

Legacy Financial Advisors, Inc.

117 East Fourth Street
Covington, Kentucky 41011
(859) 655-5225
www.legacyfinancialadvisors.com

Part 2A of Form ADV:

Firm Brochure

Dated March 24th, 2016

This Part 2A of Form ADV (hereinafter referred to as the "Brochure") provides information about the qualifications and business practices of Legacy Financial Advisors, Inc. **If you have any questions about the contents of this Brochure, please contact Laura Branum at (859) 655-5225 or branum@legacyfinancialadvisors.com.** The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

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

Registration as an investment adviser does not imply a certain level of skill or training.

Item 2
Material Changes

This Item discusses only the material changes that have occurred since Legacy Financial Advisors, Inc.'s last annual update, filed January 21, 2015. Following is a summary of the material changes since that last annual update:

Item 10: Legacy removed the section titled ASSOCIATION WITH OTHER VENTURES. This Section described a Supervised Person's (Brad Zapp) affiliation with certain pooled investment vehicles. Mr. Zapp is no longer a Supervised Person of Legacy.

Item 11: Legacy has made certain revisions to its Code of Ethics. Therefore, Item 11 has been amended to reflect those revisions.

Whenever you would like to receive a complete copy of the Brochure, please contact Laura Branum at 859-655-5225.

Item 3

Table of Contents

Contents

Item 2 Material Changes	2
Item 3 Table of Contents.....	3
Item 4 Advisory Business	4
Item 5 Fees and Compensation.....	8
Item 6 Performance-Based Fees and Side-By-Side Management	11
Item 7 Types of Clients	12
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	13
Item 9 Disciplinary Information.....	16
Item 10 Other Financial Industry Activities and Affiliations	17
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	18
Item 12 Brokerage Practices	19
Item 13 Review of Accounts	21
Item 14 Client Referrals and Other Compensation	22
Item 15 Custody.....	23
Item 16 Investment Discretion.....	24
Item 17 Voting Client Securities	25
Item 18 Financial Information.....	27

Item 4

Advisory Business

ADVISORY FIRM

Legacy Financial Advisors, Inc., a Kentucky corporation ("Legacy" or the "firm"), was formed in 2006 and began conducting advisory business as an independent registered investment adviser in 2011. Michael J. Maisel, Paul A. Sartori and P. Trent Lucas are the principal owners of Legacy.

Legacy seeks to serve its goal of assisting and advising its clients in each and every aspect of their financial lives. We specialize in investments, estate planning, insurance, and risk management services. Our purpose as an independent financial services firm is to provide goal oriented financial guidance to individuals, families, closely held businesses, pension plans, profit sharing plans, estates, trusts, charitable organizations, corporations and other business entities.

This Disclosure Brochure describes the business of Legacy. Certain sections will also describe the activities of Supervised Persons. Supervised Persons are any of Legacy's officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on Legacy's behalf and is subject to the firm's supervision or control.

FINANCIAL PLANNING SERVICES

Legacy's financial planning strategy is a proprietary process tailored to meet and act upon a client's unique life and financial expectations. Legacy will help clients identify and define the key financial goals that are important to them, their family, and their business. Legacy will then evaluate the client's present financial arrangements and their capacity to achieve the client's goals and will develop and present the client with a tailored financial plan. As part of this process, Legacy may address the following planning issues:

Estate Planning (Conservation and Distribution)

- Analyze present estate distribution plan. Determine the effectiveness of the client's present plan and recommend changes as needed.
- Illustrate alternatives that may reduce or eliminate estate taxes.
- Discuss asset management assistance needs for the client's family and illustrate how management flexibility can be made available to the client's family.
- Illustrate the economics of the options available to pay estate taxes.
- Establish procedures to help reduce administrative costs of estate settlement.
- Discuss coordination of annual exclusion and unified credit gifting programs.
- Review existing life insurance contracts. Focus on ownership and beneficiary designation of contracts. Evaluate the cost/benefit relationship of the client's existing contracts. Determine whether contracts will avoid estate taxation.
- Evaluate the sources of income for the client's survivors to confirm that adequate income appears to be available.

