

STEPHENS INC.
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Little Rock, Ar. 72203
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Informational Brochure regarding the

Pension Management Trust Program

This brochure provides clients with information about Stephens Inc. and the Pension Management Trust Program that should be considered before becoming a client of the Pension Management Trust Program. This information has not been approved or verified by any governmental authority.

Form ADV - Schedule H

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STEPHENS INC.
Schedule H
Informational Brochure regarding the
Pension Management Trust Program

Stephens Inc. is a full service broker/dealer and investment bank. It is registered with the Securities and Exchange Commission (SEC) and is a member of the Financial Industry Regulatory Authority (“FINRA”), the New York Stock Exchange, Inc. (NYSE), the Chicago Stock Exchange (CHX), the Municipal Securities Rulemaking Board (MSRB), the Chicago Board Options Exchange, Inc. (CBOE) and the Securities Investor Protection Corporation (SIPC). Stephens Inc. is also registered as a Futures Commission Merchant with the Commodities Futures Trading Commission (CFTC) and is a member of the National Futures Association (NFA). Stephens Inc. is also registered as an investment advisor with the Securities and Exchange Commission; however, Stephens Inc. derives greater revenues from its broker/dealer and investment banking activities than it derives from its investment advisor activities.

Stephens Capital Management (SCM) is an investment advisory division of Stephens Inc., registered with the SEC as an investment advisor. SCM and certain of its employees may also provide brokerage and other services to certain clients or engage in other functions and duties associated with the broker/dealer, to which they may devote as much time as necessary.

Stephens Inc., acting through its Stephens Capital Management Division (“SCM”), provides certain investment advisory services to clients through the Pension Management Trust Program (“PMT”). Such services include recommendations regarding allocation of investment assets, consultation with and recommendation to Clients regarding the qualification and performance of various investment assets, and the qualification and performance of various investment managers. SCM provides analysis on passive and active investment managers versus their respective benchmarks. PMT is a non- discretionary program.

SCM will make recommendations for the investment of the assets in each Pension Management Trust account on the basis of the individual retirement and pension board objectives and needs of the client within the criteria determined by the local Pension Board.

Pension Management Trust Program

The Pension Management Trust Program (“PMT”) is an asset allocation program, made available to Arkansas Local Pension and Relief Plans (“the Plan(s)”) that become participants in the Arkansas Local Government Pension Management Trust, pursuant to a trust agreement. Under the advice of SCM, as investment advisor, the local board selects certain participating investment management companies (the “Active and/or Passive Managers”) to direct their investments of funds. Assets may include, but are not limited to, securities, mutual funds, money market funds, collective funds, exchange-traded funds, select individual fixed income securities and other investments. SCM provides advisory services to the PMT and to participating plans, by establishing asset performance comparisons, risk profiles, assisting participants in developing

and writing investment policies, preparing asset allocation modeling, and ongoing monitoring of plan portfolios. The selected Active or Passive Managers manage the plan's assets on a discretionary basis, utilizing Index/Active portfolio management. All accounts are advised and monitored by an Investment Advisor Representative, at Stephens Inc., subject to supervision by the Supervisory Principals of SCM. The participating Active or Passive Managers, which are selected by the pension plans, make the day-to-day investment decisions and security selections in the program. The goal of Pension Management Trust Program is to bring together investment managers creating a customized investment strategy consistent with each participating plan's risk profile and investment objectives, which will be approved by the local pension plan board.

From time to time investments in any of the strategies may include mutual funds or separate accounts money management.

Types of Clients

PMT program is available only to Arkansas fire pension and relief associations, police pension and relief associations and non-uniform pension plans as well as judiciary plans.

Management Fees

Stephens Inc., the Trustee, and the Custodian as well as the local Pension Plan Board, will negotiate the specific rate in advance. However, certain services may be provided for a fixed fee on a "per job" basis. The parties will determine such fees through direct discussions. Fees will be payable on a schedule as negotiated by the parties. If the local Pension Plan designates Stephens Inc. as custodian, the additional charges for such services will be subject to negotiation between the Plan and Stephens Inc.

