

# Item 1: Cover Page



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Form ADV Part 2A – Firm Brochure

02/20/2024

This Brochure provides information about the qualifications and business practices of Unleashed Financial, LLC. If you have any questions about the contents of this Brochure, please contact us at (425) 954-6781. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Unleashed Financial, LLC is registered as an Investment Adviser with the State of Washington. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about Unleashed Financial, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) which can be found using the firm's identification number 182522.

## Item 2: Material Changes

Since our last annual filing of this Brochure dated January 6, 2023, the following changes have been made to this version of the disclosure brochure:

- Item 5 Financial Planning Hourly Fee increased from \$300 to \$330.
- The firm now offers Custodial Services through Altruist Financial, LLC. See Item 5 and Item 12 for further information.

## Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of Unleashed Financial, LLC.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov> by searching for our firm name or by our CRD number 182522.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (425) 954-6781.

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# Item 4: Advisory Business

## Description of Advisory Firm

Unleashed Financial, LLC (“Unleashed Financial” or “Advisor”) is registered as an Investment Adviser with the State of Washington. We are a limited liability company founded in March of 2015. Jason Preti is the principal owner of Unleashed Financial.

## Types of Advisory Services

### Wealth Management (Financial Planning & Investment Management Services)

This service involves working one-on-one with an advisor on an ongoing basis and paying an ongoing fee. Clients get continuous access to an advisor who will provide ongoing financial planning services, monitor the plan, and update the plan as needed.

We begin any new engagement with a thorough and in-depth review of client financial-related documentation to establish the client’s current circumstances. Clients will be required to provide detailed information and documentation to help us complete our analysis. We will use this information to build a plan for you and discuss with you the findings, analysis and recommended changes to your existing situation. Together we discuss a range of topics including net worth, cash flow, insurance, credit scores/reports, employee benefit, retirement planning, insurance, investments, college planning and estate planning (see ‘Financial Planning’ below for more details regarding each topic). Clients engaging in this service will receive periodic written reports providing the client with a detailed financial plan designed to achieve his/her/their stated financial goals and objectives.

If a follow up meeting is required, we will meet at the client's convenience. The plan and the client’s financial situation and goals will be monitored throughout the year and follow-up phone calls and emails will be made to the client to confirm that any agreed upon action steps have been carried out. On an annual basis there will be a full review of this plan to ensure its accuracy and ongoing appropriateness. Any needed updates will be implemented at that time.

At Client’s election, our firm also provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy or an investment plan with an asset allocation target and create and manage a portfolio based on that policy and allocation target. During our data-gathering process, we determine the client’s individual objectives, time horizons, risk tolerance, and liquidity needs. We may also review and discuss a client’s prior investment history, as well as family composition and background. Account supervision is guided by the

stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

## Investment Advisory Services

We also offer investment advisory services by recommending clients, where appropriate, to third-party money managers (“Outside Managers”) for portfolio management services. We assist clients in selecting an appropriate allocation model, completing the Outside Manager’s investor profile questionnaire, interacting with the Outside Manager and reviewing the Outside Manager. Our review process and analysis of outside managers is further discussed in Item 8 of this Form ADV Part 2A. Additionally, we will meet with the client on a periodic basis to discuss changes in their personal or financial situation, suitability, and any new or revised restrictions to be applied to the account.

Currently, Unleashed Financial recommends Betterment LLC (“Betterment”), a SEC-registered investment adviser. MTG LLC, dba Betterment Securities (“Betterment Securities”), a registered broker-dealer and member of FINRA and the SIPC, serves as broker-dealer and custodian. More information about Betterment Securities is found in Item 12 of this Brochure.

## Financial Planning

Financial planning is a comprehensive evaluation of a client’s current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. The key defining aspect of financial planning is that through the financial planning process, all questions, information and analysis will be considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service will receive periodic written reports. .

