

## Client Relationship Summary – February 7, 2024

### Pacific Heights Asset Management, LLC

Pacific Heights Asset Management, LLC (“Pacific Heights”) is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”). Investment advisory and brokerage services and fees are different, and it is important for you to understand those differences. Free and simple tools are available to research firms and financial professionals at <https://www.Investor.gov/CRS>, which also provides educational materials about broker-dealers, investment advisers, and investing.

Throughout this document, you will find “Conversation Starters.” These are questions you may want to ask your financial professional in connection with the services you are seeking.<sup>1</sup>

#### What investment services and advice can you provide me?

Pacific Heights offers proprietary model portfolios to other investment advisers and financial intermediaries (each, a “Financial Intermediary” as a model provider). As a retail investor client of a Financial Intermediary, you contract with the Financial Intermediary for investment management services, and the Financial Intermediary in turn may use one or more Pacific Heights model portfolios, asset allocation strategies and buy/sell signals to manage your account. You and your Financial Intermediary determine if the strategy and programs you select are appropriate for your financial situation and investment objectives. You should review the brochures for your Financial Intermediary’s programs for more information.

We offer only non-discretionary investment advisory services to Financial Intermediaries, who may utilize Pacific Heights’ model portfolios to provide advisory services to retail investors. Our model portfolios include recommendations with respect to various asset classes including, stocks, precious metals, cash, foreign currencies, U.S. and non-U.S. government or agency bonds, investment grade and non-investment grade corporate bonds and preferred stocks of any maturity or duration. Investments may consist of direct investment in the securities of issuers, or in pooled investment products such as mutual funds (including index funds) and exchange-traded funds, and such investments may be publicly or privately traded.

As a model portfolio provider, Pacific Heights does not monitor your retail investor account; please review the terms of your agreement with your Financial Intermediary for more information about how they monitor your account. Pacific Heights monitors and reviews its model portfolios periodically and provides updates to the model portfolios to your Financial Intermediary as necessary and as agreed with your Financial Intermediary.

Account minimums and other requirements vary depending on the strategy and program you select with your Financial Intermediary; please refer to your Financial Intermediary’s program brochure.

**You may find additional information about our services in our Form ADV, Part 2A brochure (Items 4 and 7).** Please visit <https://adviserinfo.sec.gov/firm/brochure/124365> where you can view Pacific Heights’ complete Part 2A brochure.

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<sup>1</sup> This disclosure is provided to comply with the SEC’s Form CRS disclosure requirements and those under the Investment Advisers Act of 1940. It does not create or modify any agreement, relationship or obligation between Pacific Heights Asset Management, LLC. and you (or your financial professional). Please consult the agreement with your Financial Intermediary for all terms and conditions controlling your account and relationship with your Financial Intermediary. For purposes of Form CRS, “retail investor” is defined as “a natural person or legal representative of such natural person, who seeks to receive or receives services primarily for personal, family or household purposes.”

**Conversation Starters.** Ask your financial professional—

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

### What fees will I pay?

For model portfolio programs, you typically pay a fee to your Financial Intermediary as sponsor of the program for its and/or its affiliates' advisory and other services as the sponsor. Pacific Heights receives a portion of the asset-based fee charged by your Financial Intermediary in the form of a Model Portfolio Provider fee from the Financial Intermediary. Please see your Financial Intermediary's Form CRS and Form ADV Part 2A for more information about the particular program's fee structure, other fees and costs you may incur, and related conflicts.

All fees paid to Pacific Heights for its model portfolio services and fees paid to Financial Intermediaries for their advisory services, are separate and distinct from the fees and expenses charged by mutual funds or exchange-traded funds that are included in a model portfolio. These fees and expenses are described in each investment product's individual Prospectus or other disclosure document.

Your Financial Intermediary, and in turn Pacific Heights, are paid based on the assets you invest in accounts advised by the Financial Intermediary. Thus, the more assets there are in your account, the more you will pay in fees; therefore, your Financial Intermediary has an incentive to encourage you to increase the assets in your account or in the model portfolio strategy.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. You may find additional information about our fees and costs in our Form ADV, Part 2A brochure (Item 5).**

Please visit <https://adviserinfo.sec.gov/firm/brochure/124365> where you can view Pacific Heights' complete Part 2A brochure.

**Conversation Starter.** Ask your financial professional—

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

### What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we earn fees creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means.

- Some advisers may include affiliated mutual funds in their model portfolios; in this case, the advisers have an incentive to recommend or invest in affiliated funds because of the additional fees they earn in connection with the management of those affiliated funds. This is an example of a potential conflict of interest. Currently, Pacific Heights does not include affiliated mutual funds in its model portfolios.

**Conversation Starter.** Ask your financial professional—

- How might your conflicts of interest affect me, and how will you address them?

**For additional information on our conflicts of interest,** please see Item 11 of Pacific Heights’ Part 2A brochure, which can be found at <https://adviserinfo.sec.gov/firm/brochure/124365>.

### **How do your financial professionals make money?**

Pacific Heights pays its investment teams a base salary and a bonus. Bonuses are discretionary and are based on the financial professional’s personal performance. We consider factors such as investment performance, maintaining client relationships, and compliance with our rules. Please consult with your Financial Intermediary or its representatives to find out how the financial professional who advises you about the model portfolios makes money.

### **Do you or your financial professionals have legal or disciplinary history?**

No. Visit <https://www.Investor.gov/CRS> for a free and simple search tool to research us and our financial professionals.

**Conversation Starter.** Ask your financial professional—

- As a financial professional, do you have any disciplinary history? For what type of conduct?

### **Additional Information**

**For additional information about our investment advisory services, please visit the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). If you would like additional information or to request an up-to-date copy of this document, you may call us at 415-398-8000.**

**Conversation Starter.** Ask your financial professional—

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?