Retirement Planning

- Analyze the client's present retirement plans, including company sponsored profit sharing, 401(k) and pension plans or self-employed arrangements and how they help meet the client's projected retirement needs.
- Determine whether the client's resources will be sufficient to fund the desired level of retirement.
- Identify additional retirement planning opportunities where appropriate.
- Evaluate whether or not the taxes on qualified plan distributions may be an issue.
- Determine whether or not the client's retirement objectives are attainable in the event of a long term disability or long term convalescent stay.

Investment Planning

- Evaluate current investment strategy in relation to the client's objectives and personal risk tolerance and recommend reallocation of monies as needed.
- Identify and discuss alternatives to help reduce income tax liabilities, as they relate to the client's investments.
- Develop a personal cash flow statement to anticipate future cash flow needs and identify the capacity for future wealth accumulation.
- Assist in developing a comprehensive asset allocation and marketplace diversification strategy that is tailored to client's specific objectives.
- Establish a management policy for the implementation of the client's investment strategy.
- Ensure coordination of the client's investment plan with the remainder of the client's financial planning.

The above described financial planning services can be provided on a stand-alone basis in which case Legacy will simply provide the client with a financial plan, or together with Legacy's advisory services described below. That is, if a client decides to implement the financial plan, Legacy can assist in the implementation process as discussed below.

In addition, Legacy does not provide legal, accounting and tax advice. In reviewing the estate planning information listed above, Legacy seeks to work with the legal, accounting and/or tax advisor(s) of the client. If a client requests, Legacy may recommend lawyers, accountants, tax advisors and/or other professionals. Clients are under no obligation to follow Legacy's recommendations or to engage the services of any of these professionals. If a client does engage any of these recommended professionals, and a dispute occurs, the client agrees to seek recourse exclusively from the professional they have directly engaged.

Use of Independent Managers

Legacy may recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment managers ("Independent Managers"), based upon the stated investment objectives of the client. The terms and conditions under which the client engages the Independent Managers are set forth in a separate written agreement between the firm or the client and the designated Independent Managers. We will render services to the client relative to the discretionary selection of Independent Managers. Legacy also monitors and reviews the account performance and the client's investment objectives.

When recommending or selecting an Independent Manager for a client, Legacy reviews information about the Independent Manager such as its disclosure brochure and/or material supplied by the Independent Manager or independent third parties for a description of the Independent Manager's investment strategies, past performance and risk results to the extent available. Factors that Legacy considers in recommending an Independent Manager include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research.

In addition to the firm's written disclosure brochure, the client also receives the written disclosure brochure of the designated Independent Managers. Certain Independent Managers may impose more restrictive account requirements and varying billing practices than Legacy. In such instances, Legacy may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

TAILORED ADVISORY SERVICES

Legacy portfolio allocation strategy is closely tied to our financial planning services and is aided by diversification, tax management and the inherent risk-reward characteristics of portfolio construction. A client who engages Legacy to provide advisory services receives, as part of the advisory services, the financial planning services described above.

Legacy's portfolio allocation strategy begins by identifying the client's objectives and intentions for the client's investable assets and personal finances. Through this process, Legacy is able to identify and reasonably quantify the client's risk tolerance and risk capacity through a qualitative and quantitative approach. Legacy will determine an asset allocation and set aside the client's known capital and liquidity needs in a "capital preservation portfolio" and will direct the remainder of a client's portfolio assets to a "growth portfolio" where they will be invested in securities that are intended to provide long-term capital appreciation potential and diversification. Sub-portfolios within the growth portfolio are (1) growth equity, (2) tactical, and (3) alternatives. Legacy's asset allocation strategy will use a combination of these investment classes, each of which is described in more detail in Item 8 of this Brochure, based on the client's return expectations and risk tolerance.

In addition, Legacy may offer advice on other investments and financial products as necessary to meet the goals of its clients, including insurance-related products. Certain of Legacy's Supervised Persons in their respective individual capacities are registered representatives of Triad Advisors, Inc. ("Triad"), a SEC registered broker-dealer and a member of the Financial Industry Regulatory Authority ("FINRA") for variable annuities and/or variable universal life insurance ("VUL") products. The fees and commissions associated with insurance related products are discussed in Item 5 (below).

TYPES OF INVESTMENT AND CLIENT RESTRICTIONS

Legacy offers advice on a broad range of investment options, including but not limited to, separately managed accounts managed by Independent Managers, equity securities, corporate debt securities, commercial paper, certificates of deposit, money market funds, savings accounts, U.S. Treasury bills, mutual funds, exchange traded funds and other investment company securities, real estate investment trusts, master limited partnerships and other publicly traded pooled investment vehicles.

