

**Blue Summit Financial Group, Inc.  
d/b/a Blue Summit Wealth Management**

**9001 Grossmont Blvd, Suite #718  
La Mesa, CA 91941**

**Telephone: (619) 698-4330  
Facsimile: (619) 698-0430**

**[www.bluesummitwealth.com](http://www.bluesummitwealth.com)**

**FORM ADV PART 2A  
BROCHURE**

**January 22, 2024**

This Brochure provides information about the qualifications and business practices of Blue Summit Wealth Management. If you have any questions about the contents of this Brochure, please contact us at 9001 Grossmont Blvd. #718 La Mesa, CA 91941 or (619) 698-4330. 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.

Blue Summit Wealth Management is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Blue Summit Wealth Management also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable CRD number for Blue Summit Wealth is: 148782.

## Item 2 Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

The material changes in this brochure from the last annual updating amendment of Blue Summit Wealth Management on 01/23/2023 are described below. Material changes relate to Blue Summit Wealth Management's policies, practices or conflicts of interests.

- Blue Summit Wealth Management updated Item 14 to disclose its relationship with IFI Network.

You may request a current copy of this document by contacting the Service Team at Blue Summit Wealth Management at (619) 698-4330 or [service@bluesummitwealth.com](mailto:service@bluesummitwealth.com). Our Brochure is also available on our web site [www.bluesummitwealth.com](http://www.bluesummitwealth.com) free of charge.

Additional information about of Blue Summit Wealth Management is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Blue Summit Wealth Management who are registered, or are required to be registered, as investment adviser representatives of Blue Summit Wealth Management.

### Item 3 Table of Contents

Item 2 Material Changes .....	2
Item 3 Table of Contents.....	3
Item 4 Advisory Business.....	4
Item 5 Fees and Compensation .....	8
Item 6 Performance-Based Fees and Side-By-Side Management .....	11
Item 7 Types of Clients .....	11
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss .....	11
Item 9 Disciplinary Information .....	15
Item 10 Other Financial Industry Activities and Affiliations .....	15
Item 11 Code of Ethics.....	16
Item 12 Brokerage Practices.....	18
Item 13 Review of Accounts.....	19
Item 14 Client Referrals and Other Compensation .....	19
Item 15 Custody.....	20
Item 16 Investment Discretion.....	20
Item 17 Voting Client Securities .....	20
Item 18 Financial Information .....	21
Additional Information .....	21

## Item 4 Advisory Business

### Description of Firm

Blue Summit Financial Group, Inc. doing business as Blue Summit Wealth Management ("Blue Summit Wealth Management") is a registered investment adviser primarily based in La Mesa, CA. Blue Summit Wealth Management has been incorporated in the State of California since January 2006, and previously did business as Seid Financial (2000), and Judith L. Seid, Financial Consultant (1994).

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Blue Summit Wealth Management and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

### **A. Financial Planning - Scope of Services**

We offer financial planning services which typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. These services can range from broad-based financial planning to consultative or single subject planning. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

Pursuant to California Code of Regulations, 10 CCR Section 260.235.2, Blue Summit Wealth Management hereby makes the following statement: in the context of providing financial planning services, a conflict exists between the interest of Blue Summit Wealth Management and the interests of the client. This conflict exists because as part of its financial plan, a client can be advised to engage us for portfolio management services which will provide additional income to our firm. Further, the client is under no obligation to act upon Blue Summit Wealth Management recommendations, and if the client elects to act on any of the recommendations, the client is under no obligation to affect the transactions through Blue Summit Wealth Management and always has the right to implement any investment advice at any financial institution of their choosing.

All material conflicts of interest under CCR Section 260.238 (k) are disclosed regarding the investment adviser, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

While the firm endeavor at all times to offer clients its specialized services at reasonable costs, the fees charged by other advisers for comparable services may be lower than the fees charged by Blue Summit Wealth Management.

