

## THE LEGACY GROUP, LTD.

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September 12, 2022

This Brochure provides information about the qualifications and business practices of The Legacy Group, Ltd. If you have any questions about the contents of this Brochure, you may contact us at (503) 581-6020, or email [info@thelegacygroup.com](mailto:info@thelegacygroup.com) to obtain answers and additional information. The Legacy Group, Ltd. is a registered investment adviser in the state of Oregon. 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), the State of Oregon, or by any other state securities authority.

Additional information about The Legacy Group, Ltd. (CRD No. 120972) is available on the SEC's website at [www.Adviserinfo.sec.gov](http://www.Adviserinfo.sec.gov).

## Item 2 – Material Changes

There have been material changes as of September 2022. We have made an adjustment to the fee schedule. Fees were lowered. And we have included language describing our response to the U.S. Department of Justice Prohibited Transaction Exemption 2020-02 (PTE 2020-02) under item 5., Fees, and Compensation section F.

Our Brochure is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for The Legacy Group, Ltd. is 120972. We may provide ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or added information, at any time, without charge.

Currently, our Brochure may be requested, free of charge, by contacting W. Ray Sagner, CFP® at (503) 581-6020, or by email to [info@thelegacygroup.com](mailto:info@thelegacygroup.com). Our Brochure is also available free of charge on our website [www.thelegacygroup.com](http://www.thelegacygroup.com).

**Item 3 – Table of Contents**

	<u>Page</u>
Item 1	Cover Page.....i
Item 2	Material Changes ..... ii
Item 3	Table of Contents .....iii
Item 4	Advisory Business ..... 1
Item 5	Fees and Compensation..... 3
Item 6	Performance-based Fees and Side-by-Side Management..... 5
Item 7	Types of Clients ..... 6
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss ..... 7
Item 9	Disciplinary Information..... 8
Item 10	Other Financial Industry Activities and Affiliations ..... 9
Item 11	Code of Ethics, Participation, or Interest in Client Transactions and Personal Trading ..... 10
Item 12	Brokerage Practices..... 12
Item 13	Review of Accounts ..... 13
Item 14	Client Referrals and Other Compensation ..... 14
Item 15	Custody ..... 15
Item 16	Investment Discretion..... 16
Item 17	Voting Client Securities..... 17
Item 18	Financial Information..... 18
Item 19	Requirements for State Registered Advisers ..... 19
Part 2B	Brochure Supplement..... 2B – 1

#### Item 4 – Advisory Business

- A** The Legacy Group, Ltd., (“TLG” “we” “Advisors”) is an Oregon corporation, registered as an Investment Advisory firm with the State of Oregon. The principal place of business is in Salem, Oregon. The firm was founded by Ronald W. LeBlanc, a Certified Financial Planner® professional who has been in practice since 1982 and retired in 2012. The firm offers financial, retirement and estate planning services to successful individuals, executives, business owners and their families. In addition, the firm has become known for its expertise in guiding institutions and non-profit foundations.
- B, C** Our investment philosophy takes a prudent approach and is based on minimizing risk while targeting a rate of return sufficient to meet the client’s goals. Time, patience, and a strict discipline are the cornerstones of our success. We select individually managed portfolios tailored to meet the needs of our clients. After extensive research and rigorous analysis, we develop an investment plan to meet each Client’s long-term objectives, resources, and risk tolerance. We may select a portfolio to be sector specific, over weighted, or under weighted based on the markets, the economy, and the stated objectives our client. We believe that proper asset allocation and time in the market, not market timing, are the keys to long-term investment success.

Beginning with our investment philosophy, we offer a wide range of investment advisory services to our clients. Once we determine a client’s investment objectives and suitability parameters, we exercise non-discretionary authority in executing our services. This means that prior to executing any recommendations on a client’s behalf in accordance with their investment objectives and suitability parameters we will obtain their verbal or written consent.