Compensation

SCM shall be paid an annual compensation based on all investment assets of the plan, payable quarterly in arrears for its services hereunder.

Investment Management Agreement

Entering into an advisory relationship with SCM for the PMT program, involves the execution of a joinder agreement, under which the Participant agrees to become a participant under the PMT Trust Agreement and to engage SCM as investment advisor and other parties as trust administrator and as asset custodian. The terms of the agreement shall be for a period of one-year; provided that it shall automatically be renewed for successive additional one-year terms without further action by the parties. The agreement may be terminated by either the plan or SCM upon thirty (30) days notice given in writing to the other party hereto, provided however, that the plan may terminate the agreement without penalty within five (5) business days after entering into the agreement. The plan agrees to pay SCM the reasonable costs and expenses of collection, including attorney's fees, for any unpaid balance under this agreement.

SCM will provide the participating plans with investment advice in the manner and to the extent that SCM determines to be appropriate or which is reasonably requested by the plan in conjunction with the plan's assets, all in accordance with the provision of the PMT Trust Agreement and the Joinder Agreement. The Joinder Agreement is to be completed by the plan,

the asset custodian, the trust administrator and by Stephens as investment advisor. The agreement contains the plan name, asset allocation and specific financial information. The Pension Plan's account information will be updated upon notification by the local pension plan board of any material changes and noted within the advisory file.

Conditions for Management

Generally, a negotiated minimum of assets is required for the establishment of investment advisory accounts under the PMT program. However, exceptions may be made to this policy. In addition, there is a no established minimum management fee for advisory accounts.

Other Stephens Wrap Advisory Programs

Stephens Inc. sponsors the Stephens Capital Management ("SCM") program. SCM is a separate program, which manages client assets on a discretionary basis and a non-discretionary basis, utilizing both equity and fixed income strategies. This would include Stephens Capital Management Discretionary ("SCMD"), the Stephens Capital Management Fixed Income Strategy ("SCMFIS") and the Stephens Capital Management Asset Allocation & Advisory Services ("AAA") Programs.

Stephens Inc. sponsors the Stephens Small-Mid Cap Growth Program (SMID). The investment portfolio of SMID accounts is managed by Stephens Investment Management Group, LLC (SIMG), an affiliate of Stephens Inc. SIMG will manage and direct the investment of the assets in each Stephens Small-Mid Cap Growth Program client's account on a discretionary basis in accordance with its small and mid cap equity investment style and on the basis of the individual objectives and needs of the client within the criteria established by the SMID program.

The Stephens Fixed Income Management ("SFIM") program is also sponsored by Stephens Inc. SFIM is a separate program limited solely to fixed income investments with no equity component.

The Stephens Asset Maximizer ("SAM") program is also sponsored by Stephens Inc. SAM is a separate program, which manages client assets on a non-discretionary basis, utilizing outside money managers in equity, fixed income and mutual fund strategies.

The Stephens Advisor ("SA") is a non- discretionary program sponsored by Stephens Inc. In the SA Program, professional registered personnel (the "Stephens Advisers") provide advice to clients utilizing equity strategies, fixed income strategies, balanced strategies, or other strategies, or a combination of strategies.

The Stephens Allocation Strategies Program ("SAS") is an asset allocation program sponsored and administered through Stephens Inc. whereby the client is offered a strategy of purchasing a portfolio of "no load" or "load waived" mutual funds and Exchange Traded Funds ("ETFs") representing a broad spectrum of equities and fixed income markets through Stephens Inc.

The Professional Wealth Management (“PWM”) program is sponsored by Stephens Inc. The PWM Program is a separate program, which manages client assets on a discretionary utilizing both equity and fixed income strategies.

