

Legacy Asset Management, Inc.
Form ADV Part 2A
Investment Adviser Brochure

March 2013

This brochure provides information about the qualifications and business practices of Legacy Asset Management, Inc. If you have any questions about the contents of this brochure, please contact Joseph Birkofer, Chief Compliance Officer. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Legacy Asset Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

1800 West Loop South
Suite 1790
Houston, TX 77027
713-355-7171
www.LegacyAsset.com

Item 2: Summary of Material Changes

Annual Update

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

Material Changes since the Last Update

Scott Jackson has joined Legacy Asset Management to provide Portfolio Management services for our clients.

Legacy Asset Management has added Charles Schwab Institutional as an additional custodian available for our clients use.

Firm Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 713-355-7171 or by email at: jbirkofer@legacyasset.com.

Item 3: Table of Contents

Item 2: Summary of Material Changes	2
Annual Update	2
Material Changes since the Last Update	2
Firm Brochure Available	2
Item 4: Advisory Business	5
Firm Description	5
Principal Owners	5
Wealth Management	5
Tailored Relationships	5
Wrap Fee Programs	5
Item 5: Fees and Compensation	6
Compensation	6
Calculation and Payment	7
Agreement Terms	7
General Information on Compensation and Other Fees	7
Other Compensation	7
Item 6: Performance-Based Fees and Side-by-Side Management	8
Item 7: Types of Clients	9
Types of Clients	9
Account Minimums	9
Clearing and Transaction Charges	9
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	10
Methods of Analysis	10
Investment Strategies	10
Risk of Loss	10
Item 9: Disciplinary Information	12
Legal and Disciplinary	12
Item 10: Other Financial Industry Activities and Affiliations	13
Financial Industry Activities – Broker-Dealers	13
Financial Industry Activities – Futures and Commodities	13
Affiliations – Other	13
Other Investment Advisors	13
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	14
Code of Ethics	14
Participation or Interest in Client Transactions	14
Item 12: Brokerage Practices	15
Research and Other Soft Dollar Benefits	15
Brokerage for Client Referrals	15
Directed Brokerage	15
Allocation of Batched Orders	16

Item 13: Review of Accounts	17
Reviews	17
Review Triggers	17
Reporting	17
Financial Planning	18
Item 14: Client Referrals and Other Compensation	19
Other Compensation	19
Compensation – Client Referrals	19
Item 15: Custody	20
Custody – Fee Debiting	20
Custody – Account Statements	20
Item 16: Investment Discretion	21
Discretionary Authority for Trading and Limited Power of Attorney	21
Item 17: Voting Client Securities	22
Proxy Voting	22
Item 18: Financial Information	23
Financial Condition	23
Other Information	24
Privacy	24
Business Continuity Plan	24
Form ADV Part 2B – Investment Adviser Brochure Supplement	25
Educational Background and Business Experience	26
Education and Business Background	26
Supervised Persons	26
Professional Certifications	29
Disciplinary Information	30
Other Business Activities	31
Additional Compensation	32
Supervision	33

Item 4: Advisory Business

Firm Description

Legacy Asset Management, Inc. is an Investment Advisor providing advice to individuals, trusts, estates, retirement plans and charitable organizations. Legacy Asset Management, Inc. was founded in 1998.

Principal Owners

Legacy Asset Management, Inc. owners are Richard E Kaplan and Joseph R Birkofer.

Wealth Management

Legacy Asset Management, Inc. provides personalized confidential financial planning and investment management (wealth management) to individuals. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

Tailored Relationships

The goals and objectives for each client are documented in our client relationship management system. Clients may impose restrictions on investing in certain securities or types of securities.

Wrap Fee Programs

Legacy Asset Management, Inc. does not participate in a Wrap Fee Program.

Legacy Asset Management, Inc. monitors client accounts. As of December 31, 2012 these assets totaled \$194,491,706; all are non-discretionary assets.

