure, Derek Serlet has no reportable events to disclose.