The StephensChoice Program (“SC”) is a platform designed by Stephens to assist clients qualified retirement plans or other deferred compensation programs to invest assets utilizing an asset allocation strategy for the investment of plan assets through investment in a portfolio of “no load” or “load waived” mutual funds through Stephens based upon a line-up of mutual funds representing a range of designated asset classes.

Brochures for the above programs may be obtained from Stephens located at 111 Center Street, Little Rock, Arkansas 72201.

Investment Manager and Management Process

Investment Advice

Stephens Inc., acting through SCM, with approval from the local pension plan board provides asset allocation advice and manager/fund selection advice in the manner and to the extent that SCM determines to be appropriate or which is reasonably requested by the plan. Such services are expected to include recommendations to the plan regarding allocation of investment assets, and consultation with and recommendation to the plan regarding the qualification and performance of various investment funds (potentially including index funds or managed funds), and consultation with and recommendation to the plan regarding the qualification and performance of various investment managers. **SCM does not have discretionary authority under this program and may perform custodial services.** The local pension plan may direct SCM to use Stephens Inc. or other brokers or third parties to effect transactions on the plan’s behalf. The cost of such trading through Stephens Inc. is included in the fees paid to SCM and no additional commission or execution fees will be charged by Stephens Inc. for executing transactions through Stephens Inc.

Portfolio Managers

The Investment Advisor Representatives utilize research and analytic reports regarding funds and money managers, purchased by SCM from independent sources, as well as reports and analyses developed by Stephens Inc. to assist them in identifying and evaluating potential Active or Passive Managers, their portfolio management styles and existing investments. All such transactions will be consistent with Stephens Inc.’s obligations to the plan and in compliance with applicable contractual and other regulatory requirements, SEC filings, company releases, market information and other public information in identifying and evaluating the Active or Passive Managers.

Education and Business Standards

As a general rule, Stephens Inc. requires investment advisor representatives to have a college degree and at least five years business experience with investment bankers, financial institutions, insurance companies, or equivalent institutions. Such standards may be waived in exceptional cases.

Educational and Business Background for Key SCM Personnel

(1) Joseph Warren Simpson

Date of Birth: 05/01/57

Education: Southern Methodist Univ., Dallas, TX

Graduated: 1979/BBA

University of Arkansas, Fayetteville, AR

Graduated: 1981/MBA

Five-Year Business Background: Stephens Inc., 07/87 - present

Mr. Simpson is an Executive Vice President and Managing Director of Stephens Inc., a Supervisory Principal of SCM, and a member of the StephensChoice Investment Committee. Mr. Simpson is also a Portfolio Manager of SCM. Mr. Simpson has the following licensing: General Securities Representative ("Series 7"), General Securities Principal ("Series 24"), Uniform Securities Agent State Law Examination ("Series 63") and the Uniform Investment Adviser Law Examination ("Series 65").

(2) Alex Jordan

Date of Birth: 1/21/56

Education: University of Arkansas, Fayetteville, AR

Graduated 1978/BSBA

Five Year Business Background: Federated Securities Corporation
1990 to 1995

Stephens Inc. 04/95 - present

Mr. Jordan is a Senior Vice President of Stephens Inc. Mr. Jordan is also a Portfolio Manager of SCM. Mr. Jordan has the following licensing: General Securities Representative ("Series 7"), Uniform Securities Agent State Law Examination ("Series 63") and the Uniform Investment Adviser Law Examination ("Series 65").

(3) Steven Laurence Middleton

Date of Birth: 11/15/60

Education: University of Arkansas, Fayetteville, AR

Graduated 1984/BS

Five Year Business Background: Stephens Inc. 05/90 – present

Mr. Middleton is an Executive Vice President and Managing Director of Stephens Inc. and a committee member of the StephensChoice Investment Committee. Mr. Middleton has the following licensing: General Securities Representative ("Series 7"), Uniform Securities Agent State Law Examination ("Series 63") and the Uniform Investment Adviser Law Examination ("Series 65"). Mr. Middleton is also licensed through the Arkansas Insurance Department for the sale of life, health and variable products.

