

Summit Financial Wealth Advisors, LLC

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June 19, 2020

FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Summit Financial Wealth Advisors, LLC. If you have any questions about the contents of this brochure contact us at 337-232-1141. The information in this brochure has not been approved or verified by United States Securities and Exchange Commission or by any state securities authority.

Additional information about Summit Financial Wealth Advisors, LLC is available on the SEC's website at www.advisorinfo.sec.gov.

Summit Financial Wealth Advisors, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply certain level of skill or training.

Item 2 Summary of Material Changes

As an SEC-registered investment adviser, we are required to provide our clients with a summary of any material changes to our ADV 2A brochure (the "Brochure") since the time of our last annual updating amendment and offer to provide the entire Brochure free of charge

Since the filing of our last annual updating amendment, dated February 28, 2019 we have made the following material changes to our Brochure.

- Under Item 12, we disclosed a client benefit agreement we entered into with Schwab in May 2019, where Schwab agreed to reimburse up to \$30,000 in transfer of account exit fees incurred by client accounts who transferred their accounts to Schwab from another custodian broker-dealer within the next 12 months.
- Under Item 14 - we will compensate solicitors for client referrals.

On June 19, 2020, we made the following material change to Part 2A:

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Client Solutions ("FCS"). Please see Item 10 for a fuller discussion of these services and other important information.

Clients are encouraged to read the Brochure in its entirety.

A free copy of our Brochure can be obtained by contacting us at 337-232-1141 or suzette@summit-financial.com. Additional information about us is available on the SEC's website at www.adviserinfo.sec.gov.

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Item 4 Advisory Business

Description of Services and Fees

Summit Financial Wealth Advisors, LLC ("Summit Financial," "we," "us" or the "Company") is a registered investment adviser with offices in Lafayette, Louisiana; Monroe, Louisiana; Shreveport, Louisiana and Ruston, Louisiana. Summit Financial succeeded to the advisory business of its predecessor, Summit Financial of Louisiana, Inc., which was originally founded in 2010.

Summit Financial is part of the Focus Financial Partners, LLC ("Focus LLC") partnership. Specifically, Summit Financial is a wholly-owned subsidiary of Focus Operating, LLC ("Focus Operating"), which is a wholly-owned subsidiary of Focus LLC. Focus Financial Partners Inc. ("Focus Inc.") is the sole managing member of Focus LLC and is a public company traded on the NASDAQ Global Select Market. Focus Inc. owns approximately two-thirds of the economic interests in Focus LLC.

Focus Inc. has no single 25% or greater shareholder. Focus Inc. is the managing member of Focus LLC and has 100% of its governance rights. Accordingly, all governance is through the voting rights and Board at Focus Inc. As of the end of 2019, investment vehicles affiliated with Stone Point Capital, LLC ("Stone Point") had a greater than 25% voting interest in Focus Inc., and Stone Point had the right to designate two of seven directors on the Focus Inc. Board. As of the end of 2019, investment vehicles affiliated with Kohlberg Kravis Roberts & Co. L.P. ("KKR") had a less than 25% voting interest in Focus Inc., and KKR had the right to designate one of seven directors on the Focus Inc. Board.

Focus LLC also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, business managers and other financial service firms (the "Focus Partners"), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed on their respective Form ADVs.

Our Management

We are managed by David R. Daniel, Todd F. Lambert, Michael E. Pharr and Suzette Broussard ("Summit Principals", pursuant to a management agreement between Southern Asset Management ("Management Company") and Summit Financial. The Summit Principals serve as officers of Summit Financial and are responsible for the management, supervision and oversight of Summit Financial.

The following paragraphs describe our services and fees. Please 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 Summit Financial Wealth Advisors, LLC and the words "you", "your" and "client" refer to you as either a client or prospective client of our Company. Also, you may see the term Associated Person throughout this brochure. As used in this brochure, our Associated Persons are our Company's officers, employees, and all individuals providing investment advice on behalf of our Company.

