

**SOUND INVESTMENT MANAGEMENT, INC.**

8215 Tualatin Sherwood Road

Suite 200

Tualatin, OR 97062

(503) 691-7030

[www.simiusa.com](http://www.simiusa.com)

March 18, 2020

This Brochure provides information about the qualifications and business practices of Sound Investment Management, Inc. If you have any questions about the contents of this Brochure, you may contact us at (503) 691-7030, or email [mchild@simiusa.com](mailto:mchild@simiusa.com) or [jchild@simiusa.com](mailto:jchild@simiusa.com) to obtain answers and additional information. Sound Investment Management, Inc. is a registered investment advisor with the Securities and Exchange Commission. Registration of an investment adviser does not imply any level of skill or training. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC).

Additional information about Sound Investment Management, Inc. is available on the SEC's website at [www.Adviserinfo.sec.gov](http://www.Adviserinfo.sec.gov).

**Item 2 – Material Changes**

The date of our previous update to our Brochure was March 21, 2019.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. A summary of material changes is listed as "Exhibit A" to our Brochure. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting John Child at (503) 691-7030 or Mark Child at (540) 364-2601, or by email to either [jchild@simiusa.com](mailto:jchild@simiusa.com) or [mchild@simiusa.com](mailto:mchild@simiusa.com).

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**Item 4 – Advisory Business**

**A** Sound Investment Management, Inc. (“SIMI” “we” “us” and “Advisor”) is an Oregon corporation registered as an investment advisor under the laws of the Securities and Exchange Commission. Our principal place of business is located in Tualatin, Oregon. We also have an office in Marshall, Virginia. John Child and Mark Child are Principals of Sound Investment Management, Inc., which was originally founded in 1993.

**B, C** We offer a wide range of investment advisory services to our Clients. Advice and services are tailored to the stated objectives of the Client(s). Generally, we do not have the authority to determine, without obtaining specific Client consent, the securities bought or sold and the amount of securities bought or sold and transaction rates paid.

We also provide financial planning services for Clients. The planning process includes gathering information necessary to provide Clients with appropriate and agreed upon services, which may include one or more of the following: Retirement and investment planning, budgeting and cash flow planning, and business succession planning.

**D** We do not participate in any wrap fee programs.

**E** We manage \$156,087,132 of Client assets on a non-discretionary basis. This amount was calculated as of December 31, 2019.

## Item 5 – Fees and Compensation

- A** We are a fee-only advisory firm, meaning we are compensated only by our Clients and do not receive compensation or commissions from any other parties. We believe this method of compensation minimizes conflicts of interest.

In consideration for our services, Clients pay us a fee quarterly in advance. The annual fee is equal to the percentage shown in Schedule A below. As an example, if the account value is \$400,000 the annual fee would be 1%. Likewise, if the account value is \$1.6 Million the annual fee would be .70%. The Fee will be equal to the respective percentage per annum below based on the initial account value for the first quarter in which services are provided, and the quarter end value of the account, as of the preceding quarter, for all subsequent quarters. Fees for partial quarters at the commencement or termination of this Agreement will be prorated based on the number of days the Account was open during the quarter. All prepaid but unearned fees will be promptly refunded on termination of the Account.

For purposes of our billing and fee schedule, an “account” includes all accounts currently opened along with any accounts that are subsequently opened by a Client with us. For example, if a husband and wife that have a joint account, IRA accounts and accounts for minor children, those account values would be added together and assessed the same fee rate under Schedule A below.

Compensation for our services is calculated in accordance with “Schedule A” of the Investment Advisory Agreement (IAA”) entered into with each Client when we begin our professional relationship. The IAA may be amended from time to time by us upon 30-days prior written notice to Client.

### Standard Fee Schedule

### Schedule A

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$ 0 to \$ 500,000	1.00 %
\$ 500,001 to \$ 1 million	0.90 % on all assets below \$1 million*
\$ 1 million to \$ 1.5 million	0.80 % on all assets below \$1.5 million*
\$ 1.5 million to \$ 2.0 million	0.70 % on all assets below \$2 million*
\$ 2 million to \$ 2.5 million	0.60 % on all assets below \$2.5 million*
\$ 2.5 million and over	0.45% on all assets over \$2.5 million & .60% below \$2.5 million**

\* On all assets below the upper dollar amount shown. As an example, if the asset amount is \$900,000, then the fee would be .90% on the entire amount under management.

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\*\* The fee is .45% on all assets over \$2.5 million and .60% on the assets below \$2.5 million.

