Item 1 Cover Page

DISCLOSURE BROCHURE

PREPARED IN COMPLIANCE WITH
THE INVESTMENT ADVISORS ACT OF 1940 RULE 204(A)

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This brochure provides information about the qualifications and business practices of Sound Income Strategies, LLC ("**SIS**" and/or the "**Firm**"). Being registered as a registered investment advisor does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 1-888-492-0505. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("**SEC**"), or by any state securities authority.

Additional information about Sound Income Strategies, LLC (CRD #173272) is available on the SEC's website at www.adviserinfo.sec.gov

January 23, 2026

Item 2 Material Changes

ANNUAL UPDATE

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

MATERIAL CHANGES SINCE THE LAST UPDATE

Since our last ADV Filing on October 27, 2025, Sound Income Strategies, LLC ("**SIS**" and/or the "**Firm**") has implemented the following material changes.

Item 5: Fee and Compensation

- Commissionable Securities Sales section has been updated to reflect that IA-Reps of SIS are no longer affiliated with Purshe Kaplan Sterling Investments ("PKS"). Those IA-Reps will be dually registered with our affiliate Sound Income Wealth, LLC ("**SIW**"), member of FINRA/SIPC, which along with SIS are under common ownership of SIG. SIW is approved to act as a Mutual fund retailer and Broker Dealer selling variable life insurance or annuities.

Item 10: Other Financial Industry Activities and Affiliations

- Broker-Dealer or Representative Registration section has been updated reflect that IA-Reps of SIS are no longer affiliated with Purshe Kaplan Sterling Investments ("PKS"). Those IA-Reps will be dually registered with our affiliate Sound Income Wealth, LLC ("**SIW**"), member of FINRA/SIPC, which along with SIS are under common ownership of SIG. SIW is approved to act as a Mutual fund retailer and Broker Dealer selling variable life insurance or annuities.

In addition to the above-mentioned changes, although not material, this disclosure statement has been amended at Items 4, 5, 8, 10, 11 and 12 to update and enhance disclosures.

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Item 4 Advisory Business

FIRM DESCRIPTION

Sound Income Strategies, LLC ("**SIS**" and/or the "**Firm**") was founded in 2014 and is wholly owned by Sound Income Group LLC ("**SIG**") David Scranton, the Firm's Managing Member, owns the majority interest in SIG with the remaining interest owned by current and former management through an employee incentive plan, along with a select few of the Firm's current Investment Adviser Representatives (each a "**IA-Rep**").

SIS is a fee based financial planning and investment management firm. The Firm and its IA-Reps, through its affiliate Sound Income Academy, recommends and sells insurance commissioned products to the Firm's clients.

SIS does not act as a custodian of client assets.

Other professionals (e.g., lawyers, accountants, tax preparers, insurance agents, etc.) are engaged directly by the client on an as-needed basis and may charge fees of their own as their outside businesses. Conflicts of interest will be disclosed to the client in the event they should occur.

This Brochure provides clients with a general overview of SIS' services and responsibilities. Clients can obtain more specific information about the process by which portfolios are constructed, how investment strategies are carried out, options to customize investments, investment returns, and other information by discussing with their IA-Rep. SIS encourages all clients to review the material provided in this Brochure and other disclosures provided and discuss any questions related to services offered with their IA-Rep to make certain they fully understand SIS' investment process.

TYPES OF ADVISORY SERVICES

ASSET MANAGEMENT

SIS offers discretionary and non-discretionary direct asset management services to advisory clients. SIS will offer clients ongoing portfolio management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program will be based on the above factors. The client will authorize SIS discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement ("**IAA**"). SIS provides such investment advisory services to its clients through customized managed investment portfolios it creates for its clients. SIS is constantly searching for securities that have an improving credit story and as we find these opportunities, we will "swap" out of some current holdings into newer securities. We look for at least one of the following conditions before making a swap: lowering duration, lowering interest rate risk, increasing yield, or lowering credit risk.

Under limited circumstances, the Firm may allow an IA-Rep to create a customized portfolio for its client(s) which will be allocated and traded by the SIS trading team or allocated and traded by the individual representative. These customized portfolios do not track the Firm's models. Just like the Firm's models, these customized models will be adjusted on an as needed basis by the IA-Rep and all positions will be reviewed by the Firm to ensure suitability with the client's risk tolerance and investment objectives.

The Firm may allocate a portion of a client's assets to be managed by an independent 3rd Party

Manager (a "**Sub-Advisor**") to provide portfolio management services on behalf of Firm clients. The Firm will be responsible for the payment of any advisory fee or other charges of Sub-Advisor with respect to the managed assets at no additional charge to the client as defined in the IAA between the Firm and client, unless or except as specifically authorized in advance by the client. The Firm will be responsible for monitoring all aspects of investment performance of the Sub Advisor and based on their performance, may terminate the relationship with the Sub-Advisor to add a new Sub-Advisor, without specific client consent.

In other limited circumstances, the Firm may allow an IA-Rep to enter a non-discretionary arrangement with its clients. Under this non-discretionary arrangement, the IA-Rep shall review periodically the investments held by the client and shall make such recommendations to a client with reference to investments or changes in investments as it considers to be in the best interests of client, including recommendations for the investment of cash. The Firm and/or IA-Rep shall not sell or purchase any securities except upon approval from client at the time the order is given. Client shall always have control or management of the assets of the account(s), including the power to acquire and dispose of the assets of the account(s).

ERISA PLAN SERVICES

SIS provides services to qualified and non-qualified retirement plans including 401(k) plans, 403(b) plans, pension and profit-sharing plans, cash balance plans, and deferred compensation plans. SIS may act as either:

- ***Limited Scope 3(21) Fiduciary*.** SIS typically acts as a limited scope 3(21) fiduciary that can advise, help, and assist plan sponsors with their investment decisions. The plan sponsor is still ultimately responsible for the decisions made in their plan, though using SIS can help mitigate that plan sponsor's liability by following a diligent process.
- ***3(38) Investment Manager***. SIS can also act as an ERISA 3(38) Investment Manager in which it has discretionary management and control of a given retirement plan's assets. SIS would then become solely responsible and liable for the selection, monitoring and replacement of the plan's investment options.

SUB-ADVISOR SERVICES TO UNAFFILIATED REGISTERED INVESTMENT ADVISORS

SIS offers sub-advisory services to other registered investment advisors whereby it provides such advisors with access to customized managed investment portfolio options that they can make available to their clients. Clients of advisory firms who engage SIS to provide sub-advisory services work directly with their advisory firm to gather information about their financial situations, goals, and objectives, including information on their investment time horizon, risk tolerance, and other relevant information and factors.

Based on this information, the client's advisory firm proposes an overall strategy that includes investment portfolio recommendations in the form of one or more customized investment portfolios managed by SIS. Representatives from the client's advisory firm will periodically meet with their clients to discuss any changes to their financial situations, goals, and objectives to help ensure that the factors upon which recommendations are based continue to remain appropriate and in their best interests.