## B. The Blue Summit Experience

Blue Summit Wealth Management has developed "The Blue Summit Experience" in order to lead our clients through the process of goal identification, analysis of client's current financial situation and development of recommendations that will assist client in meeting their long term personal and financial goals. This may include lifetime cash flow projections taking into consideration all expected sources of income and assets, life goals, planned expenses, cash flow needs, inflation, and taxes. Clients are then provided with a total portfolio recommendation to include investments, insurance, tax planning, & estate planning recommendations. Updates of client's financial plan are provided on an annual basis. Coordination with client's tax & estate planning professionals is provided, if needed.

***"Our heart-felt commitment to putting our clients' needs first drives our high-level, professional approach to financial services."***



The following areas are analyzed during the "Blue Summit Experience"

- Lifestyle & Life Goals
- Retirement Planning Objectives
- Real Estate Analysis
- Cash Flow Needs
- Transition Planning
- Retirement Account Analysis
- College Funding
- Inheritance Planning
- Risk Tolerance Analysis
- Investment Planning & Recommendations
- Life Insurance Needs Analysis
- Long Term Care Insurance Needs
- Risk Management Review
- Tax Planning
- Estate Planning

Clients who request a comprehensive financial plan are provided a written plan that may include a personal balance sheet and lifetime cash flow and other projections. Because financial plans are by their nature forward looking, some assumptions and projections of these assumptions such as inflation or the estimated life of a client must be made. Blue Summit Wealth Management, does not forecast, project or guarantee performance of investments. All reports, financial statement projections and analyses are intended exclusively for the clients use in developing and implementing their financial

plan. In view of this limited purpose, the statements should not be considered complete financial statements. It is likely that there will be differences between projected and actual results because events vary, and circumstances frequently do not occur as expected and such differences may be material.

The financial plan assumptions and reports are primarily a tool to alert clients to certain possibilities. The reports are not intended to nor do they provide any guaranty about future events including an individual's investment returns. The implementation of the plan is solely the client's responsibility and at the clients' discretion. Similar services may be available from other providers for more or less than the fees charged by Blue Summit Wealth Management. Clients always have the right to implement any investment advice at any financial institution of their choosing.

A financial planning engagement letter is signed by both client and advisor at the start of the agreed upon work. Blue Summit Wealth Management does not provide any ongoing oversight or management of financial plans, strategies, assets or investments. The financial planning engagement may provide for an annual (or otherwise agreed upon and indicated time period) periodic review and update of the plan.

In addition, Blue Summit Wealth Management provides pension consulting services. Depending on the needs of the client and size of the business, this may include advising business owners on the selection of pension plan options such as 401k, SEP, Simple, or other plan types. As well, Blue Summit Wealth Management may provide educational meetings for employees and plan participants to assist in understanding their retirement plan choices. This is normally provided on an annual or semi-annual basis, or as agreed upon by advisor and client. This may include education on asset allocation, risk vs. return, plan overview, vesting, matching contributions, Roth vs. Traditional contributions, loan provisions, and online account access among others topics.

#### Blue Summit Portfolio Management Services

Clients choosing Blue Summit Wealth Management to provide ongoing portfolio management services enter into a written Investment Advisory Agreement, where Blue Summit Wealth Management and our investment adviser representatives provide portfolio management services on a continuous and ongoing basis guided by the individual needs of the client. Using the information provided by you, the investment advice and recommendations are tailored to your individual situation. We regularly inquire about, and you are responsible for providing updated information about your investment goals, time horizon, and risk tolerance.

We use a third-party platform to facilitate management of held away assets such as defined contribution plan participant accounts, with discretion. The platform allows us to avoid being considered to have custody of Client funds since we do not have direct access to Client log-in credentials to affect trades. We are not affiliated with the platform in any way and receive no compensation from them for using their platform. A link will be provided to the Client allowing them to connect an account(s) to the platform. Once Client account(s) is connected to the platform, Adviser will review the current account allocations. When deemed necessary, Adviser will rebalance the account considering client investment goals and risk tolerance, and any change in allocations will consider current economic and market trends. The goal is to improve account performance over time, minimize loss during difficult markets, and manage internal fees that harm account performance. Client account(s) will be reviewed at least quarterly and allocation changes will be made as deemed necessary.