Item 5: Fees and Compensation

Compensation

Legacy Asset Management, Inc. charges our Wealth Management clients a fee for investment advisory services based on a percentage of assets under management (see schedule below).

EQUITY FEE SCHEDULE

First \$500,000	1.25%
Next \$500,000	1.00%
Next \$4,000,000	0.80%
Next \$5,000,000	0.60%
Over \$10,000,000	Negotiable

FIXED INCOME FEE SCHEDULE

First \$2,000,000	0.50%
Next \$3,000,000	0.35%
Over \$5,000,000	Negotiable

CORPORATE 401(k) FEE SCHEDULE

First \$1,000,000	0.50% of PMV
Next \$4,000,000	0.30% of PMV
Next \$5,000,000	0.20% of PMV
Next \$10,000,000	0.10% of PMV

Clients will be invoiced in advance at the end of each calendar quarter based upon the market value of the client's account at the end of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Wealth Management Agreement. Existing clients may have been grandfathered in from a lower fee schedule.

Financial planning fees, when negotiated separately, are priced according to the degree of complexity associated with the client's situation and charged at a rate of \$175 per hour. All financial planning and consulting fees are due in arrears, upon presentation of the financial plan or consulting engagement for the client, unless a retainer has been paid.

In certain circumstances, fees, account minimums and payment terms are negotiable depending on client's unique situation – such as the size of the aggregate related party portfolio size, family holdings, low cost basis securities, or certain passively advised investments and pre-existing relationships with clients. Certain clients may pay more or less than others depending on the amount of assets, type of portfolio, or the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation. Lower fees for comparable services may be available from other sources.

Calculation and Payment

The specific manner in which fees are charged by Legacy Asset Management, Inc. is established in the client's written agreement with Legacy Asset Management, Inc. Legacy Asset Management, Inc. will generally calculate fees in advance on a quarterly basis. Clients may also elect to be invoiced directly for fees or to authorize Legacy Asset Management, Inc. to directly debit fees from client accounts.

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Agreement Terms

A client may terminate the client agreement at any time by notifying Legacy Asset Management, Inc. in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. Legacy Asset Management, Inc. may terminate the client agreement at any time by notifying the client in writing.

General Information on Compensation and Other Fees

Legacy Asset Management, Inc. 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.).

Legacy Asset Management, Inc. fees are exclusive of transaction fees and other related costs and expenses which shall be incurred by the client. Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. 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.

Other Compensation

Neither Legacy Asset Management, Inc. nor any of its supervised persons (employees) accept compensation for the sale of securities or other investment products. Insurance products sold through Legacy Asset Securities may result in a commission-based compensation.

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

Neither Legacy Asset Management, Inc. nor any of its Supervised Persons (employees) accepts performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7: Types of Clients

Types of Clients

Legacy Asset Management, Inc. is an investment adviser providing advice to individuals, trusts, estates, retirement plans and charitable organizations.

Account Minimums

Legacy Asset Management, Inc. requires a minimum account of \$200,000 for investment advisory clients, although this may be negotiable under certain circumstances. Legacy Asset Management, Inc. may group certain related client accounts for the purposes of achieving the minimum account size.

Clearing and Transaction Charges

In addition to the advisory fees, there are also charges for clearing and execution. Legacy Asset Management provides these services for advisory clients, at the client's direction, through a brokerage and clearing arrangement with RBC Capital Markets and/or Charles Schwab Institutional. Clients pay execution and ticket charges of between \$0.05 and \$0.10 per share on equity transactions with a minimum charge of \$18.00 per trade at RBC Capital markets and \$8.95 per trade at Charles Schwab Institutional. Additionally, the advisory fee does not include certain costs or charges associated with securities transactions with or through a broker-dealer other than Legacy Asset, including brokerage commissions and dealer mark-ups or mark-downs in principal transactions or odd-lot differentials, stock exchange fees, transfer taxes or other charges mandated by law, which will be separately charged to the client's account.

