UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

SECURITIES AND EXCHANGE COMMISSION, Plaintiff, ANGELO A. ALLECA, SUMMIT WEALTH MANAGEMENT, INC., SUMMIT INVESTMENT FUND, LP, ASSET CLASS DIVERSIFICATION FUND, LP, and PRIVATE CREDIT OPPORTUNITIES FUND, LLC, Defendants.	)	CIVIL ACTION FILE NO. 1:12-CV-3261-WSD

RECEIVER'S OPPOSITION TO MOTION FOR LEAVE OF COURT TO INITIATE LITIGATION AGAINST THE RECEIVER FOR BREACH OF FIDUCIARY DUTY

COMES NOW ROBERT D. TERRY, the Court-appointed Receiver in the above-captioned action, and files this Objection to the Motion and Brief in Support for Leave of Court to Initiate Litigation Against the Receiver [Doc. No. 139] filed by The Meyers Group, Inc. ("TMG").

I. Introduction

TMG's Motion repeats accusations that it first made against the Receiver over four and one-half (4 ½) years ago. (*See* Doc. No. 52, filed March 29, 2013). The gist of TMG's putative claim is that the Receiver did not receive enough monetary consideration when the Receiver sold investment advisory offices of Summit Wealth Management, Inc. ("Summit") in 2012 and early 2013 in the course of operating Summit under the Receivership Order. TMG's Motion is based on wild and unfounded allegations regarding the supposed value of those offices, but does not allege or even mention any other potential purchaser who would have paid the Receiver any more for the three offices that the Receiver ultimately obtained.

If TMG really believed the Receiver breached any duties owed to Summit or its creditors, it would have sought to sue the Receiver over four years ago. Obviously, the Motion is a thin ruse by which TMG seeks to establish a claim priority for itself over all other creditors of Summit. *See Barton v. Barbour,* 104 U.S. 126, 127 (1881)(party seeking to sue receiver sought "to obtain some advantage over the other claimants upon the assets in the receiver's hands."). It is telling that TMG did not seek to sue the Receiver when it believed it was going to receive over $123,800 from the initial distribution. It was only after the Receiver

filed its Motion to Modify the Distribution Plan's Proposed Distribution to Claimants 470 and 485 which, if approved, will result in TMG receiving nothing, that TMG decided that a lawsuit against the Receiver would now somehow be appropriate.

Ironically, as further described below, one of the reasons the Receiver was unable to sell Summit's Atlanta office for more money was TMG's own conduct in encouraging Summit's clients to defect. (*See* Exhibit 1). Ultimately, the litigation that TMG seeks to assert against the Receiver is based on illogical and implausible factual allegations, sparse and incomplete "pleadings," and actions that relate to the legitimate exercise of the Receiver's business judgment. To permit litigation against the Receiver would also unnecessarily delay the winding up of the Receivership, which is expected to occur within the next eight months. For all those reasons, and because of TMG's own laches and unclean hands, the Motion should be denied.

II. Facts Relating to the Sale of the Advisory Offices

As explained in the Receiver's Second Interim Report [Doc. No. 50] filed on March 28, 2012, the assets of Summit at the time of the inception of the Receivership consisted primarily of the account relationships between Summit's individual advisors, known officially as "investment advisor representatives"

(referred to herein as "advisors") and their respective clients. In most instances, an advisor's client base is developed through personal relationships, referrals and other marketing efforts of the advisor. Those clients who remain with the advisor generally have developed a relationship of trust with the advisor, and indeed, the advisor acts as the client's fiduciary. In many instances, the advisor also employs an individual investment management style of which the clients approve and to which they have become accustomed.

In April 2010, TMG sold its client relationships to Summit. By the time the present action was filed, Summit's Atlanta office comprised a portion of TMG's former book of business[1] plus the books of five more Atlanta-based advisors, one of whom was Martin Lysaght.