(4) Edward P. Frost

Date of Birth: 09/06/54

Education: University of Arkansas, Little Rock, AR.

Graduated: 1977/BS

Certified Pension Consultant 10/1983

Five Year Business Background: Stephens Inc., 10/99 – present

Mr. Frost is a Vice President of Stephens Inc. and a Supervisory Principal, Technical and Compliance Director of Stephens Retirement Services, and a member of the StephensChoice Investment Committee. Prior to joining Stephens Inc., Mr. Frost worked as an independent consultant to retirement plan sponsors and participants since 1976. Mr. Frost has the following licensing: General Securities Representative (“Series 7”), General Securities Sales Supervisor (“Series 8”), Uniform Securities Agent State Law Examination (“Series 63”) and the Uniform Investment Adviser Law Examination (“Series 65”). Mr. Frost is also licensed through the Arkansas Insurance Department for the sale of life, health and variable products.

Review of Accounts

Edward P. Frost is responsible for supervisory approval of new advisory accounts and the daily review of trading activity. Warren Simpson is responsible for oversight of daily operations for SCM.

The Investment Adviser’s monthly reviews consist of analysis of activity in PMT accounts, considering contributions, disbursements, asset allocation and investment performance. Additional review considerations include, if applicable, levels of activity, timing of transactions timing of research recommendations, transactions in restricted securities, unprofitability, concentration in one security and the identified objectives and needs of the plan based on information provided by the plan. In addition to the monthly reviews, regular quarterly reviews of the total value of the account and assets in each security and category are completed by the advisory staff. The reviewers may refer accounts to the Compliance Department for further analysis if necessary.

A computer system is used which, through a cross-reference capability, triggers additional reviews by securities owned. Accounts are reviewed regularly as to asset allocation, percentage in each category, each stock percentage of gains and losses, and income and related factors in reference to the client’s objectives. SCM reviewers are not assigned accounts by any formula or numerical standard.

Performance Calculations

A plan’s actual returns will vary based upon the timing of the plan’s funding of the account and the plan’s individually tailored objectives, restrictions and advisory fees.

Client Meetings

SCM meets annually with each plan. Plans are encouraged to contact SCM at any time if they would like to have additional meetings.

Reports

SCM furnishes advice as to the investment of funds on the basis of the needs of the plan and, at least quarterly, provides the plan with a statement indicating the performance of the funds in which plan's funds have been invested. The plan is responsible to communicate to SCM any change in its needs or financial condition.

Additional Compensation to Stephens Inc.

There are certain instances when Stephens may receive income as a result of managing PMT accounts in addition to the actual fees which SCM clients pay. Revenue other than client fees that is received by SCM as a result of its advisory services provided to participants in the managing PMT Program is returned to the local pension plans.

Cash Reserves

An unaffiliated third party acts as custodian of account assets. SCM has no discretion to select where cash reserves will be held. The client and/or custodian will make the selection with local pension board approval.

Mutual Funds

Using an Asset Allocation and Consent Form, completed and signed by the plan, Stephens Inc. will invest plan funds in investment securities. Individual mutual funds may pay fees to Stephens Inc. as a result of these investments. These fees received by Stephens, if any, would be credited back to the respective plan's accounts. The existence of such applicable fees is disclosed in the plan contract and is fully described in the fund prospectus mailed to each plan on initial investment.

Additional Information

Overall Cost

The PMT program may cost the plan more or less than purchasing such services separately depending upon such factors as trading activity, account size and investment adviser minimums for non-wrap accounts.

We encourage you to carefully consider you're various other investment structures and programs which are available in considering whether to establish or maintain an advisory fee-based account. As a general matter, a fee-based advisory account approach may be considered appropriate for customers who rely on investment advice or investment management services or who engage in moderate to high levels of trading activity. A fee-based approach may be more economical for customers who engage in active trading, since the price per trade is reduced as the number of trades increases under a fee-based approach. However, fee-based advisory account arrangements may not be appropriate for customers who rely primarily on their own independent resources and judgments for making their investment selections and decisions and do not wish to purchase advisory services. Customers who engage in a lower level of trading activity might prefer a traditional brokerage account with a commission payable on each

transaction, particularly if the customer typically does not utilize advisory services for trading decisions, as transaction cost savings might be realized in the context of a traditional pay-per-trade commission structure.