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

Methods of Analysis

Legacy Asset Management, Inc. uses the following main sources of information including, financial newspapers and magazines, research materials prepared by others, corporate rating services.

Other sources of information that Legacy Asset Management, Inc. may use include information from investment managers, financial service companies, data base companies, financial journals, and government sources. In evaluating mutual fund investments for advisory clients, Legacy Asset Management will review fund performance, holdings, asset size and composition, tenure of management and ratings by independent services. Furthermore, Legacy Asset Management utilizes the services of Morningstar Associates, LLC (“Morningstar”), a registered investment advisor. These services provide continuous interactive access through research, education, advice, measurement and reporting modules.

Investment Strategies

Legacy Asset Management uses asset allocation, or spreading investments among a number of asset classes and sectors (domestic stocks vs. foreign stocks; large cap stocks vs. small cap stocks; corporate bonds vs. government securities) for most client accounts. Mutual funds will be selected on the basis of any or all of the following criteria: the fund’s performance history; the industry sector in which the fund invests; the track record of the fund’s manager; the fund’s investment objectives; management style and philosophy; and management fee structure.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. All investment programs have certain risks that are borne by the investor. Legacy Asset Management, Inc.’s investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **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 next year will not buy as much as a dollar today, 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.
- **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.

Item 9: Disciplinary Information

Legal and Disciplinary

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Legacy Asset Management, Inc. or the integrity of Legacy Asset Management, Inc. Neither Legacy Asset Management, Inc., nor its management persons have ever been involved in a legal or disciplinary event requiring disclosure.

Clients may obtain disciplinary history of Legacy Asset Management, Inc. or its representatives from the S.E.C. upon request.

Item 10: Other Financial Industry Activities and Affiliations

Financial Industry Activities – Broker-Dealers

Legacy Asset Management, Inc. is not registered as a broker-dealer, and none of its management persons are registered representatives of a broker-dealer.

The Principals of the Applicant (Joseph R. Birkofer and Richard E. Kaplan) intend to maintain their general securities license with a FINRA member general securities Broker/Dealer, which Kaplan and Birkofer own. The name of this firm is Legacy Asset Securities, Inc., 1800 West Loop South, Suite 1790, Houston, Texas 77027. Phone 713-355-7171. Tax Id# 76-0600529. CRD # 47644. The Broker/Dealer activities of the Principals comprise approximately 20% of their business activities with the remaining 80% estimated to be spent on investment adviser activities. Some clients of Legacy Asset Management, Inc. may choose to have transactions executed through Legacy Asset Securities, Inc.

Financial Industry Activities – Futures and Commodities

Neither Legacy Asset Management, Inc. nor any of its management persons is registered as (or associated with) a futures commissions merchant, commodity pool operator, or a commodity trading advisor.

Affiliations – Other

Neither Legacy Asset Management, Inc. nor any of its management persons have a material relationship or arrangement with any related person or financial industry entities, including:

1. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
2. other investment advisor or financial planner
3. futures commission merchant, commodity pool operator, or commodity trading advisor
4. banking or thrift institution
5. accountant or accounting firm
6. lawyer or law firm
7. real estate broker or dealer
8. sponsor or syndicator of limited partnerships.

Other Investment Advisors

At this time, Legacy Asset Management does not have arrangements with certain Sub-Advisors for portfolio services. A Sub-Advisor may receive a percentage of the advisory fee in exchange for certain portfolio services.

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

Code of Ethics

Legacy Asset Management, Inc. employees must comply with a Code of Ethics and Statement for Insider Trading. The Code describes the Firms' high standard of business conduct, and fiduciary duty to its clients. The Code's key provisions include:

- Statement of General Principles
- Policy on and reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations
- Requirement to maintain confidentiality of client information

Joseph Birkofer, Chief Compliance Officer reviews all employee trades each quarter. These reviews ensure that personal trading does not affect the markets, and that clients of Legacy Asset Management Inc. receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

Legacy Asset Management, Inc. employees must acknowledge the terms of the Code of Ethics at least annually. Any individual not in compliance with the Code of Ethics may be subject to termination.