The impact of the Securities and Exchange Commission's suit against Summit for the operation of a Ponzi scheme had devastating results on Summit's business, a conclusion that anyone would reach based on common sense or common knowledge, but which TMG somehow ignores. Upon receiving news of

[1] Under federal law, whenever one adviser purchases the advisory relationships of another registered investment adviser, the clients must either enter into a new advisory agreement with the purchasing adviser or assent to an assignment of the existing agreement from the selling adviser to the purchasing registered investment adviser. 15 U.S.C. 80b-5 (a)(2). At the time the present action was filed, only 34 of TMG's former advisory relationships had been assigned to Summit and only 26 of those produced fee revenue in the fourth quarter of 2012.

Alleca's scheme, clients left Summit in droves (*See* Receiver's Second Interim Report). Advisors also left, one of them being Mr. Lysaght. On September 21, 2012, the same day the Receiver was appointed, Mr. Lysaght resigned from Summit and began contacting his clients, urging them to terminate their relationships with Summit. On that day, according to his assistant, he made calls to most of his clients and asked them to leave Summit. At the end of the day, shortly before the Receiver first appeared at Summit's offices to begin investigating the status of Summit's business, Mr. Lysaght sent an email to the then-counsel for Summit, William Kovacs, in which he listed 15 client relationships who had allegedly instructed Summit to "de-link" their accounts from Summit's custodian bank, essentially ending their Summit relationship.

Ironically, the President of TMG, Gary Meyers, was also a catalyst for many of the clients of the Atlanta office leaving Summit. On September 23, 2012, Mr. Meyers sent an email to an indeterminate number of account holders serviced by Lysaght urging them to immediately terminate their relationships with Summit. (Exhibit 1). Most or all these clients were clients whose account relationships TMG had formerly sold to Summit. In that email, Meyers advised them to seek "an alternative investment advisor" and provided the telephone number and other contact information for Mr. Lysaght and several other advisors in Atlanta. In

recommending that his former clients should seek another advisor, Meyers wrote, **"This is a decision you need to make, soon."** (boldface in original).

The effect of the combined actions of Lysaght's departure and Meyers' encouragement of the clients to leave Summit was immediate and significant.[2] Mr. Lysaght's former assistant began reporting defections from Summit by the Lysaght clients daily. In the meantime, the remaining advisors at Summit, in an attempt to retain the Lysaght clients for the firm, sent the letter attached as Exhibit 2 to Mr. Lysaght's clients. This letter had no little or no effect in retaining the Lysaght clients, however, primarily for three reasons: first, the clients had no relationship with any remaining advisor at Summit; second, the clients were longstanding clients of Mr. Lysaght, who had already left the firm and was in the process of informing clients of his new advisory affiliation; and third, the clients still trusted Mr. Meyers, who was encouraging them to leave Summit.

As uncertainty surrounding Summit continued, more clients left for other advisors. By October 31, 2012, the total assets under management for Summit had dropped by over 27%, to less than $270 million. (Former TMG clients had dropped

[2] Upon learning of Mr. Meyers' email, counsel for the Receiver contacted Mr. Meyers to inform him that his actions were injuring Summit. The possibility of litigation against him was mentioned but not threatened, as he describes. This phone call did not deter Mr. Meyers, who continued to contact clients encouraging them to leave Summit.

by 32%). In addition, many other clients had indicated to their advisors that they planned to leave but had not yet secured a new investment advisor.

As a result of the events in late September 2012, the Receiver's counsel had begun investigating to determine whether grounds existed to take legal action against Mr. Lysaght. It was soon determined that although there had been a noncompetition agreement that would have previously precluded some of Mr. Lysaght's actions, it had expired in 2009. Consequently, there was no clear basis to seek to establish liability against Mr. Lysaght for removing his clients from Summit. Because some of his clients remained at Summit, the Receiver also then suggested to Mr. Lysaght that he return to Summit and return his clients there until a suitable purchaser could be found for all his accounts. Mr. Lysaght, however, having already joined another advisory firm and unburdened by a covenant not to compete as were the other advisors, declined to return to Summit until an arrangement could be made with another entity to purchase his remaining accounts from Summit.

