

FORM ADV**Part II - Page 1****Uniform Application for Investment Adviser Registration****OMB APPROVAL**

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| | | | | |
|---|-----------------|-----------|--------------|------------------------------|
| Name of Investment Adviser: Securities America Advisors, Inc. | | | | |
| Address: (Number and Street) | (City) | (State) | (Zip Code) | Area Code: Telephone Number: |
| 12325 Port Grace Blvd. | La Vista | NE | 68128 | (402) 399-9111 |

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

**Potential persons who are to respond to the collection of information contained in this form
are not required to respond unless the form displays a currently valid OMB control number.**

FORM ADV**Part II - Page 2**

Applicant:

Securities America Advisors, Inc.

SEC File Number:

801-45628

Date:

3/31/10

1. **A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service.

(See instruction below.)

Applicant:

- | | | | |
|-------------------------------------|-----|---|-----|
| <input checked="" type="checkbox"/> | (1) | Provides investment supervisory services | 59% |
| <input type="checkbox"/> | (2) | Manages investment advisory accounts not involving investment supervisory services | % |
| <input checked="" type="checkbox"/> | (3) | Furnishes investment advice through consultations not included in either service described above | 1% |
| <input type="checkbox"/> | (4) | Issues periodicals about securities by subscription | % |
| <input type="checkbox"/> | (5) | Issues special reports about securities not included in any service described above | % |
| <input type="checkbox"/> | (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities | % |
| <input checked="" type="checkbox"/> | (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities | 1% |
| <input type="checkbox"/> | (8) | Provides a timing service | % |
| <input checked="" type="checkbox"/> | (9) | Furnishes advice about securities in any manner not described above | 39% |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does the applicant call any of the services it checked above financial planning or some similar term?

| Yes | No |
|-------------------------------------|--------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> |

C. Applicant offers investment advisory services for: (check all that apply):

- | | | | | | |
|-------------------------------------|-----|--|-------------------------------------|-----|-------------------|
| <input checked="" type="checkbox"/> | (1) | A percentage of assets under management | <input type="checkbox"/> | (4) | Subscription fees |
| <input checked="" type="checkbox"/> | (2) | Hourly charges | <input checked="" type="checkbox"/> | (5) | Commissions |
| <input checked="" type="checkbox"/> | (3) | Fixed fees (not including subscription fees) | <input checked="" type="checkbox"/> | (6) | Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of Clients** - Applicant generally provides investment advice to: (check those that apply)

- | | | | | | |
|-------------------------------------|----|----------------------------------|-------------------------------------|----|---|
| <input checked="" type="checkbox"/> | A. | Individuals | <input checked="" type="checkbox"/> | E. | Trusts, estates, or charitable organizations |
| <input checked="" type="checkbox"/> | B. | Banks or thrift institutions | <input checked="" type="checkbox"/> | F. | Corporations or business entities other than those listed above |
| <input type="checkbox"/> | C. | Investment companies | <input checked="" type="checkbox"/> | G. | Other (describe on Schedule F) |
| <input checked="" type="checkbox"/> | D. | Pension and profit sharing plans | | | |

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Applicant:

Securities America Advisors, Inc.

SEC File Number:

801- 45628

Date:

7/18/07

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> A. Equity Securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input checked="" type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (3) foreign issues | <input checked="" type="checkbox"/> (1) securities |
| | <input type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> B. Warrants | |
| <input checked="" type="checkbox"/> C. Corporate debt securities | <input type="checkbox"/> J. Futures contracts on: |
| (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input checked="" type="checkbox"/> K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input checked="" type="checkbox"/> (1) real estate |
| <input checked="" type="checkbox"/> F. Municipal securities | <input checked="" type="checkbox"/> (2) oil and gas interests |
| | <input checked="" type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> G. Investment company securities | <input checked="" type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (1) variable life insurance | |
| <input checked="" type="checkbox"/> (2) variable annuities | |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.**A.** Applicant's security analysis methods include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Charting | (4) <input checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input checked="" type="checkbox"/> Timing services |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases (securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases (securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" type="checkbox"/> Short sales | |

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Applicant:

Securities America Advisors, Inc.

SEC File Number:

801-45628

Date:

11/26/08

5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

Yes No
☒ ☐

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- | | |
|-----------------|--|
| • name | • formal education after high school |
| • year of birth | • business background for the preceding five years |

7. Other Business Activities. (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice.
- ☒ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) broker-dealer | <input checked="" type="checkbox"/> (7) accounting firm |
| <input checked="" type="checkbox"/> (2) investment company | <input checked="" type="checkbox"/> (8) law firm |
| <input checked="" type="checkbox"/> (3) other investment adviser | <input checked="" type="checkbox"/> (9) insurance company or agency |
| <input checked="" type="checkbox"/> (4) financial planning firm | <input checked="" type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input checked="" type="checkbox"/> (11) real estate broker or dealer |
| <input checked="" type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?

