SOUND
Financial Group

WHO WE ARE AND WHY IT MATTERS

A NOTE TO EMPLOYEES, CLIENTS AND PROSPECTIVE CLIENTS FROM SOUND FINANCIAL GROUP

The Industry You're Navigating

Most people don't realize that when they walk into a financial advisory firm, they are entering a sales environment. That isn't a cynical statement. It is simply how the industry was built.

The dominant model in American financial services is what we call Big Box Financial Retail. A firm recruits advisors, gives them a brief window to generate revenue with a small salary or draw, and sends them out to build a book of business. The advisor's income depends on what they sell. Their career depends on how much they sell. The entire structure, the marble floors, the mahogany desks, the impressive offices, is funded by commissions and fees generated through transactions with clients.

Even many fee-based advisors, who technically operate under a fiduciary standard, are still fundamentally inside a sales process. They have reframed the conversation, but the incentives underneath haven't changed. They will say they are fee-based, not commissioned. They are simply selling the product with an annual recurring fee. Same sales, different compensation.

Fear shouldn't drive decisions. If someone is sold a product they are not confident in, as part of a strategy they do not understand, they are more likely to panic. Causing potentially good planning to be thrown out the window when life or the markets get scary.

This is the water most people swim in when they seek financial advice. And most people never question it, because they don't have a point of comparison.
We are the point of comparison.

Investment advisory services are offered through Sound Financial Group, a registered investment adviser.

HOW SOUND FINANCIAL GROUP CAME TO BE

Our founder, Paul Adams, spent nearly two decades inside the conventional industry model, growing advisors, leading teams, and trying to install ethical guardrails inside a system designed as a race to topline revenue.

His relationship to that system came to a precipice when, after a strategic partnership ended, he was suddenly faced with a choice: remain and rebuild in a system he had to continually apologize for, or start fresh and build what he believed in.

He built what he believed in.

With his executive team free of the overhead of a hundred-year-old system, we had the freedom to implement a philosophy without compromise, to test ideas to find what actually worked for clients, and to leave behind what only worked to serve the industry.

Over a decade later, the firm that exists today is the result of a continued commitment to that decision to step away from the easy path and find the right one to support our clients, our team, and our families.

OUR MISSION AND VISION

Mission

We help people Design and Build a Good Life by giving them the financial clarity, structure, and guidance they actually need to get there.

Vision

A fee-based advisory firm built to outlast any one person in it, so that every client and their family can trust the same philosophy is serving them for as long as they need it.

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WHAT WE BELIEVE

Sound Financial Group is built around a Biblical business worldview. We don't lead with those principles as a marketing statement, we lead with those principles as a simple answer to why we operate the way we do. No one is required to practice a particular faith to join our team or be our client, just as a religious faith isn't required to benefit from the principles and practices found in a book of wisdom that has stood the test of time.

Those principles have informed our four core values:

Truth > Trend.

We follow evidence and discipline, not whatever the market is reacting to this week.

Stewardship > Status.

Money is a tool entrusted to someone's care. We treat it that way, and we expect our clients to as well.

Conviction > Chaos

We bring clarity and steadiness when life and markets are loud, instead of adding to the noise.

Built Over Time.

We are not interested in shortcuts. The kind of life worth building, and the kind of firm worth trusting, are both built slowly, on purpose, and over decades.

Employees and clients of Sound Financial Group do not feel faith or values imposed on them. They will consistently experience a firm that is honest, calm, disciplined, and genuinely focused on what actually matters to them as we help them *Design and Build a Good Life™.*

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HOW WE ARE STRUCTURALLY DIFFERENT

Philosophy without structure is just aspiration. We have built the firm so that our values aren't dependent on willpower. They are built into how we operate.

OUR ADVISOR COMPENSATION IS BUILT ON SALARY

Our advisors don't have quotas. Their responsibility is to help support you in keeping your plans to build Durable Financial Independence on your terms. Their one job is to care for clients well.

OUR ADVISORS DON'T HAVE TO FIND THEIR CLIENTS

Finding new clients is the firm's responsibility, not the advisor's. This means your advisor's full attention, every meeting, every email, every strategy session, is on you, not on marketing themselves.

WE TRAIN ADVISORS THE WAY TRADESPEOPLE ARE TRAINED

A new advisor's first six months are spent attending meetings with senior advisors, learning the philosophy in practice, and building the habits of client care before they ever run a meeting on their own. We don't ask them to learn things they will never need. We develop them for the work they will actually do, caring for clients' futures.

OUR ETHICS AROUND FEES

The mechanics of how we charge are straightforward. We cap our fees at the eighth million. If you have $80 million with us, you pay us on the first $8 million. No more. But the reason behind that cap, and the reasoning that runs underneath every other fee decision we make, is worth understanding.