Fees for clients with assets over \$4 million, or at other dollar amounts at the Advisors's discretion, may be negotiated.

The minimum annual fee for a managed advisory account is \$2,000.00. Under certain limited circumstances, (e.g., Uniform Gift to Minors Accounts, charities, etc.) we may waive the minimum account size or annual fee.

All security pricing is done by the custodian of Client accounts, Charles Schwab Institutional. Schwab uses various pricing services such as Reuters and Standard & Poor's. For actively traded securities these services use the actual last reported sale price. For less actively traded securities such as bonds, these services will use the appropriate valuation methodology to determine the value of the security.

Fees for financial planning services are based on an hourly rate of \$200.00 per hour, or a flat fee as agreed upon with a Client. Clients are billed on a quarterly basis with fees due upon receipt of invoice. All fees are due at the time service is completed. Financial planning engagements may be terminated at any time by either party. If the planning project is terminated prior to completion, a pro-rata refund will be made by Advisor based upon the amount of work conducted towards the project's completion.

- B** Our fees may be paid directly to us from the account by the custodian holding a Client's assets upon submission of an invoice to the custodian showing the amount of fees, the value of the Client's assets on which the fees are based, and the specific manner in which the fees are calculated. Clients bear the responsibility for verifying the accuracy of fee calculations.
- C** In addition to our fee and any sub-advisor's fees, Clients may be required to pay a proportionate share of any mutual fund's fees and charges brokerage transaction fees, stock transfer fees, and other charges incurred in connection with transactions for their account. These fees are paid out of the assets in a Client's account and are in addition to the investment management fees paid to us.
- D** In the event the contract for services with a Client are terminated, SIMI will be compensated for work performed and the remaining fee, if any, is returned to the Client on a pro rata basis. Fees for partial quarters at the commencement or termination of this Agreement will be billed or refunded on a pro-rata basis contingent on the number of days the account was open during the month.
- E** We are a fee-only investment advisory firm paid on a percentage of Client assets managed or an hourly rate or a combination of both. This means that no supervised person associated with us receives or accepts any compensation for the sale or purchase of securities or

investment products.

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

We do not charge any performance-based fees for our services. Accordingly, this Item is not applicable to our firm.

**Item 7 – Types of Clients**

We provide investment advice to the following types of individuals, high-net-worth individuals, family trusts, living trusts, custodial accounts, estate accounts and Not-for-Profit organizations.

Because each Client is unique, we encourage involvement in the planning and processes involved in the management of their accounts. Such involvement does not have to be time consuming, however we want our Clients to remain informed and have a sense of security about their investments.

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

A We offer advice on investments primarily including (but not limited to) the following:

- Equity securities such as:
  - Exchange-listed securities
  - Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Exchange traded funds
- Investment company securities:

- Variable Annuities
- Mutual fund shares
- United States government securities

Our primary investment strategies used to implement investment advice given to Clients include long-term (securities held at least one year) and short-term (securities sold within a year) purchases.

We research and analyze securities based on fundamentals. The main sources of information we rely upon when researching and analyzing securities include research materials prepared by others, annual reports, corporate rating services, prospectuses, and Company press releases.

- B** We use our best judgment and good faith efforts in rendering services to Clients. We cannot warrant or guarantee any particular level of account performance, or that the account will be profitable over time. Not every investment decision or recommendation made by us will be profitable. Clients assume all market risk involved in the investment of account assets under the Investment Advisory Agreement and understand that investment decisions made for their account are subject to various market, currency, economic, political and business risks.

Except as may otherwise be provided by the Advisers Act of 1940, or other applicable federal or state law, we are not liable to Clients for:

- Any loss that a Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by us with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use;
- Any loss arising from our adherence to a Client's instructions; or
- Any act or failure to act by a custodian of a Client's account.

It is the responsibility of each Client to give us complete information and to notify us of any changes in financial circumstances or goals.

- C** While all investing involves risks and losses can and will occur, our advisory services generally recommend a broad and diversified allocation of mutual funds and other securities thereby reducing specific risks associated with a concentrated or undiversified portfolio.

### Item 9 – Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm, or the integrity of our management. We have no information



to disclose applicable to this Item.

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

We do not have any disclosable financial industry activities or affiliations related to this Item 10.

