

Application for Financial Advisory Listing/Advertising on The White Coat Investor Website

Personal and Firm Information

Your Name: **Konstantin Litovsky**

Name of Firm: **Litovsky Asset Management**

Insert link(s) to your website(s):

Litovskymanagement.com

Retirementplanhub.com

Insert link to your ADV2:

(shortly)

Which services do you provide:

Litovsky Asset Management offers [comprehensive retirement plan advisory and investment management services](#). We set up and manage [retirement plans](#) including 401(k) and [Defined Benefit/Cash Balance plans](#) for solo and group medical and dental practices, and we serve in an [ERISA 3\(38\) fiduciary capacity](#). Our clients are almost exclusively doctors and dentists, and our retirement plan services are offered nationwide.

Years of financial experience: **15**

Years your firm been in business: **12**

Which of the following designations do you hold (Check all that apply):

Registered Investment Adviser, ERISA 3(38) fiduciary

Have you had any events in the past that are reportable to regulatory agencies? If so, please attach explanation.

No

Have any of your former clients sued you? What was the outcome? Please attach explanation.

No

Are you currently involved in a lawsuit by a client or former client? Please attach explanation.

No

Fee Structure

How do you get paid (check all that apply):

Fixed/flat fee paid directly by the plan sponsor

How much do you charge? Please list your fee structure. If there is a range of possible fees readers can expect to pay, what is the range and what determines where in the range they would fall. If you use AUM fees, be sure to list what a reader would pay with \$100K, \$500K, \$1M, and \$2M in assets.

We charge a [flat/flat fee rather than AUM fees](#) and we use low cost index and passively managed funds (including Vanguard and DFA) to build model portfolios with an average expense ratio of 0.14%. Retirement plan advisory fees range from \$3,600 – \$20,000 with discounts available for multiple plans, and no fees are ever taken out of participant accounts.

What is the minimum amount of assets required for you to take a client?

We work with retirement plans of all sizes, including startups with no assets.

If you receive payment for insurance product commissions, what percentage of your business revenue do they make up?

N/A

Do you consider yourself a fiduciary?

Yes

Do you routinely sign a fiduciary agreement with clients?

Yes

Investment Philosophy

For more details on our investment philosophy, please follow the link below:

<https://litovskymanagement.com/faq/#Investment-Philosophy>

Do you use tactical asset allocation? If so, please explain your process.

No

Do you believe you can time the market sufficiently well to beat a comparable low-cost index fund after fees?

No

Do you pick individual stocks for clients?

No

Do you believe most physicians should own a cash value life insurance policy of any type? If so, what type and why?

No

Do you believe you can select mutual fund managers who can beat an index fund in the same asset class over the long term going forward?

No

What percentage of a typical client portfolio would you place into actively managed mutual funds or ETFs?

N/A

What role do fees play in your selection of individual investments?

Lowest fee (with everything else being equal) always wins

What fund companies do you routinely use? (Check all that apply)

Vanguard

DFA

Do you routinely engage in tax-loss harvesting for clients in their taxable accounts?

N/A

Physician Specific Issues

How many physicians and/or dentists are you currently advising? (i.e. managed assets of or met with in the last year):

As of 2019, we work with about 65 retirement plan clients, most of whom are doctor/dentist plans.

What do you feel is your biggest value-add for a doctor?

For doctors who have much of their money inside retirement plans keeping costs low is the highest priority. Given the complexity of medical/dental plans in general, customized and comprehensive advice and service is key. As fiduciaries, we offer unbiased plan level advice, and we have a good understanding of the medical/dental business (including the risks), and we use this knowledge to set up appropriate retirement plans for practices of any size, from smallest to largest. We also provide advice on retirement plans of any complexity, and we specialize in working with combo (401k and Cash Balance) plans. Minimizing overall plan fees, optimizing profit sharing, identifying controlled/affiliated groups, doing Cash Balance plan evaluation/analysis, addressing and fixing fiduciary and compliance issues related to self-directed brokerage accounts, we do it all.

Do you consider yourself qualified to give high-quality advice on all of the following student loan related issues: IBR, PAYE, REPAYE, PSLF, deferment, forbearance, and student loan refinancing? Why or why not? Is this advice included in your regular fees listed above?

N/A

How many clients have you assisted with a Backdoor Roth IRA in the last year?

We always educate plan sponsors/partners on such topics as backdoor Roth IRA and strategic Roth conversions.

Which of the following accounts do you consider yourself an expert on? (check all that apply)

401(k)

403(b)

457(b)

Individual 401(k)

SEP-IRA

SIMPLE IRA

Traditional IRA

Roth IRA

HSA

Profit-sharing Plan

Defined Benefit/Cash Balance Plan

All of the above. We have the capability to set up customized 401(k) with profit sharing and Cash Balance plans. For plans such as SIMPLE, SEP and traditional/Roth IRAs we refer doctors to Vanguard, Fidelity and Schwab. In addition, we work with multiple record-keepers, including Vanguard/Ascensus, Employee Fiduciary, Schwab, and others. While we typically recommend specific

service providers to ensure the best quality of service and competitive cost, we will work with your existing Third Party Administrator/actuary/record-keeper.

What steps do you proactively take in a market downturn to improve investor behavior?

Our model portfolios are designed to limit volatility, which from behavioral standpoint is the primary reason why investors make drastic changes to their portfolios.

Anything else that you would like me to take into consideration with regards to your application?
(Attach additional documentation as desired)

Konstantin Litovsky is the founder of Litovsky Asset management. As a fiduciary, Konstantin's job is to make sure that your practice has the best plan cost effectively and that your plan is managed prudently so that your plan sponsor fiduciary liability is minimized. If you're looking to set up a 401(k) or a Cash Balance plan for your practice, I highly recommend you contact Mr. Litovsky.