Portfolio Management Services

We offer discretionary portfolio management services. Our investment advice is tailored to meet your needs and investment objectives. If you retain us for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the "suitability information") at the beginning of our advisory relationship. We will use the suitability information we gather to develop a strategy that enables us to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our portfolio management services, we will customize an investment portfolio for you in accordance with your risk tolerance and investing objectives. Your portfolio is individually managed and may or may not be similar to another

client with the same objectives. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

If you participate in our discretionary portfolio management services, we require you to grant us discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with us, a power of attorney, or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing us with your restrictions and guidelines in writing. If you enter into non-discretionary arrangements, we must obtain your approval prior to executing any transactions on behalf of your account.

Our fee for portfolio management services is based on a percentage of the assets in your account and is set forth in the following annual fee schedule*:

Equity & Mutual Fund Fee Schedule

Assets Under Management	Annual Fee
First \$250,000	1.25%
Next \$750,000	1.00%
Over \$1,000,000	0.95%

Fixed Income Fee Schedule

Assets Under Management	Annual Fee
First \$250,000	0.65%
Over \$250,000	0.50%

*Certain existing or legacy clients may be charged under a different fee schedule and/or different billing cycles.

Our annual portfolio management fee is billed and payable, quarterly in advance, based on the average daily balance for the previous calendar quarter. 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 your individual circumstances.

We require a minimum account size of \$50,000 to open and maintain a portfolio management account. At our sole discretion, we may waive or lower such minimum. We also charge a minimum annual fee of \$500 per account. For clients utilizing the Schwab Intelligent Portfolio, the minimum account size is \$5,000 and the fee for this service is described below.

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 you have provided written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

You may terminate the portfolio management agreement upon 30-days' written notice. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the period 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.

Schwab Intelligent Portfolio - Automated Investment Platform

Using Schwab Intelligent Portfolios, the Schwab automated investment platform, we offer portfolio management in accordance with our proprietary portfolios with automated monitoring and rebalancing. Through an online enrollment process, you may open an account with as little as \$5,000 to invest. The annual fee for this service is .95% of assets invested in the portfolio payable quarterly in advance based on the average daily balance for the previous calendar quarter. Fees will be debited directly from your account. There are no additional transactions fee charged. You may terminate the service by closing your account with Schwab.

Wealth Management and Consulting Services

We offer wealth management and consulting services which typically involve providing a variety of advisory services to you regarding the management of their financial resources based upon an analysis of their individual needs. These services can range from broad-based wealth management to consultative or single subject planning. If you retain us for wealth management and consulting services, we will meet with you to gather information about your financial circumstances and objectives. We may also use wealth management 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 and the data derived from our wealth management 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 us if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our wealth management recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

We charge a fixed fee for wealth management services, which generally ranges between \$1,000 and \$40,000. The first half of the estimated fee is due in advance of services rendered with the remaining balance payable upon completion of the contracted services. The fee is negotiable depending upon the complexity and scope of the plan, your financial situation, and your objectives. We do not require you to pay fees six or more months in advance. Should the engagement last longer than six months between acceptance of wealth management agreement and delivery of the financial plan, any prepaid unearned fees will be promptly returned to you less a pro rata charge for bona fide wealth management services rendered to date.

We may also charge an hourly fee of \$150 to \$500 for wealth management consulting services and/ advice on a single subject, which is negotiable depending on the scope and complexity of the plan, your situation, and your financial objectives. An estimate of the total time/cost will be determined at the start of the advisory relationship. In limited circumstances, the cost/time could potentially exceed

the initial estimate. In such cases, we will notify you and request that you approve the additional fee. We require that you pay 50% of the fee in advance and the remaining portion upon the completion of the services rendered.

You may terminate the wealth management agreement upon 30-days' written notice. 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 services provided. If you have pre-paid wealth management fees that we have not yet earned, you will receive a prorated refund of those fees.

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

Pension Consulting and Portfolio Management Services

Summit Financial is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA") with respect to portfolio management services and investment advice provided to ERISA plan clients, including ERISA plan participants. Summit Financial is also a fiduciary under the Internal Revenue Code (the "IRC") with respect to portfolio management services and investment advice provided to ERISA plans, ERISA plan participants, IRAs and IRA owners (collectively "Retirement Account Clients").