### **Pension Consulting Services**

We offer pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested by the plan sponsor or named fiduciary. In general, these services may include an existing plan review and analysis, plan-level advice regarding fund selection and investment options, education services to plan participants, investment performance monitoring, and/or ongoing consulting. These pension consulting services will generally be non-discretionary and advisory in nature. The ultimate decision to act on behalf of the plan shall remain with the plan sponsor or other named fiduciary.

We may also assist with participant enrollment meetings and provide investment-related educational seminars to plan participants on such topics as:

- Diversification
- Asset allocation
- Risk tolerance
- Time horizon

Our educational seminars may include other investment-related topics specific to the particular plan.

We may also provide additional types of pension consulting services to plans on an individually negotiated basis. All services, whether discussed above or customized for the plan based upon requirements from the plan fiduciaries (which may include additional plan-level or participant-level services) shall be detailed in a written agreement and be consistent with the parameters set forth in the plan documents.

### **Written Acknowledgement of Fiduciary Status**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest 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 financial 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 interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

### **Wrap Fee Programs**

We do not participate in any wrap fee program.

### **Assets Under Management**

As of December 2023, we provide continuous management services for \$ 171,993,779.00 in client assets on a discretionary basis.

## Item 5 Fees and Compensation

### Portfolio Management Services

Our annual fee for portfolio management services is a maximum of 1.5% depending upon the market value of your assets under our management, the type and complexity of the asset management services provided, as well as the level of administration requested either directly or assumed by the client. Assets in each of your account(s) are included in the fee assessment unless specifically identified in writing for exclusion.

The annual fee for our portfolio management services is billed quarterly, in arrears, based on the value of the account on the last business day of the quarter. If the management agreement does not span the entire quarterly billing period, the fee will be prorated based on the number of days the account is open during the billing period. Your account custodian will send client statements, at least quarterly, showing all disbursements for the account including the amount of the advisory fee, if deducted directly from the account. We urge you to review your account statements to verify the accuracy of the fee calculation as the account custodian will not determine whether the fee has been properly calculated. See Brokerage Practices (Item 12) in this brochure for more information about your account custodian(s).

If the portfolio management agreement is executed at any time other than the first day of a calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts disbursed from your account including the amount of the advisory fee paid directly to our firm.

You may terminate the Investment Advisory Agreement without fee or penalty by providing written notice to Blue Summit Wealth Management within five (5) business days from our execution of the agreement. Thereafter, either party may terminate the Investment Advisory Agreement by providing written notice.

Fees may either be paid by check or deducted from client account, as agreed upon by client. Depending on client's situation and needs, fees may be negotiable. When providing portfolio management services Blue Summit Financial Advisors, there may be account management fees, mutual fund fees and/or custody fees. For non-discretionary accounts, clients are not required to implement the advice given by us. If clients choose to implement any advice we provide, they are not required to implement it through us or our representatives. Fees and/or commissions from investment products are the primary source of advisor compensation. Advisor will not collect both asset-based advisory fees and commission-based fees for the same investment.

Different types of investments carry different fee structures. These fees are discussed further in Item 8 as well as fully discussed with clients in advance of any investment being made and fully disclosed in prospectus and/or account service agreements used in conjunction with setting up these accounts.



## **Financial Planning Services**

Blue Summit Wealth Management may calculate its fee for financial planning services on an hourly basis at \$275 per hour or as a fixed fee to be agreed upon with the client in a written agreement before work is performed. Fixed fees normally range from \$3,500 to over \$10,000 depending upon the complexity of the engagement. If a down payment is collected and the engagement is terminated before completion, any collected but yet unearned fees will be promptly refunded to the client on a pro rata basis. Lower fees for comparable services may be available from other sources.