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

- A** SIMI discloses to Clients material conflicts of interest which could reasonably be expected to impair the rendering of unbiased and objective advice. SIMI has a Code of Ethics which all employees and members acknowledge in writing and are required to follow. The Code of Ethics outlines proper conduct related to all services provided to Clients. Prompt reporting of internal violations is mandatory. SIMI's Chief Compliance Officer regularly evaluates employee performance to ensure compliance with the code of ethics. A copy of the Code of Ethics is available to current or prospective Client upon request.
- B-D** SIMI or individuals associated with us may buy and sell some of the same securities for their own account that we buy and sell for our Clients. In all instances, we purchase a security for all Client accounts for which the investment is appropriate before purchasing any of the securities for our own account and, likewise, when we determine that securities should be sold, will cause these securities to be sold from all of our Client accounts prior to permitting the selling of the securities from our own account. In some cases, we may buy or sell securities for our own account for reasons not related to the strategies adopted by our Clients. Because Client accounts are managed on a non-discretionary basis only, the potential delay in obtaining Client approvals may cause employee trades to be placed ahead of Client trades and may result in employees of SIMI receiving a better price than clients. Additionally, delays in implementing a recommendation may be pending a Client's authorization. This delay may result in Client paying more or less for a security than Client might otherwise pay in a discretionary management system. It is also possible that SIMI's principals or person(s) associated with SIMI may buy or sell the same securities prior to Client's authorization of sale transactions in Client's account.

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When SIMI is newly engaged by a Client for whom it expects to recommend securities in which SIMI or one of our principals holds a position, this brochure is notification to our Client of our policies and the availability of our Code of Ethics in respect to officers and employees trading for their own account.

As stated above, we disclose to Clients material conflicts of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

## Item 12 – Brokerage Practices

**A** We generally recommend that Clients open brokerage accounts with Charles Schwab & Co., Inc. In recommending broker-dealers, we seek to obtain “best execution,” meaning that we seek to execute securities transactions for Clients so that the total costs or proceeds in each transaction are the most favorable under the circumstances. The factors we consider when evaluating for best execution include:

- Execution capability;
- Transaction fee rate;
- Financial responsibility;
- Responsiveness;
- Custodian capabilities;
- The value of any research services/brokerage services provided; and
- Any other factors that we consider relevant.

Charles Schwab & Co. also provides us with the following products/services:

- Secured internet access which allows us to communicate electronically with Schwab to download account information, place and allocate trades, and submit advisory fees to Schwab.
- Research, which we may use to service all accounts.
- Individual Clients may not benefit equally from the products and services we receive from Schwab.

**A.1** As referenced above, we recommend Clients maintain accounts with Charles Schwab & Co., and to help facilitate the account management we participate in the Schwab Institutional Services (“SI”) program. Schwab is a FINRA and SIPC member firm which offers independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions.

Through our participation in the SI program, Schwab also provides us with the following products, services and assistance:

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- Products that allow us to download account information place and allocate trades, and submit advisory fees;
- Research, which we may use to service all accounts;
- While we do not pay a fee for these products/services, all Client accounts may not be the direct or exclusive beneficiary of such products/services;
- Receipt of duplicate Client statements and confirmations;
- Research related products and tools;
- Access to a trading desk serving adviser participants;
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts);
- The ability to have advisory fees deducted directly from Client accounts;
- Access to an electronic communications network for Client order entry and account information;
- Access to conferences and educational meetings with product sponsors; and
- Access to mutual funds with no transaction fees and to certain institutional money managers.

Services made available by Schwab are intended to help us manage and further develop our business and do not depend on the amount of brokerage transactions directed to Schwab. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our Clients first. However, Clients should be aware that our receipt of economic benefits creates a potential conflict of interest and may indirectly influence our choice of Schwab for custody and brokerage services.

- B** We are authorized in our discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and other transactions in the same securities or instruments for other Clients of ours. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities or instruments involved at the average price so obtained. Confirmations of any transactions effected for a Client's account will be sent, in conformity with applicable law, to the Client.

## **Item 13 – Review of Accounts**

- A** All Client accounts are reviewed by Advisor’s principals John Child or Mark Child on a regular basis. The frequency of reviews is determined by various factors, but no less frequently than quarterly.
- B** More frequent reviews may be triggered by a change in Client’s investment objectives, tax considerations, large deposits or withdrawals, large sales or purchases of investments, or changes in the manager’s investment strategy.
- C** All Clients receive monthly statements from Schwab Institutional, which acts as the custodian of their accounts. We prepare separate reports quarterly, also at the time of Client meetings or periodically, depending on Client needs.

