SUMMIT WEALTH
— PARTNERS —
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The Rational Optimist™

Leaving Your Legacy with Good Stewardship

By Mitch Levin, MD, CWPP, CAPP

One of the goals of your estate plan should be to pass on your wealth with the minimum impact of taxes. Today, you have wealth transfer opportunities available to you - some you may not even be aware of.

Changes in Congress have resolved and we are sure to see further tinkering in our future. That is one of the reasons it is critical to meet with us to review your legacy plan, understand all of your options and make the best effort to ensure what you want to happen *will* happen.

So, is giting the best option? Maybe so; maybe not. Gifting isn't for everyone, and you do not need to do this just because you can.

> "Gifts are not always the right option, but they are not necessarily bad. You need to know the details of every choice before you."

In fact, gifting away your assets because of these expiring options could be a problem, as it could reduce your standard of living and weaken your financial flexibility.

Once you give a gift, you cannot take it back and you lose control over that asset. Outsiders, like your heir's creditors, could end up claiming that gifted money or asset. So, before you jump to give gifts to your heirs, make sure it is the right move.

If you decide to give, what options do you have instead of making a large gift? Can these be your alternatives if the tax credits are not extended?

First, ask yourself this question: "Would you be willing to reposition some of your assets to increase what you could pass on to your children?" What if the following were true? There is no negative impact on your own financial security - you transfer these assets after you die.

You retain control over these assets while you continue to live, including our ability to recover the cost and change which family members and charities will receive thos funds.

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Partners Chad Warrick, Mitch Levin, and Jason Print

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Advisor's Message:
It Certainly Helps to Hear the Details

Chad Warrick | Jason Print, CFP® | Bradley Towle | Brad Doster | Jette Browne, CFP®

We hope this finds you enjoying the summer months. As this was written, just nine days into Q3, we are intrigued by how the pullback and subsequent equity rally has affected the investing community. May and June were not particularly pleasant months for investors – even those more conservative investors with significant portions of their portfolios in the fixed income markets.

This past quarter included a bond market selloff and a fairly hardy stock market rebound. We have already seen over a four percent swing to the positive during the last nine days. It is reasonable for many to ask: what's with this volatility?

This quarter's speech by Ben Bernanke certainly spurred overreaction by many in the investment community. In his speech, Mr. Bernanke reported that the Federal Reserve was looking at the resolution of the quantitative easing program. It appears a large number of people stopped listening at that point and reacted as though the program was about to hit the proverbial wall. The volatility we experienced was, in large part, the result of this insufficient interpretation.

Those paying attention to the entire message recognized that, in response to the strengthening economic conditions, the Federal Reserve was forecasting a slowing down of Treasury bond purchases through this year and into mid-2014. Rather than slamming the breaks on the quantitative easing program, Mr. Bernanke simply indicated the Federal Reserve was taking its foot off of the accelerator. This, as we have seen, is an important distinction.

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WELCOME NEW SUMMIT CLIENTS!

Summit Wealth Partners has earned the trust and confidence of a number of great new clients and families in 2013.

As always, we look forward to furthering your progress toward financial goals. We are honored to be your single-call resource for any financial question.

Surveys of affluent Americans consistently tell us that their major frustration is that their advisors should be more proactive about future issues that could impact their financial well being. Summit Wealth keeps clients informed on changes and economic trends that may affect their financial future.

"Every recommendation we make has a place and a specific purpose where it will contribute to your comprehensive and integrated wealth plan. Without a complete review of your personal financial profile: your risk tolerance, income needs, tax situation, long-term care needs, and estate and charitable desires, no one can or should have an opinion on whether a specific strategy or investment vehicle is right for you."

Chad Warrick, Senior Wealth Advisor
Chief Compliance Officer
CWarrick@MySummitWealth.com

Something to Consider:

The people you care about are seeking financial guidance from someone. Doesn't it make sense for them to receive this important guidance from someone you know, like and trust?
Thank you for your continued trust and confidence!

Leaving Your Legacy with Good Stewardship

By Mitch Levin, MD, CWPP, CAPP

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If you think that sounds like a good idea, then you are not alone. In fact, you are like the overall majority of our clients. Here are some of the benefits we would identify:

- Predictable value
- Values not linked to market performance
- Liquidity
- Income tax-free payments
- Growth
- Leverage

There are many ways we can get these benefits for you. Stand by trusts using interfamily loans, private split dollar arrangements, LLCs, partnerships and freeze partnerships can all help you pass money on to your heirs with a tax break and without the risks of gifts. The choice is yours, you can be penalized by the tax code, or you can take advantage of the tax code in a legal, ethical and effective way.

We believe that you must understand the full ramification of your actions, because there are advantages and disadvantages to every step. Gifts are not always the right option, but they are not necessarily bad. You need to know the details of every choice before you act.