In general, the financial plan will address some or all of the following areas of concern. The client and advisor will work together to select the specific areas to cover, which will be detailed in your written advisory agreement with us. Examples of specific focus topics for financial planning may include, but are not limited to, the following:

- **Cash Flow and Debt Management:** We will conduct a review of your income and expenses to determine your current surplus or deficit and discuss the process of prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Discussions may also be held on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.
- **College Savings:** Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to

save the desired amount. Recommendations as to savings strategies are included, and, if needed, we will review your financial picture as it relates to eligibility for financial aid or the best way to contribute to grandchildren (if appropriate).

- Employee Benefits Optimization: We will provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits.
- Estate Planning: This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our commentary also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trusts. Please note, Jason Preti is not an Estate Attorney, and does not present himself as such.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time-to-time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

- Financial Goals: We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal.
- Insurance: Review of existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile. Jason Preti is not insurance licensed.
- Investment Analysis: This may involve developing an asset allocation strategy to meet clients' financial goals and risk tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.
- Retirement Planning: Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments). If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

- Risk Management: A risk management review includes an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long-term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance (“self-insuring”).
- Tax Planning Strategies: Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their “tax efficiency,” with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation.

Neither the Advisor nor its representative are accountants. We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

## Client Tailored Services and Client Imposed Restrictions

We offer the same suite of services to all of our clients. However, specific client financial plans and their implementation are dependent upon the client suitability questionnaire which outlines each client’s current situation (income, tax levels, and risk tolerance levels) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors by providing such requests in writing to the Advisor and upon the Advisor’s acceptance of such requests.

## Wrap Fee Programs

We do not participate in wrap fee programs.

## Assets under Management

As of December 31, 2023 Unleashed Financial has \$5,530,561 in discretionary and \$691,988 in non-discretionary assets under management.



## Item 5: Fees and Compensation

Please note, unless a client has received the firm's disclosure brochure at least 48 hours prior to signing the investment advisory contract, the investment advisory contract may be terminated by the client within five (5) business days of signing the contract without incurring any advisory fees without penalty. How we are paid depends on the type of advisory service we are performing. Please review the fee and compensation information below.

### Wealth Management (Financial Planning & Investment Management Services)

Our standard advisory fee is based on a percentage of assets under management and is negotiable. The annualized fees for investment management services are based on the following fee schedule:

Account Value	Annual Advisory Fee
\$0 - \$250,000	1.25%
\$250,001 - \$1,000,000	1.00%
\$1,000,001 - \$2,000,000	0.90%
\$2,000,001 - \$4,000,000	0.50%
\$4,000,001 and Above	0.25%

*\*\*Our minimum annual fees are as follows: Singles - \$5,000 per year, Couples - \$7,500 per year, which may be waived at the discretion of Unleashed Financial.*

The annual advisory fee is paid monthly in arrears. Depending on the custodian in which the Client's account is being held and managed through, fees will be calculated based on a period end value or based on the average daily balance over the billing period. The agreed upon fee calculation will be discussed and agreed upon in the Advisory Agreement. Legacy clients may be billed at a different fee schedule to honor prior commitments.

The advisory fee is a blended tier. For example, for assets under management of \$1,000,000, a Client would pay 1.25% on the first \$250,000 and 1.00% on the remaining balance. The monthly fee is determined by the following calculation:  $((\$250,000 \times 1.25\%) + (\$750,000 \times 1.00\%)) \div 12 = \$885.42$ .

In determining the advisory fee, we may allow accounts of members of the same household to be aggregated. Unleashed Financial relies on the valuation as provided by Client's custodian in determining assets under management. Our advisory fee is prorated for any partial billing periods occurring during the engagement, including the initial and terminating billing periods.

We deduct our advisory fee from one or more account(s) held at an unaffiliated third-party custodian, as directed by the Client. Please refer to Item 15 of this Brochure regarding our policy on direct fee deduction. Clients may also pay by electronic funds transfer (EFT) or check. We use an independent third party payment processor in which the Client can securely input their banking information and pay their fee. We do not have access to the Client's banking information at any time. The Client will be provided with their own secure portal in order to make payments.