By October 2012, the Receiver had already begun discussions with potential buyers of the active individual advisor representatives' businesses. As noted above, the pattern of client defections across the firm continued to be significant and steady, making Summit more and more unprofitable each passing day. Because

client defections were continuing, it became clear to the Receiver that sales of remaining account relationships, if they were to result in compensation to the estate, should occur sooner rather than later. It was also apparent to the Receiver in his conversations with others in the industry, including a brokerage firm specializing in the sale of investment advisory businesses, that the impaired condition of Summit would have a significant adverse effect on the value that the account relationships might otherwise have.

Investment advisors purchasing other advisors' businesses are essentially purchasing an income stream. Where there is no reasonable assurance that an account will transfer to a new firm, a potential purchaser's interest is largely eliminated. Value is maximized when the advisor agrees to join the purchaser, thereby increasing the probability that clients will agree to become clients of the purchaser. In the case of the sales of the firm's active advisors that TMG complains were sold with respect to the Atlanta and San Antonio (TX) offices, each individual advisor agreed to become associated with the purchasing entity. The single representative in the Beverly Hills office left shortly after the Receivership was instituted to join another firm. Although the accounts were sold, few of the account owners chose to associate with the new firm.

The remaining client relationships in Atlanta, i.e., those former clients of Mr. Lysaght that had not yet terminated their accounts, were unmarketable. Without an advisor attached to the accounts, they were little more than "leads." The Receiver considered merely abandoning the accounts, but when the Receiver learned that Mr. Lysaght had solidified a relationship with a new firm, Bey-Douglas, the Receiver agreed to an orderly transition of Lysaght's remaining clients to his new firm, subject to their right under federal law to opt out of such a transfer. The Receiver assigned the accounts to Bey-Douglas in exchange for mutual releases.[3]

The Receiver ultimately sold the accounts associated with the Atlanta, Beverly Hills and San Antonio offices for consideration that involved an up-front payment and "downstream" payments conditioned upon clients transferring to or remaining with, the purchasing firm, a customary arrangement in the industry. The

[3]The Receiver had also learned that Mr. Lysaght believed he had been libeled by the letter (Exhibit 2) signed by the four Summit representatives and sent to some of his clients after his departure from Summit. Mr. Lysaght had hired counsel who threated to sue both the Receiver and the four representatives. Although the Receiver was unconcerned about any such potential litigation, one or more of the representatives expressed concern. Consequently, the Receiver requested a release on their behalf, which Lysaght agreed to provide in exchange for a letter of clarification. This was clearly preferable to hanging the clients out to dry (ie., with no advisor) and obtaining no consideration at all for the transfer of a client base that the Receiver had concluded should be abandoned.

Receiver was able to generate little interest and entered into the most favorable transactions available to Summit that could be found in the limited time frame within which the Receiver had to work.

III. Discussion and Citation of Authority

a) The Receiver is Entitled to Immunity Because He was Acting Within the Scope of His Authority

A party seeking to sue the Receiver must receive permission by the appointing court under *Barton*, *supra*. This requirement is premised on the sound observation that "without the requirement . . . , [Receivership] will become a more irksome duty, and so it will be harder for courts to find competent people to appoint as [receivers]. Receivers will have to pay higher malpractice premiums, and this will make the administration of the [receivership] laws more expensive." *S.E.C. v. North American Clearing, Inc.*, 656 Fed. Appx. 969, 974 (11th Cir. 2016)(persuasive authority), *quoting Carter v. Rodgers*, 220 F.3rd 1249, 1252-53 (11th Cir. 2000).