We will not require prepayment of a fee more than six months in advance and in excess of \$500.

At our discretion, we may offset our financial planning fees to the extent you implement the financial plan through our Portfolio Management Service.

You may terminate the financial planning agreement upon Written notice to our firm. If you have pre-paid financial planning fees that we have not yet earned, you will receive a prorated refund of those fees based on the number of hours or percentage of work completed. If financial planning fees are payable in arrears, you will be responsible for a prorated fee based on services performed prior to termination of the financial planning agreement.

## **Pension Consulting Services (not offered to Colorado or Arizona clients)**

Our advisory fees for these customized services will be negotiated with the plan sponsor or named fiduciary on a case-by-case basis.

You may terminate the pension consulting services agreement upon Written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

## **Valuation of Publicly Traded Securities**

Publicly traded securities in your account(s) managed by us are held at the custodian that we recommend, but is ultimately chosen by you. We use the securities valuation provided by the independent qualified custodian for reporting and billing purposes. Publicly traded securities are usually valued as of the end of business on the last trading day of the calendar quarter.

## **Investment Company Fees**

Investment company funds (e.g., mutual funds or ETFs) that are held by you will bear their own internal transaction and execution costs, as well as directly compensate their investment managers along with internal administrative services. Some funds pay 12b-1 fees, distribution fees, and/or shareholder service fees to broker-dealers that offer investment company funds to their clients. These fees affect the net asset value of the fund shares and are indirectly borne by fund shareholders such as you.

Some fund companies have imposed a redemption fee. A redemption fee is another type of fee that some funds charge their shareholders when shares are sold or redeemed within a short period of time from the purchase of the fund shares. Although a redemption fee is deducted from redemption proceeds just like a deferred sales load, it is not considered to be a sales load. Unlike a sales load, which is generally used to compensate brokers, a redemption fee is typically used to defray fund costs associated with a shareholder's redemption and is paid directly to the fund, not to a broker. The SEC generally limits redemption fees to 2%. In most cases, the funds will use the "first-in, first-out" (FIFO) method to determine the holding period. Under this method, the date of the redemption will be compared with the earliest purchase date of shares held in the account. While it is not the general

practice of Blue Summit Wealth Management to sell client's securities in a period that would generate a redemption fee we might do so if we believe the sale is in your best interests, or if fund shares must be redeemed to pay fees from the account.

A complete explanation of these charges is contained in the Prospectus and Statement of Additional Information for each investment company fund. You can get a prospectus through the investment company website, by telephone, or by mail.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

### **Other Types of Fees and Expenses**

In addition to the investment advisory fees you pay to us, you will pay transaction fees (commissions) to your custodian or broker-dealer for executing securities transactions and charges for special services elected by you or us. These fees may include:

- periodic distribution fees
- electronic fund and wire transfer fees
- certificate delivery fees
- reorganization fees
- account transfer fees (outbound)
- returned check fees
- international security transfer fees
- overnight mail and check fees
- Rule 144 transfer fees
- transfer agent fees

This list is not meant to be all inclusive. Any fee on a special service incurred by the client will be fully disclosed. Please refer to Item 12 of this document for an explanation of our brokerage practices.

### **State of California Required Disclosures**

While our firm endeavors at all times to offer clients specialized services at reasonable costs, the fees charged by other investments advisers for comparable services may be lower than the fees charged by our firm.