The Advisory Contract may be terminated with written notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the Advisory Contract. Clients will be responsible for payment of fees up to the date of termination. Fees for this service will not exceed 2% of assets under management with Unleashed Financial.

## Investment Advisory Services

When Unleashed Financial directs clients to Outside Managers, the Outside Manager will debit the client's account for the advisory fee, and will remit Unleashed Financial's portion of the fee to Unleashed Financial. The standard advisory fee is based on the market value of the account and is calculated as follows:

Account Value	Betterment Management Fee	Advisory Fee	Total Annual Advisory Fee
\$0 - \$1,000,000	0.20%	0.50%	0.70%
\$1,000,001 - \$2,000,000	0.20%	0.40%	0.60%
\$2,000,001 and Above	0.20%	Negotiable	Negotiable

An annualized asset-based fee of 0.20% (20 basis points) will be charged to the Client's account(s) by Betterment. At the end of each 3-month period (a "quarter"), the value of the Account shall be determined by calculating the average daily balance in the Account over the preceding quarter. Our firm will assess a fee beginning at 0.50% for our consultation service, which we will describe to you in your engagement agreement with our firm. Note that we do not share in the outside manager's advisory fee. Our fee is separate and in addition to their compensation. At no point will the Client be charged a combined fee greater than 2%.

The annual fees are negotiable and paid in arrears on a quarterly basis.

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee based on the amount of time remaining in the billing period. An account may be terminated with written

notice at least 30 calendar days in advance. Since fees are paid in arrears, no refund will be needed upon termination of the account.

## Financial Planning Hourly Fee

Financial Planning fee is an hourly rate of \$330.00. The fee may be negotiable in certain cases and is due at the completion of the engagement. In the event the Client terminates the Client Agreement prior to the completion of the plan, any fees for the hours already worked but not yet billed, will be due and payable. Upon termination, any completed deliverables of the plan will be provided to the Client.

## Invoices

In all instances, the client will receive a written invoice, including the fee, the formula used to calculate the fee, the fee calculation itself, the time period covered by the fee, and, if applicable, the amount of assets under management on which the fee was based. The invoice will include the name of the custodian(s) and any fee arrangements with third party investment advisers. The client will receive the invoice when any request for advisory fees are deducted from the Client's account(s). We urge the client to compare this information with the fees listed in the account statement.

## Other Types of Fees and Expenses

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as custodial fees, 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. Mutual fund and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that we consider in selecting or recommending broker-dealers for client's transactions and determining the reasonableness of their compensation (e.g., commissions).

We do not accept compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds.

## Item 6: Performance-Based Fees and Side-By-Side Management

We do not charge performance-based fees or participate in side-by-side management.

## Item 7: Types of Clients

We provide financial planning and investment management services to individuals and high net-worth individuals.

Our minimum account size requirement is \$150,000. This minimum can be waived at Unleashed Financial's discretion. Our minimum annual fee for Wealth Management Services is Singles - \$5,000 per year, Couples - \$7,500 per year.

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

Our primary methods of investment analysis are fundamental, technical and passive investment management.

### Fundamental Analysis

Fundamental analysis involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience, and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

### Technical Analysis

Technical analysis involves using chart patterns, momentum, volume, and relative strength in an effort to pick sectors that may outperform market indices. However, there is no assurance of accurate forecasts or that trends will develop in the markets we follow. In the past, there have been periods without discernible trends and similar periods will presumably occur in the future.

Even where major trends develop, outside factors like government intervention could potentially shorten them.

Furthermore, one limitation of technical analysis is that it requires price movement data, which can translate into price trends sufficient to dictate a market entry or exit decision. In a trendless or erratic market, a technical method may fail to identify trends requiring action. In addition, technical methods may overreact to minor price movements, establishing positions contrary to overall price trends, which may result in losses.

Finally, a technical trading method may underperform other trading methods when fundamental factors dominate price moves within a given market.