Policies and Procedures for Proxy Voting

It is Stephens' policy to vote proxies and utilize Investment Advisory policies and procedures, which are reasonably designed to vote client securities in the best interests of the client and to address how conflicts of interest are handled.

Stephens will make available information of the firm's proxy voting policy and procedures including information regarding how Stephens Inc. voted proxies, if requested.

In response to any request as to how the client's proxies were voted, the Chief Compliance Officer – Investment Advisory would provide the information to the client.

Policies and Procedures for Proxy Voting

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Procedure

Stephens' procedures to implement the Firm's proxy voting policy, is as follows:

- a. Voting Procedures
 - Proxy materials are received on behalf of clients in Stephens' Reorganization Department ("Reorg. Department");
 - Copies of the Voting Form and the Annual Proxy are sent to respective investment advisory area for review;
 - Stephens will vote the proxy through the Reorg Department in accordance with applicable voting guidelines, either by electronically voting or by mailing the proxy in a timely and appropriate manner.
 - Unless the responsible advisor or advisory committee loses confidence in management of the issuer or the client directs the vote, Stephens will vote the shares as recommended by the Board of Directors of the issuer.
- b. Proxy Voting Guidelines
 - Who is responsible for Voting Proxies?
SCM: Portfolio Managers
- c. Conflicts of Interest

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- On an annual basis Stephens will disclose to affected clients any identified potential material conflicts of interest by providing a list of said conflicts via the U.S. Mail.
 - Where Stephens has identified a specific potential material conflict of interest relating to one or more matters to be voted on by shareholders, Stephens: (1) will notify affected clients of the potential conflict of interest, (2) will disclose how the proxy will be voted absent a voting direction from the client, and (3) will give affected clients the opportunity to vote the proxy themselves.
 - Stephens will maintain a record of the voting resolution of any conflict of interest.

Investment Advisory Code of Ethics

Stephens has adopted an Investment Advisory Code of Ethics (“Code”), which defines the requirements and expectations for the business conduct of all of its Investment Advisory employees, including employees of the SCM Program. Furthermore, all Stephens’ employees are expected to adhere to Stephens’ Mission and Values Statement and Code of Professional Conduct.

The fundamental position of Stephens is that all aspects of its business are to be conducted in an ethical and legal manner in accordance with federal law and the laws of all states where the investment advisory divisions do business. In accordance with that position general principles apply:

1. The interests of Stephens’ clients are our first consideration. Any personal securities transaction, which would be detrimental or potentially detrimental to any client account and any personal securities transaction, which is designed to profit by the market effect of any client account, must be avoided.
2. All personal securities transactions should be conducted in such a manner as to be consistent with the Code and to avoid actual or potential conflicts of interest or abuse of a Stephens’ employee’s knowledge of customer information or customer transactions.
3. Investment adviser personnel should not take inappropriate advantage of their positions. Information concerning the identity of security holdings and financial circumstances of clients is confidential.
4. Independence in the investment decision-making process is paramount.

Accordingly, there are certain standards of conduct, which Stephens Inc. investment advisory employees follow to reduce potential conflicts with the interests of our clients.

Stephens Inc. will provide a copy of the Code to any client or prospective client upon request.

ERISA Accounts

The laws and regulations applicable to ERISA accounts restrict such accounts from engaging in certain types of transactions, including some types of transactions described herein in which non-ERISA SCM accounts might engage. Stephens intends to abide by such ERISA restrictions and to deal in and with any ERISA account in the PMT Program in accordance with policies and

practices designed to achieve compliance with all applicable ERISA laws and regulations. In general, it is expected that PMT accounts will not be ERISA accounts.