### **Compensation for the Sale of Securities or Other Investment Products**

The owners of Blue Summit Wealth Management and its Investment Advisor Representatives are also licensed as insurance agents. During the course of providing services to a client, they may recommend that you purchase, sell, or hold an insurance product. Our investment advisor representatives, when acting as insurance agents, will receive compensation usually based upon the size (premium amount) and/or type of insurance product. The receipt of the fees and commissions creates a financial incentive

for the investment advisor representatives to recommend one investment choice or insurance product over another. This incentive creates a conflict of interest between you and Blue Summit Wealth Management where the investment advisor representatives has an incentive to recommend investment products based on the compensation received, rather than on your needs. You acknowledge that the investment advisor representatives will receive payment in addition to any investment advisory or financial planning fee(s) paid by you. To address these conflicts, we review the costs and expenses associated with investments selected for, or recommended to, you to assure that the costs incurred are reasonable with respect to the services provided. You are under no obligation, contractually or otherwise, to purchase any insurance products through any person affiliated with our firm. Clients have the right to purchase insurance products from the insurance agent of your choice.

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

Blue Summit Wealth Management does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). We do not participate in side-by-side management, which is the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

Blue Summit Wealth Management's clients include, but are not limited to the following: individuals, high net worth individuals, inheritors, qualified and non-qualified accounts, corporate accounts, private trusts, private fiduciaries, pension and profit-sharing plans, charitable institutions, foundations, & endowments.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to manage effectively.

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

When we select individual investments in a Blue Summit Managed Portfolio for a client we use both qualitative and quantitative criteria. We begin with a broad universe of mutual funds that employ social and environmental criteria in their investment process, we use a scoring methodology to rank funds based on a number of criteria including their performance, expenses, manager tenure, and inception date of the fund. Funds are regularly reviewed to assure they meet a minimum threshold in order to maintain a position in the portfolio. Investing in securities involves risk of loss that clients should be prepared to bear.

### **Socially Responsible Investing**

Sustainable Investing, also called Socially Responsible Investing (SRI), incorporates the fact that there are two impacts to your investments. Your investments are working for you financially as well as helping support the companies you invest in. Through working with third party money managers with SRI portfolios, who may also engage in shareholder activism, and by also promoting community investing, we are committed to assisting investors in promoting sustainable business practices while earning competitive returns.

Blue Summit Wealth Management advisors actively recommend Socially Responsible Investing (SRI) for our clients. We believe that by investing in companies with positive practices and products and by avoiding investment in irresponsible companies, investors can achieve market rate returns.

Our clients include those that are looking to use the power of financial investments to create sustainable social change.

#### General Risks to Investing

Investing is not without risk and involves the risk of loss of principal which you should be prepared to bear. We use several strategies to try to reduce risk, including diversifying a portfolio across multiple asset classes and monitoring the portfolio and the markets for changes in fundamentals. Despite these strategies, historical evidence clearly shows that every asset class has experienced severe declines in value sometimes sustained over many years throughout several periods of time in history. In addition, each of our strategies to minimize risk may not achieve that goal as the benefits of diversification decline if asset classes become more correlated. As with any investment, you could lose all or part of your investments managed by Blue Summit Wealth Management, and your account's performance could trail that of other investments. Securities in your portfolio(s) or in underlying investments such as mutual funds may underperform in comparison to the general securities markets or other asset classes.

#### **Our Methods of Analysis and Investment Strategies**

We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

**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 and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

**Risk:** 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.

**Modern Portfolio Theory** - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

**Risk:** Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

**Long-Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

**Risk:** Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Our investment strategies and advice may vary depending upon each client's specific financial

situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio. **It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.**

### **Tax Considerations**

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Custodians and broker-dealers must report the cost basis of equities acquired in client accounts. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

### **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

### **Other Risk Considerations**

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive but should be considered carefully by a prospective client before retaining our services.

**Liquidity Risk:** The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price, or it may not be possible to sell the investment at all.

**Credit Risk:** Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

**Inflation and Interest Rate Risk:** Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

**Horizon and Longevity Risk:** The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for

people who are retired or are nearing retirement.