## Strategic Asset Allocation

In the portfolio construction process, we focus not only on asset classes such as equities, fixed income, and cash, but also on investment strategy styles such as fundamental, quantitative, active, and passive. We believe that diversification across both asset classes and investment strategies is critical for achieving an attractive reward-to-risk ratio in the portfolio. We employ both strategic and tactical asset allocation approaches. Through strategic asset allocation, we construct our long-term target weights for asset classes and strategies based on the client's time horizon, risk tolerance, and required rate of return to meet his or her financial goals. Through tactical asset allocation approaches, we may deviate from target long-term weights established according to our strategic asset allocation approach within tolerance ranges based on our return expectations for asset classes and investment strategies at a given point in the market cycle.

## Passive Investment Management

We primarily practice passive investment management. Passive investing involves building portfolios that are composed of various distinct asset classes. The asset classes are weighted in a manner to achieve a desired relationship between correlation, risk and return. Funds that passively capture the returns of the desired asset classes are placed in the portfolio. The funds that are used to build passive portfolios are typically index mutual funds or exchange traded funds.

Passive investment management is characterized by low portfolio expenses (i.e. the funds inside the portfolio have low internal costs), minimal trading costs (due to infrequent trading activity), and relative tax efficiency (because the funds inside the portfolio are tax efficient and turnover inside the portfolio is minimal).

In contrast, active management involves a single manager or managers who employ some method, strategy or technique to construct a portfolio that is intended to generate returns that

are greater than the broader market or a designated benchmark. Academic research indicates most active managers underperform the market.

## Use of Outside Managers

We refer clients to third-party investment advisers (“outside managers”). Our analysis of outside managers involves the examination of the experience, expertise, investment philosophies, and past performance of the outside managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions.

We monitor the manager’s underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager’s compliance and business enterprise risks. A risk of investing with an outside manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in an outside manager’s portfolio. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager’s daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

## Material Risks Involved

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment’s current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer’s operations or its financial condition.

**Strategy Risk:** The Advisor’s investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client’s portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage

commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable, or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

## Risks Associated with Securities

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of

return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Advisor has no control over the risks taken by the underlying funds in which client's invest.

## Item 9: Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Unleashed Financial or the integrity of our management. We have no information applicable to this Item.

## Item 10: Other Financial Industry Activities and Affiliations

No Unleashed Financial employee is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

No Unleashed Financial employee is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor.



Unleashed Financial does not have any related parties. As a result, we do not have a relationship with any related parties.

Unleashed Financial only receives compensation directly from clients. We do not receive compensation from any outside source. We do not have any conflicts of interest with any outside party.

## Recommendations or Selections of Other Investment Advisers

As referenced in Item 4 of this brochure, Unleashed Financial recommends clients to Outside Managers to manage their accounts. In the event that we recommend an Outside Manager, please note that we do not share in their advisory fee. Our fee is separate and in addition to their compensation (as noted in Item 5) and will be described to you prior to engagement.

You are not obligated, contractually or otherwise, to use the services of any Outside Manager we recommend. Additionally, Unleashed Financial will only recommend an Outside Manager who is properly licensed or registered as an investment adviser.

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

As a fiduciary, our firm and its associates have a duty of utmost good faith to act solely in the best interests of each client. Our clients entrust us with their funds and personal information, which in turn places a high standard on our conduct and integrity. Our fiduciary duty is a core aspect of our Code of Ethics and represents the expected basis of all of our dealings. The firm also adheres to the Code of Ethics and Professional Responsibility adopted by the CFP® Board of Standards Inc., and accepts the obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities.

This code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield associated persons from liability for personal trading or other conduct that violates a fiduciary duty to advisory clients. A summary of the Code of Ethics' Principles is outlined below.

- Integrity: Associated persons shall offer and provide professional services with integrity.
- Objectivity: Associated persons shall be objective in providing professional services to clients.