Court-appointed receivers "enjoy judicial immunity for acts within the scope of their authority, and . . . their authority extends to carrying out faithfully and carefully the orders of the appointing judge." *Property Mgmt & Invs Inc. v. Lewis*, 752 F.2d 599, 602 (11th Cir. 1985); *North American Clearing, supra*, at 974. If the

alleged actions of the receiver are not "*prima facie* beyond the scope of [his] official function," or the party seeking to assert the claim alleges that the receiver was not "acting pursuant to the orders of the appointing judge," the receiver is entitled to immunity. *Property Mgmt, supra*, at 602.

Here, the Receiver was clearly acting within the scope of his authority and pursuant to the orders of the appointing judge in all the matters complained about by TMG in the present Motion. The Order appointing the Receiver dated September 21, 2012 ("Receivership Order") [Doc. No. 9] provides at ¶ II:

> IT IS FURTHER ORDERED that the Receiver shall have and possess all powers and rights to efficiently administer and manage the Receiver Estate, including, but not limited to the **exclusive right and power** (emphasis added):
> D. to sell, rent lease, or otherwise hypothecate or dispose of the assets of the Receiver Estate;
> E. to pursue, resist and defend all suits, actions, claims and demands which may now be pending or which may be brought by or asserted against the Receiver Estate; [and]...
> M. to abandon any asset that, in the exercise of his reasonable business judgment, will not provide benefit or value to the Receiver Estate[.][4]

All the facts alleged by TMG in its Motion relate to the exercise of the Receiver's powers within the scope of his authority, including the exercise of his reasonable business judgment. Therefore, he is entitled to immunity.

[4] This provision is also in the Modified Order Appointing Receiver dated November 21, 2012 ("Modified Receivership Order") [Doc. No. 27] at ¶ I.

Georgia's business judgment rule "relieves officers and directors from liability for acts or omissions taken in good faith compliance with their corporate duties." *FDIC v. Briscoe*, No. 1:11–cv–02303–SCJ, 2012 WL 8302215, at *4–5 (N.D.Ga. 2012) (citing *Flexible Products Co. v. Ervast*, 284 Ga.App. 178 at 182, 643 S.E.2d at 564-65 (2007)). Under the business judgement rule, officers are presumed to have acted on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the company. *Cottle v. Storer Commc'n, Inc.*, 849 F.2d 570, 575 (11th Cir.1988). Unless this presumption is rebutted, they cannot be held liable for managerial decisions. *Stepak ex rel. Southern Co. v. Addison*, 20 F.3d 398, 403 (11th Cir.1994). Here, the Receiver was acting in good faith compliance with his duties under the Receivership Order with respect to the facts alleged by TMG to form the basis for its claims. Therefore he should be relieved from liability pursuant to the business judgment rule and the Receivership Order.

Because the present Motion acknowledges that all facts complained of were taken by the Receiver pursuant to and in furtherance of his duties under the Receivership Order, and further because the Receiver was acting in good faith compliance with his duties under the Receivership Order, the Receiver should be entitled to immunity and the present Motion should be denied.

b) TMG's Alleged Claim is Implausible and Fails to State a Claim

Even if the Court does not deny the Motion on immunity grounds, the Motion should be denied because it is obvious that the proposed claim is without foundation and would not survive a motion to dismiss. The sparse allegations of TMG's five-page motion do not even approach the requirements of federal procedure for stating a valid claim against the Receiver.

A party seeking leave of court to sue a receiver must show that the claim is not without foundation. *In re Nat'l Molding Co.*, 230 F.2d 69, 71 (3rd Cir. 1956). Although the "not without foundation" standard is similar to the standard courts employ when evaluating a motion to dismiss under Fed. R. Civ. P. 12(b)(6), the "not without foundation" standard "involves a greater degree of flexibility." *In re VistaCare Group, LLC*, 678 F. 3d. 218, 232 (3rd Cir 2012).