Clients and prospective clients can obtain a copy of Legacy Asset Management, Inc. Code of Ethics by contacting Joseph Birkofer at 713-355-7171.

Participation or Interest in Client Transactions

Neither Legacy Asset Management, Inc. nor its employees recommend to clients or buy or sell for client accounts, securities in which they have a material financial interest.

Legacy Asset Management, Inc. and its employees may buy or sell securities that are also held by clients. Employees comply with the provisions of Legacy Asset Management, Inc.'s Code of Ethics.

Item 12: Brokerage Practices

Research and Other Soft Dollar Benefits

Legacy Asset Management, Inc. does not receive formal soft dollar benefits in connection with client securities transactions.

Brokerage for Client Referrals

Legacy Asset Management, Inc. does not receive client referrals from broker/dealers.

Directed Brokerage

Legacy Asset Management, Inc. shall generally recommend that portfolio management clients establish brokerage accounts with The Royal Bank of Canada Advisor Services (hereinafter “RBC”), a registered broker-dealer, member SIPC, as well as Charles Schwab Institutional (hereinafter “Schwab”) to maintain custody of clients' assets and to effect trades for their accounts.

Legacy Asset Management, Inc. is independently owned and operated and not affiliated with RBC and/or Schwab. RBC and/or Schwab provides Legacy Asset Management, Inc. with access to its institutional trading and custody services, which are typically not available to RBC and/or Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis and are not otherwise contingent upon Legacy Asset Management, Inc. committing to RBC and/or Schwab any specific amount of business (assets in custody or trading).

For Legacy Asset Management, Inc. client accounts maintained there, RBC and/or Schwab is compensated through commissions or other transaction-related fees for securities trades that are executed through RBC and/or Schwab or that settle into RBC and/or Schwab accounts. The brokerage commissions and/or transaction fees charged by RBC and/or Schwab or any other designated broker-dealer are exclusive of and in addition to Legacy Asset Management, Inc. fees.

Legacy Asset Management, Inc. may receive from RBC and/or Schwab, at no cost to Legacy Asset Management, Inc., professional services, computer software and related systems support, enabling Legacy Asset Management, Inc. to better monitor client accounts maintained at RBC and/or Schwab. Legacy Asset Management, Inc. may receive this support without cost because of the portfolio management services rendered to clients that maintain assets at RBC and/or Schwab. The support provided may benefit Legacy Asset Management, Inc., but not its clients directly. In fulfilling its duties to its clients, Legacy Asset Management, Inc. endeavors at all times to put the interests of its clients first. Clients should be aware, however, that Legacy Asset Management, Inc. receipt of economic benefits from a broker-dealer may create a conflict of interest since these benefits may influence Legacy Asset Management, Inc. choice of broker-dealer over another broker-dealer that does not furnish similar services, software and systems support.

RBC and/or Schwab also offer other services intended to help Legacy Asset Management, Inc. manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. RBC and/or Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Legacy Asset Management, Inc.. RBC and/or Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Legacy Asset Management, Inc.. RBC and/or Schwab may also provide other benefits such as educational events or occasional business entertainment of Legacy Asset Management, Inc. personnel. In evaluating whether to recommend or require that clients custody their assets at RBC and/or Schwab, Legacy Asset Management, Inc. may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely the nature, cost or quality of custody and brokerage services provided by RBC and/or Schwab, which may create a potential conflict of interest. The commissions paid by Legacy Asset Management, Inc. clients shall comply with Legacy Asset Management, Inc. duty to obtain "best execution." However, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Legacy Asset Management, Inc. determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while Legacy Asset Management, Inc. will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