A client may impose reasonable restrictions on the management of the client's account, including the designation of specific securities or a specific category of securities that should not be purchased for the account or that should be sold if held in the account, and may reasonably modify such restrictions from

time to time. Any restrictions placed on the management of a client's account or particular requirements of an account may cause Legacy or an investment manager for a separately managed account to deviate from investment decisions it would otherwise make in recommending an asset allocation strategy or managing the account.

ASSETS UNDER MANAGEMENT

As of January 19, 2016, Legacy had \$384,259,115 in assets under management, of which \$380,864,404 were managed on a discretionary basis and \$3,394,711 were managed on a non-discretionary basis.

Item 5

Fees and Compensation

LEGACY'S FEE SCHEDULE AND BILLING

Financial Planning Services. Legacy provides financial planning services, as described in Item 4, for a flat fee of \$5,000, payable upon delivery to the client of the financial plan.

Advisory Services. With the exception of pension plan clients, clients pay Legacy a fee for providing investment advisory services calculated as a percentage of the market value of all assets in the client's account. The fee schedule depends on the nature of services that Legacy provides to clients.

Generally, Legacy's fee schedule is as follows:

Portfolio Value	Fee
<1M	1.00%
1-3M	0.80%
3-5M	0.60%
5-10M	0.50%
>10M	Negotiable

For certain assets (particularly those held outside Legacy's primary custodial relationship, e.g. assets held in an individual's 401K plan with its employer), Legacy may provide more limited management services. The nature of these services vary by client, but may include advising on an asset allocation but not managing the assets on an ongoing basis, or managing an account that is limited in its investment options. For these relationships, the following fee schedule applies:

Portfolio Value	Fee
<1M	0.25%
1-3M	0.20%
3-5M	0.15%
5-10M	0.10%
>10M	Negotiable

Legacy's management fee is billed quarterly in arrears using an average daily balance calculation. The initial management fee prorated for the number of days remaining in the calendar quarter based on the average daily balance from the day the account is opened. Thereafter, the quarterly fee is based on the average daily fair market value of the assets in the client's account(s) during the preceding quarter as valued by the account custodian. Legacy's management fees are generally debited from a client's account

by the custodian; however, upon request of the client, Legacy will invoice the client separately instead of having the custodian debit the fee.

ADDITIONAL FEES AND EXPENSES

In addition to Legacy's fee, the client may be responsible for the payment of certain additional fees, including, if applicable, the fees described in more detail below.

Public Fund Management Fees and Expenses. As part of Legacy's investment advisory services, Legacy may invest in, or recommend that you invest, in mutual funds, exchange traded funds ("ETFs"), real estate investment trusts ("REITs"), master limited partnership or other publicly traded pooled investment vehicles (collectively, "Public Funds") depending on their suitability and the overall benefits each may provide to the particular asset allocation strategy. Public Funds incur management fees and other operating fees and expenses as disclosed in the prospectuses for such funds. The fee that a client pays to Legacy for investment advisory services are separate and distinct from the fees and expenses charged by Public Funds.

Performance Reporting Fee. Legacy's fee does not include the cost for performance reporting provided to the client. Legacy engages a third party to conduct performance reporting. The fee owed to the performance reporting provider is payable quarterly. In the investment advisory agreement, the client authorizes the custodian to deduct this fee and pay it to Legacy who will in turn pay it over to the performance reporting provider. The quarterly performance reporting fee is equal to the greater of \$4.50 per account or an amount equal to .003125% of the average daily fair market value of the assets in the client's account for the preceding quarter.

Other Costs. Legacy generally recommends that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services ("Fidelity") for investment management accounts. Legacy may only implement its investment management recommendations after the client has arranged for and furnished Legacy with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, Fidelity, any other broker-dealer recommended by Legacy, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "Financial Institutions").

Clients may incur certain charges imposed by the Financial Institutions and other third parties such as fees charged by Independent Managers, custodial fees, charges imposed directly by a mutual fund or ETF in the account, which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to our fee. For information on our brokerage practices, please refer to Item 12 of this Brochure titled "Brokerage Practices."