Our process consists of planning, prioritizing, implementing, and monitoring. With our clients’ values and priorities to guide us, we offer creative, personalized solutions, one Client at a time. We chart a course that seeks to enhance our clients’ financial resources and guide wealth along the path of greatest good. Because we are an independent, fee-only firm, no commissions are accepted. As a result, we can be extremely discriminating in our advice and recommendations. We are dedicated to always serving our clients’ best interests.

We also provide advice to Clients on matters not involving securities. These services involve investment advice on a limited basis. This may include advice only on isolated areas of concern such as estate planning, retirement planning, or any other specific topic.

We will work closely with our clients to create, implement and monitor a personalized financial plan that seeks to:

- Create and preserve personal wealth
- Reduce the risk of financially devastating events
- Develop strategies to help reduce the burden of taxes and inflation
- Build consistent and predictable retirement income streams
- Maximize wealth transfer from one generation to another
- Endow legacies of hope, beauty, and joy in the community
- Foster peace of mind through proper planning today

**D** We do not participate in or sponsor any wrap-fee programs

**E** We manage ~\$57,891,000 of Client assets, all on a non-discretionary basis. This amount was calculated as of “December 31, 2021.

## Item 5 – Fees and Compensation

- A** TLG provides investment and financial planning advice and support services to participants in trusts, pensions, and retirement funds. Agreements for such services are normally entered into directly with the retirement fund trustees, third-party administrators, or sub-advisors. For such services, we are compensated based on a negotiable percentage of assets under management.

### Legacy's Standard Fee Schedule:

<u>Assets Under Management</u>	<u>Maximum Annual Fee</u>
\$0 - \$600,000	1.15%
\$600,000 - \$1,200,000	1.10%
\$1,200,000 - \$1,800,000	1.00%
\$1,800,000 - \$2,400,000	0.90%
\$2,400,000 - \$3,000,000	0.75%
\$3,000,000 - \$5,000,000	0.65%
On amounts over \$5,000,000	0.50%

Notwithstanding the above, under certain circumstances fees may be negotiable.

### TLG's Standard Financial Planning Fee Schedule

Financial Planning Clients pay us at an hourly rate of \$210 for these services. Payment is due upon completion of a project. This hourly rate is negotiable.

- B** Compensation for our services will be calculated in accordance with Schedule A of the Investment Advisory Agreement entered with clients. The fee schedule may be amended from time-to-time upon 30-days prior written notice provided to our clients. Any such amendment will only become effective upon the Client providing written acknowledgment of the amendment. Such fees may be paid directly to us from the account by the custodian upon submission of an invoice to custodian showing the amount of fees, the value of the Client's assets on which the fees are based, and the specific way the fees are calculated. Payment of fees may result in the liquidation of Client's securities if there is insufficient cash in the account. Copies of the fee invoices will be mailed to clients as required. Clients may also be required to pay, in addition to our fee, a proportionate share of any mutual fund's shareholder and management fees.
- C** All brokerage commissions, stock transfer fees, and other similar charges incurred in connection with transactions for the account will be paid out of the assets in the Account and are in addition to the investment management fees paid to us. The Client bears the responsibility for verifying the accuracy of fee calculations.

We may recommend that all or a portion of the assets in the account be managed by an outside investment manager or sub-advisor such as SEI Investments, Inc. In addition to TLG's fees, sub-advisory or investment management fees will be paid by the client at the rate disclosed by the particular sub-advisor or investment managers' prospectus.

- D** In consideration for our services, Clients pay us a fee quarterly in arrears, with payment due within 10 days from the date of the invoice. The fee will be equal the agreed-upon rate per annum, times the market value of the Account, divided by the number of days in the year and multiplied by the number of days in the quarter. The market value will be construed to equal the sum of the values of all assets in the account. 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.
- E** TLG is a fee-only investment advisory firm paid on a percentage of Client assets managed. This means that no supervised person associated with us receives or accepts any compensation for the sale of securities or investment products.