### **Recommendation of Particular Types of Securities**

We primarily recommend Mutual Fund. However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

**Money Market Funds:** A money market fund is technically a security. The fund managers attempt to keep the share price constant at \$1/share. However, there is no guarantee that the share price will stay at \$1/share. If the share price goes down, you can lose some or all of your principal. The U.S. Securities and Exchange Commission ("SEC") notes that "While investor losses in money market funds have been rare, they are possible." In return for this risk, you should earn a greater return on your cash than you would expect from a Federal Deposit Insurance Corporation ("FDIC") insured savings account (money market funds are not FDIC insured). Next, money market fund rates are variable. In other words, you do not know how much you will earn on your investment next month. The rate could go up or go down. If it goes up, that may result in a positive outcome. However, if it goes down and you earn less than you expected to earn, you may end up needing more cash. Another risk you are taking with money market funds has to do with inflation. Because money market funds are considered to be safer than other investments like stocks, long-term average returns on money market funds tends to be less than long term average returns on riskier investments. Over long periods of time, inflation can eat away at your returns.

**Certificates of Deposit:** Certificates of deposit are generally the safest type of investment since they are insured by the federal government up to a certain amount. However, because the returns are can be lower than other types of investments, it is possible for inflation to outpace the return. Likewise, U.S. government securities are backed by the full faith and credit of the U.S. government, but it is also possible for the rate of inflation to exceed the returns.

**Municipal Securities:** Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

**Bonds:** Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

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

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

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of the its Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

**Real Estate Investment Trust:** A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends. Any REITs placed in clients' portfolios would either be exchange-listed or open-ended mutual funds.

## Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

## Item 10 Other Financial Industry Activities and Affiliations

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker.
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund).
3. other investment adviser or financial planner.
4. futures commission merchant, commodity pool operator, or commodity trading advisor.
5. banking or thrift institution.
6. accountant or accounting firm.
7. lawyer or law firm.
8. insurance company or agency.
9. pension consultant.
10. real estate broker or dealer.
11. sponsor or syndicator of limited partnerships.

Ms. Seid is an Investment Advisor Representative of Blue Summit Wealth Management.

Ms. Seid is a licensed life and health insurance agent with the State of California. She is licensed as an independent agent and therefore is able business with many different insurance companies and may sell insurance products to the client if recommended in a financial plan or requested client. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to make recommendations for the purpose of generating commissions and that are not in your best interests rather than solely based on your needs. Clients always have the right to purchase insurance products from the insurance agent of their choice.

Mr. Seid is a captain at Abso Corp.

As discussed in Item 4, Advisory Services, Blue Summit Wealth Management may be used to implement financial recommendations made in the financial planning process. These may include, among others the use of stocks, bonds, fixed and variable annuities, mutual funds, real estate investment trusts, public direct participation programs, life insurance, and long term care insurance.

Associated persons of the firm may purchase or sell personally for her own account the same mutual fund shares that they recommend for Clients in her role as investment advisor representative of Blue Summit Wealth Management, however, we do not buy or sell other securities that we also recommend to advisory clients. In order to address the conflicts of interest that arise in connection with such transactions related to purchases or sales in the same mutual funds, Blue Summit Wealth Management monitors the securities trading activities of all of its advisory employees which includes a quarterly review by Ms. Seid or her designee of reports of trading activities by associated persons on a quarterly basis.

## **Item 11 Code of Ethics**

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.



Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **GENERAL PRINCIPLES:**

Blue Summit Wealth Management as a Registered Investment Advisor and all Investment Advisory Representatives of the firm are fiduciaries and thereby have the responsibility to provide professional judgment, ongoing and unbiased investment advice, and proper care when dealing with their clients. All communication with the public should reflect integrity and be conducted in an ethical manner. As fiduciaries, Blue Summit Wealth Management and its Investment Advisory Representatives recognize that their clients deserve a duty:

- of honesty and fair dealing and that their interests come first. Blue Summit Wealth Management and its Investment Advisory Representatives must at all times put the best interests of the clients ahead of their own interests,
- that in all personal securities transactions, any actual or potential conflicts of interest must be avoided. At all times the advisor's position of trust and responsibility must not be abused,
- that information concerning their identity of security holdings and financial characteristics as well as their personal information, is confidential and will be protected and guarded,
- that IARs will not take inappropriate advantage of their positions,
- of independent professional judgment in the investment decision-making process.