Best Execution

Investment advisory clients are advised that they have the option to seek execution of transactions recommended by the Investment Adviser through broker/dealers other than Stephens Inc. However, on transactions executed through Stephens Inc., Stephens will not charge a commission to the client. Transactions on foreign exchanges or in gold or silver bullion or bullion coins may entail a brokerage commission to the foreign broker or bullion dealer, in which Stephens may or may not share.

Stephens through the PMT program, will strive to obtain “best execution” of transactions for clients in such a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances.

When trades are executed through Stephens they are generally executed on an agency basis in consideration of SEC Rule 206(3) which generally prohibits principal transactions in advisory accounts except with disclosure to and consent from the customer. These requirements, as a practical matter, may impose delays on the time at which principal transactions may be effected for these accounts, and thereby may impair the execution quality of such transactions for such customers.

Principal Transactions

Pursuant to SEC Rule 206(3), Stephens Inc., acting as a principal for its own account, will not knowingly sell any security to or purchase any security from an advisory client, without obtaining the client’s prior consent to each such transaction and disclosing the capacity in which it is acting.

As a practical matter, the above requirements may impose delays on the time at which principal transactions may be effected for advisory accounts, and thereby may impair the execution quality of such transactions for advisory clients. Accordingly, transactions are generally executed on an agency basis.

Principal transactions in securities in which Stephens Inc. acts as a market-maker will only be effected for PMT clients if Stephens Inc. matches or betters the highest bid/lowest ask prices as reflected on NASDAQ, if applicable, and the client’s prior consent to such transaction has been obtained. No mark-downs or mark-ups from the highest bid/lowest ask price will be charged. Stephens Inc. acting as a market-maker has the potential for profit or loss on securities it sells to or buys from a customer as principal depending on the price at which Stephens executes the transaction.

Other Potential Conflicts of Interest

Stephens is a diversified financial services company that directly or through affiliates provides a wide variety of investment banking, securities, insurance and other investment-related services to a broad array of customers. These relationships could give rise to potential conflicts of

interest. Any of the following types of transactions could present a potential for a conflict of interest.

- (a) Client account assets may be invested in interests of money market funds, mutual funds, other investment companies, privately offered investment funds and other collective vehicles (collectively, “Funds”) for which Stephens or its affiliates may act as investment advisor, sponsor, administrator, distributor, selling agent, or in other capacities (“Affiliated Funds”). In addition, Client account assets may be invested in interests of Funds for which Stephens or its affiliates do not act as investment adviser, sponsor, administrator or in other capacities. Stephens or its affiliates may receive fees for services provided to such Funds, including (but not limited to) fees payable under a plan adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, as amended (“12b-1 fees”) and fees paid to compensate Stephens for providing administrative services, distribution services, shareholder services, investment advisory services or other services to or for the benefit of such Funds.
- (b) Client account assets may be used to purchase or sell or otherwise deal with securities or other instruments for which (i) Stephens, (ii) an affiliate or employee of Stephens, (iii) an entity in which Stephens or an affiliate has a direct or indirect interest, or (iv) another member of a syndicate or other intermediary (where an entity referred to in (i), (ii), or (iii), above is or was a member of the syndicate), has acted, now acts, or in the future may act as an underwriter, syndicate member, market maker, dealer, broker, principal, agent, research analyst or in any other similar capacity, whether the purchase, sale or dealing occurs during the life of the syndicate or after the close of the syndicate.
- (c) Stephens, or any other broker-dealer that is or may become affiliated with Stephens (the “affiliated brokers”), is expected to act as broker or dealer to execute transactions on behalf of Client’s account. Client will not be charged a separate fee for brokerage services provided to the Account by affiliated brokers.
- (d) Stephens or its affiliates may effect transactions for Client’s account with other accounts for which Stephens or an affiliate provides investment advisory services (“Cross Trades”). Such Cross Trades are intended to enable Stephens to purchase or sell a block of securities at a set price and possibly avoid an unfavorable price movement that may be created through entrance into the market with such purchase or sell order. Stephens may receive compensation from other accounts involved in a Cross Trade.
- (e) Subject to applicable regulations, Stephens or its affiliates may execute “Agency Cross Transactions” for the Client’s account. Agency Cross Transactions are transactions where Stephens, or any affiliate of Stephens, acts as broker for both the Client’s account and the other party to the transaction. In such transactions, Stephens, or any of Stephens’s affiliates acting as broker, may receive commissions