**F** **Rollover Recommendations**

As part of our investment advisory services to you, we may recommend that you roll assets from your employer's retirement plan, such as a 401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, an "IRA Account") that we will manage on your behalf. We may also recommend rollovers from IRA Accounts to Plan Accounts, from Plan Accounts to Plan Accounts, and from IRA Accounts to IRA Accounts. When we provide any of the foregoing rollover recommendations we are acting as fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts.

If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the advisory agreement you executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to you (*i.e.*, receipt of additional fee-based compensation). You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm. Due to the foregoing conflict of interest, when we make rollover recommendations, we operate under a special rule that requires us to act in your best interests and not put our interests ahead of yours.

Under this special rule's provisions, we must:

- meet a professional standard of care when making investment recommendations (give prudent advice).
- never put our fiscal interests ahead of yours when making recommendations (give loyal advice).
- avoid misleading statements about conflicts of interest, fees, and investments.
- follow policies and procedures designed to ensure that we give advice that is in your best interests.
- charge no more than a reasonable fee for our services; and
- give you basic information about conflicts of interest.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of a rollover.

Note that an employee will typically have four options in this situation:

1. leaving the funds in your employer's (former employer's) plan.
2. moving the funds to a new employer's retirement plan.
3. cashing out and taking a taxable distribution from the plan; or
4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, we will provide you with a written explanation of the advantages and disadvantages of both account types and the basis for our belief that the rollover transaction we recommend is in your best interests.

As an alternative to providing, you with a rollover recommendation, we may instead take an entirely educational approach in accordance with the U.S. Department of Labor's Interpretive Bulletin 96-1. Under this approach, our role will be limited only to providing you with general educational materials regarding the pros and cons of rollover transactions. We will make no recommendation to you regarding the prospective rollover of your assets and advise you to speak with your trusted tax and legal advisors with respect to rollover decisions. As part of this educational approach,



we may provide you with materials discussing some or all of the following topics: the general pros and cons of rollover transactions; the benefits of retirement plan participation; the impact of pre-retirement withdrawals on retirement income; the investment options available inside your Plan Account; and high level discussion of general investment concepts (e.g., risk versus return, the benefits of diversification and asset allocation, historical returns of certain asset classes, etc.). We may also provide you with questionnaires and/or interactive investment materials that may provide a means for you to independently determine your future retirement income needs and to assess the impact of different asset allocations on your retirement income. You will make the final rollover decision.

**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

Our firm offers financial, retirement and estate planning services to successful individuals, executives, business owners and their families. In addition, the firm has become known for its expertise in guiding institutions and non-profit foundations.

We require a minimum of \$250,000 of investable assets to open an account. In certain circumstances, to be determined by the Advisor, this minimum may be waived.

## 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:

- Investment company securities such as:
  - Variable annuities
  - Mutual fund shares
  - ETF Portfolios
  - Individual Money Managers

We will primarily research and review securities using traditional fundamental analysis. The 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.

The main sources of information we rely upon when researching and analyzing securities include traditional research materials such as financial newspapers and magazines, as well as research materials prepared by others.

**B** As an investment advisor, we owe a fiduciary duty to our clients to act primarily for the benefit of the client. Accordingly, we will use our best judgment and good faith efforts in rendering services to client. We cannot warrant or guarantee any level of account performance, or that account will be profitable over time. Not every investment decision or recommendation made by us will be profitable. Our clients assume all market risk involved in the investment of account assets under the Investment Advisory Agreement and understand that investment decisions made for this account are subject to various market, currency, economic, political, and business risks.

Except as may otherwise be provided by law, we are not liable to clients for:

- Any loss that 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 client's instructions; or
- Any act or failure to act by a custodian of client's account.

Notwithstanding the above, nothing shall relieve us from any responsibility or liability we may have under state or federal statutes, therefore none of the above is a waiver of any right or remedy a client may have under federal or state securities laws. It is the responsibility of the client to give us complete information and to notify us of any changes in financial circumstances or goals.

