



# Summit Equities, Inc.

## CASH SWEEP PROGRAM DISCLOSURE STATEMENT

### Introduction

Summit Equities, Inc.'s ("SE") Cash Sweep Program offers you the ability to automatically "sweep" uninvested cash balances in your account into participating money market funds. Cash balances in your account are typically created by deposits, interest and dividends payments and sales of securities, and the money remains in participating money market fund until securities are purchased or the money is transferred out of the account. Participating in the cash sweep program provides you the benefit of earning interest or dividends on your cash while awaiting investment, or as needed to satisfy obligations arising in connection with your account.

Balances in the Cash Sweep Program can be liquidated at any time on your order and the proceeds remitted to you or held in your account subject to the terms and conditions of your account agreement. Money market funds may place limitations on timing and/or amount of withdrawals permitted, and you should read the fund's prospectus carefully before making an investment.

### Cash Sweep Options

**Money Market Funds** Money market funds invest in high quality, short-term securities and seek to maintain a stable value but are subject to market risks and potential value loss. They are not bank accounts and not subject to FDIC insurance protection. They are instead covered by SIPC, which protects against the custodial risk (and not a decline in market value or poor investment selection) when a brokerage firm fails by replacing missing securities and cash up to a limit of \$500,000, of which \$250,000 may be cash. You may obtain additional information about SIPC coverage, including a brochure that describes SIPC and SIPC insurance, by contacting your Financial Advisor or by accessing the SIPC website at [www.sipc.org](http://www.sipc.org).

Money market funds seek to achieve the highest rate of return (less fees and expenses) consistent with prudence and their investment objectives, which can be found in the fund's prospectus. There is no guarantee that the yield on any particular cash sweep will remain higher than others over any given period. The rate of return on any participating money market funds may be lower than that of similar investments offered outside of the Cash Sweep Program.

Money market funds available in the Cash Sweep Program should not be viewed as a long-term investment option. If you desire to maintain cash balances for other than a short-term period and/or are seeking the highest yields currently available in the market, please contact your Financial Advisor to discuss investment options that may be available outside of the Cash Sweep Program to help maximize your return potential consistent with your investment objectives and risk tolerance.

Money market funds are sold by prospectus. Please consider the investment objectives, risks, charges, and expenses carefully before investing. The free prospectus, which contains this and other information, can be obtained by contacting your Financial Advisor. Read it carefully before you invest.

**Cash Sweep Alternative** You may elect not to participate in the Cash Sweep Program and/or periodically invest cash balances directly in available money market mutual funds or other products offered as direct investments outside of the Cash Sweep Program by providing instructions to your Financial Advisor. Please note if you elect not to participate in the Cash Sweep Program, accruing cash balances will not earn a rate of return prior to direct investment. In addition, available cash will not be automatically swept into any money market mutual fund or other investment that you purchase outside of the Cash Sweep Program.

Your Financial Advisor can provide further details and additional information including a prospectus, for any of the money market mutual funds available for direct investment outside of the Cash Sweep Program.



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## **Changes to the Cash Sweep Program**

From time to time, SE may modify the Cash Sweep Program, which may result in changing the Cash Sweep money market funds for your account. If we make any change, there is no guarantee that such change will provide an equal or greater rate of return to you during any given period, and the rate of return may be lower. You will receive advance notice of any change in the Cash Sweep Program including changes from one participating money market fund to another. Unless you object within the time period specified, we will transfer the balances from your prior cash sweep money market fund to the new cash sweep money market fund we select.

## **Benefits to SE and Others**

We may charge fees and receive certain benefits under the Cash Sweep Program. These fees, which vary depending on the money market fund (and class thereof) used, are paid directly by the Money Market Funds but ultimately borne by you as a shareholder in the fund. A portion of these fees and benefits may be shared with your Financial Advisor. Because of these fees and benefits, we have a financial incentive to select particular money market funds in our program.