We offer pension consulting services as a fiduciary to employee benefit plans under ERISA and their fiduciaries as an ERISA 3(21) investment advisor based upon the needs of the plan and the services requested by the plan sponsor or named fiduciary. In general, these services may include, preparation of an Investment Policy Statement, existing plan review and analysis, investment option search and recommendations, plan review and ongoing investment option monitoring and review, employee/participant education, assets allocation modeling in managed accounts or allocation of fund securities, and/or ongoing consulting. We do not have any discretionary authority with respect to the allocation of securities in the plan.

We may also provide non-fiduciary services to 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.

Our advisory fees for these customized services will be negotiated with the plan sponsor or named fiduciary on a case-by-case basis. Typically, we charge either a fixed fee ranging between \$1,000 and \$40,000 per year, or a fee based on a percentage of plan assets ranging from .25% to 1.25%. Fees are payable billed quarterly in arrears.

Either party to the pension consulting agreement may terminate the agreement upon written notice to the other party in accordance with the terms of the agreement for services. The pension consulting fees will be prorated for the quarter in which the termination notice is given and any unearned fees will be refunded to the client.

In addition, we provide portfolio management services as a fiduciary on a discretionary basis to certain ERISA plans as an ERISA 3(38) investment manager - meaning that we make investment management decisions in our sole discretion without the ERISA plan client's prior approval. These services are provided in accordance with a written portfolio management agreement, and the fees for these investment advisory services are consistent with the fee schedule shown in the Portfolio Management Services section above.

As a fiduciary under ERISA and the IRC, Summit Financial is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a "PTE").

Selection of Other Advisers

As part of our investment advisory services, we may recommend that you use the services of a third party money manager ("MM") to manage all, or a portion of, your investment portfolio. After gathering information about your financial situation and objectives, we may recommend that you engage a specific MM or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the MM's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the MM(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives.

Advisory fees charged by MMs are separate and apart from our advisory fees. We will charge a fee in addition to the MM fee. Advisory fees that you pay to the MM are established and payable in accordance with the brochure provided by each MM to whom you are referred. These fees may or may not be negotiable. You should review the recommended MM's brochure and take into consideration the MM's fees along with our fees to determine the total amount of fees associated with this program.

You will be required to sign an agreement directly with the recommended MM(s). You may terminate your advisory relationship with the MM according to the terms of your agreement with the MM. You should review each MM's brochure for specific information on how you may terminate your advisory relationship with the MM and how you may receive a refund, if applicable. You should contact the MM directly for questions regarding your advisory agreement with the MM.

Financial Solutions

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Client Solutions ("FCS"). Please see Item 10 for a fuller discussion of these services and other important information.

Wrap Fee Program(s)

We are a portfolio manager to and sponsor of a wrap fee program, which is a type of investment program that provides you with access to several money managers or mutual fund asset allocation models. If you participate in our wrap fee program, you will pay us a single fee for our investment advice, certain transaction costs, and custodial and administrative costs. We receive a portion of the

wrap fee for our services. The overall cost you will incur if you participate in our wrap fee program may be higher or lower than you might incur by separately purchasing the types of securities available in the program.

The wrap program fee that you pay to our firm for portfolio management services are separate and distinct from the advisory fees charged by third party money managers ("MM") (described in each MM brochure) and the fees expenses charged by mutual funds or exchanged traded funds (described in each prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. To full understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm and others.

Please Note: This program is not open to new clients. For more information concerning the Wrap Fee Program, see *Appendix 1* to this Brochure.

Types of Investments

We offer advice on equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, mutual funds, ETFs, US Government securities, pension and profit sharing plans, options contracts on securities, and interests in partnerships investing in real estate and oil and gas.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to us in writing.

Assets Under Management

As of December 31, 2019, we provide continuous management services for \$770,991,908 in client assets on a discretionary basis, and \$232,384,367 in client assets on a non-discretionary basis.

Item 5 Fees and Compensation

Please refer to the "Advisory Business" section in this brochure for information on our advisory fees, fee deduction arrangements, and refund policy according to each service we offer.