### 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 which is applicable to this Item.

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

INVESTMENT ADVISOR: As stated in Item 5 (C) above, TLG may enter into business relationships with an outside investment manager or sub-advisor such as SEI Investments, Inc.

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

- A** We subscribe to be ethical in all firm activities. Included in these ethical obligations is the duty of loyalty, fairness and to uphold our fiduciary duty to act for the benefit of our clients. The investment advisor representatives of our firm hold the Certified Financial Planner CFP® certificate and are subject to the Code of Ethics and Professional Responsibility of the Certified Financial Planner Board of Standards, Inc. These codes are available online, and we can also provide them upon request.

More information about the CFP® designation is included in Form ADV Part 2B

- B-D** TLG does not buy or sell any of the same securities for its own account that it has recommended to its clients. In all instances, where appropriate we will purchase a security for all of our existing accounts for which the investment is appropriate before purchasing any of the securities for our own account and, likewise, when it determines that securities should be sold, where appropriate will cause these securities to be sold from all of its advisory accounts prior to permitting the selling of the securities from our accounts. In some cases, we may buy or sell securities for our own account for reasons not related to the strategies adopted by our clients.

As these situations may represent a conflict of interest, we have established the following restrictions to ensure its fiduciary responsibilities:

- ❖ An Officer, associated persons, or employees of TLG shall not buy or sell securities for their personal portfolio where their decision is derived, in whole or in part, by reason of his employment unless the information is also available to the investing public or reasonable inquiry. No person of Legacy shall prefer his or her own interest to that of the advisory Client.
- ❖ All Clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process.
- ❖ TLG emphasizes the right of the Client to decline to implement any advice rendered.
- ❖ TLG emphasizes the right of the Client to select and choose any broker or dealer, and/or insurance company he/she wishes.
- ❖ TLG requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
- ❖ Any individual not in observance of the above may be subject to termination.

When we are newly engaged by a client for whom we expect to recommend securities in which we or our principal hold a position, we will notify the new Client of policies we have in place with respect to officers trading for their own account.

We shall not render any advice or services concerning securities of companies in which we have a significant economic interest.



## Item 12 – Brokerage Practices

- A Our clients' assets are held by independent third-party custodians. Except to the extent that the Client directs otherwise, we may use our discretion in selecting or recommending the custodian. The Client is not obligated to effect transactions through any custodian recommended by us. In recommending a custodian we will comply with our fiduciary duty in accordance with the Securities Exchange Act of 1934, to obtain best execution and will consider such relevant factors as:
- Price;
  - The custodian's facilities, reliability, and financial responsibility;
  - The ability of the custodian to effect transactions, particularly regarding such aspects as timing, order size and execution of order;
  - The research and related brokerage services provided by such custodian to us, notwithstanding that the account may not be the direct or exclusive beneficiary of such services; and
  - Any other factors that we consider to be relevant.

### Item 13 – Review of Accounts

- A** Accounts are reviewed by W. Ray Sagner, CFP®, who is responsible for overseeing all investment advisory activities on a regular basis.
- B** We work with families to address various aspects of family wealth management including estate planning. Factors reviewed with a client on an as-needed basis include changes in a client’s estate plan to provide for charitable interests and/or philanthropic activities.
- C** Frequency and content of reporting will vary with the needs and desires of the client. We prepare financial plans/estate plans on a project basis only.

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

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

### Item 15 – Custody

We do not have custody of the assets in the account and 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.

### Item 16 – Investment Discretion

As referenced in Item 4, upon execution and signing of an Investment Advisory Agreement, TLG manages client accounts and assets on a non-discretionary basis. This means that TLG has no authority to execute its investment recommendations without obtaining the Client's prior approval. Accordingly, all transactions made in a client's account are made in accordance with the directions and preferences provided to us by the client. We are then able to implement those trades in the clients' account. Client's grant us the ability to trade in their account by way of a limited power of attorney document signed with the applicable custodian of their account.