Allocation of Batched Orders

When Legacy Asset Management places orders to buy or sell the same security for more than one advisory account managed by the firm, Legacy Asset Management may, but is not under any obligation to, batch transactions for such clients for the purpose of obtaining best execution. Generally, such batched transactions will be allocated proportionally to all advisory accounts for which such security is determined to be suitable based on relative account size. Legacy Asset Management may make exceptions to this procedure due to special portfolio constraints, cash position, client or regulatory restrictions, odd-lot size of an available transaction, or other equitable fiduciary reason. It is often not possible to receive the same price or time of execution for all of the securities purchased or sold in an aggregated order. Therefore, such aggregated order may be executed in one or more transactions at varying prices and each client's order will receive the average price for the day with respect to such transaction.

Legacy Asset Management recommends brokers to its clients. In recommending a broker to a client, Legacy Asset Management may consider a number of factors,

including fees and commissions, special execution capabilities, reputation, financial strength, efficiency of execution and error resolution, and other matters involved in the receipt of brokerage services as well as the quality of general research services.

Item 13: Review of Accounts

Reviews

Semi-Annual Review of “Portfolio Construction Guidelines”

Semi-annually Legacy Asset Management, Inc. conducts a major review of its recommendations for allocation to individual asset classes, and also of the individual investment vehicles we recommend to fill those allocations and develops overall “Portfolio Construction Guidelines.”

As an integral part of the semi-annual review process, Legacy Asset Management, Inc. conducts a review of the individual investment vehicles (e.g., stocks, bonds, mutual funds or ETF’s) recommended to implement the Guidelines. In the case of an existing vehicle, Legacy Asset Management reviews risk-adjusted performance over time, continuity of management, investment philosophy and operating expenses. Should we find a reason to recommend a change, we conduct an extensive research process to locate a suitable replacement vehicle. Topics for analysis include, but are not limited to: risk-adjusted performance over time, manager tenure, investment philosophy and process, and operating expense costs.

Implementation at the Client Level

Once the Guidelines are in place, principals of the Firm meet with individual clients to review the Master Portfolio Allocation and subsequent Portfolio Re-Balancing. Each client meeting starts with a review of the Allocation, where we work with the client to re-affirm or change the basic allocation to Cash, Fixed Income, Equities, and Alternatives. Once that determination has been made, this analysis is used to calculate the percentage allocation to each of the individual asset classes.

Review Triggers

Conditions that may trigger an other than semi-annual review are changes in market, political or economic conditions, tax laws, new investment information, and changes in a client's own situation.

Reporting

Each month, the custodian provides clients with an account statement for each client account, which may include individual holdings, cost basis information, deposits and withdrawals, accrued income, dividends, and performance. In addition, the custodian provides clients with trade confirmations for each position bought and sold.

Legacy Asset Management, Inc. also provides clients with a quarterly report including an account appraisal that identifies the current positions as of the reporting date. A performance summary is also provided for the portfolio on a semi-annual basis.

Financial Planning

We offer financial planning services to clients. The plan is developed through meetings between the advisor and client. The following topics are considered for the purpose of creating the plan:

- Financial goals and needs analysis
- Personal cash flow analysis
- Net worth analysis
- Review of client's tax situation
- Risk tolerance and risk capacity analysis
- Analysis of current investment asset allocation

Areas of advice typically include (but are not limited to), investments, taxes, retirement, education funding, insurance, estate planning, charitable giving, and cash management strategies.

Plans are charged a separate fee of \$175 per hour and typically take 8 to 16 hours to complete.

Item 14: Client Referrals and Other Compensation

Other Compensation

Legacy Asset Management, Inc. does not receive any formal economic benefits (other than normal compensation) from any firm or individual for providing investment advice.