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

We have no arrangements, written or oral, in which we compensate others or are compensated for Client referrals.

## **Item 15 – Custody**

With the exception of our ability to debit fees, we do not hold, directly or indirectly, client funds or securities, or have any authority to obtain possession of them. We do not have the authority to move funds or securities between any client accounts.

We shall have no liability to Clients for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation (“SIPC”) or any other insurance which may be carried by the custodian. Clients understand that SIPC provides only limited protection for the loss of property held by a custodian.

As stated in Item 5 above, Clients receive account statements from the custodian of their accounts on a monthly basis. We also provide Clients with quarterly written reports summarizing account activity and performance. We urge all Clients to carefully review statements from the custodian and compare these to reports that we may provide. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

As described in Item 4 above, SIMI manages Client portfolios, in accordance with the Client's objectives and suitability, on a non-discretionary basis. Under this non-discretionary authority we are required to obtain a Client's approval of each specific transaction prior to executing our investment recommendations. This prior approval is also required for the selection and retention of sub-advisors to a Client's account.

We may aggregate Client orders, so long as it is done for purposes of achieving best execution, and so long as no Client is systematically advantaged or disadvantaged. Before aggregating Client orders, we document the participating accounts and the allocation instructions. Generally, we submit allocation instructions to the broker-dealer before the market closes on the day of the order. We allocate aggregated orders to Client accounts at the average price obtained. We allocate partially filled orders pro rata based on the size of the order placed by each account. If we judge that we cannot or should not allocate a partially filled order pro rata (e.g., if the quantity of securities obtained is too small or would not have a material impact if distributed among each account), then we apply the following procedures:

- We allocate the order according to a system that results in a fair and equitable distribution of opportunities throughout the years; and
- We document our allocation decision.

## **Item 17 – Voting Client Securities**

We are not authorized to and will not receive and/or vote proxies on issues held in any Client account or receive annual reports. Clients are responsible for completing all proxy voting procedures for the securities they own.

**Item 18 – Financial Information**

- A** Under no circumstances will SIMI solicit or require prepayment six months or more in advance, from any Client for advisory services.
- B** As noted in Item 15 above, other than having the ability to deduct fees from Client accounts, we do not have custody of Client's funds. We neither manage Client assets on a discretionary basis nor have any financial commitments which would impair our ability to meet the contractual and fiduciary commitments to our Clients.
- C** We have never been the subject of any bankruptcy proceedings.

**Exhibit A – Summary of Material Changes**

This Item discusses only specific material changes that have been made to our Brochure since the date of our last annual update, which was March 21, 2019. Since that date, we have made the following material changes:

None.

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting John Child at (503) 691-7030 or Mark Child at (540) 364-2601, or by email to either [jchild@simiusa.com](mailto:jchild@simiusa.com) or [mchild@simiusa.com](mailto:mchild@simiusa.com).



JOHN L. CHILD

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March 18, 2020

This Brochure Supplement provides information about John L. Child that supplements the Sound Investment Management, Inc. Firm Brochure (Form ADV Part 2A). You should have received a copy of that Brochure. Please contact John Child at (503) 691-7030 or Mark Child at (540) 364-2601 or email at [jchild@simiusa.com](mailto:jchild@simiusa.com) or [mchild@simiusa.com](mailto:mchild@simiusa.com) if you did not receive copy of Sound Investment Management, Inc.'s Form ADV Part 2A or if you have any questions about the contents of this Brochure Supplement.

Additional information about John L. Child is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**JOHN L. CHILD**

Year of Birth: 1951

**Item 2 – Educational Background and Business Experience**

PROFESSIONAL BACKGROUND

10/1993 to Present	Investment Advisor, President, Chief Investment Officer, Director Sound Investment Management, Inc., Tualatin, OR
1/2005 to 7/2016	Bio-Medical Research, Director/Chairman of Finance & Audit Committee International BioResource Group, Manassas, VA
3/1993 to 7/2016	Bio-Medical Research and Distribution, Director American Type Culture Collection, Inc., Manassas, VA
1/2011 to 7/2016	Bio-Medical Research, Director BioNexus Foundation, Inc., Manassas, VA
3/1987 to 3/1996	Managed Health Care & Insurance, Director, Chief Financial Officer and Treasurer Mid Atlantic Medical Services, Inc., Rockville, MD
12/1992 to 1/2002	Investment Management, Trust & Custodial Services, Director Atlantic Trust, N.A. (Washington, DC)

EDUCATION

BS Business Administration 1973  
Samford University, Birmingham, Alabama

MBA 1982  
George Washington University, Washington, DC

**Item 3 – Disciplinary Information**

John L. Child has not been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a Client's evaluation of his or any of the services Sound Investment Management, Inc. provides.