Additional Fees and Expenses

As part of our investment advisory services to you, we invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our Company 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, please refer to the "Brokerage Practices" section of this brochure.

Compensation for the Sale of Securities or Other Investment Products

Certain of our Company's advisory personnel are also registered representatives of Cetera Advisors Network, LLC, ("Cetera"), a securities broker-dealer that is not affiliated with Summit Financial, which clears through First Clearing (the trade name for Wells Fargo Clearing Services). The broker-dealer association enables them, in their capacity as registered representatives, to continue to receive trails and service accounts of clients they have advised since the time they were associated with the Wells Fargo Advisors network and allows those clients who so desire to keep their assets custodied at Wells Fargo. Some of these accounts are held by customers who are also advisory clients of our Company.

From accounts at Cetera, certain of the Company's personnel receive 12b-1 trails for legacy positions in annuity, variable insurance, 529 plans and C shares of mutual funds. They also receive brokerage compensation for any C shares of mutual funds purchased in brokerage accounts; and for purchases of bonds held in brokerage accounts. The receipt of brokerage compensation by advisory personnel presents a conflict of interest because registered representatives have an incentive to recommend securities transactions for the purpose of being compensated for product sales rather than solely based on a client's needs. The Company addresses these conflicts of interest through disclosure and by striving to act in clients' best interests. We seek to recommend brokerage transactions for brokerage customers who are also our advisory clients only when we believe that by doing so, the total cost to the client will be less than if the investment were held in an advisory account. Our Company's advisory personnel do not charge both advisory fees and brokerage compensation and advisory compensation on the same client assets (e.g., they do not "double dip").

Certain persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our Company who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our Company.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to 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. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* 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

We offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

In general, we require a minimum of \$50,000 to open and maintain an advisory account. At our discretion, we may waive this minimum account size. For example, we may waive the minimum if you appear to have significant potential for increasing your assets under our management.

For clients that utilize a Schwab Intelligent Portfolio account the minimum account size is \$5,000.

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

We invest assets in equity securities of individual companies, equity and fixed income mutual funds, ETFs and in individual bonds. We typically manage accounts in accordance with investment models we have designed to suit our clients' investment objectives, risk tolerance and account size. We have an investment committee which meets formally on approximately a quarterly basis, and more often as needed. The investment committee selects and approves the contents of our models.

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

- Charting Analysis - involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.
- 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.
- Technical Analysis - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- Cyclical Analysis - a type of technical analysis that involves evaluating recurring price patterns and trends.
- 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.
- Short Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- Margin Transactions - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.
- Option Writing - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.

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 horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

The risk of market timing based on technical analysis is that charts may not accurately predict future price movements. Current prices of securities may reflect all information known about the security and day to day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy. 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. The risk of cyclical analysis is that economic/business cycles may not be predictable and may have many fluctuations between long term

expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Long term purchases may also be affected by unforeseen long term changes in the company in which you are invested or in the overall market. Short term trading generally involves a greater degree of risk than long term trading due to market volatility over a short period of time.

We may use short-term trading (in general, selling securities within 30 days of purchasing the same securities) as an investment strategy when managing your account(s). Short-term trading is not a fundamental part of our overall investment strategy, but we may use this strategy occasionally when we determine that it is suitable given your stated investment objectives and tolerance for risk. However, frequent trading can negatively affect investment performance, particularly through increased brokerage and other transactional costs and taxes.

We may use margin transactions and option writing in limited circumstances when we determine that it is suitable given your stated investment objectives and tolerance for risk. However, engaging in these types of transactions are not a fundamental part of our overall investment strategy.

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.

Recommendation of Particular Types of Securities

Investing in equity securities generally involves becoming an owner in the issuer company and participating fully in its economic risks. The value of equity securities of public and private, listed and unlisted companies and equity derivatives generally varies with the performance of the issuer and movements in the equity markets. As a result, clients may suffer losses if they invest in equity instruments of issuers whose performance diverges from our expectations or if equity markets generally move in a single direction.