Additionally, Blue Summit Wealth Management's ethics & values include the following:

- ☐ Respect: We nurture and maintain a culture of respect in all we do.
- ☐ Commitment to Quality: We provide high quality consulting services and investment choices and specialized assistance to each client.
- ☐ Integrity: We operate in a fiscally as well as a socially responsible manner, proactively promoting ethical behavior among professional peers and within our wider communities.
- ☐ Professional Education: We continually work to maintain and improve our professional knowledge and competence. We refer our clients to appropriate professionals when their needs go beyond our knowledge and skills.
- ☐ Privacy and Confidentiality: We respect the confidentiality of any information acquired in the course of our work, and we do not disclose such information to others, except as authorized or when otherwise legally obligated to do so. We do not use confidential information acquired in the course of our work for any personal advantage.
- ☐ Business Conduct: Conduct business with uncompromising integrity and professionalism

And these are also values that guide our actions everyday:

- ☐ Take pride in our work
- ☐ Pay attention to detail
- ☐ Make it easy to work with us
- ☐ Make and meet commitments
- ☐ Work as a team with respect and trust for each other
- ☐ Strive to execute flawlessly
- ☐ Listen and respond to our clients
- ☐ Have sensitivity to client's concerns
- ☐ Always act with client's best interest in mind
- ☐ Give back to the community

Blue Summit Wealth Management anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which advisors at Blue Summit Wealth Management, has management authority to effect, and will recommend to investment advisory clients

or prospective clients, the purchase or sale of securities in which Blue Summit Wealth Management its affiliates and/or clients, directly or indirectly, have a position of interest.

Blue Summit Wealth Management's employees and persons associated with Blue Summit Wealth Management are required to follow Blue Summit Wealth Management's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Blue Summit Wealth Management and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Blue Summit Wealth Management's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Blue Summit Wealth Management will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. It is Blue Summit Wealth Management's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Blue Summit Wealth Management will also not cross trades between client accounts. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Blue Summit Wealth Management and its clients.

#### **Participation or Interest in Client Transactions**

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Item 12 Brokerage Practices**

Blue Summit Wealth Management will recommend brokerage firms/custodians to be used in connection with securities transactions for a client's account. In placing such securities transactions, Blue Summit Wealth Management will use its best efforts to obtain prompt execution of transactions at favorable prices and at commissions that are reasonable in relation to the benefits received. While you are free to choose any broker-dealer or other service provider as your custodian, we recommend that you establish an account with a brokerage firm with which we have an existing relationship. Such relationships may include benefits provided to our firm, including but not limited to market information and administrative services that help our firm manage your account(s). We believe that the recommended broker-dealers provide quality execution services for our clients at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by recommended broker-dealers, including the value of the firm's reputation, execution capabilities, commission rates, the frequency of failed trades and ability to work with Blue Summit Wealth Management's Operation Department to resolve problems and responsiveness to our clients and our firm. In recognition of the value of the services recommended broker-dealers provide, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

#### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

#### **Economic Benefits**

As a registered investment adviser, we have access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or other brokerage firm. These products are in addition to any benefits or research we pay for with soft dollars, and may include financial publications, information about particular companies and industries, research software, and other products or services that provide lawful and appropriate

assistance to our firm in the performance of our investment decision-making responsibilities. Such research products and services are provided to all investment advisers that utilize the institutional services platforms of these firms, and are not considered to be paid for with soft dollars. However, you should be aware that the commissions charged by a particular broker for a particular transaction or set of transactions may be greater than the amounts another broker who did not provide research services or products might charge.

In some situations, we primarily recommend our clients use Pershing LLC as their account custodian. Blue Summit Wealth Management is not affiliated with Pershing LLC. Pershing LLC does not supervise Blue Summit Wealth Management or its employees.

### **Directed Brokerage Block Trades**

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading") because we invest solely in Mutual Funds which do not trade in blocks.