from the other party to such transaction, to the extent permitted by law, in addition to its customary investment management or advisory fee for Client's account.

- (f) Clients of other divisions of Stephens and Clients of other advisory representatives of Stephens, as well as Stephens, its principals, employees, affiliates and their family members, may hold, and may engage in transactions in, securities purchased or sold for Client or about which Stephens may give or may have given Client advice. The Client's account may purchase as investments securities of companies with which Stephens or its affiliates maintain investment banking relationships or other relationships or securities of companies in which Stephens or its affiliates have an ownership or other investment interest.
- (g) Subject to applicable law, Stephens may pay certain fees to, and/or share revenues with, affiliates and their parties in connection with referrals for investment advisory accounts.
- (h) Stephens, or its affiliates, may provide more than one type of service to Client (or a related organization), including (but not limited to), investment management services, investment advisory services, financial advisory services, underwriting services, placement agency services, investment banking services, securities brokerage services, securities custodial services, insurance agency services, insurance brokerage services, administrative services or other services, or any combination of services, all on such terms as may be agreed between Stephens (or its affiliate) and Client (or its related organization).
- (i) Other divisions and other advisory representatives of Stephens perform investment advisory services for clients other than Client and such other divisions or other advisory representatives of Stephens may give advice or take action with respect to other clients that may be similar to or different from the advice given or action taken for Client's account, in terms of securities, timing, nature of transactions and other factors. Stephens will, to the extent practicable, attempt in good faith to allocate investment opportunities among its clients, including Client, on a fair and equitable basis. However, other divisions and other advisory representatives of Stephens will not undertake to make any recommendation or communication to Client with respect to any security which such other divisions or advisory representatives may purchase or sell (either as principal or for any other client's account) or recommend to any other client, or in which such other divisions or advisory representatives, or their respective principals, employees, affiliates or their family members, may engage in transactions.
- (j) Stephens may determine in particular circumstances that, while it would be both desirable and suitable that a particular security or other investment be purchased or sold for the account of more than one of Stephens' client accounts, there is a limited supply or demand for the security or other investment. Under such circumstances, Stephens will seek to allocate the opportunity to purchase or sell that security or other

investment among those accounts on an equitable basis, recognizing that not every account that might benefit from certain opportunities (such as, but not limited to certain IPO's) will be able to participate in such opportunities; and Stephens will not be required to assure equality of treatment among all of its clients (including that the opportunity to purchase or sell that security or other investment will be proportionally allocated among those clients according to any particular or predetermined standards or criteria) or to undertake to make investment opportunities offered or provided to clients of other divisions of Stephens or to clients of other representatives of Stephens available to Stephens or to clients of the representative assigned to Client's account, including Client.

- (k) Stephens may aggregate purchase or sale orders in a particular security for Client's account with orders for other clients' accounts when appropriate. However, Stephens is under no obligation to aggregate orders. Where, because of prevailing market conditions, it is not possible to obtain the same price or time of execution for all of the securities or other investments purchased or sold for Client's account in an aggregated order, Stephens may average the various execution prices and charge or credit Client's account with the average price.

We are pleased you are considering Stephens Capital Management as your investment adviser. If you have any questions about the information contained in this brochure or about any aspect of the services we provide, please do not hesitate to call SCM at (501) 377- 2377. Clients often receive this information by electronic delivery.

For SEC Reference Purpose Only					
Cross References					
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