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

As a matter of firm policy and practice, TLG does not have any authority to and does not vote proxies on behalf of Clients. Client(s) retain the responsibility for receiving and voting proxies for all securities maintained in Client(s) portfolios. TLG may provide advice to Client(s) regarding the voting of proxies.

**Item 18 – Financial Information**

- A** Under no circumstances will The Legacy Group, Ltd solicit or require prepayment of more than \$ 500, six months or more in advance, from any Client for advisory services.
- B** We do not have custody of Client’s funds or securities, nor do we manage Client assets on a discretionary basis, therefore this Item is not applicable to our firm.
- C** We have never been the subject of a bankruptcy proceeding.

### Item 19 – Requirements for State-Registered Advisers

- A** The owner of The Legacy Group is Ray Sagner. Mr. Sagner performs investment advisory services on behalf of Legacy for Clients. Mr. Sagner is also responsible for the day-to-day management and operations of the firm. Mr. Sagner’s education and background are separately detailed in Part 2B, Item 2 (below).
- B** Please see item 10.
- C** The Legacy Group does not receive performance-based fees.
- D** Mr. Sagner, nor anybody associated with The Legacy Group, has ever been the subject of any claims or liability in a civil, self-regulatory or administrative proceeding involving any investment or investment-related business activity or, any dishonest, unfair, or unethical practices.
- E** The Legacy Group does not have a relationship or arrangements with any issuer of securities; therefore, we have no information to disclose applicable to this Item



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The Legacy Group, Ltd.

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January 14, 2022

This brochure supplement provides information about W. Ray Sagner, CFP® professional, individual CRD No. 2980131, Investment Advisor Representative of The Legacy Group, Ltd.

We require any supervised person involved in the practice of giving investment advice or consulting to Clients to have at a minimum, a bachelor's degree from an accredited university. These persons must also pass appropriate licensing examinations and encouraged to seek continuing education opportunities available in the industry, including appropriate certifications or designations.

## Item 2 – Educational Background and Business Experience

**W. Ray Sagner, CFP®**

Born: 1958

### EDUCATION

Idaho State University, 1989-90, Master of Health Education  
Certified Financial Planning designation – January 2003

### BUSINESS

1/13 to Present: Investment Advisor Representative and President of The Legacy Group, Ltd.  
1/03 to 1/13: Investment Advisor Representative for The Legacy Group, Ltd.  
11/00 to 1/03: Financial Advisor, Morgan Stanley  
5/98 to 11/00: Investment Representative for US Bank/US Bancorp Investments  
9/93 to 5/98: President, R & S Sandwiches, Inc.

**CERTIFIED FINANCIAL PLANNER™, CFP®** and federally registered CFP (with a flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (CFP Board).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined are necessary for the competent and professional delivery of financial planning services and attain a bachelor’s degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning.
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances.
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and

- Ethics – Agree to be bound by the CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The *Standards* prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to the CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

### Item 3 – Disciplinary Information

I have not been subject to any legal or disciplinary proceedings which would be considered material (or otherwise) to a client’s evaluation of me or any of the services The Legacy Group, Ltd provides.

### Item 4 – Other Business Activities

See Item 10 of ADV Part 2A.

### Item 5 – Additional Compensation

I do not receive additional compensation or economic benefit for providing advisory services.

### Item 6 – Supervision

I am responsible for the services and advice provided to certain clients of The Legacy Group, LTD. And I am responsible for investment policies, forms, and procedures for those clients to whom we act as primary advisor and firm contact. I am responsible for supervising the day-to-day operations and responsible for the management of the firm. I serve as Chief Compliance Officer.

### Item 7 – Requirements for State-Registered Advisers

I have never been subject to any arbitration claim or any other proceedings (civil, self-regulatory organization or administrative) related to investments, fraud, theft, bribery or dishonest, unfair, or unethical practices. I have never been the subject of any bankruptcy petition.

THE LEGACY GROUP, LTD  
PART 2B OF FORM ADV – SUPPLEMENTAL BROCHURE

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