SIS personnel do not possess knowledge of the 3rd Party Advisory Firm's clients' individual information or investment goals or objectives to allow it to provide personalized investment advice to such clients. The client's advisory firm is responsible for determining suitable portfolio strategies

and, to the extent required, delivering this brochure to clients with assets under management by SIS. Any modifications to the portfolios managed by SIS are affected through the sale of securities in client accounts, which may have tax ramifications to clients.

CO-ADVISOR SERVICES

SIS offers co-advisory services to other registered investment advisors whereby it provides such advisors with access to customized managed investment portfolio options that they can make available to their clients. Clients of advisory firms who engage SIS to provide co-advisory services work directly with their advisory firm to gather information about their financial situations, goals, and objectives, including information on their investment time horizon, risk tolerance, and other relevant information and factors.

Based on this information, the client's advisory firm proposes an overall strategy that includes investment portfolio recommendations in the form of one or more customized investment portfolios managed by SIS. Representatives from the client's advisory firm will periodically meet with their clients to discuss any changes to their financial situation, goals, and objectives to help ensure that the factors upon which recommendations are based continue to remain appropriate and in their best interests.

SIS will assign an IA-Rep to help assist in this process and that IA-Rep will possess knowledge of the 3rd Party Advisory Firm's clients' individual information, investment goals, and objectives to allow them to assist in providing personalized investment advice to such clients. The client's advisory firm is responsible for determining suitable portfolio strategies. Both representatives are responsible for delivering the required brochures to clients. Any modifications to the portfolios managed by SIS are affected through the sale of securities in client accounts, which may have tax ramifications to clients.

SUB-ADVISORY SERVICES TO ETFS

SIS serves as investment sub-adviser to the (i) Tidal ETF Trust - Sound Equity Dividend Income ETF ("**DIVY**") and (ii) Sound Enhanced Fixed Income ETF ("**FXED**") (together, the "**SIS ETFs**"), each SIS ETF is independently registered with the SEC under the Investment Company Act of 1940 (the "'**40 Act**") and listed on NYSE ARCA, Inc exchange. Please refer to the Firm's website - https://soundincomestrategies.com/etfs/ for additional information on the SIS ETFs.

SIS, Tidal Investments, LLC ,CRD # 164201, an SEC registered investment adviser, ("**Tidal**"), the investment adviser to the SIS ETFs, and Tidal ETF Services, LLC "("**Tidal ETF**"), which provides consulting and administrative support for ETFs, have entered into two agreements with respect to each SIS ETF: (i) a sub-advisory agreement ("**Sub-Advisory Agreement**"), which Tidal has agreed to pay SIS a sub-advisory fee equal to 0.2% of the SIS ETFs daily average net assets; and (ii) an Exchange-Traded Fund Platform Support Agreement ("**Support Agreement**"), which identifies each parties' respective financial obligations and right to any profits associated with the SIS ETFs. SIS is responsible for recommending portfolio securities and other investment instruments on behalf of the SIS ETFs. The trading of the underlying securities are subject to the supervision of TIDAL and TIDAL ETF. As of the filing of this Brochure, the Firm has not received any fees pursuant to the terms of the two agreements. It is not anticipated the Firm will receive any fees for acting as a sub-advisor to the SIS ETFs until certain thresholds under the agreements are met.

Rule 18f-4 under the Investment Company Act regulates the use of derivatives and certain other transactions by mutual funds (other than money market funds), ETFs, registered closed-end funds,

and business development companies. Rule 18f-4 replaced previous Section 18(f)(1) of the Investment Company Act and subsequent no-action letters and guidance, which prohibited mutual funds and ETFs from issuing senior securities and set an asset coverage requirement of at least 300% for all of such funds' borrowings. Rule 18f-4 permits a fund to enter into derivatives transactions, notwithstanding the prohibitions and restrictions on the issuance of senior securities under section 18 of the Investment Company Act, subject to conditions set forth in the rule. Rule 18f-4 generally requires a fund to adopt and implement a standardized risk management framework for funds, while also permitting principles-based tailoring to a fund's particular derivatives risks. Derivatives risks include leverage, market, counterparty, liquidity, operational, and legal risks. The program must include risk guidelines, stress testing, back testing, internal reporting and escalation, and program review elements, and each fund must appoint a Derivatives Risk Manager.

With respect to the ETFs, as a series of Tidal Trust I sub-advised by SIS, SIS assists the derivatives risk manager appointed by Tidal Investments LLC and approved by Tidal Trust I in accordance with Rule 18f-4.

Like all other ETFs, the SIS ETFs are not tailored to the individualized needs of any fund shareholder or investor and an investment in such a vehicle does not, in and of itself, create an advisory relationship between the shareholder, investor, SIS, Tidal, or Tidal ETF. Clients of SIS may authorize SIS to purchase these SIS ETFs in their accounts by signing a specific section of their IAA which outlines the SIS ETFs, the fees pursuant to the Sub-Advisory and Support Agreements, and any conflicts of interest that may arise. Clients and the public can invest directly in each of the SIS ETFs without paying additional separate account management fees to SIS. It is recommended each client carefully review both the SIS ETFs' fees and SIS's advisory fees to fully understand the total amount of fees clients will pay for their investments managed by SIS. In addition, it is recommended for each client intending to authorize the Firm to invest clients' assets in the SIS ETFs to review the offering documents that set forth their investment strategies, guidelines, and restrictions.

INSURANCE PLANNING AND CONSULTING SERVICES

IA-Reps of SIS may also be licensed as independent insurance agents who solicit, offer, and recommend supplemental insurance planning or consulting services.

Your IA-Rep in his or her separate capacity as an insurance agent, may suggest clients to purchase disability insurance, life insurance, annuities, or other insurance products. If a client elects to implement the purchase of an insurance product recommended by its IA-Rep, your IA-Rep will receive insurance commissions and other compensation fees ("**Insurance Fees**"). Such Insurance Fees can be paid upfront, paid from the Insurance company base, incentives, or in some cases marketing credits paid by the wholesaler. Clients are recommended to carefully review their policies and ask their IA-Reps any questions about the policy and the fees paid to the IA-Rep.

This receipt of Insurance Fees creates an incentive for your IA-Rep to recommend those insurance products for which your IA-Rep may receive a portion of the Insurance Fees in his or her separate capacity as an insurance agent, rather than on a client's needs. Mr. Scranton, the majority owner of SIS consults with IA-Reps on insurance products and IA-Reps may place the insurance product transaction through Sound Income Academy, an affiliate of SIS which Mr. Scranton is the majority owner. Consequently, the advice rendered to clients could be biased. To prevent conflicts of interest, the Firm has developed written supervisory procedures that prohibit our IA-Reps from preferring their own interests to that of the client. Any associated person not observing our policies

is subject to sanctions up to and including termination.