Here, the burden is on TMG to set out "sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'" *Ashcroft v. Iqbal*, 129 S. Ct. 1937, 1949 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007). "Determining whether a Complaint states a plausible claim for relief will...be a context specific task that requires the reviewing court to draw on its judicial experience and common sense." *Ashcroft*, 556 U.S. 679. In *Iqbal and Twombly*, the Supreme Court set forth a two-part analysis of plausibility: "First,

although 'a court must accept as true all of the allegations contained in a Complaint,' that 'tenet' 'is inapplicable to legal conclusions.' And '[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements, do not suffice.'" *Harris v. Mills*, 572 F.3d 66, 72 (2d Cir. 2009) (quoting *Iqbal*, 129 S. Ct. at 1949). '"Second, only a Complaint that states a plausible claim for relief survives a motion to dismiss,'" *Id*. (quoting *Iqbal*, 129 S. Ct. at 1950).

Here, TMG's Motion, to the extent it attempts to state a claim for relief, suffers from several fatal flaws, including:

(1) TMG alleges that the Summit had a certain level of assets under management at the time the Receivership was filed (an amount that the Receiver does not concede is accurate), but nowhere does TMG allege the level of assets under management attributable to any of the offices in question, or to Summit in general, at the time the Receiver sought to sell the offices. Therefore, TMG ignores the significant effect of the events that led to client attrition and the resulting reduction in assets under management after the complaint was filed by the SEC. The entire premise of TMG's argument – that the Receiver should have retained a certain level of proceeds based on assets under management – is built on a defective measure of those assets;

(2) TMG fails to measure, plead or acknowledge the impact of its own actions on the diminutions of value of the assets under management, and, therefore, the purchase price the Receiver could have received for the offices in question;

(3) TMG fails to measure, plead or acknowledge the impact of the departing advisors who took their clients on the measure of assets under management;

(4) Although TMG alleges the Receiver should have been able to sell the offices for "2x" gross revenue, it never alleges what revenue Summit actually was receiving on accounts attributable to each office at the time each office was sold, nor indeed does it even allege what level of revenue per asset that Summit was receiving before the Receivership action was filed;

(5) TMG fails to allege any reason why "2x" revenue should be a proper measure of the purchase price for the sale of any investment advisor, let alone an investment advisor such as Summit, that had been sued for operating a Ponzi scheme, which had received widespread news coverage and thus was hemorrhaging clients and assets and had an irreparably damaged brand;

(6) TMG fails to allege that there were any other purchasers ready, willing and/or able to purchase the tainted assets of Summit for prices in excess of those the Receiver was able to obtain; and

(7) TMG fails to allege that the alleged additional consideration to have been received through hypothetical sales of the offices at higher prices would have exceeded the additional costs of operating Summit and the Receivership. TMG does not mention nor take into account the urgent need to liquidate Summit's business, given that the expenses of continuing to operate Summit, including salaries of employees, rent for multiple offices and fees of the Receiver, were in excess of the total revenue being received from Summit's various offices. Therefore TMG's allegations, even if true, would not plausibly have resulted in additional assets to be distributed by the Receiver.

Furthermore, the Receivership Order contains the following language at ¶ XXI:

> IT IS FURTHER ORDERED that, except for an act of gross negligence or intentional misconduct, the Receiver and all persons or entities engaged or employed by the Receiver shall not be liable for any loss or damage incurred by the Defendants, or any other person, by reason of any act performed or omitted to be performed by them in connection with the discharge of their duties and responsibilities in this matter.[5]

Even if TMG has alleged sufficient facts to show negligence, it has not alleged sufficient facts to show gross negligence or intentional misconduct.

[5] *See also* Modified Receivership Order at ¶ XX.