Preparing Your Heirs

One of the problems with leaving your wealth to those you leave it to is the risk of giving young people too much, too soon, particularly if you leave behind your wealth prematurely. We have seen time and time again how the wealth our clients worked hard to attain is squandered by immature, uneducated heirs.

That is why part of our estate planning services includes building relationships with your beneficiaries so we can help them make the most of their potential inheritance.

We will help them remember these four things:

- The importance of diversifying so their future isn't wedded to any particular company, style, manager or asset class.

- The fact that because they have already gotten the windfall, there's no reason to take on extra risks to try and hit another homerun. After receiving an inheritance, base hits and singles are the best choice.

- Even with a sizeable investment, they do need a plan. An investment plan, a financial plan, an income plan, an asset protection plan and an estate plan are all vital. Without them, things can go wrong in a big way, real fast.

- They should not act too quickly. Many mistakes are made in the first few months after a windfall inheritance. Heirs should receive some education so they're not surprised about a potential sudden windfall and, perhaps, the education ought to include the charitable intent of the creator of the wealth.

Of course, we do not keep your heirs from having a little fun with their inheritance, but we believe that fun should be in moderation, so they can enjoy the destination as well as the journey.

Prudence is the watchword. They need to seek solid growth that is safely managed. This is only possible through trusted advice from a wealth management professional.

Make Great Decisions,

Mitch

Advisor's Message:
It Certainly Helps to Hear the Details

Chad Warrick • Jason Print, CFP® • Bradley Towle • Brad Doster • Jette Browne, CFP®

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This tempered return to a more normal monetary policy environment is a good thing. While there will undoubtedly be more volatility during the journey and more knee-jerk reactions to indicators of this movement to market-oriented conditions, reestablishing these norms means we are realigning with a more stable and sustainable investment environment. It is important to keep in mind that any easing or tightening from the Federal Reserve will depend upon perceived economic improvement or backsliding.

The search for income through dividends and interest-bearing securities continues. While the recent volatility has been short-lived, we see these periods as great opportunities to rebalance your portfolio in accordance with your investment policy. This opportunistic perspective disregards the inferior impulses of emotional investing and instead capitalizes on real market conditions by taking well-measured action to reinforce your probability of long-term goal achievement.

Additionally, yield spreads from the recent bond market selloff appear to have created conditions that could reignite demand in certain segments of the bond market. As bonds go, you can be sure that the question is not if interest rates will rise, the question is when. You can rest assured that we are utilizing the institutional research available to us to ensure your portfolio continues to progress as planned.

We are sure you are not surprised to hear that quarters like this only work to reinforce our belief in and dedication to remaining focused on the long-term and maintaining well diversified portfolios that are diligently rebalanced. This staunch commitment to disciplined action is a key differentiator you rely on. It is how we deliver solid growth, through safe management and trusted advice.

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As always we welcome you to contact us with questions regarding this commentary or any other issue important to you. It is a privilege working with you toward your unique financial goals and we thank you for entrusting us to do so.

SWP

Solid Growth I Safely Managed I Trusted Advice

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The Bubble Affect:
The Markets and Our Behavior

By Brad Doster, Wealth Advisor

Summit Advisor Brad Doster

Bubbles have a way of attracting attention. They last a short while … then they burst. We know this about them, yet they garner such enthusiasm when they occur in financial markets. Perhaps it is the excitement of exclusivity – being in the "it crowd;" or the potential for life-changing success.

Of course some simply believe that the bubble is the beginning of a lasting trend. In any case, it is no wonder why investors are apprehensive about what they are doing with their wealth and, even more so, who they've entrusted its care to.

"The consumers with the most confidence and peace of mind in our industry are those who have a team they trust at the helm of their wealth plan..."

Tulips were introduced to the Dutch by way of Turkey in 1593. After being in the country for years, some of the tulips contracted a nonfatal virus called mosaic. Mosaic altered these tulips, causing them to develop flame-like and other unique markings on their petals.

Between 1634 and 1637 these tulips became such prized possessions that many Dutch offered money, prized personal possessions, and even their estates! They were so enamored with them that few stayed out of the buying frenzy, driving prices to a 20 fold increase within a month. Unfortunately, as with all speculative investments, this bubble popped causing people to lose significant net worth.

Like the tulip bulb craze, today's investors fall prey to making investment decisions based on what they feel, rather than what is researched or backed by evidence. Too many habitually run from temporary pain, toward perceived pleasure, often failing to measure whether that pleasure could cause pain in the long-term. It is astounding how common this behavior is among investors (and even some professionals).

Whether in the midst of this summer's volatility or any market we see beyond, it is critical to trust your current plan, think long-term, and maintain discipline.