Clients are under no obligation to implement any insurance or annuity transaction through their IA-Rep. (Please refer to Item 10 Other Financial Industry Activities and Affiliations for more details.)

RECOMMENDATIONS OR SELECTIONS OF OTHER 3RD PARTY INVESTMENT ADVISORS

The Firm, with the assistance of the Client, may elect to allocate a portion of the Client's assets to an unaffiliated 3rd Party Investment Adviser to manage that allocated portion of the Client's assets. Such allocation may entail investments in other managed portfolios, etc. Under this arrangement, the Firm may enter into an Agreement with the 3rd Party Advisor, to provide the necessary advisory services to each client which are managed by the 3rd Party Advisor ("3rd Party Advisory Agreement"). Based on the 3rd Party Advisory Agreement, the Firm and 3rd Party Advisor will split the fees paid by the client. Please refer to the 3rd Party Advisor's Brochure and other disclosure documents for more disclosure on its type of services and fees, along with the fee paid to the Firm.

If a client elects to have the 3rd Party Advisor provide investment management services, they will receive a copy of the 3rd Party Advisor's Brochure and other disclosure documents. Clients are encouraged to obtain and carefully review the contracts and disclosure documents, including the 3rd Party Advisor's Brochure, whose services are to be engaged so they understand fully the services being provided and the fees being charged. The services, reports and contract termination provisions vary as do the costs. The Firm encourages clients to compare programs and discuss any questions they may have with their IA Rep before investing.

Each client that has elected to engage a 3rd Party Advisor shall refer to their IAA with the Firm, which for further describes the relationship and obligations of the Firm's and 3rd Party.

If a client elects to allocate a portion of their assets with a 3rd Party Advisor, those assets will not be included in the calculation of the client's Advisory Fees (see Item #5 below), however as mentioned above the Firm will enter into an Agreement with the 3rd Party Advisor and receive a portion of the advisory fees the client pays the 3rd Party Advisor.

FINANCIAL PLANNING AND CONSULTING

If financial planning services are applicable, the client will compensate SIS on a per plan fee basis described in detail under the "Fees and Compensation" section of this brochure. In a financial plan, the IA-Rep may recommend specific stocks to increase sector weighting and/or dividend potential. The IA-Rep may employ several different strategies, including long-term purchases, short-term purchases, and short-term trading. All these strategies may be used at various times as a possible hedge against market movement, which may adversely affect the client's portfolio.

In a financial plan, the IA-Rep may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position(s) in the portfolio, change in risk tolerance of the client or any risk deemed unacceptable for the client's risk tolerance.

Representatives of SIS may also provide general non-securities advice on topics including financial position planning, protection planning, income tax planning, business planning, retirement planning, education planning, investment planning, special needs planning, employee benefits planning, and estate planning, among others. Any reference to legal and/or tax considerations are not meant to provide any advice in this regard. Legal and Tax advice should come from a qualified tax professional, accountant and/or legal advisor before making any decisions. Fees are billed at a

fixed or an hourly rate, negotiated in advance and paid as services are rendered.

EDUCATIONAL WORKSHOPS

SIS Representatives provide educational workshops to prospects and clients. These workshops will cover topics such as social security, RMD's or the Financial Markets where they cover benefits and any regulatory changes. SIS will also discuss estate planning and explain the different options. If needed, SIS will also refer clients to an attorney.

CLIENT TAILORED SERVICES AND CLIENT IMPOSED RESTRICTIONS

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without a client's consent.

CLIENT ASSETS UNDER MANAGEMENT

As of December 31, 2025, SIS had $3,919,508,068 on a discretionary basis and $261,554,333 on a non-discretionary basis.

Item 5 Fees and Compensation

METHOD OF COMPENSATION AND FEE SCHEDULE

ASSET MANAGEMENT

SIS will assess a management fee (the "**Fee**") to provide discretionary portfolio management services to clients. The Fee for these services will be based on an annual fee of up to 1.75% of Assets Under Management. The Firm has a very limited select group of clients that, in addition to providing asset management services, have special needs requiring additional attention and oversight such as (i) special needs life planning through a family office model, (ii) individual coaching and training, and (iii) offering special needs master classes. Due to this special attention, SIS may charge up to a 2.0% annual Fee on Assets Under Management for this limited select group of clients.

The Fee and payment frequency may be negotiable and Account(s) within the same household may be combined for a reduced Fee. The Fee is billed monthly in arrears based on the value of the assets under management at the end of each month unless negotiated to be billed quarterly. Clients may terminate their account(s) within five business days of signing the IAA with no obligation. SIS will be entitled to a pro rata fee for the days that service was provided in the final month. Client shall be given thirty (30) days prior written notice of any increase in Fees, and client will acknowledge, in writing, any agreement of increase in said Fees.

As mentioned above, the Firm may allocate a portion of a client's portfolio to a Sub-Advisor to provide investment services on behalf of the Firm. Clients will not be charged any additional Fee if the Firm elects to allocate a portion of a client's managed portfolio to a Sub-Advisor.

SUB-ADVISOR TO UNAFFILIATED REGISTERED INVESTMENT ADVISORS

SIS offers discretionary asset management services to other Investment Advisors by making certain

managed portfolios available for such other Investment Advisers to offer to their clients. The Fee and billing frequency for such services is negotiated directly between SIS and the Investment Advisor. SIS's fees may be in addition to fees charged by their Investment Advisors or incorporated in the fees they charge their clients. Clients that are referred to SIS are encouraged to discuss how fees are determined with their Investment Advisor and who charges them. If the client's agreement with their Investment Advisor permits, SIS' fees may be directly debited from the client's Account(s) that are introduced to SIS by their Investment Advisor.

ERISA PLAN SERVICES

The annual Fees are based on the market value of the Plan Assets and will not exceed 1% of the value. The Fee is charged in arrears, and the initial Fee will be based on the market value of the Plan Assets as calculated by the custodian or record keeper of the Plan on the first business day of the initial Fee period and will be due on the first business day of the Fee period. For services started any time other than the first day of a billing cycle, the Fee will be prorated based on the number of days remaining in the initial Fee period. Thereafter, the Fee will be based on the market value of the Plan Assets on the last business day of the previous Fee period (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets) and will be due within ten (10) business days. If client's IAA is terminated prior to the end of the Fee period, SIS shall be entitled to a prorated Fee based on the number of days during the Fee period services were provided. Any unearned Fees shall be refunded to the Plan or Plan Sponsor.

The Fee SIS receives for the services it performs is described in detail in Schedule A of each ERISA Plan Agreement in which the Firm provides investment advisory services on behalf of the Plan. The Plan is obligated to pay the Fees; however, the Plan Sponsor may elect to pay the Fees. SIS does not reasonably expect to receive any additional compensation, directly or indirectly, for providing services to the Plan. If additional compensation is received, SIS will disclose this compensation, the services rendered, and the payer of compensation. The Firm will offset the compensation against the Fees agreed upon with the Plan Sponsor.