Finally, even if the Court should find that TMG has alleged sufficient facts to satisfy the *Iqbal* standard, the Court can still find that TMG has not plead sufficient facts to satisfy the "not without a foundation" standard, as this standard involves a greater degree of flexibility than the *Iqbal* standard. *In re Nat'l Molding Co.; In re VistaCare Group, supra.*

IV. Conclusion

For the reasons stated, the Receiver respectfully requests that the Court deny the Motion of TMG.

Respectfully submitted this 9th day of November, 2017.

/s/ Robert D. Terry
Robert D. Terry
Georgia Bar No. 702606
bterry@parkmac.com

s/ Pratt Davis
Pratt H. Davis
Georgia Bar. No. 212335
Attorney for Receiver
Robert D. Terry

PARKER MACINTYRE
2987 Clairmont Road
Suite 200
Atlanta, GA 30329
(404) 490-4060 (phone)
(404) 490-4058 (facsimile)

CERTIFICATE OF SERVICE

I certify that the foregoing was prepared with one of the font and point selections approved by the Court in LR 5.1B. I further certify that I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notice of electronic filing to counsel of record.

Respectfully submitted this 9th day of November, 2017.

/s/ Robert D. Terry
Robert D. Terry
Georgia Bar No. 702606
bterry@parkmac.com

PARKER MACINTYRE
2987 Clairmont Road
Suite 200
Atlanta, GA 30329
(404) 490-4060 (phone)
(404) 490-4058 (facsimile)

EXHIBIT 1

Pratt Davis

From: Athena Bennett <ABennett@swmria.com>
Sent: Thursday, September 27, 2012 11:50 AM
To: 'jsparker@pageperry.com'
Cc: 'phdavis@pageperry.com'
Subject: Gary's letter

Athena Bennett
Client Services Representative
Summit Wealth Management
115 Perimeter Center Place Suite 150
Atlanta, GA 30346
Phone: 770-391-5836
Fax: 770-804-9171

From: Client Name Redacted
Sent: Monday, September 24, 2012 8:37 AM
To: Athena Bennett
Subject: Fw: SWM news update 2

Athena,
I don't know whether you have seen this from Gary? It is nice of him to be concerned.
I need some money for my trip to Europe next month(hope cash is accessible).
Please call me today when you get a chance.

----- Forwarded Message ----
From: Gary Meyers <gbmeyers@mindspring.com>
Cc: Gary 1Meyers <gbmeyers@mindspring.com>
Sent: Sun, September 23, 2012 12:56:21 PM
Subject: SWM news update 2

(Sorry if you get this multiple times, or if you no longer have an account at Summit Wealth Management. I'm using an old email list.)

This email is a courtesy, and with my respect for your previous trust.

Sept 23, 2012

News update:

SEC Charges Atlanta-Based Adviser with Operating Ponzi-Like Scheme Involving Private Investment Funds

FOR IMMEDIATE RELEASE
2012-192

Washington, D.C., Sept. 19, 2012 — The Securities and Exchange Commission today announced charges against a private fund manager and his Atlanta-based investment advisory firm for defrauding investors in a purported "fund-of-funds" and then trying to hide trading losses by creating new private funds to make money to pay back the original fund investors in Ponzi-like fashion.

The SEC is seeking an emergency court order to freeze the assets of Angelo A. Alleca and Summit Wealth Management Inc. and prevent further investor losses, which are estimated to be $17 million among approximately 200 clients.

It appears that the actions of Summit Wealth Management's CEO has NOT affected the Portfolio Management client assets held under the custody of TD Ameritrade. However, the current disruption in the business of Summit will soon result in no-one managing the portfolios.

A immediate first step, is for you to send in a letter to Summit, requesting that all portfolio management activity and fees be discontinued. Include your account information. (to: SWM, 115 Perimeter Center Place, Suite 150, Atlanta Ga, 30346)

My advice (for what it's worth) is to seek an alternative investment advisor. You may have already been contacted by Martin Lysaght, who has been your Portfolio Manager at Summit Wealth Management for the past 2-3 years. If you are comfortable with Marty and his investment performance, then you may decide to continue to use his services when he finds another work location. (Marty's cell phone: 678 595 6977.)

