

## Item 1 Cover Page

Part 2A of Form ADV

Firm Brochure

Sound Asset Management Group, LLC

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Date: March 21, 2016

This brochure provides information about the qualifications and business practices of Sound Asset Management Group, LLC. If you have any questions about the contents of this brochure, please contact us at (718)331-3700. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Sound Asset Management Group, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

Please note that registration as an investment advisory firm does not imply a certain level of skill or training.

## **Item 2      Material Changes**

There are no material changes since our last filing of March 2015.

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## **Item 4      Advisory Business**

### ***About the Firm***

Sound Asset Management Group, LLC is a registered investment adviser headquartered in Brooklyn, NY. It began business in 2008. Its owner is Joseph Maiorano.

### ***Description of Advisory Services***

We offer financial planning services, the referral of clients to a third-party manager, and give subadvice to clients through that third-party manager. Our services are offered through Advisory Representatives. More information about these services is included below.

### **Financial Planning Services**

We provide a variety of financial planning services, concerning the management of your financial resources, based upon an analysis of your needs. These financial planning services will involve preparing a financial program for you based on your financial circumstances and objectives. This information normally would cover present and anticipated assets and liabilities including insurance, savings, investments and anticipated retirement or other employee benefits.

The program developed for you will usually include general recommendations for a course of action or specific actions for you to take. For example, we may recommend that you obtain insurance or revise existing coverage, establish an individual retirement account, increase or decrease funds held in savings accounts or invest funds in securities. Your Advisory Representative may develop tax or estate plans for clients or refer clients to an accountant or attorney.

Your Advisory Representatives may also create a cash flow analysis or work with and advise you as to the rearrangement of cash flow in order to fund certain long-term objectives such as buying a house, planning for college, retirement, etc.

### **Referral of Clients to a Third Party Advisor**

We refer clients to a third party advisor, CLS Investments, LLC ("CLS"). We have an agreement with CLS to give advice to clients through a sub-advisory agreement. More information about the sub-advisory agreement and conflicts associated with that agreement is disclosed in the section below, entitled, "Advisory Services Provided through Sub-Advisory Relationships"

When we refer you to CLS, both CLS and we will manage your account. You will complete an investor profile designed to help us determine your investment objectives and risk tolerance. Based on your responses, we will recommend an allocation on your behalf. You may put restrictions on the types of securities or on the securities that we purchase on your behalf.

### **Advisory Services Provided through Sub-advisory Relationships**

We provide advice through a sub-advisory agreement with CLS Investments, LLC ("CLS"). Clients of CLS may select to have all or part of their funds managed utilizing advice provided by us in the Dual-Core and Satellite investment advisory service offered by CLS. This service utilizes a core and satellite methodology and is sub-advised by Sound Asset Management Group, LLC.

We refer our clients to CLS for the Dual-Core and Satellite service. This may create a conflict of interest in that we receive compensation for giving advice to clients through CLS.

Clients may be referred to CLS through other financial professionals not associated with us. These clients will receive similar or identical advice from us.

We manage clients' assets. As of December 31, 2015, we had \$73 Million in discretionary assets under management.

## **Item 5      Fees and Compensation**

We do not charge separate fees for our financial planning service. We are compensated through a subadvisory fee with CLS.

For clients who invest in the Dual-Core and Satellite program offered by CLS, but sub-advised by us, we receive a subadvisory fee. That fee is also a portion of the total fee collected by CLS.

More information about how CLS charges its fees is contained in their Disclosure Brochure. Clients who invest with CLS receive the Disclosure Brochure at the time they sign an investment advisory agreement with CLS.

### ***Information about Fees***

All fees paid to us for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. Such fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, a client may pay an additional or deferred sales charge.

You may also pay custodial and trading expenses. These are paid to the custodian of your assets, not to us.

You could invest in a mutual funds and variable annuities directly, without our services. In that case, the you would not receive our services, which are designed, among other things, to assist you in determining which mutual fund or funds are most appropriate to your financial condition and objectives. Accordingly, you should review both the fees charged by the funds and annuities and the fees charged by us to fully understand the total amount of fees you will pay.