An issuer of bonds has agreed to return the face value of the security to the holder at maturity. Most bonds pay investors a fixed rate of interest income. While bonds are generally considered more conservative than equity investments, they carry risks that include the risk that the issuer will default on payment of principal, fluctuation in interest rates, inflation and counterparties' inability to meet contractual obligations.

The mutual funds, ETFs and third party money managers that the Company frequently invests client assets with or recommends to clients generally own securities and therefore also involve the risk of loss that is inherent in investing in securities of individual companies. The extent of the risk of ownership of fund shares generally depends on the type and number of securities held by the fund. Mutual funds are subject to the individual risks described in their prospectuses. For example, mutual funds invested in fixed income securities are subject to the same interest rate, inflation, and credit risks associated with the fund's underlying bond holdings. Risks also may be significantly increased if a mutual fund pursues an alternative investment strategy. An investment in an alternative mutual fund involves special risks such as risk associated with short sales, leveraging the investment, potential adverse market forces, regulatory changes, and potential illiquidity. Investing in alternative strategies presents the opportunity for significant losses. Returns on mutual fund investments are reduced by management fees and expenses. All mutual funds, including "no load" funds, incur transaction costs,

expenses, and other fees that are passed through by the mutual fund and ultimately paid by the fund shareholders. Generally, this information is referred to in the fund Prospectus, or in other information as may be requested or obtained from the fund, such as the fund's Statement of Additional Information (SAI). Mutual fund shares fluctuate in value, rising and falling in price depending on the performance of the underlying securities in the fund. The Net Asset Value ("NAV") of a mutual fund indicates its value or price per share.

An ETF's risks include declining value of the securities held by the ETF, adverse developments in the specific industry or sector that the ETF tracks, capital loss in geographically focused funds because of unfavorable fluctuation in currency exchange rates, differences in generally accepted accounting principles, or economic or political instability, tracking error, which is the difference between the return of the ETF and the return of its benchmark and trading at a premium or discount, meaning the difference between the ETF's market price and NAV. While ETFs may provide diversification, risks can be significantly increased for funds concentrated in a particular sector of the market, or that primarily invest in small cap or speculative companies, use leverage (i.e., borrow money), or concentrate in a particular type of security rather than balancing the fund with different types of securities. ETFs can be bought and sold throughout the day and their price can fluctuate throughout the day. During times of extreme market volatility, ETF pricing may lag versus the actual underlying asset values and there is no guarantee this relationship will resolve itself. ETFs also are subject to the individual risks described in their prospectus.

Although many mutual funds and ETFs may provide diversification, risks can be significantly increased if a mutual fund or ETF is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage to a significant degree, or concentrates in a particular type of security. One of the main advantages of mutual funds and ETFs is that they give individual investors access to professionally managed, diversified portfolios of equities, bonds and other securities.

Although the goal of diversification is to combine investments with different characteristics so that the risks inherent in any one investment can be balanced by assets that move in different cycles or respond to different market factors, diversification is not always successful in reducing correlation among asset classes and does not eliminate the risk of loss. In some circumstances, price movements may be highly correlated across securities and funds. A specific fund may not be diversified, and a client portfolio may not be diversified. Additionally, when diversification is a client objective, there is risk that the strategies that the Company uses may not be successful in achieving the desired level of diversification. There is also risk that the strategies, resources, and analytical methods that the Company uses to identify mutual funds and ETFs will not be successful in identifying investment opportunities.

Cybersecurity

The computer systems, networks and devices used by our Company and service providers to us and our clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach. Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or

additional compliance costs; as well as the inadvertent release of confidential information. Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

Third Party Money Managers ("MM")

We recommend certain third party money manager ("MM") to manage a portion of certain clients' assets. In these situations, we conduct due diligence of such managers, but the success of such recommendations relies to a great extent on the MMs' ability to successfully implement their investment strategies. In addition, we do not have the ability to supervise the MMs on a day-to-day basis.

Item 9 Disciplinary Information

Neither our firm nor any of our Associated Persons has any reportable disciplinary information.