Yes No
☐ ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

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Part II - Page 5

| | | |
|-----------------------------------|------------------|---------|
| Applicant: | SEC File Number: | Date: |
| Securities America Advisors, Inc. | 801- 45628 | 7/18/07 |

9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No
☒ ☐

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

See Schedule F.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

See Schedule F.

Applicant:

Securities America Advisors, Inc.

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7/18/07

12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

(1) securities to be bought or sold?

Yes No

☒ ☐

(2) amount of the securities to be bought or sold ?

Yes No

☒ ☐

(3) broker or dealer to be used ?

Yes No

☐ ☒

(4) commission rates paid?

Yes No

☒ ☐

B. Does applicant or a related person suggest brokers to clients?

Yes No

☒ ☐

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients?

Yes No

☒ ☐

B. directly or indirectly compensates any person for client referrals?

Yes No

☒ ☐

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?

Yes No

☐ ☒

**Schedule F of
Form ADV**

Applicant:
**Securities America Advisors,
Inc.**

SEC File Number:

801-45628

Date:

07/14/10

Continuation Sheet for Form ADV Part II

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

| | |
|---|--|
| 1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Securities America Advisors, Inc. | IRS Empl. Ident. No.: 47-0648506 |
| Item of Form (identify) | Answer |

1D

I. BACKGROUND AND SERVICES

Securities America Advisors, Inc. (SAA) is an investment advisor firm registered with the Securities and Exchange Commission (SEC). SAA provides a variety of programs that can be used by SAA, its representatives (SAA Representatives) and Independently Registered Investment Advisor Firms (Independent Investment Advisors) to provide investment advice to clients. SAA Representatives and Investment Advisor Representatives affiliated with the Independent Investment Advisors (Independent I/A Representatives) may be registered representatives of Securities America, Inc. (SAI), a full service broker/dealer affiliated with SAA. The Independent Investment Advisors are registered as investment advisors with the SEC or in the jurisdictions in which they operate (where such registration is required). SAA is not affiliated as an investment advisor with the Independent Investment Advisors.

Schedule F of the Form ADV Part II discusses the investment advisory services provided by SAA and any potential conflicts of interest associated with the advisory services.

A. INVESTMENT SUPERVISORY SERVICES

SAA provides a diverse range of investment supervisory and administrative Services to clients through its Financial Advisors Program (FAP), LifeGuide Program (LifeGuide), Asset Based Brokerage Services Program (ABBS), Custom Allocation Program (CAP), Managed Opportunities Program (Managed Opportunities), Retirement Opportunities Program (Retirement Opportunities) and other advisory programs. Investment supervisory services are defined as giving continuous advice to a client or making investments for a client based on the individual needs of the client. Clients wishing to use the investment advisory services of SAA sign a client services agreement. The agreement describes the services provided to the client in return for the advisory fee stated on the agreement. The agreement may be canceled by the client within a period specified in the agreement; otherwise, the agreement shall remain in effect until written notice of termination by either party. All brokerage transactions in FAP, LifeGuide, ABBS and Managed Opportunities accounts are processed by SAI and cleared through National Financial Services, LLC (NFS) or Pershing, LLC (Pershing), clearing broker dealers and custodians, pursuant to clearing agreements established by SAI. NFS and Pershing are not affiliated with SAI or SAA. SAA and SAI do not act as a custodian for any account. SAI and SAA do not maintain custody of client funds or securities, other than to direct deduction of advisory fees from client accounts within the programs noted above. The custody of all funds and securities is maintained by outside custodians.

SAA has also entered into agreements with various insurance companies that allow for the management and valuation of client's variable annuity accounts within SAA's FAP, LifeGuide, ABBS, Retirement Opportunities and other advisory programs. Custody of all variable annuity accounts is maintained by insurance company custodians.

FAP, LifeGuide, ABBS and Managed Opportunities are generally considered to be wrap fee programs through which investment advisory services and execution of client transactions are provided for specified fees that are not based directly upon transactions in a client's account.

To the extent margin is available in FAP, Lifeguide, ABBS and Managed Opportunities, such accounts must meet certain risk tolerance requirements. When margin is used to purchase

Complete amended pages in full, circle amended items and file with execution page (page 1).