In certain circumstances, advisory fees and account minimums may be negotiable based upon prior relationships as well as related account holdings. The fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

Please see Item 10 for information out our other financial industry activities and affiliations and how they may cause a conflict of interest.

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

We do not accept performance-based fees.

## **Item 7      Types of Clients**

We typically work with individuals, trusts, estates, and other businesses.

The minimum account size we work with is \$50,000.

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

When providing advice through the sub-advisory relationship with CLS, we have responsibility for selecting the overall portfolio mixture within the limits discussed below based on a combination of fundamental and technical factors. The core allocation is divided into two parts utilizing modern portfolio theory and the satellite portion is managed using a dynamic tactical allocation.

An initial allocation target of thirty to thirty-five percent (30-35%) of the assets in Dual-Core and Satellite will be invested in mutual funds advised or sub-advised by CLS with automatic rebalancing if those funds reach forty (40%) of your overall portfolio. CLS provides a fee offset based on the amount of your money invested in funds they advise or sub-advise.

We use Fundamental and Technical factors in conducting investment analysis. These are described as:

- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
- Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

Our Investment Strategies include short and long term purchases:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

**Investing involves risk that you should be prepared to bear. You may lose some or all of your money.**

## **Item 9      Disciplinary Information**

Neither the Firm nor any of our management persons have been involved in any events that are material to a client's or prospective client's evaluation of the Firm or the integrity of its management.

## **Item 10      Other Financial Industry Activities and Affiliations**

We have an affiliate that is a tax and accounting firm, Maiorano and Associates. Advisory Representatives may also act in that capacity. There is no requirement to use the tax and accounting services of the firm. If you do so, your Advisory Representative will share in the compensation you pay for that service.

The Advisory Representatives are also licensed as insurance agents and are registered representatives, offering securities through American Portfolios Financial Services, Inc. In this capacity, they earn

commissions for the sale of investment and insurance products in addition to any fees they may earn for providing investment advice.

Robert Walsh is also the President of Sound Coaching, Inc. Through Sound Coaching, Inc., Mr. Walsh coaches individuals and small businesses in their daily lives. This activity comprises approximately 10% of his time. Clients are under no obligation to utilize the services of Sound Coaching, Inc.

Robert Walsh is also an Investment Advisory Representative of American Portfolios Financial Services, Inc. This activity comprises approximately 10% of his time. Through American Portfolios Financial Services, Inc., Mr. Walsh offers investment advisory services to clients who wish to invest using advisory services that are not available through Sound Asset Management Group, LLC. This activity causes a conflict of interest because Mr. Walsh owes loyalties to clients using two different management styles and through two different advisory firms.

These activities create a conflict of interest in that our Advisory Representatives have financial incentives to recommend additional products or services to you. We address these conflicts by doing the following:

We must disclose any potential or actual conflicts of interest when dealing with clients.

We are subject to the following specific obligations when dealing with clients:

- The duty to have a reasonable, independent basis for its investment advice;
- The duty to ensure that investment advice is suitable to meeting the client's individual objectives, needs, and circumstances; and,
- A duty to be loyal to clients.

Clients always have the option of purchasing recommended investment and insurance products through other broker-dealers.

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

Associated persons may buy or sell for their own accounts the same securities recommended to you. They may do so at the same time as they, or a related person, buy or sell the same securities for their own account. Associated persons seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to you. We request information about all of our associate's transactions and monitor them for any wrongdoing.

Associated persons are aware of the rules regarding material non-public information and insider trading. Associated persons may also buy or sell a specific security for their own account based on personal investment considerations, which we do not deem appropriate to buy or sell for clients.

We have adopted a Code of Ethics to instruct its personnel in their ethical obligations and to provide rules for their personal securities transactions. The Firm and our personnel owe a duty of loyalty, fairness and good faith to their clients, and the obligation to adhere not only to the specific provisions of the code but also to the general principles that guide the Code. The Code covers a range of topics

including general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. We will provide a copy of the Code to any client or prospective Client upon request.