Negotiated Fees

Legacy, in its sole discretion, may reduce its financial planning, advisory services, performance reporting and any other fees charged by Legacy based upon certain factors, such as future anticipated earning capacity, anticipated future assets, and dollar amount of assets to be managed, related accounts, account composition, negotiations with client and other considerations.

COMPENSATION FOR THE SALE OF SECURITIES OR OTHER INVESTMENT/INSURANCE PRODUCTS & CONFLICTS OF INTEREST

As discussed in Item 4, certain of Legacy's Supervised Persons are registered representatives of Triad in their individual capacities. In their capacity as registered representatives, these Supervised Persons will receive commission-based compensation in connection with the purchase and sale of securities. The brokerage commissions charged by Triad may be higher or lower than those charged by other broker-dealers. Compensation earned by these persons in their capacities as registered representatives, is separate and in addition to Legacy's advisory fee.

In addition, certain of Legacy's Supervised Persons are insurance agents licensed with various life and health insurance companies. In such a capacity, these Supervised Persons may offer insurance products as a recommendation to a client's financial plan and receive a normal and customary commission and other indirect benefits as a result of such a purchase.

The fee clients pay to Legacy for its advisory services is not reduced to offset any such commissions received.

A conflict of interest exists to the extent that Legacy recommends the purchase of securities or insurance products where certain of its personnel receive commissions or other additional compensation as a result of the firm's recommendations. Legacy has procedures in place to ensure that any recommendations made by such its persons are in the best interest of clients. Please also refer to Item 10 below for additional information regarding these arrangements, along with the conflicts surrounding such and the steps Legacy has in place to help mitigate the conflicts.

Item 6

Performance-Based Fees and Side-By-Side Management

Legacy does not participate in any form of performance-based fees or side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance based fees are fees that are based on a share of capital gains or capital appreciation of assets in a client's account.

Item 7
Types of Clients

Legacy offers personalized, goal-oriented financial guidance to individuals, pension plans, profit sharing plans, estates, trusts, charitable organizations, corporations and other business entities.

As discussed in response to Item 5, Legacy may impose a minimum fee for its services.

Item 8

Methods of Analysis, Investment Strategies and Risk of Loss

METHODS OF ANALYSIS AND INVESTMENT STRATEGIES

Our Investment Philosophy

Our investment philosophy stems from our belief that diversification is paramount and client portfolios should be mandate driven.

- Diversification is key to managing investment risk
- Portfolios should balance the ability and willingness to accept risk
- Asset Allocation is the primary driver of investment returns
- Portfolios should have both strategic and tactical allocations

Our Investment Approach

Legacy's financial planning strategy is a proprietary process designed to meet and act upon each client's unique life and financial expectations. Legacy's portfolio allocation strategy is closely tied to our financial planning process and is aided by diversification, tax management and the inherent risk-reward characteristics of portfolio construction.

Through this process Legacy is able to identify and reasonably quantify the client's risk tolerance and risk capacity. Legacy believes the opportunity to add value is achieved through an advance and protect strategy employing both strategic and tactical allocations that adhere to an appropriate long term investment policy.

Legacy's asset allocation strategy is structured based on the client's return requirements and risk tolerance and will be constructed with the following underlying portfolios and sub-strategies:

- Capital Preservation
 - Cash & equivalents, domestic fixed income, hybrid fixed income, foreign fixed income
- Growth Equity
 - Domestic equity, foreign developed equity, foreign emerging market equity
- Tactical
 - Constrained, unconstrained
- Alternatives
 - Public & private REITs, commodities, managed futures, MLPs, fund of funds

RISK OF LOSS

Investing in securities involves risk of loss that clients should be prepared to bear. Legacy does not represent or guarantee that its services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. Legacy cannot offer any guarantees or promises that a client's financial goals and objectives will be met. Past performance is in no way an indication of future performance. Clients are advised that they should only commit assets for management that can be invested for the long term and that volatility from investing can occur.

RECOMMENDATION OF PARTICULAR TYPES OF SECURITIES

Legacy recommends many types of securities and does not necessarily recommend one particular type of security over another. However, Legacy may recommend specific types of investments as appropriate for a client based on each client's needs and tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it. In addition to the risks mentioned above in the section titled "Methods of Analysis and Investment Strategies," the risks associated with certain investments are described below.