**Item 4 – Other Business Activities**

John L. Child is not involved in any other investment related business activity other than through Sound Investment Management, Inc.

**Item 5 – Additional Compensation**

John L. Child does not receive additional compensation or economic benefit for providing advisory services.

**Item 6 – Supervision**

John L. Child is responsible for supervising the services and advice provided to clients of Sound Investment Management, Inc. He prepares investment policies, forms and procedures for those clients to whom he is the primary advisor and firm contact. Mark A Child, SIMI's Chief Compliance Officer, also shares in supervisory activities.



PART 2B OF FORM ADV – FIRM BROCHURE

MARK A. CHILD

SOUND INVESTMENT MANAGEMENT, INC.

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March 18, 2020

This Brochure Supplement provides information about Mark A. Child that supplements the Sound Investment Management, Inc. Firm Brochure (Form ADV Part 2A). You should have received a copy of that Brochure. Please contact John Child at (503) 691-7030 or Mark Child at (540) 364-2601 or email at [jchild@simiusa.com](mailto:jchild@simiusa.com) or [mchild@simiusa.com](mailto:mchild@simiusa.com) if you did not receive copy of Sound Investment Management, Inc.'s Form ADV Part 2A or if you have any questions about the contents of this Brochure Supplement.

Additional information about Mark A. Child is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**MARK A. CHILD**

Year of Birth: 1954

**Item 2 – Educational Background and Business Experience**

PROFESSIONAL BACKGROUND

5/1998 to Present	Investment Advisor, Senior Vice President, Chief Compliance Officer, Director Sound Investment Management, Inc., Tualatin, OR
10/2009 to 12/2013	Chamber of Commerce, Director and Officer Greater Warrenton Chamber of Commerce, Warrenton, Virginia
6/1995 to 11/1997	Business Consultant, Senior Associate Marcher Consultants, Inc., Tysons Corner, VA
12/1995 to 12/1996	Specialty Lending, President Marcher Finance, Inc., Tysons Corner, VA
4/1991 to 5/1995	Commercial Real Estate Lending, Vice President Crestar Bank, Vienna VA

EDUCATION

General Studies 1975

Northern Virginia Community College, Fairfax, VA

Course study specific to Banking, Accounting and Business Law

American Institute of Banking, Fairfax, VA 1986

**Item 3 – Disciplinary Information**

Mark A. Child has never been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a Client's evaluation of his or any of the services Sound Investment Management, Inc. provides.

**Item 4 – Other Business Activities**

Mark A. Child is not involved in any other investment related business activity or occupation other than through Sound Investment Management, Inc.

**Item 5 – Additional Compensation**



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Mark A. Child does not receive additional compensation or economic benefit for providing advisory services.

**Item 6 – Supervision**

Mark A. Child is jointly responsible for supervising the services and advice provided to clients of Sound Investment Management, Inc. He prepares investment policies, forms and procedures for those clients to whom he is the primary advisor and firm contact. He also acts as SIMI's Chief Compliance Officer.



PART 2B OF FORM ADV – FIRM BROCHURE

MICAH F. CHILD, CFA®

SOUND INVESTMENT MANAGEMENT, INC.

8215 Tualatin Sherwood Road  
Suite 200  
Tualatin, OR 97062

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March 18, 2020

This Brochure Supplement provides information about Micah F. Child that supplements the Sound Investment Management, Inc. Firm Brochure (Form ADV Part 2A). You should have received a copy of that Brochure. Please contact John Child at (503) 691-7030 or Mark Child at (540) 364-2601 or email at [jchild@simiusa.com](mailto:jchild@simiusa.com) or [mchild@simiusa.com](mailto:mchild@simiusa.com) if you did not receive copy of Sound Investment Management, Inc.'s Form ADV Part 2A or if you have any questions about the contents of this Brochure Supplement.

Micah F. Child has achieved the designation of Chartered Financial Analyst (CFA®). Mr. Child is a Charterholder and member of the CFA Society of Portland since 2012. This designation is explained more fully under Item 2.