3RD PARTY MANAGER FEES

For clients in which the Firm recommends a portion of their assets to be allocated and managed by a 3rd Party Advisor, Firm will enter into an Agreement with the 3rd Party Advisor and receive a portion of the advisory fees the client pays the 3rd Party Advisor.

As mentioned above in Item #4, if a client elects to allocate a portion of their assets to a 3rd Party Advisor, those assets will not be included in the calculation of the client's Fees.

The client should review the 3rd Party Advisor's Brochure and investment agreement for further information.

SUB-ADVISORY SERVICES TO ETFS

As mentioned in Item 4 above, all SIS clients who invest in SIS ETFs acknowledge that the Asset Management Fee they pay to SIS based on their assets under management is in addition to the fees charged by the SIS ETFs to which SIS serves as sub-advisor (and which are incorporated into the price of the security). Each client that invests in the SIS ETFs bears its pro rata share of the ETF's fees and expenses, which are in addition to the Asset Management Fees the client pays to SIS.

Please refer to each SIS ETFs' prospectus which can be located on the Firm's website -

https://soundincomestrategies.com/etfs/ for additional information on the applicable expenses of each SIS ETF. See Item 10 (Other Financial Industry Activities and Affiliations) and Item 11 (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading) below for additional information about SIS' service as a Sub-Advisor to the SIS ETFs.

Furthermore, to closely resemble the average of other non-proprietary ETFs like FXED, the Firm discounts the portion of its clients' Asset Management Fee associated with FXED by 10 basis points.

FINANCIAL PLANNING AND CONSULTING FEES

SIS intends to be compensated for its financial planning services by charging hourly fees with a minimum of $300 per plan, or a fixed fee. A Financial Planning/Consulting agreement must be approved by the Chief Compliance Officer or Chief Operations Officer. The fee will be negotiated in advance and will be set out in each client's Financial Planning/Consulting agreement. Clients may terminate their agreement with SIS within five (5) business days with no obligation. After the initial five (5) business days, any fees paid in advance will be prorated to the date of termination and any excess will be refunded to client. The Firm strives to have each client's plan completed within ninety (90) days; however, under certain circumstances, it may take longer to complete.

COMMISSIONABLE SECURITIES SALES

A select few of the Firm's IA-Reps are registered representatives of Sound Income Wealth, LLC ("**SIW**"), member of FINRA/SIPC, which along with SIS are under common ownership of SIG. SIW is approved to act as a Mutual fund retailer and Broker Dealer selling variable life insurance or annuities. As such, they can accept compensation for the sale of securities or other investment products, including distribution or service ("**trail**") fees from the sale of mutual funds and variable annuities.

Clients should be aware that the practice of accepting commissions for the sale of these securities presents a conflict of interest and gives our IA-Reps an incentive to recommend investment products based on the compensation received. Our Firm generally addresses commissionable sales conflicts that arise when explaining to clients these sales create an incentive to recommend based on the compensation to be earned and/or when recommending commissionable mutual funds, explaining that "no-load" funds are also available. The IA-Reps as such, are compensated for these services provided in a brokerage capacity for securities transactions that are effected for our client's non-advisory accounts through SIW. See Item 10 - Other Financial Industry Activities and Affiliations.

EDUCATIONAL WORKSHOP FEES

SIS does not charge for the educational workshops they offer. Some workshops may incur a fee imposed by the venue, although the vast majority do not.

ADDITIONAL CLIENT FEES CHARGED

Custodians may charge transaction fees on purchases or sales of certain mutual funds, equities, ETFs, and fees for individual fixed income securities. These charges may include Mutual Fund transactions fees, postage and handling and miscellaneous fees (fee levied to recover costs associated with fees assessed by self- regulatory organizations). These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

SIS, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory

fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

For more details on the brokerage practices, see Item 12 of this brochure.

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

SHARING OF CAPITAL GAINS

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

SIS does not use a performance-based fee structure because of the conflict of interest. Performance-based compensation may create an incentive for the IA-Rep to recommend an investment that may carry a higher degree of risk to the client.

Item 7 Types of Clients

DESCRIPTION

SIS generally provides investment advice to individuals, other investment advisors, pension and profit-sharing plans, trusts, estates, or charitable organizations, corporations, or business entities. SIS also sub-advises a series of ETFs.

As mentioned in Item 4 above, SIS also provides investment advice along with specially tailored services to clients with special needs.

Client relationships vary in scope and length of service.

ACCOUNT MINIMUMS

SIS requires a minimum $25,000 to open an account, which may be waived, based on the needs of the client and the complexity of the situation.

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

METHODS OF ANALYSIS

Security analysis methods typically will involve fixed income analysis. Fixed income analysis is the valuation of fixed income or debt securities, and the analysis of their interest rate risk, credit risk, and likely price behavior in hedging portfolios. This includes analyzing bonds issued by the same entity for different maturities.

Regarding equity securities, these methods may also include fundamental analysis and technical analysis. Investing in securities involves risk of loss that clients should be prepared to bear. Past performance is not a guarantee of future returns.

Fundamental analysis involves evaluating a security using real data such as company revenues, earnings, return on equity, and profits margins to determine underlying value and potential growth. Technical analysis involves evaluating securities based on past prices and volume.

The main sources of information include financial newspapers and magazines, research material

prepared by others, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission and company press releases.

INVESTMENT STRATEGY

The investment strategy for a client is based upon the objectives stated by the client during consultations, such as the client's individual investment goals, time horizon, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring and the overall investment program is based on the above factors. SIS provides such investment advisory services to clients through customized managed investment portfolios.

Other strategies may include long-term purchases, short-term purchases, and trading.

The client may change these objectives at any time. Each client executes a document stating their objectives and their desired investment strategy.

As mentioned above in Item 4, under limited circumstances, the Firm may allow an IA-Rep to create a customized portfolio for its clients which will be allocated and traded by the SIS trading team. Just like the Firm's models, these customized models will be adjusted on an as needed basis by the IA-Rep and all positions will be reviewed by the Firm to ensure suitability with the client's risk tolerance and investment objectives.

In other limited circumstances, the Firm may allow an IA-Rep to enter a non-discretionary arrangement with its clients in which the IA-Rep would recommend clients to purchase and/or sell certain securities. The Firm and/or IA-Rep shall not sell or purchase any securities except upon approval from client at the time the approval was given. Client shall always have control or management of the assets of the account(s), including the power to acquire and dispose of the assets of the account(s).

SECURITY SPECIFIC MATERIAL RISKS

All investment programs have certain risks that are borne by the investor. Fundamental analysis may involve interest rate risk, market risk, business risk, and financial risk.

Risks involved in technical analysis are inflation risk, reinvestment risk, and market risk. Cyclical analysis involves inflation risk, market risk, and currency risk.

Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks and should discuss these risks with SIS:

- *Interest-rate Risk*: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk*: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic, and social conditions may trigger market events.
- *Inflation Risk*: When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk*: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

- *Reinvestment Risk*: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- *ETF and Mutual Fund Risk:* When investing in an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing and/or liquidating Mutual Funds.
- *Business Risk*: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk*: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk*: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- *Uncertain Economic, Social and Political Environment*. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, or other sources of political, social, or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, financing options, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners, and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of each of the Funds to execute their respective strategies. This may slow the rate of future investments by a Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon a Fund's investments.
- *Outbreaks of Infectious or Contagious Diseases*. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and the outbreak of COVID-19 have and can result in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, and could have a significant adverse impact on the Firm and their investments and could adversely affect the Firm's ability to fulfill its investment objectives.

Item 9 Disciplinary Information

Criminal or Civil Actions

The Firm and its management are not currently involved in any regulatory actions.

Administrative Enforcement Proceedings

The Firm and its management have never been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

The Firm and its management have not been involved in legal or disciplinary events related to investment clients within the past ten years.

Item 10 Other Financial Industry Activities and Affiliations

Broker-Dealer, Futures or Commodity Registration

Our Firm is not registered, nor does it have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

However, our affiliated entity, Sound Income Wealth, LLC ("**SIW**") has just been approved to become a Financial Industry Regulatory Authority ("**FINRA**") registered broker-dealer.

Broker-Dealer or Representative Registration

As mentioned in Item 5 above, a select few of the Firm's IA-Reps will become registered representatives of SIW, member of FINRA/SIPC, which along with SIS are under common ownership of SIG. As such they can accept compensation for the sale of securities or other investment products, including distribution or service ("**trail**") fees from the sale of mutual funds and variable annuities. The potential for receipt of commissions and other compensation when this IA-Rep acts as a Registered Representative gives them an incentive to recommend investment products based on the compensation received, rather than on the client's needs and may create a conflict of interest. We address this conflict by ensuring that the client's interest is always considered ahead of our own personal gain. Clients have the right to ask us if commissions are also being paid to us.

This IA-Rep can provide services to a client either in a brokerage or advisory capacity. In certain cases, this presents a conflict of interest. In a brokerage account, a client is charged a commission for each transaction, and there is no duty to provide ongoing advice with respect to the account. In an investment advisory account, a client is provided with ongoing investment advice, and we receive an ongoing advisory fee for that service. If a client intends to follow a buy and hold strategy for an account or does not wish to purchase ongoing investment advice or management services, clients should consider opening a brokerage account rather than an investment advisory account if they hold the approved products of SIW.

INSURANCE PLANNING AND CONSULTING SERVICES

Approximately 50% of SIS Advisors time is spent on advisory services if the Advisor is registered as an IA-Rep for SIS. SIS will also provide account management services for other Registered Investment Advisors. The IA-Reps registered with SIS and the advisors for the other independent Registered Investment Advisors are generally insurance licensed and will provide recommendations to clients for insurance products. If a client elects to implement the purchase of an insurance product recommended by its IA-Rep, your IA-Rep will receive Insurance Fees. Such Insurance Fees can be paid upfront, paid from the Insurance company base, incentives, or in some cases marketing credits paid by the wholesaler. Clients are recommended to carefully review their policies and ask their IA-Reps any questions about the policy and the fees paid to the IA-Rep.

The receipt of Insurance Fees in return for insurance product purchases creates a conflict of interest for IA-Reps when they recommend the purchase of such products to clients. Mr. Scranton, majority owner of SIS, consults with IA-Reps on insurance products and the IA-Reps may place the insurance product transaction through Sound Income Academy, an affiliate of SIS which Mr. Scranton is the majority owner, along with other various entities. Thus, when offering insurance products, both compensation and related-issuer conflicts exist. There is an incentive to offer the insurance products of these companies for the purpose of generating commissions and revenues rather than solely based on client need.

In addition, SIS offers internal managed programs. These internal programs result in SIS receiving more compensation as there are no fees going to an outside manager. This revenue incentive causes a conflict of interest for SIS. At all times, SIS and its IA-Reps strive to make recommendations that are in the best interest of their clients.

AFFILIATION WITH SOUND INCOME ACADEMY.

Sound Income Academy ("**SIA**") (f/k/a Advisor's Academy) and SIS are under common ownership of SIG. SIA provides coaching, consulting, training, and insurance contracting services to financial advisers. SIA's focus is on client service and new business growth solutions for financial advisors. SIA is not a registered investment adviser or broker-dealer. It offers services to individuals that work within the financial services industry. SIA assists advisors in getting contracted with independent insurance companies through which SIS advisers offer life insurance, annuities, and other insurance products.

SIA will share with an insurance agent a portion of the overrides that SIA receives from the insurance company for its wholesaling activities associated with the sale of a fixed insurance product. Clients should be aware that the receipt of additional compensation itself creates a conflict of interest and will affect the independent judgment of our IA-Reps when making recommendations about fixed insurance products in general or a particular annuity or insurance product offered by a certain insurance company.

SIA may assist in creating content for SIS events (i.e., workshops, seminars, etc.) and SIS may market its advisory services and investments at SIA events. SIA provides referrals to SIS and may refer SIS' platforms, investment strategies and products to financial professionals using SIA services. SIS does not compensate SIA for these non-client referral activities.

SUB-ADVISORY SERVICES TO ETFS

As mentioned in Items 4 and 5 above, from time to time, as authorized by clients in their IAA with SIS, SIS' IA-Reps will invest their clients' assets in SIS ETFs, in which SIS serves as a sub-advisor to the SIS ETFs. SIS and Tidal so, the investment advisor to the SIS ETFs, have entered into two agreements with respect to each SIS ETF: (i) a Sub-Advisory Agreement, which Tidal has agreed to pay SIS a sub-advisory fee equal to 0.2% of the SIS ETFs daily average net assets; and (ii) a Support Agreement, which identifies each party's respective financial obligations and right to any profits associated with the SIS ETFs. SIS is responsible for recommending portfolio securities and other investment instruments on behalf of the SIS ETFs. The trading of the underlying securities is subject to the supervision of TIDAL and TIDAL ETF. As of the filing of this Brochure, the Firm has not received any fees pursuant to the terms of the two agreements. It is not anticipated that the Firm will receive any fees for acting as a sub-advisor to the SIS ETFs until certain thresholds under the agreements are met.

SIS and its IA-Reps face conflicts when recommending the purchase of, or allocating the assets of, a SIS client to one or more of the SIS ETFs which SIS receives ongoing management fees as a Sub-Advisor to the ETF.