Certificates of Deposit ("CDs"). CDs are generally the safest type of investment since they are insured by the federal government up to certain maximums. However, because the returns are generally very low, it's possible for inflation to outpace the return. Likewise, US Government securities are backed by the full faith and credit of the United States government but it's also possible for the rate of inflation to exceed the returns.

Equity Securities. There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to: the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and the overall health of the economy. In general, larger, more well established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual Funds and ETFs. Mutual funds and ETFs are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have an investment manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

Variable Annuities. A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point the contract will terminate and the remainder of the fund accumulated forfeited unless there are other annuitants or beneficiaries in the

contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities, pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as: mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a "step-up" in cost basis when the owner dies like stocks, bonds, and mutual funds do. Some variable annuities offer "bonus credits". These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035 exchanges) the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees; and provide another commission for the broker.

Use of Independent Managers. Legacy may recommend the use of Independent Managers for certain clients. Legacy will continue to do ongoing due diligence of such managers, but such recommendations relies, to a great extent, on the Independent Managers ability to successfully implement their investment strategy. In addition, Legacy does not have the ability to supervise the Independent Managers on a day-to-day basis other than as previously described in response to Item 4, above.

Real Assets. The risks associated with the real estate industry in general include fluctuations in the value of underlying properties; defaults by borrowers or tenants; market saturation; changes in general and local economic conditions; decreases in market rates for rents; increases in competition, property taxes, capital expenditures, or operating expenses; and other economic, political or regulatory occurrences affecting the real estate industry. REIT are subject to risks inherent in the direct ownership of real estate. These risks include, but are not limited to, the risk of a possible lack of mortgage funds and associated interest rate risks, overbuilding, property vacancies, increases in property taxes and operating expenses, changes in zoning laws, losses due to environmental damages and changes in neighborhood values and appeal to purchases. REITs are also subject to the risk that the real estate market may experience an economic downturn generally, which may have a material effect on the real estate in which the REITs invest and their underlying portfolio securities. Investments in REITs and real estate companies are generally subject to greater risks such as legal and other restrictions on resale and are otherwise less liquid than publicly traded securities.

Item 9
Disciplinary Information

There are not now nor have there ever been any legal or disciplinary events that are material to a client's or prospective client's evaluation of Legacy's advisory business or management. There is no order, judgment or decree permanently or temporarily enjoining, or otherwise limiting Legacy or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule or order.

Item 10

Other Financial Industry Activities and Affiliations

REGISTERED REPRESENTATIVES OF BROKER-DEALERS

As discussed above in Item 5, certain of Legacy's Supervised Persons are registered representatives of Triad. Legacy and Triad are separate, nonaffiliated entities. However, clients should be aware that the receipt of additional compensation by such Supervised Persons itself creates an inherent conflict of interest, and may affect the judgement of these individuals when making recommendations.

MATERIAL RELATIONSHIPS WITH RELATED PERSONS

Certain of Legacy's Supervised Persons are licensed with a variety of health and life insurance companies. These individuals may receive commissions when clients purchase insurance products. This practice presents a conflict of interest because persons providing investment advice on behalf of Legacy who are insurance agents have an incentive to recommend insurance products to clients for the purpose of generating commissions rather than solely based on the client's needs. In order to resolve this conflict, Legacy makes it clear that clients are under no obligation, contractually or otherwise, to purchase insurance products through these insurance companies.

Legacy also has a commission sharing arrangement with Scroggins Financial Services, LLC. For a more detailed discussion of this relationship, see Item 14 of this Brochure under the heading titled "Client Referral Arrangements".

ADDRESSING THESE CONFLICTS OF INTEREST

As part of Legacy's fiduciary duty to clients, the firm and its Supervised Persons endeavor at all times to put the interests of clients first, and recommendations will only be made to the extent that they are reasonably believed to be in the best interests of the client. Clients are not obligated to implement recommended transactions through any Legacy representative or any particular broker-dealer or insurance carrier. Clients have the option to purchase any recommended investment and insurance products or services through broker-dealers and insurance carriers other than Triad or Legacy Supervised Persons. Clients should understand that lower fees and/or commissions for comparable services may be available from other broker-dealers and insurance carriers.