## **Item 12      Brokerage Practices**

We do not receive any research or other products or services other than execution from a broker-dealer or third party in connection with your securities transactions. Nor do we receive any client referrals from a broker-dealer or third party.

We recommend Constellation Trust Company (“Constellation”) as a custodian for your assets when we recommend the Dual-Core and Satellite program. This is due to our sub-advisory agreement with CLS. Constellation and CLS are affiliates. There may be less expensive custodial services elsewhere. Not all advisers require clients to use a particular custodian.

Because of our agreement with CLS, we have an incentive to recommend Constellation, and we may not be able to achieve the most favorable execution of your transactions. This may cost you more money.

## **Item 13      Review of Accounts**

For accounts that we refer to CLS Investments, LLC, the designated Investment Adviser Representative reviews client accounts at the time the account is opened for the appropriateness and suitability of the recommendations. The Representative or his designee monitors the account on a regular, usually daily, basis to determine the ongoing appropriateness of the investments. At least annually, individual clients are asked to meet with their financial representatives. Together, the client and the representative determine whether a change in objectives warrants a change in the criteria used to manage clients.

Robert Walsh reviews the securities held in accounts managed through our subadvisory agreement with CLS Investments, LLC no less than weekly.

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

We do not pay anyone for client referrals for our accounts.

## **Item 15      Custody**

We do not have custody of your assets. We do not withdraw fees directly from your accounts.

The custodian of your assets sends quarterly statements directly to you. You should carefully review those statements.

## **Item 16      Investment Discretion**

Clients using our service give us discretionary authority when signing CLS Investments, LLC's client agreement. This agreement contains a limited power of attorney giving us the ability to select securities to purchase and sell without contacting you first.



## **Item 17     Voting Client Securities**

We do not vote proxies on your behalf. You retain that right unless you make other arrangements with the custodian of your assets. You will receive proxies or other solicitations directly from the custodian of your assets. You may contact us with questions about proxies.

## **Item 18     Financial Information**

We have no financial condition that is reasonably likely to impair our ability to meet contractual commitments to you.

## Brochure Supplement

Part 2B of Form ADV

Robert Walsh

Sound Asset Management Group, LLC

4749 Main Street

Bridgeport, CT 06606

Tel: 203-371-4242

Phone: (718)331-3700

Date: March 31, 2011

### Item 1 Cover Page

This brochure supplement provides information about Robert that supplements our Firm Brochure. Please contact Joseph Maiorano at (718)331-3700 if you did not receive Sound Asset Management Group, Inc.'s brochure or if you have any questions about the contents of this supplement.

### Item 2 Educational Background and Business Experience

Robert F. Walsh, Money Manager

DOB: 05/30/1959

Education: 1983 BS Economics, St. Francis College

Bus. Background:

01/99 – 12/02 Tax and Financial Consultant, Gilman & Ciocia/Prime Capital Services, Inc.

08/02 – 01/08 Registered Representative, Royal Alliance Associates, Inc.

12/02 – 10/04 Money Manager, Pinnacle Taxx Advisors, LLC

10/04- Present Tax and Financial Consultant, Maiorano & Assoc., Inc.

10/04 – 01/08 Money Manager, Sound Asset Management, Inc

01/08 – 02/2011 Registered Representative, QA3 Financial Corp.

01/08 – Present Money Manager, Sound Asset Management Group, LLC

07/09 – Present President, Sound Coaching, Inc.

02/2011- Present American Portfolios Financial Services, Inc.

### Item 3 Disciplinary Information

Robert Walsh has no material disciplinary issue to disclose.

#### **Item 4      Other Business Activities**

Please see item 10 of our Firm Brochure (Attached) for more information about Mr. Walsh's other business activities.

#### **Item 5      Additional Compensation**

There are no such issues to be disclosed.

#### **Item 6      Supervision**

Joseph Maiorano, Chief Compliance Officer, supervises Robert Walsh. He does so through reviewing trades, and by enforcing our code of ethics and written supervisory procedures. You may contact him at (718)331-3700 with any concerns or questions.