Like other pooled investment vehicles, shareholders of ETFs pay a proportionate share of the fund's fees and expenses. When an investment is made by a SIS client in a SIS ETF, subject to any applicable restrictions, SIS will receive additional fees from the SIS ETF pursuant to the Sub-Advisory and Support Agreements between SIS and Tidal and Tidal ETF. The SIS ETF fees are in addition to Asset Management Fees SIS receives from clients serviced by its IA-Reps. Please refer to each ETFs' prospectus located on the Firm's website - https://soundincomestrategies.com/etfs/ for additional information on the applicable expenses of each SIS ETF.

While SIS' IA-Reps do receive a percentage of the Asset Management Fees paid by their clients for investment advisory services, they do not receive a direct portion of the fees under the Sub Advisory and Support Agreements SIS receives in connection with acting as sub-advisor to the SIS ETFs. No portion of their compensation is directly affected by recommendations made or allocating client assets to the SIS ETFs.

The existence of the sub-advisory and profit-sharing agreements creates a material conflict of interest because it provides SIS and the IA-Reps that have an ownership interest in SIG with an incentive to increase assets under management in SIS ETFs for which it provides sub-advisory services. To mitigate that conflict and to closely resemble the average of other non-proprietary ETFs like FXED, the Firm discounts the portion of its clients' Asset Management Fee associated with FXED by 10 basis points.

Clients should notify SIS if they do not want their account assets to be invested in the SIS ETFs. Clients and the public can invest directly in each of the SIS ETFs managed by SIS without paying additional separate account management fees to SIS. It is recommended each client carefully review both the SIS ETFs' fees and SIS's advisory fees to fully understand the total amount of fees clients will pay in connection with their investments that are managed by SIS.

ROLLOVERS OF AN EMPLOYER-SPONSORED PLAN

As a normal extension of financial advice, we provide education or recommendations related to the rollover of assets from an employer-sponsored retirement plan ("**Employee Plan**"), such as a

401(k) plan, and into an 'Individual Retirement Account' ("**IRA**"). This type of recommendation represents a financial incentive for SIS to recommend that a client invests those assets with SIS, because we will be paid on those assets pursuant to the clients IAA. If we make this type of recommendation, the client is under no obligation to follow such advice. A plan participant leaving employment has several options: You may have the options of (i) maintaining your retirement plan as is, (ii) rolling over your account to the employer's new retirement plan, (iii) taking a taxable distribution, or (iv) rolling over your account to a new IRA. A client should be aware that such fees will likely be higher than those the customer pays through the plan, and there can be custodial and other maintenance fees. As securities held in a retirement plan are generally not transferred to an IRA, commissions and sales charges may be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges previously paid on transactions in the plan. Prior to proceeding with any such action, we encourage you to contact your independent legal and/or tax professionals for more information.

If your IA-Rep makes a recommendation that you move assets from an IRA at another financial institution to the Firm, he or she is required to consider, based on the information you provide, whether you will be giving up certain investment-related benefits at the other financial institution, such as the effects of breakpoints, rights of accumulation, and index annuity caps, and has determined that the recommendation is in your best interest for these reasons:

- Greater services and/or other benefits (including asset consolidation and holistic advice and planning) can be achieved with an IRA from SIS; and
- The costs associated with an IRA from SIS are justified by these services and benefits.

Notwithstanding whether a recommendation has been made, you understand and agree that with respect to any assets you decide to 'transfer/roll over from a qualified plan or move from an IRA at another financial institution now or in the future, you must:

- evaluate the investment and non-investment considerations important to you in making the decision.
- review and understand the fees and costs associated with an IRA from SIS.
- recognize that higher net fees (if applicable) will substantially reduce your investment returns and ultimate retirement assets; and
- understand the conflicts of interest raised by the financial benefits to SIS and its employees resulting from your decision to roll or transfer assets to an IRA at SIS.

To assist the client in understanding all these considerations, an IRA Rollover Suitability Form is required to be completed and executed by the client prior to any Rollover being completed.

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

CODE OF ETHICS DESCRIPTION

Officers, directors, employees, and IA-Reps of SIS (each an "**Access Person**") have committed to a Code of Ethics ("**Code**"). The purpose of our Code is to set forth standards of conduct expected of SIS' Access Persons and addresses conflicts that may arise. The Code defines acceptable behavior for Access Persons of SIS. The Code reflects SIS and its supervised persons' responsibility to act in

the best interest of their clients.

Access Persons are defined by the Code as anyone who have access to non-public information regarding any clients' purchase or sale of securities, or non- public information regarding the portfolio holdings of any reportable SIS ETF, who are involved in making securities recommendations to clients, or who have access to such recommendations that are non-public.

One area the Code addresses is when Access Persons buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our clients. The Firm does not allow any Access Persons to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

In addition, SIS requires pre-clearance of any transactions by Access Persons who are designated trading personal and have knowledge of the Firm's trading activity as it pertains to the Firm acting as sub-advisor to SIS ETFs. This will be supervised by the Chief Compliance Officer.

SIS policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No Access Person may recommend any transaction in a security or its derivative to clients or engage in personal securities transactions for a security or its derivatives if the Access Person possesses material, non-public information regarding the security.

SIS' Code is based on the guiding principle that the interests of clients are our top priority. SIS', Access Persons have a fiduciary duty to our clients and must diligently perform that duty to maintain the complete trust and confidence of our clients. When a conflict arises, it is our obligation to put the client's interests over the interests of either employees, IA-Reps, or the company.

The Firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

INVESTMENT RECOMMENDATIONS INVOLVING A MATERIAL FINANCIAL INTEREST AND CONFLICT OF INTEREST

As mentioned above, SIS receives a fee from Tidal, and Tidal ETF as a sub-advisor to the SIS ETFs that is separate from and in addition to the Asset Management Fees it receives from clients serviced by its IA-Reps. While SIS' IA-Reps do receive a percentage of the Asset Management Fees paid by their clients for investment advisory services, they do not receive any portion of the fees SIS receives in connection with the fees it receives as a sub-advisor to the SIS ETFs. No portion of their compensation is increased based on recommendations to invest in or allocating client assets to the SIS ETFs sub-advised by SIS.

As mentioned above, a select portion of the Firm's IA-Reps have an ownership interest in SIG, which wholly owns SIS. Such ownership of SIG creates a conflict because the IA-Reps have a financial incentive to invest their client's assets in the SIS ETFs.

The existence of the sub-advisory and profit-sharing agreements creates a material conflict of interest because it provides SIS and the IA-Reps that have an ownership interest in SIG with an incentive to increase assets under management in SIS ETFs for which it provides sub-advisory services. To mitigate that conflict and to closely resemble the average of other non-proprietary ETFs like FXED, the Firm discounts the portion of its clients' Asset Management Fee associated with FXED by 10 basis points.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

SIS and its employees may buy or sell securities that are also held by clients. To mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide SIS with copies of their brokerage statements.

The Firm's Compliance Department reviews all employee trades at least quarterly. The personal trading reviews ensure that the personal trading of Access Person does not affect the markets and that clients of the Firm receive preferential treatment over Access Persons' transactions.