I have a couple of other suggestions of Atlanta advisors that I have researched and feel comfortable referring. Each have proven track records and meet the highest standards of ethics and integrity that is needed in today's rapidly changing environment. These two firms have differing styles of management, and cater to different types (and sizes) of clients. I recommend that you take a few minutes to contact them and decide which would be suitable for your needs. **This is a decision you will need to make, soon.**

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1) Kirk Wilkerson (770) 308 - 2710 Ronald Blue & Co kirk.wilkerson@ronblue.com Sr. Financial Advisor, Principal, CIMA® www.ronblue.com

2) Frederick Wright, CFA, MBA Partner
Smith & Howard Wealth Management, LLC 404.874.6244 |
Fax 404.874.1658 www.smithhowardwealth.com fwright@smithhowardwealth.com

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It is sincerely distressing and disappointing that the actions of Summit's CEO has caused this disruption in your financial services. I am personally devastated to learn of these events, and it's depressing that finding integrity in America is becoming increasingly difficult. However, I am not currently managing any client assets and have no plans to return to the industry.

If you know of another person who should see this information, please forward this email to them.

Best of success,

Gary Meyers

EXHIBIT
2

SUMMIT WEALTH MANAGEMENT
Registered Investment Advisor

Dear Valued Client:

We want to keep you informed about your accounts and what's happening with Summit as a result of the recent events surrounding the SEC civil suit against Summit and its former President, Angelo Alleca. Rest assured that none of your accounts were invested in any of the funds that are named in the SEC allegations. However, we do want to notify you that effective Friday, September 21st, your Investment Adviser, Martin Lysaght, resigned his position with Summit Wealth Management.

To date, unless you have specifically requested a change, there have been no changes to the Investment Advisory relationship between you and Summit Wealth Management, Inc. The Court has appointed a Receiver, Mr. Robert D. Terry, who is now on site in Atlanta and Mr. Alleca no longer has any involvement with the operations of Summit. Under Mr. Terry's management, we continue to operate our business and the Advisors named below are available to offer ongoing investment management services as well as comprehensive financial planning services on a fee-only basis (i.e., no sales commissions).

It is important for you to know that none of the advisors remaining at Summit subscribe to the tactical trading methodology that was used by Gary Meyers (and later, Martin Lysaght). Instead, we subscribe to Harry Markowitz's Nobel Prize winning Modern Portfolio Theory (MPT) wherein we construct well-diversified portfolios made up of many different asset classes (e.g., stocks, bonds, cash) with a goal of seeking an expected level of return for a given level of market risk. You will not see heavy trading volume with our style of asset management, but we will make trades when we think they are warranted and in your best interests. In addition, we are sensitive to tax implications of trades made within your accounts. You need to make an informed decision about who will manage your assets, and it is with your best interests in mind that we are notifying you of these important differences between us, Gary Meyers', and Martin Lysaght's asset management styles.

All of the financial advisors who remain at Summit continue to serve our clients and put their best interests first. Most of all, we pride ourselves on cultivating long term relationships with our clients, and in fact, many of our relationships span 15 years or more. Despite the events of the past few days, we would welcome the opportunity to continue your relationship with us. We invite you to contact any one of us to discuss how we may be of service to you going forward.

Warmest regards,

Jace W. Brooks Scarlott L. Cagle Wendy S. Liverant Rebecca M. Phillips

Jace W. Brooks, CFP®, MBA (770.391.5810) JBrooks@swmria.com
Scarlott L. Cagle, CFP®, MS-PFP (770.391.5835) SCagle@swmria.com
Wendy S. Liverant, CFP®, MBA (770.391.5833) WLiverant@swmria.com
Rebecca M. Phillips, CFP® (770.391.5837) RPhillips@swmria.com