Item 10 Other Financial Industry Activities and Affiliations

As noted above in response to Item 4, certain investment vehicles managed by Stone Point collectively are principal owners of Focus LLC and Focus Inc., and certain investment vehicles managed by KKR collectively are minority owners of Focus LLC and Focus Inc. Because Summit Financial is an indirect, wholly-owned subsidiary of Focus LLC and Focus Inc., the Stone Point and KKR investment vehicles are indirect owners of Summit Financial. None of Stone Point, KKR, or any of their affiliates participates in the management or investment recommendations of our business.

Focus Client Solutions

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Client Solutions ("FCS"), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. These third-party financial institutions are banks and non-banks (the Network Institutions") which offer credit and cash management solutions to our clients. Certain other unaffiliated third-parties provide administrative and settlement services to facilitate FCS's cash management solutions. FCS acts as an intermediary to facilitate our clients' access to these credit and cash management solutions.

FCS receives quarterly fees (the "Network Fees") from the Network Institutions and certain administrative services providers (the "Administrative Services Providers" and, together with the Network Institutions, the "Network Providers") in exchange for allowing them to participate in the FCS credit and cash management programs and thereby to offer their services to our clients. The Network Fees are substantial and are expected to change over time. Such fees are revenue for FCS and ultimately for our common parent company, Focus Financial Partners, LLC, but we do not share in such revenue. Accordingly, although we have a conflict of interest when recommending FCS's services to clients because of the compensation to our affiliates (FCS and Focus) we mitigate this conflict by: (1) disclosing the above arrangements to our clients; (2) offering FCS solutions to clients on a strictly nondiscretionary and fully disclosed basis, and not as part of any discretionary investment services; and (3) not sharing in any portion of FCS's revenue in exchange for successfully offering these credit and cash management products to our clients. Additionally, we note that clients who use FCS's services will receive robust product-specific disclosure from the Network Providers that provide such services to our clients.

Even if we do not retain a portion of the Network Fees attributable to our clients' use of FCS's services (which mitigates the conflict that would otherwise have arisen from our receipt of incremental revenue), FCS does retain the Network Fees and also indirectly benefits from our clients' use of the services insofar as such use incentivizes the Network Providers to maintain their relationship with FCS and to continue paying Network Fees to FCS. It also may support increases in the overall amount of the Network Fee rate in the future. In addition, our interest in continuing to receive investment advisory fees from client accounts gives us a financial incentive to recommend that clients borrow money rather than liquidating some or all of the and that creates a conflict of interest when we recommend FCS to provide credit solutions to our clients.

FCS Credit Solutions

For FCS credit solutions, the interest rate of the loan is ultimately dictated by the lender, although in some circumstances FCS may have the ability to influence the lender to lower the interest rate of the loan within certain parameters. The final rate may be higher or lower than the prevailing market rate. We can offer no assurances that the rates offered to you by the lender are the lowest possible rates available in the marketplace.

Clients retain the right to pledge assets in accounts generally, subject to any restrictions imposed by clients' custodians. While the FCS program facilitates secured loans through Network Institutions, clients are free instead to work directly with institutions outside the FCS program. Because of the limited number of participating Network Institutions and FCS's financial arrangements with those institutions, clients may be limited in their ability to obtain as favorable loan terms as if the client were to work directly with other banks to negotiate loan terms or obtain other financial arrangements.

Clients should also understand that pledging assets in an account to secure a loan involves additional risk and restrictions. A Network Institution has the authority to liquidate all or part of the pledged securities at any time, without prior notice to clients and without their consent, to maintain required collateral levels. The Network Institution also has the right to call client loans and require repayment within a short period of time; if the client cannot repay the loan within the specified time period, the Network Institution will have the right to force the sale of pledged assets to repay those loans. Selling assets to maintain collateral levels or calling loans may result in asset sales and realized losses in a declining market, leading to the permanent loss of capital. These sales also may have adverse tax consequences. Interest payments and any other loan-related fees are borne by clients and are in addition to the advisory fees that clients pay us for managing assets, including assets that are pledged as collateral. The returns on pledged assets may be less than the account fees and interest paid by the account. Clients should consider carefully and skeptically any recommendation to pursue a more aggressive investment strategy in order to support the cost of borrowing, particularly the risks and costs of any such strategy. More generally, before borrowing funds, a client should carefully review the loan agreement, loan application, and other forms and determine that the loan is consistent with the client's long-term financial goals and presents risks consistent with the client's financial circumstances and risk tolerance.