In addition, SIS requires pre-clearance of any transactions by Access Persons who are designated trading personnel and have knowledge of the Firm's trading activity as it pertains to the Firm acting as sub-advisor to SIS ETFs. This will be supervised by the Chief Compliance Officer.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

SIS does not maintain a firm proprietary trading account other than the SIS ETFs disclosed above; therefore, it does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, employees may buy or sell securities at the same time they buy or sell securities for clients. To mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide SIS with copies of their brokerage statements. Such securities transactions are reviewed by the Firm's Compliance Department.

Insurance Planning and Consulting Services

As mentioned above, the advisors registered with SIS and the advisors for the other independent Registered Investment Advisors are generally insurance licensed and will provide recommendations to clients for insurance products. If a client elects to implement the purchase of an insurance product recommended by its IA-Rep, your IA-Rep will receive Insurance Fees and other compensation fees. Such Insurance Fees can be paid upfront, paid from the Insurance company base, incentives, or in some cases marketing credits paid by the wholesaler. Clients are recommended to carefully review their policies and ask their IA-Reps any questions about the policy and the fees paid to the IA-Rep.

The receipt of Insurance Fees in return for insurance product purchases creates a conflict of interest for advisors when they recommend the purchase of such products to clients. Thus, when offering insurance products, both compensation and related-issuer conflicts exist. There is an incentive to offer the insurance products of these companies. At all times, SIS and its advisors strive to make recommendations that are in the best interest of their clients.

Item 12 Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

SIS generally recommends broker-dealers or custodians with whom it has established arrangements or agreements. Historically, SIS has had an arrangement with Charles Schwab & Co. ("**Schwab**"), and Fidelity Investments ("**Fidelity**") which are both independent and unaffiliated

FINRA registered broker-dealers and SIPC/NFA members, which its clients used as a broker-dealer to execute their securities transactions and custody their assets.

Broker-dealers such as Schwab and/or Fidelity charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to the Firm's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). When beneficial to the client, individual fixed-income and/or equity transactions may be effected through broker-dealers with whom the Firm and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a "trade away" fee charged by the Schwab and/or Fidelity.

Schwab and Fidelity offer-independent investment advisor services which include custody of securities, trade execution, clearance, and settlement of transactions. SIS may receive some of these services from Schwab and/or Fidelity through its arrangement with them.

(Please see the disclosures under Item 14 below.)

As stated above, SIS is separate and unaffiliated with Schwab and/or Fidelity. This arrangement is designed to maximize efficiency, enhance the ability to monitor positions, and to be cost effective for clients. By recommending that clients use the specified custodian, we seek to achieve the most favorable execution of client transactions.

Factors considered by SIS in making a recommendation of a brokerage firm include the size and reputation of the Firm, its capital position, commission rates in comparison to other firms, and reporting procedures on client accounts. SIS will not accept custody of client funds or securities.

DIRECTED BROKERAGE

In circumstances where a client directs SIS to use a certain broker-dealer, SIS still has a fiduciary duty to its clients. The following may apply with Directed Brokerage: SIS' inability to negotiate commissions, to obtain volume discounts, there may be a disparity in commission charges among clients and conflicts of interest arising from brokerage firm referrals.

BEST EXECUTION

Investment advisors who manage or supervise client portfolios on a discretionary basis have a fiduciary obligation of best execution. The determination of what may constitute best execution and price in the execution of a securities transaction by a broker involves several considerations and is subjective. Factors affecting brokerage selection include the overall direct net economic result to the portfolios, the efficiency with which the transaction is affected, the ability to affect the transaction where a large block is involved, the operational facilities of the broker- dealer, the value of an ongoing relationship with such broker and the financial strength and stability of the broker. SIS does not receive any portion of the trading fees.

TRADE ERRORS

Trade errors occasionally happen in client accounts. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of our clients. In cases where

the error was caused by the client, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated because of the error correction. In all situations where the client does not cause the trade error, the client will be made whole, and the Firm will absorb any loss. If the trade error is caused by the broker-dealer, the broker-dealer will cover all trade error costs. If an investment gain results from the correcting trade, the gain will be donated to charity. We will never benefit or profit from trade errors.

SOFT DOLLAR ARRANGEMENTS

The Securities and Exchange Commission defines soft dollar practices as arrangements under which products or services other than execution services can be obtained by SIS from or through a broker-dealer in exchange for directing client transactions to the broker-dealer. As permitted by Section 28(e) of the Securities Exchange Act of 1934, SIS may receive economic benefit because of commissions generated from securities transactions by the broker-dealer from the accounts of SIS. These benefits can include both proprietary research from the broker and other research written by third parties. A conflict of interest exists when SIS receives soft dollars. This conflict is mitigated by the fact that SIS has a fiduciary responsibility to act in the best interest of its clients and the services received are beneficial to all clients.

SIS does not participate in any soft dollar arrangements.

PRINCIPAL TRANSACTIONS

Section 206(3)-1 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "**principal transaction**"). To comply with this Rule, the Firm must make certain disclosures to its client(s) of the terms of the proposed transaction and obtain the client's consent to the transaction.

SIS does not participate in any Principal Transactions.

CROSS TRADES

Section 206(3)-2 under the Advisers Act regulates agency cross transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, an Agency cross transaction occurs when an Adviser, or any person controlling, controlled by, or under common control with such Adviser, acts as a broker for a person who is not the Adviser's client and affects a sale or purchase of a security for the account of a client, (what is commonly referred to as a "**cross transaction**"). To comply with this Rule, the Firm must make certain disclosures to its client(s) of the terms of the proposed transaction and obtain the client's consent to the transaction.

SIS does not participate in any Cross Trades.

BALANCING THE INTERESTS OF MULTIPLE CLIENT ACCOUNTS.

The Firm may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that may trade in the same securities. Despite such similarities, portfolio decisions relating to a client's investments and the performance resulting from such decisions may differ from client to client.

AGGREGATING (BLOCK) TRADING FOR MULTIPLE CLIENT ACCOUNTS.

The Firm will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible clients, particularly if different clients have materially different amounts of capital under management by the Firm or different amounts of investable cash available. Therefore, not all clients will necessarily participate in the same investment opportunities or participate on the same basis.

The Firm may allocate investment and trading opportunities among various clients in a manner believed by the Firm to be fair and equitable to each client over time. The Firm may place a Block Trade to purchase or sell the same security for multiple accounts if the Firm believes it will result in a more consistent execution among clients. The Firm will not include a client in a Block Trade unless the transaction is consistent with the client's investment objectives and/or restrictions. In determining whether to include or exclude a client's account in a Block Trade, the Firm will consider the following factors:

- The client's investment objectives and strategies
- The composition, size, and characteristics of an account
- The cash flows and amount of investment funds available to each client
- The amount already committed by each client to a specific investment.
- Each client's risk tolerance and the relative risk of the investment
- The marketability of the security being considered.
- Whether the Advisor has trading discretion over the account.