Item 11

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

CODE OF ETHICS SUMMARY

Legacy has adopted a Code of Ethics ("Code") that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws. In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), the Code contains written policies reasonably designed to prevent the unlawful use of material non-public information by Legacy or any of its associated persons. The Code of Ethics also requires that certain of Legacy's personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. The Code requires Supervised Persons to report any violations of the Code promptly to Legacy's Chief Compliance Officer. Each Supervised Person receives a copy of the Code and any amendments to it and must acknowledge having received the materials. Annually, each Supervised Person must certify that he or she complied with the Code during that year.

Legacy will provide a copy of the Code to any client or prospective client upon request by contacting Legacy at 859-655-3865.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

It is Legacy's policy to not enter into any principal transactions or agency cross transactions on behalf of client accounts. Principal transactions occur where an adviser, acting as principal for its own account, buys securities from or sells securities to any advisory client. Agency cross transactions occur where a person acts as an investment adviser in relation to a transaction in which the adviser, or an affiliate of the adviser, acts as broker for both the advisory client and for another person on the other side of the transaction.

PERSONAL TRADING

Legacy and its Access Persons may invest in securities of the same classes as are purchased for clients and may own securities of the issuers whose securities are subsequently purchased for clients. Legacy understands that this could create a conflict of interest, where the Access Persons' interest may be at odds with the interest of Legacy's clients. To help mitigate these conflicts of interest, the Code sets forth certain standards of business and professional conduct regarding the personal trading activities of Access Persons. The following summarizes Legacy's procedures for the purchase and/or sale of securities by Access Persons:

- Legacy requires quarterly reporting by Access Persons of all personal securities transactions with the exception of certain exempt securities (such as government securities, open end mutual funds and money market funds);
- Designated Legacy personnel will periodically review the Access Person quarterly transaction reporting to ensure trading activity is in accordance with the requirements of the Code;
- Access Persons may not participate in private placements and initial public offerings without first obtaining pre-clearance from the Chief Compliance Officer; and
- Any individual not in observance of the requirements of the Code may be subject to discipline, including termination of employment.

Item 12

Brokerage Practices

Legacy routinely recommends or requests that clients utilize the brokerage services of Fidelity.

Factors which Legacy considers in recommending Fidelity or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Fidelity enables Legacy to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Fidelity may be higher or lower than those charged by other Financial Institutions.

The commissions paid by Legacy's clients comply with Legacy's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Legacy determines that the commissions are 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 Financial Institution's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Legacy seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

The client may direct Legacy in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution, and Legacy will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by Legacy (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Legacy may decline a client's request to direct brokerage if, in Legacy's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

AGGREGATION

Legacy may aggregate the purchase or sale of securities for various client accounts. Equity trades are aggregated based on a fair and equitable method of allocating trades among client accounts with no particular client being favored or disfavored. Clients participating in aggregated transactions will receive an average share price and transaction costs will be shared on a pro-rata basis. With respect to those client accounts which are managed by an unaffiliated investment manager, aggregation of trade orders, if any, are allocated to client accounts in accordance with the unaffiliated manager's procedures for aggregation. Legacy requires all investment managers included in a client's portfolio to have policies and procedures to assure equitable allocation of trades among all of the manager's client accounts, including Legacy clients.

COMMISSIONS OR SALES CHARGES FOR RECOMMENDATIONS OF SECURITIES

As discussed above, certain Supervised Persons in their respective individual capacities are registered representatives of Triad. These Supervised Persons are subject to FINRA Rule 3040 which restricts

registered representatives from conducting securities transactions away from their broker-dealer unless Triad provides written consent. Therefore, clients are advised that certain Supervised Persons may be restricted to conducting securities transactions through Triad unless they first secure written consent from Triad to execute securities transactions through a different broker-dealer. Absent such written consent or separation from Triad, these Supervised Persons are prohibited from executing securities transactions through any broker-dealer other than Triad under Triad's internal supervisory policies. Legacy is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit. These restrictions do not apply to Supervised Persons acting in their capacity of investment adviser representatives of Legacy for Legacy client advisory accounts.

Item 13

Review of Accounts

Legacy meets with clients on an annual or more frequent basis if requested by the client to review a client's financial plan. In addition, Legacy reviews each client's account and monitors the performance of the investment managers for separately managed accounts as well as investment recommendations on a quarterly basis. Legacy provides each client with quarterly reports on performance of the investment managers and the investment products. The reports are prepared by Legacy's performance reporting provider, and as discussed in Item 5 of this Brochure, the fee for performance reporting is in addition to Legacy's fee. The quarterly performance reports are written and are provided to clients in electronic or hard-copy form. If a client consents to electronic delivery of such reports in its investment advisory agreement, the performance report are provided electronically.