## **Item 13 Review of Accounts**

Allen Trim, Partner & CCO, will monitor your accounts on an ongoing basis and will conduct account reviews at least weekly, to ensure the advisory services provided to you are consistent with your investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals,
- year-end tax planning,
- market moving events,
- security specific events, and/or,
- changes in your risk/return objectives.

The individuals conducting reviews may vary from time to time, as personnel join or leave our firm.

We will not provide you with regular written reports. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Robert Seid, will review financial plans as needed, depending on the arrangements made with you at the inception of your advisory relationship to ensure that the advice provided is consistent with your investment needs and objectives. Generally, we will contact you periodically to determine whether any updates may be needed based on changes in your circumstances. Changed circumstances may include, but are not limited to marriage, divorce, birth, death, inheritance, lawsuit, retirement, job loss and/or disability, among others. We recommend meeting with you at least annually to review and update your plan if needed. Additional reviews will be conducted upon your request. Such reviews and updates may be subject to our then current hourly rate. We will not provide regular written reports for financial planning and consulting services. If you implement financial planning advice, you will receive trade confirmations and monthly or quarterly statements from relevant custodians.

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

As disclosed under the *Fees and Compensation* section in this brochure, persons providing investment advice on behalf of our firm are licensed insurance agents. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the *Fees and Compensation* section.

Refer to the *Brokerage Practices* section above for disclosures on research and other benefits we may receive resulting from our relationship with your account custodian.

Blue Summit makes available cash management solutions that are sponsored by IFI Network. Blue Summit earns a referral fee from IFI Network if their clients participate in their program. Advisor firm's referral fee is 37.6 bps. The interest rate clients receive from the IFI Network program are net of all fees, including the fee to the advisor firm. Blue Summit will assist clients in the on-boarding and ongoing account maintenance that is associated with the IFI Network program.

## **Item 15 Custody**

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Blue Summit Wealth Management urges our clients to carefully review such statements for accuracy. Reports provided by Blue Summit Wealth Management may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Blue Summit recommends its clients to use Pershing as its custodian. The custodian chosen by our clients does not oversee our actions or activities. We are not affiliated with any custodian we recommend. The custodian does not supervise our firm, its agents or activities.

## **Item 16 Investment Discretion**

If you chose Blue Summit Wealth Management to provide ongoing supervision and management of your account, (a Blue Summit Managed Portfolio) you grant Blue Summit Wealth Management a limited power of attorney to select, purchase, or sell securities without obtaining your specific consent within the account(s) you have under our management. The limited powers of attorney are granted in the written Investment Advisory Agreement entered into between us. There are no restrictions upon the securities that may be purchased, sold, or held in your account unless you provide these restrictions to us in writing. For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

In their individual capacity as investment advisor representatives of Blue Summit Wealth Management, advisers may receive discretionary authority from the client for account management provided. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

## **Item 17 Voting Client Securities**

Blue Summit Wealth Management recognizes that socially conscious investors have dual objectives. In addition to economic gain, our clients are concerned with good corporate governance, the ethical behavior of corporations, and the impact of corporate actions on a healthy society and the natural environment that supports it.

When a third-party money manager provides ongoing day to day management of Client accounts, the third-party money manager will provide proxy voting services. Blue Summit Wealth Management does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Blue Summit Wealth Management may provide advice to clients regarding their voting of proxies. 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 any electronic solicitations to vote proxies.

If the investment account is for a pension or other employee benefit plan governed by ERISA, you direct us not to vote proxies for securities held in the account, because the right to vote such proxies is expressly reserved for you or your plan fiduciary not Blue Summit Wealth Management. If an outside third-party advisor is managing all or a portion of your investments, they will vote proxies for investments they manage.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.

Blue Summit Wealth Management has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

## **Additional Information**

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

### **IRA Rollover Considerations**

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. 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 agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. 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.

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:

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.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 70.5.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
  - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.