- **Competence:** Associated persons shall provide services to clients competently and maintain the necessary knowledge and skill to continue to do so in those areas in which they are engaged.
- **Fairness:** Associated persons shall perform professional services in a manner that is fair and reasonable to clients, principals, partners, and employers, and shall disclose conflict(s) of interest in providing such services.
- **Confidentiality:** Associated persons shall not disclose confidential client information without the specific consent of the client unless in response to proper legal process, or as required by law.
- **Professionalism:** Associated persons' conduct in all matters shall reflect credit of the profession.
- **Diligence:** Associated persons shall act diligently in providing professional services.

We will, upon request, promptly provide a complete code of ethics.

Neither our firm, its associated persons, or any related person is authorized to recommend to a Client or effect a transaction for a Client, involving any security in which our firm or a related person has a material financial interest, such as in the capacity as an underwriter, adviser to the issuer, principal transaction, among others.

Our firm and its "related persons" (associates, their immediate family members, etc.) may buy or sell securities the same as, similar to, or different from, those we recommend to clients for their accounts. A recommendation made to one client may be different in nature or in timing from a recommendation made to a different client. Clients often have different objectives and risk tolerances. At no time, however, will our firm or any related party receive preferential treatment over our clients.

In an effort to reduce or eliminate certain conflicts of interest involving the firm or personal trading, our policy may require that we restrict or prohibit associates' transactions in specific securities transactions. Any exceptions or trading pre-clearance must be approved by our Chief Compliance Officer in advance of the transaction in an account, and we maintain the required personal securities transaction records per regulation.

## Item 12: Brokerage Practices

### Factors Used to Select Custodians and/or Broker-Dealers

Unleashed Financial does not maintain custody of your assets that we manage. Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank.

For our Wealth Management clients, securities transactions are generally executed through Interactive Brokers, LLC. (“Interactive Brokers”), member FINRA/SIPC/NYSE. Interactive Brokers maintains custody of our clients’ assets. Unleashed Financial is not affiliated with or a related person of Interactive Brokers. As part of working with Interactive Brokers, we also work with Marsco Investment Corporation (“Marsco”). Marsco is a member of FINRA/SIPC and regulated by the SEC. Marsco is a fully disclosed introducing broker to Interactive Brokers. In addition, we utilize the technology solution, TradingFront. TradingFront is not an investment advisor or a custodian. TradingFront only provides technology solutions that help guide clients through the investment management process. Marsco and TradingFront are affiliated and under common control. Interactive Brokers is an indirect shareholder of TradingFront.

The commissions charged by Interactive Brokers are competitive with similarly situated retail broker-dealers offering the same variety of securities to clients. Clients are advised, however, that they may be able to effect transactions in securities through other broker-dealers at lower commission rates, particularly with respect to securities listed on a national securities exchange or in the over-the-counter market.

Unleashed Financial considers a number of factors prior to recommending a particular broker-dealer to our clients, including but not limited to, their familiarity with the securities to be sold or purchased, their execution skills, order-flow capabilities, their commission rates or other fee schedules, their custodial services, their level of net capital (financial strength) and excess SIPC and other insurance coverage.

Unleashed Financial also offers investment advisory services via our Wealth Management Services through the custodial platform offered by Altruist Financial LLC, an unaffiliated SEC-registered broker-dealer and FINRA/SIPC member (“Altruist”). Altruist provides our firm and our Clients with no commissions on orders executed through Altruist, fully digital account opening process, the variety of available investments, and integration with software tools that can benefit Unleashed Financial and our Clients.

Investment advisory clients will have their assets held at MTG, LLC dba Betterment Securities (“Betterment Securities”), a registered broker-dealer, member SIPC. We are independently owned and operated and are not affiliated with Betterment Securities. Betterment Securities is responsible for execution of securities transactions and maintains custody of customer assets. Betterment Securities exercises no discretion in determining if and when trades are placed; it places trades only at the direction of Betterment. Clients should understand that the appointment of Betterment Securities as the broker for their accounts held at Betterment may result in their receiving less favorable trade executions than may be available through the use of broker-dealers that are not affiliated with Betterment. If your Clients do not wish to place assets with or execute trades through Betterment Securities, then Betterment cannot manage your Client accounts on the Betterment for Advisors platform.