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- **The work does not scale with the dollars.** When a financial philosophy is academically allocated and globally diversified, managing $8 million does not require materially more work than managing $80 million. The portfolio structure is the same. The discipline is the same. The rebalancing rules are the same. The conversations about life, family, and stewardship are the same. So at a certain point, charging more simply because the account is larger stops being a fee and starts being a toll. We are not in the toll business.

- **The cap also protects the integrity of our advice.** If a single client represents too large a share of our revenue, we are quietly tempted to soften the truth. To delay a hard conversation. To agree where we should push back. We never want to be in that position. Capping our fees ensures that no client, including our wealthiest ones, ever has to wonder whether our advice is shaped by what their account means to our income.

- **This is also why our clients have to apply to become clients.** It is not posturing. It is the practical consequence of a deeper conviction: we will not make an offer to anyone we do not believe we can serve well in excess of our fee. If we look at someone's situation and we cannot honestly say that the value we bring will exceed what they pay us, we tell them so. We do not make an offer to work together. We do not collect a fee for work that does not change the trajectory of their life. That is what we mean by an ethical offer.

  It is a quiet rule, but it shapes everything. It is why we turn down work that would be profitable. It is why our advisors are paid to care for the clients we have rather than to chase the clients we do not. It is why we offer a six-month money-back guarantee on our up-front engagement fee. And it is why a client who is in our care can trust that they are there because we believed we could help them, not because we needed the revenue.

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WE DON'T CONTROL YOUR ACCESS TO YOUR MONEY

You can log in and move your assets without calling us first. We know that scares other advisors. It doesn't scare us, because we don't rely on control to keep clients. We rely on education. Educated clients don't make panicked decisions.

WE OPERATE BY ZOOM

We made this shift in early 2017, before it was common. The reason wasn't efficiency. It was integrity. We didn't want client relationships to blur into social relationships where the line between friendship and business became uncomfortable. When we are together in person, we are simply together. When we are working on your finances, we are fully present and focused on that work. And as you age and life moves you to a new neighborhood or state, we meet you where you are.

SERVICE IS A DISCIPLINE, NOT A DEPARTMENT

A complicated financial life does not get simpler by accident. It gets simpler because someone is paying attention.

We treat service as a daily discipline. When a client makes a request, we track it. When our team commits to doing something, we do it. The cost of a dropped request is rarely just an inconvenience. A missed beneficiary update or a tax document that did not reach the accountant compounds the same way good planning does, just in the wrong direction.

So our standard is simple. We do what we said we would do, when we said we would do it. A team you can count on, doing the work, on time, every time.

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WHY WE ARE NOT FOR SALE

In late 2023, Sound Financial Group received serious interest from private equity. The highest offer was substantial, enough to change the personal financial picture of everyone involved and allow our founder to retire. After extensive conversation about what the firm would become under that ownership, we declined.
The model they wanted to implement was Big Box Financial Retail. Product sales. Commission structures. The kind of revenue generation that pays for marble floors.

We had spent decades building the opposite of that. We weren't willing to sell it.
What we chose instead was to grow our successors from within. To bring on advisors who would be developed inside the philosophy, offered a path to ownership, and trusted to carry the firm forward when its founder steps back. That transition is already underway.

This isn't a firm that will be sold to the highest bidder. It is a firm designed to outlast any one person in it, so that the firm can care for every client who trusts us.

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WHAT THAT MEANS FOR YOU

Our stated aim to every new client is the same: we intend to be here for the next 40 to 60 years, for as long as you need us.

Over that time, you will likely work with multiple advisors as the firm grows and generations of leadership transition. But every one of those advisors will hold the same philosophy, the same institutional memory about you and your family, and the same commitment to your long-term wellbeing over short-term transactions.
Most clients, when they switch advisors, believe they are being diligent. What they are often doing is resetting, starting over with someone whose philosophy they don't yet know, hoping it will work out. At Sound Financial Group, the philosophy doesn't reset. It compounds.

You aren't betting on a person. You are entering a philosophy that has been refined over nearly three decades, stress-tested through market cycles and life transitions, and structured so that it can serve your children and grandchildren with the same consistency it serves you today.

HOW WE DEFINE TRUST

Most financial advisors build trust by finding common ground. They ask about the photo on your wall. They remember your kids' names. These aren't bad things, but they aren't trust.

We define trust differently.

Trust is the listener's ability to anticipate how the speaker is going to impact their concerns.

You can trust someone you disagree with, if you can consistently predict how they will respond to what matters to you. Real trust isn't built through rapport. It is built through consistency. Through telling the truth when it costs something. Through giving you both sides of every decision, even when one side doesn't benefit us. Through behaving the same whether you are watching or not.

That is the kind of trust we are building. And it is the only kind worth having.

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