

Important Client Information Regarding Summit Financial, LLC

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. Summit Financial, LLC. ("Summit"), is a registered investment adviser and provides advisory services, including financial planning and asset management, but does not provide any brokerage accounts or services. Your Wealth Manager may offer to provide both advisory or brokerage services, but if he/she provides the latter, it will be through Purshe Kaplan Sterling Investments ("PKS") and Summit will not be involved in that service. Regulators view investment advisers as providing ongoing advisory services to "clients" while brokerage firms facilitate the buying and selling of securities and investment products for transactional "customers". The information discussed below can help you understand the role that Summit plays in connection with the various services you may obtain from your Wealth Manager.

INVESTMENT ADVISORY SERVICES

An investment adviser is a person or company that is paid for providing advice about investments, including securities, to their clients. The client-facing personnel who work for investment advisers are typically referred to as Investment Adviser Representatives ("IARs"). An investment adviser is registered with either the SEC or a state securities regulator, depending on the amount of assets under management it has. Summit is a Registered Investment Adviser ("RIA"), registered with the SEC. This registration does not imply a certain level of skill or training.

Investment advisory services include financial planning, investment advice, asset allocation and management and investment consulting. When advisory services are provided to you, Summit and your Wealth Manager have a fiduciary duty for the duration of the delivery of those services, to assess if the services are appropriate based on your individual goals, objectives, time horizon, risk tolerance, liquidity needs, investment assets and income ("financial circumstances").

When acting as an IAR, your Wealth Manager is providing services through Summit and is getting compensated for providing ongoing advice and continuous monitoring of your portfolio and consistency of the investment strategy as related to your financial circumstances. The particular advisory program you select may also include trading or custody, but the primary aspects of the advisory relationship are the advice and monitoring. When trading of securities is provided as part of the advisory relationship, the actual trading is done through a brokerage firm that is unaffiliated with Summit.

BROKERAGE SERVICES

While many people use the word 'broker' to generically describe someone who handles stock transactions, the securities laws define a broker as a person or company that is in the business of buying and selling securities—stocks, bonds, mutual funds, variable annuities and other investment products —on behalf of its customers (as broker), for its own account (as dealer), or both. The sales personnel who work for broker-dealers are technically known as Registered Representatives ("RRs"). Most broker-dealers must register with the Securities and Exchange Commission ("SEC") and be a member of the Financial Industry Regulatory Authority ("FINRA").

Brokerage services generally include buying and selling securities as well as "back office functions" such as execution and settlement of securities transactions and custodial services. In a brokerage

relationship, you typically pay commissions (or mark ups) for trades. Sometimes, the brokerage firm and RR receive payments, such as sales loads, trails and 12(b)-1 fees, from third-parties instead of or in addition to commissions/mark ups paid directly by you. Unlike investment advisers in which advice is the cornerstone of the relationship, any advice provided in brokerage relationships is considered to be incidental to the sale of securities. Further, RRs do not have a regulatory obligation to provide ongoing investment advice on securities held in brokerage accounts.

SOME ADDITIONAL THINGS TO CONSIDER

Financial planning is an investment advisory activity. A financial plan may recommend, among other things, that you buy or sell particular securities, which is a brokerage activity, or enroll in particular advisory programs which will include buying and selling securities. This means that the development of the financial plan is done through Summit, but if you execute the plan through your Wealth Manager, the execution may be done through Summit, PKS, or both.

Whether a brokerage or advisory account is better depends on your particular circumstances. Accounts with little or no trading activity are less expensive in a brokerage relationship, although the particular asset allocation program and ongoing monitoring may not be available in a brokerage account. For fee and other important information, please refer to Summit's [Form ADV Brochure](#).