Additional information regarding Interactive Brokers, Marsco, or Betterment Securities can be found on FINRA’s BrokerCheck at <https://brokercheck.finra.org/>.

## Research and Other Soft-Dollar Benefits

Unleashed Financial does not have any soft-dollar arrangements with custodians whereby soft-dollar credits, used to purchase products and services, are earned directly in proportion to the amount of commissions paid by a Client. However, as a result of being on their institutional platform, Interactive Brokers and/or Altruist Financial, LLC may provide us with certain services that may benefit us.

Interactive Brokers offers products or services other than execution that assist our firm in managing and administering client accounts. These may include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), facilitate payment of our fees from clients' accounts, and assist with back office functions, record keeping and client reporting. These services may be used to service all or a substantial number of client accounts, including accounts not maintained at Interactive Brokers.

Unleashed Financial may also receive services from Interactive Brokers or its affiliates that are intended to help our firm manage and further develop our business. These services may include website design and technology support. Interactive Brokers also has arrangements with various product vendors, which enable our firm to purchase their products at a discount.

These products may include such items as: client reporting and consolidated statement software; client communication software; client relationship management software; compliance assistance; and investment research.

Unleashed Financial does not participate in any commission-sharing arrangements or receive soft dollar credits. While the benefits we receive from Interactive Brokers do not depend on the amount of brokerage transactions directed to Interactive Brokers, as a fiduciary we are required to disclose that there is an inherent conflict of interest when our firm recommends that clients maintain their assets at Interactive Brokers. These recommendations may be based in part on the benefits we receive from Interactive Brokers, such as the availability of the above mentioned products and services, and not solely on our clients' interest in receiving the most favorable execution. Nonetheless, we seek to ensure that the securities transactions effected for our clients represent the best qualitative execution, not just the lowest possible cost.

Although the brokerage commissions and/or transaction fees charged by Interactive Brokers may be higher or lower than those charged by other broker-dealers, in seeking best execution for our clients our firm strives to ensure that our clients pay brokerage commissions and/or transactions fees which we have determined, in good faith, to be reasonable in relation to the value of the brokerage and other services provided by Interactive Brokers.

Betterment Securities serves as broker-dealer to Betterment For Advisors, an investment and advice platform serving independent investment advisory firms like us ("Betterment For Advisors"). Betterment For Advisors also makes available various support services which may not be available to Betterment's retail customers. Some of those services help us manage or

administer our Clients' accounts, while others help us manage and grow our business. Betterment For Advisors' support services are generally available on an unsolicited basis (we don't have to request them) and at no charge to us. Following is a more detailed description of Betterment For Advisors' support services:

1. **SERVICES THAT BENEFIT YOU.** Betterment For Advisors includes access to a range of investment products, execution of securities transactions, and custody of Client assets through Betterment Securities. Betterment Securities' services described in this paragraph generally benefit you and your account.
2. **SERVICES THAT MAY NOT DIRECTLY BENEFIT YOU.** Betterment For Advisors also makes available to us other products and services that benefit us, but may not directly benefit you or your account. These products and services assist us in managing and administering our Clients' accounts, such as software and technology that may:
  - a. Assist with back-office functions, recordkeeping, and Client reporting of our Clients' accounts.
  - b. Provide access to Client account data (such as duplicate trade confirmations and account statements).
  - c. Provide pricing and other market data.
  - d. Assist with back-office functions, recordkeeping, and Client reporting.
3. **SERVICES THAT GENERALLY BENEFIT ONLY US.** By using Betterment For Advisors, we will be offered other services intended to help us manage and further develop our business enterprise. These services include:
  - a. Educational conferences and events.
  - b. Consulting on technology, compliance, legal, and business needs.
  - c. Publications and conferences on practice management and business succession.