FCS Cash Management Solutions

For FCS cash management solutions, as stated above, certain third-party intermediaries provide administrative and settlement services in connection with the program. Those intermediaries each charge a fixed basis point fee on total deposits in the program, which are deducted from clients' cash balances in the program. Engaging FCS, the Network Institutions, and these other intermediaries to provide cash management solutions does not alter the manner in which we treat cash for billing purposes.

Clients should understand that in rare circumstances, depending on interest rates and other economic and market factors, the yields on cash management solutions could be lower than the aggregate fees and expenses charged by the Network Institutions, the intermediaries referenced above, and us. Consequently, in these rare circumstances, a client could experience a negative overall investment return with respect to those cash investments. Nonetheless, it might still be reasonable for a client to participate in the FCS cash management program if the client prefers to hold cash at the Network Institutions rather than at other financial institutions (e.g., to take advantage of FDIC insurance).

Persons providing investment advice on behalf of our firm are licensed as insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. Please see the "Fees and Compensation" section in this brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

Persons providing investment advice on behalf of our firm are registered representatives of Cetera Advisors Network, LLC. ("Cetera"), an unaffiliated securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation.

Recommendation of Other Advisers

We recommend that certain clients use a third party adviser ("MM") based on your needs and suitability. We will not receive compensation from the MM for recommending that you use their services.

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

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 our Associated Persons. 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 of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. 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.

Participation or Interest in Client Transactions

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

Personal Trading Practices

Our firm or persons associated with our firm have the ability to buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the "Brokerage Practices" section in this brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

Item 12 Brokerage Practices

We have recommended that many of our longstanding clients direct securities transactions through Cetera Advisors Network, ("Cetera"), a securities broker-dealer that is not affiliated with Summit Financial, which clears through First Clearing (the trade name for Wells Fargo Clearing Services). Among other reasons, we and our clients who previously were clients of Wells Fargo preferred the relationship history, service, and financial reputation of Wells Fargo. We have executed trades at Cetera on behalf of advisory clients and in our capacity as investment advisers, and also in our capacity as registered representatives of Cetera Advisors Network; we describe the conflicts of interest relevant to this dual relationship in our response to Item 5.

In addition, we recommend the brokerage and custodial services of Charles Schwab & Co., Inc. ("Schwab"), a securities broker-dealer and a member of the Financial Industry Regulatory Authority. Schwab provides custody of securities, trade execution, and clearance and settlement of transactions we place on your behalf. If your accounts are custodied at Schwab, Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to.

We believe that the broker-dealer custodians we recommend provide quality execution services for you 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 the custodian, including the value of the custodian's reputation, execution capabilities, commission rates, and responsiveness to our clients and our firm. In recognition of the value of the services the custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements.

Economic Benefits

In May 2019, we entered into a client benefit agreement with Schwab where Schwab agreed to reimburse up to \$30,000 in transfer of account exit fees incurred by client accounts who transferred their accounts to Schwab from another custodian broker-dealer within the next 12 months.

As a registered investment adviser, we have access to the Schwab's institutional platform. As such, we will also have access to research products and services from Schwab. These products 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.

Brokerage for Client Referrals

We receive client referrals from Charles Schwab & Co., Inc. ("Schwab") through our participation in Schwab Advisor Network® ("the Service"). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with our

firm. Schwab does not supervise us and has no responsibility for our management of clients' portfolios or other advice or services we provide. We will pay Schwab fees to receive client referrals through the Service. Our participation in the Service may raise potential conflicts of interest described below.

We pay Schwab a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by us is a percentage of the fees the client owes to us or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. We pay Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to us quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by us and not by you. We have agreed not to charge clients referred through the Service fees or costs greater than the fees or costs we charge clients with similar portfolios who were not referred through the Service.