There are sure to be television pundits talking about the next hot undervalued asset class, or when to move into cash, or when to buy stocks, or gold, or emerging markets, or Japan, or Facebook – you get the point.

The consumers with the most confidence and peace of mind in our industry are those who have a team they trust guiding their wealth plan; those who understand where they're going, how they're getting there, and the importance of staying on that track regardless of the temporary ups and downs of the market and the relentless hype buzzing on cable television shows, the web, or front pages of even respectable publications.

They trust their team, trust their plan, and trust in the process, understanding that in doing so, they won't be stuck holding the last tulip.

Summit Interview:
Rita Bornstein , *with Mitch Levin*

CHRISTMAS IN AUGUST

We know many of you are charitably incline Much is made of giving during the end of the year, around the holidays when we are busy celebrating life with our friends and family. This is a great practice and many terrific organizations rely upon this giving each year.

Summit's CEO and Managing Director Mitch Levin sat down with recent John Young History Maker Award recipient Rita Bornstein to discuss the important topic of fundraising, an area in which she has extensive expertise. This interview is packed with insight into the people making large initiatives successful. Here's an exerpt - Contact Kyle Johnson at kjohnson@mysummitwealth.com to request a full transcript of the conversation.

ML: So tell us a little bit about your background and how you got to the top of the heap – because you certainly did make it to the top.

RB: Thank you. Let's see. I started my professional career in the public schools as an administrator and teacher. And then I finished my doctorate at the University of Miami and decided to go into administration, and they hired me into the development office. And I learned my skills really there. And very quickly I became a Vice President for development at the University of Miami. And we ran a small campaign for $400 million. That was one of the two largest campaigns in the country at that time. This was in the 1980s. We ended up with $517.5 million. People thought, wow, that couldn't be done, but we did it.

And then I was invited to be the president of Rollins College here in Winter Park. And here too, I was told the alumni loved the college but they don't give any money and they won't. The largest money they had raised was about I think close to $40 million the previous campaign. But I told them they would never fulfill their ambitions if they didn't go out for a big campaign. So we mounted a $100 million campaign, which was a little scary for everybody I think. But I just felt it was possible, doable and that we should be bold and brave and go for it. So we actually – we raised $160.2 million, so we were very pleased. And over half of it came from alumni. But a lot of it came from neighbors of the college, and friends and others; corporations, foundations and so on.

Now I'm still fundraising because I'm on the board of the Orlando Performing Arts Center – Dr. Philips Performing Arts Center – and I'm raising money for them.

ML: You've done a fantastic job there, too. You've raised what, $83 million so far?

RB: Well, we raised over $90 million, and we have another $70 million or so to go. And we're going to do it. We're going to do the whole thing.

ML: And you raised this money in and among the worst economic times in recent memory at least anyway.

RB: If people love a project and if the fundraiser loves the project, everybody is excited about it, it's hard to not want to be a part of it. Everybody wants to be a part and get it in on the ground floor of something so special, so important, so enduring.

ML: I think that's an amazing background that you have and that you're still doing it I think is absolutely fantastic. Now, you mentioned something about how you had to dream big. And I remember what Walt Disney said. He said, "All dreams can come true if you have the courage to pursue them." We encourage people to pursue them, and when you dream, dream big. When you start, start today. Did you have that in mind when you embarked on your campaigns?

RB: Well, the campaign for Rollins, yes.

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Rita Bornstein , *with Mitch Levin*

CHRISTMAS IN AUGUST

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ML: Whether for Rollins or for the Performing Arts Center or the University of Miami.

RB: **Oh, yes, people have big dreams and communities have big needs.** And we have individuals and corporations and foundations here in Central Florida as they were in Miami that do have the funds and can make a difference; a lot of people sort of hiding in the bushes. But, we can't build these things strictly with government funds. This is a country that depends on philanthropy.

I mean, our whole history and what we've accomplished in America is rooted deeply in philanthropy and giving. And we have this pushback against the federal government or the state government doing too much as we like the private sector to be a part of our projects. So you have to have a visionary in public office too.

Buddy Dyer, who's our mayor, is a visionary, and he thinks big. And he's worked with us and encouraged us to make this a reality and Teresa Jacobs is also getting on the bandwagon. So you have to dream big if you're going to build a community, no question.

ML: So help us understand – what motivates someone to be a fundraiser? Why should somebody be a fundraiser? Why should somebody be a donor?

RB: Well again, it has to do with passion and a driving sense of need. Rollins College has such a great history and such wonderful faculty and staff and students and alumni, in such a wonderful community, that it seems as though the sky was the limit if we had the money to get there.

Because, everything costs money; you can't build anything, you can't attract top students, you can't provide good programs, not the best faculty, unless you have resources. And so, everything we do we have to support with resources.