VALUATION

The Firm will rely on the custodians and/or independent 3rd Party pricing services to value securities in each client's accounts that are listed on a national securities exchange or on NASDAQ at the last quoted sales price on the principal market where the securities are traded.

Item 13 Review of Accounts

SCHEDULE FOR PERIODIC REVIEW OF CLIENT ACCOUNTS OR FINANCIAL PLANS AND ADVISORY PERSONS INVOLVED

Account reviews are performed at least annually by the Firm's IA-Reps. Account reviews are performed more frequently when market conditions dictate or when the client or IA-Rep deems appropriate. Clients should review their account statements provided by the custodians and if they have any questions, please contact the Firm. Financial planning and non-discretionary relationships with clients are monitored on an ongoing basis to help ensure the recommendations made are within the scope of the plan remain suitable.

REVIEW OF CLIENT ACCOUNTS ON NON-PERIODIC BASIS

Other conditions that may trigger a review of clients' accounts are changes in the tax laws, new investment information, and changes in a client's own situation.

CONTENT OF CLIENT PROVIDED REPORTS AND FREQUENCY

Clients receive account statements no less than quarterly for managed accounts. Account statements are issued by the client's Custodian. In addition, clients shall receive confirmations of

each transaction in their account(s) from their Custodian and an additional statement during any month in which a transaction occurs.

Item 14 Client Referrals and Other Compensation

ECONOMIC BENEFITS PROVIDED TO THE ADVISORY FIRM FROM EXTERNAL SOURCES AND CONFLICTS OF INTEREST

As disclosed under Item 12 above, the Firm participates in both Schwab and Fidelity's institutional customer programs and the Firm may recommend either Schwab and/or Fidelity to clients for custody and brokerage services. There is no direct link between the Firm's participation in either program and the investment advice it gives to its clients, although the Firm may receive economic benefits through its participation in the program that are typically not available to Schwab and/or Fidelity 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 the Firm participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts' access to an electronic communications network for client 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 the Firm by third party vendors. Schwab and/or Fidelity may also pay for business consulting and professional services received by the Firm's IA-Reps. Some of the products and services made available by either Schwab and/or Fidelity through the program may benefit the Firm and/or its IA-Reps but may not benefit its client accounts. These products or services may assist the Firm in managing and administering client accounts, including accounts not maintained at Schwab and/or Fidelity. Other services made available by either Schwab and/or Fidelity are intended to help the Firm manage and further develop its business enterprise. The benefits received by the Firm or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to Schwab and/or Fidelity. As part of its fiduciary duties to clients, the Firm endeavors always to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by the Firm or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Firm's choice of either Schwab and/or Fidelity for custody and brokerage services.

The Firm may receive referrals from Retirement Income Source, LLC, an affiliate of SIS used to prospect for Investment Advisory and Fixed Insurance Services. No compensation is provided for these referrals.

ADVISORY FIRM PAYMENTS FOR CLIENT REFERRALS

If a client is introduced to SIS by either an affiliated or unaffiliated solicitor, SIS may pay that promotor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. All such agreements will be in writing. While the specific terms of each agreement between SIS and the solicitor may differ, generally, the compensation will be based upon SIS' engagement of new clients and is calculated using a varying percentage of the fees paid to SIS by such client. Any such referral

fee to a solicitor shall be paid solely from the SIS investment management fee and shall not result in any additional charge to the client.

If the client is introduced to SIS by an unaffiliated promotor, the promotor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of SIS's Form ADV Part 2A (this Brochure), Form ADV 2B for the assigned IA-Rep (Brochure Supplement), Form 3 (Form CRS) (collectively "**SIS's Disclosure Documents**"), and the Firm's Privacy Policy in addition to a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between SIS and the solicitor, including the compensation to be received by the promotor from SIS. The promotor is also required to obtain the client's signature acknowledging receipt of SIS's Disclosure Documents.

INSURANCE PLANNING AND CONSULTING SERVICES

As mentioned above, the Firm's IA-Reps are generally insurance licensed and will provide recommendations to clients for insurance products. When SIS IA-Reps make recommendations for the purchase of insurance, they also receive Insurance fees. Such Insurance fees can be paid upfront, paid from the Insurance company base, incentives, or in some cases marketing credits paid by the wholesaler. Clients are recommended to carefully review their policies and ask their IA-Reps any questions about the policy and the fees paid to the IA-Rep.

The receipt of commissions in return for insurance product purchases creates a conflict of interest for advisors when they recommend the purchase of such products to clients. Mr. Scranton, the majority owner of SIS, consults with IA-Reps on insurance products and IA-Reps may place the insurance product transaction through Sound Income Academy, an affiliated entity, along with other various entities in which Mr. Scranton is the majority owner. Thus, when offering insurance products, both compensation and related-issuer conflicts exist. There is an incentive to offer the insurance products of these companies.

Consequently, the advice rendered to you could be biased. To prevent conflicts of interest, SIS has developed written supervisory procedures that prohibit our advisors registered with SIS from preferring their own interests to that of the client. Any associated person not observing our policies is subject to sanctions up to and including termination.

Clients are under no obligation to implement any insurance or annuity transaction through your IA-Rep. (Please refer to Item 10 Other Financial Industry Activities and Affiliations for more details.)

Item 15 Custody

ACCOUNT STATEMENTS

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to the performance report statements prepared by SIS.

SIS is deemed to have constructive custody solely because advisory fees are directly deducted from client's account(s) by the custodian on behalf of SIS.

Item 16 Investment Discretion

DISCRETIONARY AUTHORITY FOR TRADING

SIS accepts discretionary authority to manage securities accounts on behalf of clients. SIS has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. The client will authorize SIS discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement. If the client does not grant discretionary authority to SIS, SIS will enter into a non-discretionary agreement with a client. The Firm and/or IA-Rep shall not sell or purchase any securities except upon approval from the client at the time the order is given. Client shall always have control or management of the assets of the account(s), including the power to acquire and dispose of the assets of the account(s).

The client approves the custodian to be used, and the commission rates paid to the custodian. SIS does not receive any portion of the transaction fees or commissions paid by the client to the custodian on certain trades.

Item 17 Voting Client Securities

PROXY VOTES

SIS does not vote proxies on securities. Clients are expected to vote their own proxies. The client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, SIS will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the client.

Item 18 Financial Information

BALANCE SHEET

A balance sheet is not required to be provided because SIS does not serve as a custodian for client funds or securities and SIS does not require prepayment of Advisory Fees of more than $1,200 per client and six months or more in advance.

FINANCIAL CONDITIONS REASONABLY LIKELY TO IMPAIR ADVISORY FIRM'S ABILITY TO MEET COMMITMENTS TO CLIENTS

SIS has no condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

BANKRUPTCY PETITIONS DURING THE PAST TEN YEARS

Neither SIS nor its management has had any bankruptcy petitions in the last ten years.