



Form ADV Part 3 - Customer Relationship Summary (CRS)

Item 1: Introduction

There are different ways you can get help with your investments. You should carefully consider which types of accounts and services are right for you. 2020 Capital Management, Inc. is registered with the Securities and Exchange Commission (SEC) as an investment adviser. 20/20 Capital Management is an investment adviser and provides advisory accounts and services rather than brokerage accounts and services. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing. This document provides a summary of fees and types of services we offer. Questions to ask us and conversation starters are underlined for your convenience.

Item 2: Relationships and Services

What investment services and advice can you provide me?

We offer Investment Advisor and Investment Advisory Supervisory Services also known as Asset Management Services to retail investors that include Total Wealth Management: Investment Management, Financial Planning, and Held Away Account Services. We manage these advisory accounts on a **discretionary** basis - with account supervision guided by the client's investment objectives (e.g. preservation of capital, income, growth & income or capital appreciation), risk profile, time horizon, and investment purpose to name a few.

Each investment advisory agreement with a client sets the terms and conditions of our relationship with the account. Our Investment Adviser representative(s) can work with you to customize the advice you receive based on conversations with you and questionnaires and profiles you complete.

Asset Management

Our firm primarily offers the following investment advisory services to retail clients: portfolio management (we review your portfolio, investment strategy and investments) and financial planning (we assess your financial situation and provide advice to help you meet your goals).

We offer investment supervisory services to retail investors, including individuals, trusts, estates, foundations, charitable organizations, corporations, pension and profit-sharing plans, self-directed 401(k)s, IRA's and IRA Rollovers. We review your account regularly and monitor cash balances and activity, as well as performance and other risk control reports using a risk-based approach and risk-based technology systems. We monitor accounts daily with more intensive reviews monthly and quarterly.

If you open an advisory account, you will pay an ongoing asset-based fee at the end of each quarter for our services, based on the value of the cash and investments in your advisory account.

We and your Investment Adviser Representative will offer you advice on a regular basis. Your Investment Adviser Representative will discuss your investment goals, risk tolerance and your ongoing financial circumstances and work with you to design or select a strategy to help you work towards achieving your investment goals and regularly monitor your account to provide you advice. Investment Adviser Representative(s) regularly monitor cash balances and trade activity and can meet with you to go over performance and other questions you have. You are welcome to contact your Investment Adviser Representative by phone or email during the year to discuss your portfolio. We would recommend contacting your

Investment Adviser Representative at least quarterly to discuss questions or matters pertinent to you. We recommend that our Investment Advisers discuss with you at least quarterly your progress and questions you may have related to your portfolio or goals.

We have no contractually stated account minimum although subadvisors or third-party advisors may impose certain stated account minimums.

You can choose an account that allows us to buy and sell investments in your account without asking you in advance for permission for us to buy or sell each time a trade occurs (a “**discretionary account**”) or we give you advice and you decide what investments to buy and sell (a “**non-discretionary account**”). The vast majority of our customers work with us on a discretionary basis to reduce efforts on your part. When we have discretionary authority to decide which securities to purchase and sell for your account you may impose limits or restrictions on our authority as to asset class, sector, industry, or individual security selections. We require written instructions from you related to limiting discretionary authority whether adding or removing these instructions.

Our investment advice will cover a limited selection of investments. Other firms could provide advice on a wider range of choices, some of which might have lower costs.

Financial Planning

On more than an occasional basis, the Investment Adviser Representative(s) furnish advice to clients on matters not involving securities, such as financial planning matters, taxation issues, and trust services that often include estate planning.

Our Financial Planning services are broken down into two categories: One Time Planning Services and Ongoing Planning Services. Our Held Away Account Service provides consultation on accounts/holdings that are not with our custodian(s). For discretionary accounts, the discretionary authority will allow us to decide which security(ies) to buy or sell; and/or choose the amount of the security(ies) to buy or sell. For non-discretionary accounts, we will make suggestions on holdings, however, the client is responsible for making the recommended changes.

For additional information, please reference Form ADV Part 2A, Item 4 and 16.

Conversation Starters - ask your financial advisor:

- [Given my financial situation, should I choose an investment advisory service? Why or why not?](#)
- [How will you choose investments to recommend to me?](#)
- [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?](#)

The amount paid to our firm and your financial professional generally does not vary based on the type of investments we select on your behalf. We charge **asset-based fees** for asset management services. **The more assets that are in your advisory account, the more you will pay in fees; thus, the firm may have an incentive to encourage you to increase the assets in your account.**

The Adviser bases its asset management fees primarily on a percentage of assets under management. Financial planning fees primarily are charged based on an hourly basis, or fixed fees and subscription-based services.

Some investments (such as mutual funds and variable annuities) impose additional fees that will reduce the value of your investments over time. Also, with certain investments such as variable annuities, you may have to pay fees such as “**surrender charges**” to sell the investment.

The fees for services are variable depending on the service provided, assets under management, and other factors. However, 2% of assets under management, per annum, is our maximum. Hourly consulting fees are charged in lieu of or in conjunction with advisory fees. These fees are used for one-time services, financial plans, or when a Client does not want to attach the fee to the assets in question. The fee is typically negotiated and invoiced after the service is provided to the Client. The set maximum is \$500 per hour.