If you have a passion for it and you can create a sense of passion in other people, they will want to get on board with you. And Harold Alfond, who was very supportive of the college in the past, and who participated in funding the Alfond Sports Center, said in a video on my retirement, whenever he saw me coming down the street he had the urge to cross over to the other side until he remembered that he really believed in my goals and my dreams and he stayed where he was and worked with me.

ML: That's a fantastic story. Now what were some of the biggest hurdles that you or another passionate individual, on behalf of a charitable enterprise, would have to overcome?

RB: There is a real sense of "don't ask me to help you" on the part of boards of trustees. I've worked with a lot of boards around the country, higher education boards particularly. And one of the biggest impediments in fundraising for the president and for the institution as whole is that the lack of enthusiasm for fundraising on the part of trustees.

But everybody can be taught and everybody can have the experience and everybody can contribute something different. For example, some people have the best connections in the world. They're what we call "connected." They've got a rolodex that just won't quit. So, from those people, the best thing they can give you is access to their friends and colleagues.

They can set up appointments for you to meet people. They can go with you and just be in the background while you make your pitch and your solicitation. Other people are very good at telling the story of the institution and the need and they can participate in that way. And other people are closers; they can ask for the money.

You know, a lot of people are very happy to go with the leader on a call, tell the story, tell why they're giving, but they stop short at being able to say I'm here today to ask you for $100,000. They can't get it out of their mouth. But with practice, they can.

Request full transcript:
Kyle Johnson
kjohnson@mysummitwealth.com

Wishing You a Relaxing Labor Day!

Monday, September 2nd, 2013 - *Markets Are Closed*

A Bit About Labor Day

Labor Day, the first Monday in September, is a creation of the labor movement and is dedicated to the social and economic achievements of American workers. It constitutes a yearly national tribute to the contributions workers have made to the strength, prosperity, and well-being of our country.

The First Labor Day

The first Labor Day holiday was celebrated on *Tuesday, September 5, 1882, in New York City*, in accordance with the plans of the Central Labor Union. The Central Labor Union held its second Labor Day holiday just a year later, on September 5, 1883.

In 1884 the first Monday in September was selected as the holiday, as originally proposed, and the Central Labor Union urged similar organizations in other cities to follow the example of New York and celebrate a "workingmen's holiday" on that date. The idea spread with the growth of labor organizations, and in 1885 Labor Day was celebrated in many industrial centers of the country.

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p's & q's

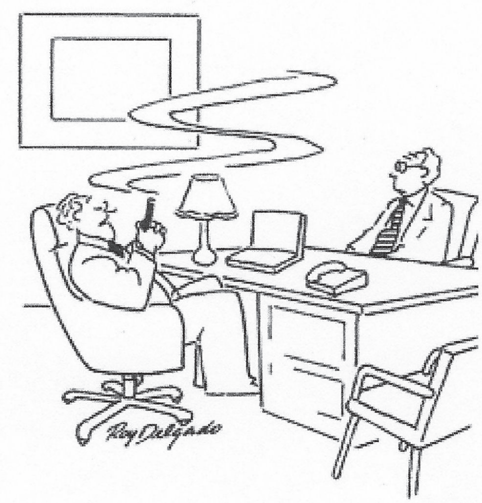
Great advisors always mind their p's for the benefit of your Q's. Our P's are our People, Philosophy, Process, Principles, and Processes. In order to bring you value, all of these P's must be aligned and working together to your benefit. We spend considerable time ensuring this is so.

You relate to the quality of your life and the quality of understanding. These two characteristics are interdependent. Being strong in both areas can produce a positive outlook and an enjoyable future.

You should be properly informed as to what's going on in your retirement planning - knowing well the what, when, and why of investment decisions and retirement plan updates being made. Likewise, it should be clear to you how our evidence-based approach can improve the quantity in your principle.

One of our primary daily goals is to keep our P's in accordance to your Q's. Our business exists for that purpose alone. Offering solid growth, through safe management, and trusted advice.

Thank you for your trust and confidence!



" I was bullish. Then I was bearish. Now I'm sheepish. "

Roy Delgado - WSJ

"Finglish" (n) Financial English

Asset Turnover - This figure represents how many dollars in revenue a company has generated per dollar of assets. Asset Turnover is calculated by dividing total revenues for the period by total assets for the same period.

Socially Responsible Funds - This group includes any fund that invests according to noneconomic guidelines. Funds may make investments based on such issues as environmental responsibility, human rights, or religious views.

Nontaxable Account - An account, such as a 401(k) plan or IRA, that allows your earnings to grow tax-free until you withdraw them.

Without the effect of taxes, more of your money is available to earn a return. You can trade securities inside a nontaxable account without paying taxes on your gains.

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"The investor's chief problem – and even his worst enemy – is likely to be himself."

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SPECIAL DOUBLE ISSUE