Compensation – Client Referrals

Legacy Asset Management, Inc. does not make or accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Item 15: Custody

Custody – Fee Debiting

Clients may authorize Legacy Asset Management, Inc. (in the client agreement) to debit fees directly from the client's account at the broker dealer (custodian). Client investment assets will be held with a custodian agreed upon by the client and Legacy Asset Management, Inc. The custodian is advised in writing of the limitation of Legacy Asset Management, Inc. access to the account. The custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to Legacy Asset Management, Inc.

Custody – Account Statements

As described above and in Item 13, clients receive at least quarterly statements from the broker dealer (custodian) that holds and maintains client's investment assets. Clients are urged to carefully review such statements and compare such official custodial records to the account statements or other reports that Legacy Asset Management, Inc. provides. Legacy Asset Management, Inc. statements may vary from custodial statements based on accounting procedures or reporting dates.

Item 16: Investment Discretion

Discretionary Authority for Trading and Limited Power of Attorney

Through the Wealth Management agreement, Legacy Asset Management, Inc. may accept limited power of attorney to act on a discretionary basis on behalf of clients. A limited power of attorney allows Legacy Asset Management, Inc. to execute trades on behalf of clients.

Item 17: Voting Client Securities

Proxy Voting

Legacy Asset Management, Inc. does not have any authority to and does not vote proxies on behalf of clients. Legacy Asset Management, Inc. also does not render advice to or take any actions on behalf of clients with respect to any legal proceedings, including bankruptcies and shareholder litigation. Clients retain the responsibility for receiving and voting proxies and any legal proceedings for securities maintained in their portfolios; clients receive these corporate actions from directly from either custodians or transfer agents.

Item 18: Financial Information

Financial Condition

Legacy Asset Management, Inc. has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Legacy Asset Management, Inc. is not required to provide a balance sheet; Legacy Asset Management, Inc. does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,000 per client, and more than six months in advance.

Other Information

Privacy

Legacy Asset Management, Inc. is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver our Privacy Notice to you annually, in writing.

Business Continuity Plan

Legacy Asset Management, Inc. has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people. The Business Continuity Plan covers natural and man-made disasters. Electronic files are backed up daily and archived offsite. Alternate offices are identified to support ongoing operations in the event the main office is unavailable.

Legacy Asset Management, Inc.
Form ADV Part 2B
Investment Adviser Brochure Supplement

Supervisor's Name: Joseph Birkofer

Supervisor of:
Richard Kaplan

March 2013

This brochure supplement provides information about the Firm's Supervised Persons that supplements the Legacy Asset Management, Inc.'s brochure. You should have received a copy of that brochure.

Please contact Joseph Birkofer, Chief Compliance Officer, if you did not receive Legacy Asset Management, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about the Firm's Supervised Persons is also available on the SEC's website at www.adviserinfo.sec.gov.

Legacy Asset Management, Inc.
1800 West Loop South, Suite 1790
Houston, TX 77027
www.legacyaset.com

Educational Background and Business Experience

Education and Business Background

Legacy Asset Management, Inc. requires that advisers in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Examples of acceptable coursework include: an MBA, a CFP®, a CFA, a ChFC, JD, CTFA, EA or CPA. Additionally, advisers must have work experience that demonstrates their aptitude for financial planning and investment management.

Supervised Persons

Richard E Kaplan

Year of Birth: 1963

Employment History:

Legacy Asset Securities, Inc.
Vice President

1999-Present

Legacy Asset Management, Inc.
President

1998-Present

Post Oak Capital Advisors, Inc.
President
Investment Advisor

1998

Kaplan Investments.
Analyst

1996-1997

Texas Commerce Bank
Trust Officer

1993-1995

Education:

BS in Business, University of Alabama, 1986
MBA, Georgia State University, 1992

Professional Designations and Licenses:

Chartered Financial Analyst (CFA®)

Joseph R Birkofer

Year of Birth: 1961

Employment History:

Legacy Asset Securities, Inc. President	1999-Present
Legacy Asset Management, Inc. Vice President and Chief Compliance Officer	1998-Present
Post Oak Capital Advisors, Inc. Vice President Investment Advisor	1996-1998
Paine Weber Registered representative	1995-1996
Texas Commerce Bank Trust Officer	1991-1995

Education:

BS in Political Science, Georgetown University, 1983
MBA Finance, University of Texas, 1991

Professional Designations and Licenses:

Certified Financial Planner (CFP®)

Jillian Nel

Year of Birth: 1978

Employment History:

Legacy Asset Management, Inc. Certified Financial Planner	2011-present
Lincoln Financial Advisors Licensed Financial Assistant	2005-2011

Education:

BS in Business Administration, Leeds School of Business,
University of Colorado at Boulder
CFP, Rice University

Professional Designations and Licenses:

Certified Financial Planner (CFP®)
FINRA Series 7 & Series 66
General Lines Insurance Agent, State of Texas
Member, Financial Planning Association

Scott Jackson

Year of Birth: 1979

Employment History:

Legacy Asset Management, Inc. Portfolio Manager	2012-present
Andrews Capital Management Analyst/Energy Portfolio Manager	2008-2012
SMJ Securities LLC President, Trader	2005-2008
Jasper Capital Equity Trader	2003-2005
Northmarq Capital Financial Analyst	2003

Education:

BA in Economics, University of Texas at Austin 2002
MBA University of Houston, 2009

Dennis Hamblin

Year of Birth: 1950

Employment History:

Legacy Asset Securities, Inc.	2003-present
-------------------------------	--------------

Pension Sales

First Allied Securities
Pension Sales 2000-2003

Manulife Financial
Pension Sales Wholesale 1997-2000

Hamblin & Associates
Third Party Administrator 1987-1997

Education:

Lamar University

Professional Certifications

Legacy Asset Management, Inc.'s supervised persons maintain professional designations:

CFP® - Certified Financial Planner

Issued by: Certified Financial Planner Board of Standards, Inc.

Prerequisites/Experience Required: Candidate must meet the following requirements:

- A bachelor's degree (or higher) from an accredited college or university, and
- 3 years of full-time personal financial planning experience

Educational Requirements: Candidate must complete a CFP®-board registered program, or hold one of the following:

- CPA
- ChFC
- Chartered Life Underwriter (CLU)
- CFA
- Ph.D. in business or economics
- Doctor of Business Administration
- Attorney's License

Examination Type: CFP® Certification Examination

Continuing Education/Experience Requirements: 30 hours every 2 years

Disciplinary Information

Disciplinary Information

Neither Legacy Asset Management, Inc. nor any Supervised Persons have ever been involved in any activities resulting in a disciplinary disclosure.

As disclosed in Form ADV Part 2A – Item 9, clients may obtain disciplinary history of Legacy Asset Management, Inc. or its representatives from the Securities and Exchange Commission..

Other Business Activities

Other Business Activities

Disclosure on Outside Business Activities is provided in Form ADV Part 2A Item 10 – Other Financial Industry Activities and Affiliations above.

Other Fees

As disclosed in Form ADV Part 2A Item 5 – Fees and Compensation, neither Legacy Asset Management, Inc. nor any Supervised Persons receive commissions, bonuses or other compensation based on the sale of securities or other investment products.

Additional Compensation

No Supervised Person receives any economic benefit outside of regular salaries or bonuses related to amount of sales, client referrals or new accounts.

Supervision

Supervision

Joseph Birkofer, Vice President, supervises all persons named in this Form ADV Part 2B Investment Adviser Brochure Supplement. Joseph Birkofer supervises these persons by holding regular staff, investment and other ad hoc meetings. In addition, Joseph Birkofer regularly reviews client reports, emails, and trading, as well as employees' personal securities transaction and holdings reports. Joseph Birkofer may be reached at 713-355-7171.