Fixed fees refer to a Client account where the Client requests a fixed fee instead of an advisory fee. These fees may be on-going or for a one-time service. The fee is typically negotiated and invoiced in advance, during or after the service is provided to the Client (or period it is provided). As the fee is not a percentage of assets and negotiated based on services to be determined, there is no set minimum or maximum.

Our fees vary and are negotiable. The amount you pay will depend, for example on services you receive and the amount of assets in your account.

The more assets you have in an advisory account, including cash, the more you will pay us. We therefore have an incentive to increase the assets in your account in order to increase our fees. You pay our fee quarterly even if you do not buy or sell.

Referral fees could come from the selection of other Adviser or receiving fees from other registered entities when business is referred to them. Typically, Adviser will receive a percentage of that Adviser or entity's fee. In all cases, Adviser will disclose its relationship, how much it receives and what the payment schedule is to the Client upon request.

Financial Planning Fees

The fee for a financial plan is predicated upon the facts known at the start of the engagement. Since financial planning is a discovery process, situations occur wherein the client is unaware of certain financial exposures or predicaments. Fees typically range from \$500 to \$20,000 depending on the complexity and resources needed for the plan.

Other Fees

Unless the client portfolio account is in a wrap program, the Client will likely incur fees from brokerages, custodians, administrators and other service providers. These fees are incurred as a result of managing a Client account and are charged by the service provider. The amount and nature of these fees is based on the service provider's fee schedule(s) at the provider's sole discretion. These fees are separate and distinct from any fees charged by the Advisor. Additionally, if the client holds an alternative asset the custodian may charge an added annual custody fee for those specific assets.

The Advisor or the sub-advisors selected by the Adviser may include closed end funds, mutual funds, variable annuity products, ETFs, and other managed products or partnerships in clients' portfolios. Clients may be charged for the services by the providers/managers of these products in addition to the management fee paid to the Adviser. The fees and expenses charged by the product providers are separate and distinct from the management fee charged by the Adviser. These fees and expenses are described in each fund's or underlying annuity prospectus or in the offering memorandums of a partnership. These fees will generally include a management fee, other fund expenses and a possible distribution fee.

Conflict of Interest between Different Fee Structures

The Adviser offers several different services detailed in this brochure that compensate the Adviser differently depending on the service selected. There is a conflict of interest for the Adviser and its associated personnel to recommend the services that offer a higher level of compensation to the Firm through either higher management fees or reduced administrative expenses.

We have an incentive to advise you to invest in certain investments, such as Destination Portfolios because we are the sponsor of those model portfolios and thus earn additional revenue for the asset management services we provide for managing the portfolios. The Adviser and Investment Adviser Representative(s) mitigate this conflict through its procedures to review client accounts relative to the client or investors personal financial situation to ensure the investment management service provided is appropriate, as well as, portfolio models are managed by an investment committee. Further, the Adviser is committed to its obligation to ensure associated persons adhere to the Firm's Code of Ethics and to ensure that the Firm and its associated persons fulfill their fiduciary duty to clients or investors.

What are your legal obligations to me when acting as my investment adviser?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. 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 give to you.

How else does your firm make money and what conflicts of interest do you have?

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. For additional information, please see our Form ADV Part 2A, Item 5.

An example of this is our Representative(s) are also licensed insurance agents and may recommend life, annuity, health or disability or long-term care products for which they will be paid a commission.

We utilize TD Ameritrade as our primary custodian. Since, Charles Schwab recently acquired TD Ameritrade we look to offer additional custody services through Charles Schwab as well. TD Ameritrade's services include research, brokerage, custody and access to mutual funds and other investments that are otherwise available only to institutional investors. Some of these other products and services assist us in managing and administering clients' accounts. **For additional information, please see our Form ADV Part 2A, Item 14.**

How do your financial professionals make money?

Your financial professional will earn a fee when acting in an advisory capacity. Financial professionals are compensated typically based on assets under management. Financial professionals can also earn one time and or ongoing fees for providing advice such as financial planning services. In addition, your financial professional can receive compensation including but not limited to merchandise, gifts, and prizes, travel expenses, meals and lodging. We encourage you to speak to your financial professional regarding the compensation they receive.

Conversation Starters - ask your financial advisor:

- 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?
- How might your conflicts of interest affect me, and how will you address them?

Item 4: Disciplinary History

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

No. Please visit a free search tool to research us and our financial professionals is available at investor.gov/CRS

Conversation Starters - ask your financial advisor:

- As a financial professional, do you have any disciplinary history? For what type of conduct?

Item 5: Additional Information

Additional Information about our services is available by visiting www.2020fa or 2020cmi.com and if you would like to request a copy of this relationship summary contact us at compliance@2020cmi.com or telephone at [714-433-1299 x103](tel:714-433-1299).

For additional information on our advisory services, see our Brochure available at <https://adviserinfo.sec.gov/firm/summary/281692>

Conversation Starters - ask your financial advisor:

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?
Who can I talk to if I have concerns about how this person is treating me?
How will you choose investments to recommend to my account?
Who How often will you monitor my account's performance and offer investment advice?

June 23, 2020