

**Item 1. Introduction**

Second 50 Financial, LLC (“Second 50,” “we,” “us,” and “Advisor”) is a California limited liability company that is registered as an investment advisor with the United States Securities and Exchange Commission. Brokerage and investment advisory services and fees differ and it is important that you understand the differences. Please note that free and simple tools are available to research advisory and brokerage firms and their associated financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisors, and investing.

**Item 2. Relationships and Services****What investment services and advice can you provide me?**

We offer portfolio management and financial planning and consulting services to our clients.

Our portfolio management services include a review of your unique financial circumstances and the design, implementation, and ongoing management of your designated investment account(s). We will directly invest the assets deposited to your account at the custodian and/or strategically allocate your assets to certain independent third party money managers (“Independent Managers”). We will monitor your designated accounts regularly (including any assets managed by any Independent Manager(s)), making changes to your holdings as we believe to be appropriate and in your best interests, acting in accordance with our fiduciary duty to you. You will be required to enter into a discretionary management arrangement that allows us to buy and sell investments within your account and to hire and fire Independent Managers without obtaining your consent prior to each transaction (a “discretionary account”). You may impose reasonable restrictions on our ability to invest in certain securities or types of securities within your account. We will formally review your investments at least annually.

Where specifically requested by the client, we may also provide you with advice regarding the investment of your “held-away” investment accounts (e.g., employer sponsored retirement accounts, qualified tuition plans, variable annuity sub-accounts). Except where you explicitly authorize us in writing to implement transactions within such held-away accounts, you will make all final investment decisions and be responsible for the implementation and monitoring of such accounts.

We also offer financial planning and consulting services that may be combined with our portfolio management services or engaged on a stand-alone basis. We will review your financial situation and assets, risk profile, investment time horizon, and investment goals and provide you with broad-based financial planning advice regarding various financial topics as necessary to assist you in the management of your overall financial affairs and the achievement of your financial goals. Clients receive a written financial plan or report, quarterly meetings and reporting on their investments, and ad-hoc financial advice regarding common financial issues which may arise during the course of the engagement. Once the written financial plan is delivered to the client, the engagement is deemed complete. Reviews and updates of your financial plan are subject to a new engagement and the payment of an additional fee. You will make all final

investment decisions and select the service providers to implement our advice. Unless we have been separately retained for portfolio management services, you will also be solely responsible for the implementation and monitoring of all investments.

We primarily advise our clients regarding investments in individual stocks, corporate and government issued bonds, mutual funds, exchange traded funds (“ETFs”), public and private real estate investment trusts (“REITs”), money market funds, certificates of deposit, cash and cash equivalents. We also advise clients regarding the selection of Independent Managers. Our advice may cover other types of investments, including investments held in your account at the inception of our relationship. We do not have any minimum account balance or fee requirements to open or maintain a relationship.

*More detailed information about our advisory services and account minimums is contained in our Form ADV Part 2A “firm brochure” at Items 4 and 7.*

**Conversation Starter:** Ask us:

- (i) *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- (ii) *How will you choose investments to recommend to me?*
- (iii) *What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

**Item 3. Fees, Costs, Conflicts, and Standard of Conduct****What fees will I pay?**

When you engage us for portfolio management services, we will charge you an annual asset-based fees ranging from 0.50% - 1.50% per year of the market value of your account. This fee will be structured either as part of a customized tiered fee schedule or as a flat fee charged across the market value of your entire account and will be described in a written investment advisory agreement you will enter with Second 50. Advisory fees for these services are payable quarterly in advance and are pro-rated for any partial billing periods and for any mid-period capital inflows or outflows to or from your account. Unless otherwise agreed, we will deduct these fees directly from your account at the custodian.

We charge quarterly subscription fees for financial planning and consulting services that are customized based upon the complexity of your financial situation and planning needs and our estimation of the time and resources necessary to provide the requested services. Quarterly fees for these services typically range from \$1,000 - \$2,500 per quarter but may exceed this range for clients having more complex financial planning needs. The specific quarterly subscription fee applicable to your engagement will be set forth in a written advisory agreement you will enter with Second 50 prior to the commencement of our services. These fees are typically paid quarterly in advance, in equal installments. These fees are invoiced to clients in paper or

electronic format and are payable within ten (10) days of receipt of our invoice.

In addition to our advisory fees, you will separately pay (i) your proportionate share of the expense ratio and other internal fees and costs associated with any mutual funds, ETFs, REITs, and other pooled investment vehicles held in your account; (ii) Independent Manager fees and costs; and (iii) all usual and customary transaction-based fees (brokerage fees and commissions), custodial and administrative charges, wire transfer fees, and other fees and taxes associated with activity and holdings contained in your account.

Where asset-based fees apply, you should consider that the more assets you have in your account, the more you will pay us, thus creating an incentive for us to encourage you to increase and/or maintain the current level of assets in your account.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

*More detailed information about our advisory fees is contained in our firm brochure at Item 5.*

**What are your legal obligations to me when acting as my investment advisor? How else does your firm make money and what conflicts of interest do you have?**

When we act as your investment advisor, we have to act in your best interests and not put our interests ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. *Here are some examples to help you understand what this means:*

**Example 1:** The value of your asset-based advisory fee account goes up, and while the annual percentage we charge may stay the same, the total compensation you pay us goes up proportionately.

**Example 2:** Your account value goes down, but you still must pay us an asset-based advisory fee proportional to your assets under management.

**Conversation Starter:** Ask us: “Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?”

We are not associated with any broker-dealer firms and our financial professionals do not receive any commissions or other compensation as a result of our recommendation or sale of any securities to a clients. We act as your fiduciary and recommend investments only when we believe them to be in your best interests.

Certain of our financial professionals are licensed to sell insurance in one or more states and may be affiliated with a licensed general insurance agency or act as a direct agent representative of a specific insurance company or companies. Insurance related business is transacted with advisory clients and licensed individuals may receive commissions or fees from insurance products sold to clients. Fees paid to us for investment advisory services are separate and distinct from insurance commissions earned by any of our financial professionals. The receipt of insurance related commissions or fees creates a conflict of interest with clients. We will only transact insurance business with you when fully disclosed, suitable, and appropriate. You may use any insurance firm or agent of your selection.

*More detailed information related to these conflicts of interest is contained in our firm brochure at Item 5.*

**Conversation Starter:** Ask us: “How might your conflicts of interest affect me, and how will you address them?”

#### **How do your financial professionals make money?**

Our financial professionals are compensated with annual salaries and/or discretionary bonuses. Insurance licensed professionals may also receive commissions, as described above.

*More detailed information about our conflicts of interest is contained in our firm brochure at Item 5 and in the Form ADV Part 2Bs related to each of our financial professionals.*

#### **Item 4. Disciplinary History**

**Do you or your financial professionals have legal or disciplinary history?**

No. We encourage you to visit [Investor.gov/CRS](https://investor.gov/crs) for a free and simple search tool to research any of our financial professionals.

**Conversation Starter:** Ask us: “As a financial professional, do you have any disciplinary history? For what type of conduct?”

#### **Item 5. Additional Information**

You can find additional information regarding our firm, including our Form ADV Part 2A firm brochure and this client relationship summary by visiting <https://adviserinfo.sec.gov> and searching for our firm by its name or its unique CRD number (318626). You can also obtain a copy of this relationship summary by visiting our website at [www.second50financial.com](http://www.second50financial.com) or by contacting us by telephone at (424) 260-1551. We will be pleased to answer any of your questions.

**Conversation Starter:** If you have any concerns, please let us know by asking the following questions: “Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”