Legacy monitors investment manager performance on both a relative and absolute basis, by comparing manager results to their applicable benchmark (as discussed in Item 8 of this Brochure) as well as to their category peer group. Legacy uses a three-tiered rating system: Retain, Watch, Sell. Because the objective of Legacy's investment manager selection process is to identify managers the firm expects to outperform over a long-term time horizon we will allow them some latitude. Short-term underperformance by itself will not dictate a Sell recommendation. Our investment process is based on disciplined investing and will only rotate from a manager if there are significant changes in the basis for our original investment, namely the investment manager's people, process, philosophy, or performance.

However, underperformance may trigger an analysis regarding the source of underperformance. Unexplained underperformance, consistent underperformance, or significant underperformance may be grounds for a Sell consideration. Other factors that may impact Sell recommendations include underperformance after a manager change, style drift, significant asset growth, process changes, changes in investment philosophy and any actions we consider to be contrary to the best interests of the shareholders (breaching the fiduciary relationship, corporate malfeasance, corporate governance issues).

In addition to these quarterly and annual reviews, Legacy will review a client account when it is notified of any material change in the client's circumstances, goals or objectives which might affect Legacy's recommendations or the manner in which the client's account should be invested. If necessary, Legacy will update and amend the client's investment plan strategy. It is the responsibility of each client to notify Legacy of any changes in the client's investment objectives or financial situation.

The Supervised Persons who conduct the reviews are: All the Firm's Investment Adviser Representatives conduct reviews.

Item 14

Client Referrals and Other Compensation

ECONOMIC BENEFITS FROM NON-CLIENTS

From time to time, Legacy organizes client events that may be sponsored or co-sponsored by various money management firms or other vendors (e.g., insurance providers, etc.). As such, these organizations may cover a portion of the expense associated with such events. Legacy does not consider the payment of such expenses in making recommendations to its clients. A conflict of interest exists to the extent that Legacy recommends the services of such firms and vendors. Legacy has procedures in place to ensure that any recommendations made by Legacy are done so in the best interest of the client. Please see Item 10 for additional information regarding these sponsorship relationships.

CLIENT REFERRAL ARRANGEMENTS

Scroggins Financial Services, LLC. Triad has a commission sharing arrangement with Scroggins Financial Services, LLC ("Scroggins") that relates to Supervised Persons of Legacy who are also registered representatives of Triad. Specifically, Legacy pays Scroggins 50% of commissions received in connection with insurance products purchased through Triad on behalf of clients referred by Scroggins to Supervised Persons of Legacy who are registered representatives of Triad. For this purpose, individuals at Scroggins have registered as registered representatives and investment advisor representatives with Triad, and Legacy pays such commissions directly to Scroggins.

Fidelity Wealth Advisor Solutions®. Legacy has entered into an agreement with Fidelity to participate in Fidelity Wealth Advisor Solutions® ("Advisor Solutions"), through which Legacy receives referrals from Strategic Advisers, Inc. ("SAI"), a registered investment adviser and subsidiary of FMR LLC, the parent company of Fidelity. Legacy is independent and not affiliated with SAI or FMR LLC. Under Advisor Solutions, SAI acts as a solicitor for Legacy and Legacy pays referral fees to SAI for each referral received based on Legacy's assets under management attributable to each client referred by SAI or members of each client's household. Advisor Solutions is designed to help investors find an independent investment advisor, and any referral from SAI to Legacy does not constitute a recommendation or endorsement by SAI of Legacy's particular investment management services or strategies. Legacy's participation in Advisor Solutions raises potential conflicts of interest. Fidelity/SAI will most likely refer clients through Advisor Solutions to investment advisors that encourage their clients to custody their assets at Fidelity and whose client accounts are profitable to Fidelity. Consequently, in order to obtain client referrals from Fidelity/SAI, Legacy may have an incentive to recommend to clients that assets under management by Legacy be held in custody with Fidelity and to place transactions for client accounts with Fidelity. In addition, Legacy has agreed not to solicit clients referred to it through Advisor Solutions to transfer their accounts from Fidelity or to establish brokerage or custody accounts at other custodians, except when Legacy's fiduciary duties require doing so. Please note that future clients of Legacy will not pay any more than the Legacy's applicable investment advisory fees (as outlined earlier in Item 5) as a result of being referred through the Advisor Solutions program.