Additional information about Micah F. Child is available on the SEC's website at

[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Name: Micah F. Child

Born: 1983

## **Item 2 Educational Background and Business Experience**

### PROFESSIONAL BACKGROUND

2014 to Present	Investment Advisor Sound Investment Management, Inc., Tualatin, OR
2008 to 2017	Investment Adviser Representative and Chief Compliance Officer Grange Capital, Tualatin, OR
2006 to 2008	Wholesale Support IMS Capital Management, Bellevue, WA

### PROFESSIONAL DESIGNATIONS

CHARTERED FINANCIAL ANALYST, CFA®. The Chartered Financial Analyst (CFA®) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals.

There are currently more than 90,000 CFA charterholders working in 135 countries. To earn the CFA charter, candidates must:

1. Pass three sequential, six-hour examinations;
2. Have at least four years of qualified professional investment experience;
3. Join CFA Institute as members; and
4. Commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### HIGH ETHICAL STANDARDS

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their Clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters



## GLOBAL RECOGNITION

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and Clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment.

Additionally, regulatory bodies in 22 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

## COMPREHENSIVE AND CURRENT KNOWLEDGE

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession. To learn more about the CFA charter, visit [www.cfainstitute.org](http://www.cfainstitute.org)

## EDUCATION

BS, Business, International Emphasis, 2005  
University of Puget Sound, Tacoma, WA

### **Item 3 Disciplinary Information**

Mr. Child has not been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a Client's evaluation of him or any of the services Sound Investment Management, Inc. provides.

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

Mr. Child is also an investment advisor representative and the chief compliance officer for Grange Capital, LLC. With the exception of the foregoing, Mr. Child is not involved in any other investment related business activity or occupation other than through Sound Investment Management, Inc.

**Item 5 Additional Compensation**

Mr. Child does not receive any additional compensation or other economic benefits from third parties for providing advisory services to Clients of Sound Investment Management, Inc.

**Item 6 Supervision**

John Child and Mark Child are responsible for supervising the services and advice provided to clients of Sound Investment Management, Inc. They prepare investment policies, forms and procedures for clients. Micah Child works under their supervision.



PART 2B OF FORM ADV – FIRM BROCHURE

MARK J. BIALLAS

SOUND INVESTMENT MANAGEMENT, INC.

8215 Tualatin Sherwood Road  
Suite 200  
Tualatin, OR 97062

(503) 691-7030  
[www.simiusa.com](http://www.simiusa.com)

March 18, 2020

This Brochure Supplement provides information about Mark J. Biallas that supplements the Sound Investment Management, Inc. Firm Brochure (Form ADV Part 2A). You should have received a copy of that Brochure. Please contact John Child at (503) 691-7030, Mark Child at (540) 364-2601 or email at [jchild@simiusa.com](mailto:jchild@simiusa.com), [mchild@simiusa.com](mailto:mchild@simiusa.com) if you did not receive copy of Sound Investment Management, Inc.'s Form ADV Part 2A or if you have any questions about the contents of this Brochure Supplement.

Additional information about Mark J. Biallas is available on the SEC's website at <https://www.adviserinfo.sec.gov>.

**Mark J. Biallas**

Year of Birth: 1968

**Item 2 – Educational Background and Business Experience**

PROFESSIONAL BACKGROUND

3/2019 to Present	Investment Advisor Sound Investment Management, Inc., Tualatin, OR
10/2004 to 10/2016	Head of Global Trading, Director Columbia Threadneedle Investments, Portland, OR
9/2003 to 10/2004	Head of International Trading, Director Columbia Management, San Francisco, CA
4/2000 to 9/2003	Senior Trader, Director Columbia Wanger Asset Management, Chicago, IL
3/1999 to 3/2000	Senior Consultant Hewitt Associates, Lincolnshire, IL
10/1996 to 1/1999	Sales-Trader Deutsche Bank Securities, New York, NY

EDUCATION

BA, History 1991  
University of California, Berkeley

Master of International Affairs, Economics/Finance 1996  
University of California, San Diego

**Item 3 – Disciplinary Information**

Mark J. Biallas has not been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a Client's evaluation of his or any of the services Sound Investment Management, Inc. provides.

**Item 4 – Other Business Activities**

Mark J. Biallas is not involved in any other investment related business activity other than through Sound Investment Management, Inc.

**Item 5 – Additional Compensation**

Mark J. Biallas does not receive additional compensation or economic benefit for providing advisory services.

**Item 6 – Supervision**

John Child and Mark Child are responsible for supervising the services and advice provided to clients of Sound Investment Management, Inc. They prepare investment policies, forms and procedures for clients. Mark J. Biallas works under their supervision.