The availability of these services from Betterment For Advisors benefits us because we do not have to produce or purchase them. In addition, we don't have to pay for Betterment Securities' services. These services may be contingent upon us committing a certain amount of business to Betterment Securities in assets in custody. We may have an incentive to recommend that you maintain your account with Betterment Securities, based on our interest in receiving Betterment For Advisors and Betterment Securities' services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Betterment Securities as custodian and broker is in the best interests of our Clients. Our selection is primarily supported by the scope, quality, and price of Betterment Securities' services and not Betterment For Advisors and Betterment Securities' services that benefit only us.

## Brokerage for Client Referrals

We receive no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## Clients Directing Which Broker/Dealer/Custodian to Use

We do recommend a specific custodian for clients to use, however, clients may custody their assets at a custodian of their choice. Clients may also direct us to use a specific broker-dealer to execute transactions. By allowing clients to choose a specific custodian, we may be unable to achieve most favorable execution of client transactions and this may cost clients money over using a lower-cost custodian.

## Aggregating (Block) Trading for Multiple Client Accounts

Outside Managers used by Unleashed Financial may block client trades at their discretion. Their specific practices are further discussed in their ADV Part 2A, Item 12.

Investment advisers may elect to purchase or sell the same securities for several clients at approximately the same time when they believe such action may prove advantageous to clients. This process is referred to as aggregating orders, batch trading or block trading. For investment management accounts, where appropriate, we combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as “block trading”). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner.

The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion, regarding particular circumstances and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

## Item 13: Review of Accounts

Client accounts with the Wealth Management service will be reviewed regularly on a quarterly basis by Jason Preti, President and CCO. The account is reviewed with regards to the client’s investment policies and risk tolerance levels.

Events that may trigger a special review would be unusual market activity, addition or deletions of client imposed restrictions, excessive draw-down, or buy and sell decisions from the firm or per client’s needs.

Clients will receive trade confirmations from the broker(s) for each transaction in their accounts as well as monthly or quarterly statements and annual tax reporting statements from their

custodian showing all activity in the accounts, such as receipt of dividends and interest. Unleashed Financial will not provide additional account statements or performance reports in addition to what is provided by the Client's custodian.

## Item 14: Client Referrals and Other Compensation

Except as disclosed in Item 12 above, we do not receive any economic benefit, directly or indirectly from any third party for advice rendered to our clients.

Unleashed Financial may enter into solicitation agreements pursuant to which it compensates third-party intermediaries for client referrals that result in the provision of investment advisory services by Unleashed Financial. Unleashed Financial will disclose these solicitation arrangements to affected investors, and any cash solicitation agreements will comply with Rule 206(4)-3 under the Advisers Act. Solicitors introducing clients to Unleashed Financial may receive compensation from Unleashed Financial, such as a retainer, a flat fee per referral and/or a percentage of the investment management fee. Such compensation will be paid pursuant to a written agreement with the solicitor and generally may be terminated by either party from time to time. The cost of any such fees will be borne entirely by Unleashed Financial and not by any affected client. Under the Securities Act of Washington, the Unleashed Financial will ensure that solicitors that receive a fee for client referrals are registered or exempt from registration as investment advisers or investment adviser representatives.

## Item 15: Custody

Unleashed Financial does not accept custody of client funds. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements or reports that we may provide to you.

For Client accounts in which Unleashed Financial directly debits our advisory fee:

- i. The Client will provide written authorization to Unleashed Financial, permitting Unleashed Financial to be paid directly for their accounts held by the custodian.
- ii. Each time a fee is directly deducted from your client's account, Unleashed Financial must concurrently:
  - a. Send the qualified custodian notice of the amount of the fee to be deducted from the client's account; and
  - b. Send the client an invoice itemizing the fee. Itemization includes the formula used to calculate the fee, the fee calculation itself, the amount of assets under management the fee is based on, the time period covered by the fee. It must

include the name of the custodian(s) on the fee invoice and any fees charged by a third-party investment adviser.