Item 15

Custody

The custodian sends quarterly statements to clients showing all transactions occurring on behalf of the client during the quarter, and the funds, securities and other property of the client held in the client's account at the end of the quarter. Legacy urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 Investment Discretion

Under the investment advisory agreement client enters into with Legacy, the client provides Legacy with discretionary authority to manage securities accounts on behalf of the client. A client may impose reasonable restrictions on the management of its account, including the designation of specific securities or a specific category of securities that should not be purchased for the account or that should be sold if held in the account. Clients may modify such restrictions from time to time by notifying Legacy in writing. Any restrictions placed on the management of the account imposed by the client may cause Legacy or an investment manager to deviate from investment decisions it would otherwise make in recommending an investment strategy or managing the account.

Item 17

Voting Client Securities

Legacy has adopted policies and procedures that require it to evaluate and vote proxy issues in the best interests of its clients. Legacy has determined that it is in the best interests of its clients to vote proxies in a manner that furthers the economic interest of its clients with the objective of maximizing the ultimate economic value of the investment. Legacy's policy requires that the firm vote proxies on behalf of all of its discretionary clients in a prudent manner considering the prevailing circumstances.

Legacy has engaged a third-party, independent proxy voting service (the "Proxy Voter"), as its independent proxy voting service to provide Legacy with proxy voting recommendations, as well as to handle the administrative mechanics of proxy voting. Legacy has directed the Proxy Voter to utilize its proxy voting guidelines in making recommendations to vote.

Legacy has adopted specific procedures that address proxy voting responsibilities, material conflicts of interest, if any, record keeping and disclosure requirements. Legacy will generally vote proxies in accordance with the following guidelines: (i) when Legacy's view of the issuer's management is favorable, Legacy will generally support current management initiatives, subject to the exceptions noted below; and (ii) when Legacy's view is that changes to the management structure would probably increase shareholder value, Legacy will generally not support management initiatives.

Where there is a clear conflict between management and shareholder interests, Legacy may elect to vote against management. In general, Legacy opposes proposals that in its view act to entrench management. In some instances, even though Legacy may support management, there are some corporate governance issues that, in spite of management objections, Legacy believes should be subject to shareholder approval. Furthermore, as part of Legacy's policy, the firm may abstain from voting a proxy when it is determined that the cost of voting the proxy exceeds the expected benefit to the client.

There may be occasions where the voting of proxies may present an actual or perceived conflict of interest between Legacy and its clients. Legacy will not vote proxies contrary to the best interest of its clients due to business or personal relationships with an issuer's management, participants in proxy contests, corporate directors or candidates for corporate directorships, or where Legacy or an employee may have a personal interest in the outcome of a particular matter before shareholders. When there exists an actual or potential conflict of interest, Legacy addresses these conflicts or appearances of conflicts by ensuring that proxies are voted in accordance with the recommendations made by the Proxy Voter.

In addition, clients may authorize Legacy to appoint the various Independent Managers to vote proxies for securities held in the client's account with such manager. Legacy will vote proxies in accordance with the instructions of the investment manager(s) for securities held in the client's account with the manager or under such manager's model, provided that the instructions are timely received by Legacy. If the manager's instructions are not timely received, Legacy shall vote the proxies for these securities, as well as proxies for any other securities held in the client's account, in accordance with the recommendations provided by the Proxy Voter. All investment managers selected by Legacy have adopted and implemented written policies and procedures.

Legacy will obtain and make available to the client the voting record of each investment manager with respect to the client's account upon receipt of a written request from such client. In addition, clients may obtain information on how proxies were voted for such client and request a copy of Legacy's proxy voting policies and procedures by contacting Legacy's Chief Compliance Officer at (859) 655-5225.

Item 18

Financial Information

AUDITED BALANCE SHEET

The requirement to provide an audited balance sheet is not applicable to Legacy as it does not require clients to prepay fees.

FINANCIAL CONDITION DISCLOSURES

Registered investment advisers are required in this Item to provide clients with certain financial information or disclosures about Legacy's financial condition. Legacy 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.