We generally pay Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees we generally would pay in a single year. Thus, we will have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of our clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, we will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit our fees directly from the accounts.

For client accounts maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from our clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Thus, we may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. We, nevertheless, acknowledge our duty to seek best execution of trades for our clients. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for our other clients. Thus, trades for accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Directed Brokerage

We routinely require that you direct our firm to execute transactions through Cetera Advisors Network, LLC, and/or Charles Schwab, Inc. As such, we may be unable to achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

Block Trades

We combine multiple orders for shares of the same securities purchased for discretionary 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. Subject to our discretion regarding factual 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. In the event an order is only partially filled, the shares will be allocated to participating accounts in a fair and equitable manner, typically in proportion to the size of each client's order. 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.

We do not block trade for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

Item 13 Review of Accounts

Investment adviser representatives of our firm will monitor your accounts on an ongoing basis and will conduct account reviews at least annually and upon your request to ensure that the advisory services provided to you are consistent with your stated 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.

We will not provide you with additional or regular written reports in conjunction with account reviews. In addition, you will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

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, and are registered representatives with Summit Brokerage, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the "Fees and Compensation" section.

Summit Financial's parent company, Focus holds partnership meetings and other industry and best-practices conferences which typically include Summit Financial, other- Focus firms and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms, including Summit Financial. However, these meetings do provide sponsorship opportunities for asset managers, asset custodians, vendors and other third-party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus firms, including Summit Financial. Although participation of Focus personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed to be a conflict of interest as the marketing and education activities conducted, and the access granted, as such meetings and conference could cause Summit Financial to focus on such conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings

and not as revenue for itself or any affiliate, including Summit Financial. Conference sponsorship fees are not dependent on assets placed with any specific provider, or the revenue generated by asset placement.

The following entities have provided conference sponsorship to Focus in the last year:

Charles Schwab & Co., Inc
eMoney Advisors LLC
Envestnet Financial Technologies, Inc.
Fidelity Institutional Asset Management, LLC
Fidelity Brokerage Services, LLC
Orion Advisor Services, LLC

As discussed in Item 12 - Brokerage Practices, we receive client referrals from Charles Schwab & Co., ("Schwab") through our participation in Schwab Advisor Network®. We will pay Schwab a Participation Fee on all referred clients' accounts. Please refer to Item 12 for details.

Summit Financial has arrangements in place with certain third parties whereby we compensate them for client referrals by paying them a percentage of the investment advisory fees we receive from the solicited clients. Solicitation arrangements inherently give rise to potential conflicts of interest because the solicitor is receiving an economic benefit for the recommendation of advisory services. Rule 206(4)-3 of the Advisers Act (the "Cash Solicitation Rule") addresses this conflict of interest by requiring advisers who pay third party solicitors to enter into agreements requiring the solicitors to make certain disclosures to solicited potential clients. In accordance with the Cash Solicitation Rule, we require third party solicitors who introduce potential clients to us to provide the potential client with a copy of this disclosure brochure and a copy of the solicitor's disclosure statement which explains that the solicitor will be compensated for the referral and contains the terms and conditions of the solicitation arrangement, including the compensation the solicitor is to receive.

You will not pay additional fees because of this referral arrangement. Referral fees paid to a solicitor are contingent upon your entering into an advisory agreement with us. Therefore, a solicitor has a financial incentive to recommend us to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain us for advisory services. Comparable services and/or lower fees may be available through other firms.

Solicitors that refer business to more than one investment adviser may have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the Solicitor's compensation is less favorable.

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 independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

Asset Transfer Authority

Our firm or persons associated with our firm may effect third party asset transfers for client accounts without client written consent per transaction for client accounts. An adviser with authority to conduct third party asset transfers has access to the client's assets, and therefore has custody of the clients' assets in any related accounts.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a power of attorney, and/or trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). 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. Please refer to the "Advisory Business" section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

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 any electronic solicitation to vote proxies.

Item 18 Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Item 19 Requirements for State-Registered Advisers

We are an SEC registered investment adviser therefore this section does not apply.