## Item 16: Investment Discretion

For those client accounts where we provide investment management services, we maintain discretion over client accounts with respect to securities to be bought and sold and the amount of securities to be bought and sold. Investment discretion is explained to clients in detail when an advisory relationship has commenced. At the start of the advisory relationship, the client will execute a Limited Power of Attorney which will grant our firm discretion over the account. Additionally, the discretionary relationship will be outlined in the advisory contract and signed by the client. Clients may limit our discretion by requesting restrictions placed on their account(s). However, approval of such requests are at the firm's sole discretion.

For accounts held at Betterment Securities, Betterment uses algorithms to advise clients and manage their accounts. These algorithms are developed, overseen, and monitored by Betterment's investment advisory personnel. To use Betterment's investment services, Clients and/or Unleashed Financial informs Betterment of a Client's financial goals and personal information through Betterment's online applications, and Betterment's algorithm then recommends and builds a portfolio of exchange traded funds for each of the client's financial goals and account types.

Each portfolio is associated with a target allocation of investment types and/or asset classes but you can modify Betterment's initial allocation recommendation as you see fit. In the absence of a contrary direction, Betterment periodically rebalances client portfolios so that in the face of fluctuating market prices each Client's portfolio remains within a range of the target allocation. Betterment also offers optional tax loss harvesting and automated asset location services.

## Item 17: Voting Client Securities

We do not vote Client proxies. Therefore, Clients maintain exclusive responsibility for: (1) voting proxies, and (2) acting on corporate actions pertaining to the Client's investment assets. The Client shall instruct the Client's qualified custodian to forward to the Client copies of all proxies and shareholder communications relating to the Client's investment assets. If the client would like our opinion on a particular proxy vote, they may contact us at the number listed on the cover of this brochure.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward you any electronic solicitation to vote proxies.



## Item 18: Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and we have not been the subject of a bankruptcy proceeding.

We do not have custody of client funds or securities or require or solicit prepayment of more than \$500 in fees per client six months in advance.

# Item 19: Requirements for State-Registered Advisers

Jason Preti

Born: 1971

## Educational Background

- 2008 – Certificate in Financial Planning, University of Washington
- 2007 – B.S., Business Administration, Central Washington University

## Business Experience

- 03/2015 – Present, Unleashed Financial, LLC, President and CCO
- 01/2011 – 06/2014, Coldstream Capital, Associate Advisor
- 04/2009 – 01/2011, Appropriate Balance Financial Services, Financial Planner
- 06/2007 – 04/2009, Terwedo Financial Services, Research / Planning Assistant

## Professional Designations, Licensing & Exams

**CFP (Certified Financial Planner)®:** CFP certificants must have a minimum of three years' workplace experience in financial planning and develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study approved by CFP Board. They must pass a comprehensive two-day, 10-hour CFP® Certification Examination that tests their ability to apply financial planning knowledge in an integrated format. As a final step to certification, CFP practitioners agree to abide by a strict code of professional conduct.

## Other Business Activities

No outside business activities.

## Performance-Based Fees

Neither Unleashed Financial nor Jason Preti is compensated by performance-based fees.

## Material Disciplinary Disclosures

No management person at Unleashed Financial, LLC has ever been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding.

## Material Relationships That Management Persons Have With Issuers of Securities

Unleashed Financial, LLC, nor Jason Preti, have any relationship or arrangement with issuers of securities.

## Additional Compensation

Jason Preti does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Unleashed Financial.

## Supervision

Jason Preti, as President and Chief Compliance Officer of Unleashed Financial, is responsible for supervision. He may be contacted at the phone number on the cover page of this Brochure.

## Requirements for State Registered Advisers

Jason Preti has NOT been involved in an arbitration, civil proceeding, self-regulatory proceeding, administrative proceeding, or a bankruptcy petition.