| | |
|---------------------|---|
| <p>1D Cont.</p> | <p>additional securities, the total value of eligible program assets increase as does the client's asset-based fee. In addition, Clients may be charged margin interest on the debit balance in the client's account. An increase in the asset-based fee that the client pays may provide an incentive for your SAA Representative or Independent I/A Representative to recommend the use of margin.</p> <p>SAA provides financial planning services which do not involve providing continuous advice to clients. These services are described in greater detail later in this schedule.</p> <p>1. FINANCIAL ADVISORS PROGRAM DESCRIPTION</p> <p>Through FAP, SAA Representatives or Independent I/A Representatives assist clients with the establishment of FAP accounts with SAA. The minimum account size is \$25,000. However, exceptions may be granted at the discretion of SAA. The Client Agreement gives SAA Representatives or Independent I/A Representatives limited discretionary authority to purchase and sell securities and investments pursuant to each client's investment objectives unless the client elects to retain discretion on the account.</p> <p>All brokerage transactions in an FAP accounts are processed by SAI and cleared through NFS or Pershing. SAA receives compensation from SAI to offset administrative costs involved in FAP. SAA, SAI, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives do not act as custodians for any FAP accounts. The custody of all funds and securities are maintained by NFS, Pershing or other custodians. SAA is authorized to deduct fees directly from client accounts to pay for investment management services, and in these cases is considered to have limited custody of client assets. SAA has verified that each custodian or investment provider it utilizes for its investment management services is a qualified custodian and provides statements to clients on at least a quarterly basis.</p> <p>SAA has also entered into agreements with various insurance companies that allow for the management and valuation of client variable annuity accounts within FAP. Custody of all variable annuity accounts is maintained by insurance company custodians.</p> <p>Account investment management is determined by the stated investment objectives of the client (i.e., current income, balanced, growth & income, growth and maximum growth). SAA Representatives and the Independent I/A Representatives are responsible for developing and determining the investment strategies that will be used when managing client accounts. Therefore, various investment strategies are used in the management of client accounts.</p> <p><u>FAP Account Fees</u></p> <p>An annual management fee is charged for management services through FAP. SAA Representatives and the Independent I/A Representatives negotiate fees with each client based on the complexity of the client's financial situation and the services that are provided, the experience and standard fees charged by the representative providing the services and the nature and total dollar asset value of the assets maintained in the client's account. The maximum annualized management fee that may be charged to clients is 3%. If the account only has mutual funds or linked variable annuities, the maximum annual fee may not exceed 2.25%. The exact fee or fee schedule that is charged to each client is disclosed and quoted to each client prior to services being provided. SAA Representatives and Independent I/A Representatives can choose to "bundle" related FAP accounts in order to achieve a break on management fees. Account bundling can only be done on accounts with the same fee schedule and with clients in the same immediate family or under the same qualified plan. When accounts are bundled, the total average daily balance for all of the bundled accounts is used to determine the fee percentage from the fee schedule. This percentage is then applied to each account and a fee charged to each respectively.</p> <p>SAA retains up to 20 basis points (.2%) of the SAA Representative or the Independent Investment Advisor annualized management fee for administrative and support services. The SAA</p> |
|---------------------|---|

Complete amended pages in full, circle amended items and file with execution page (page 1).

| | |
|---------------------|---|
| <p>1D Cont.</p> | <p>Representative, the Independent Investment Advisor and/or the Independent I/A Representative are paid the balance of the annualized management fee. Account bundling does not reduce the SAA Administrative Fee. Each account is priced separately for purposes of the SAA Administrative Fee and minimum administrative fee.</p> <p>Management fees for FAP accounts held at NFS are billed in advance with the exception of the initial fee. If the account is billed monthly, the initial fee is billed in arrears, prorated based on the number of days that services were provided during the first billing period. This initial fee is billed at the same time the first full period fee is billed in advance. If fees are billed quarterly, the account is charged its first fee in the first full month that the account contains assets. If the first month that the account contains assets is the first or second month of the calendar quarter, the fee is prorated for the partial quarter. If the first month that the account contains assets is the third month of the calendar quarter, the initial fee is billed in arrears, prorated based on the number of days that services were provided during the partial billing period. This initial fee is billed at the same time the first full period fee is billed in advance.</p> <p>Fees are calculated at the beginning of each calendar billing period (monthly or quarterly) based on the Average Daily Balance (ADB) of the FAP account assets under management for the previous period. The market value of variable annuity accounts included in the management portfolio is included in the calculation of FAP management fees. SAA may not receive account valuation information on a daily basis for variable annuities from the insurance companies or their custodians. In limited circumstances, management fees on certain variable annuity accounts may be based on the weekly or monthly average balance. The client whose variable annuity accounts are being managed may pay more or less in management fees in those cases where the pricing is based on a weekly or monthly average balance compared to management fees charged in those cases where the pricing is based on the average daily balance. The ADB does not take into account unpriced securities or any days when FAP accounts have a zero balance. When required, NFS sends clients a brokerage account statement at the beginning of each billing period that will include a Management Fee Notification. The Management Fee Notification shows the ADB, the manner in which the fee was calculated, any adjustment to the fee and an explanation of any adjustment, and the net fee to be deducted later in the period from client's core account investment vehicle within the FAP account. The client may also be assessed ticket charges on account transactions and other miscellaneous charges by NFS on account transactions. Account assets may also be subject to additional fees and expenses as set forth in the prospectus for mutual funds or exchange traded funds.</p> <p>Management fees for FAP accounts that are held at Pershing are billed in advance with the exception of the initial fee. If the account is billed monthly, the initial fee is billed in arrears, prorated based on the number of days that services were provided during the first billing period. The initial fee is billed at the same time the first full period fee is billed in advance. If fees are billed quarterly, the account is charged its first fee in the first full month that the account contains assets. If the first month that the account contains assets is the first or second month of the calendar quarter, the fee is prorated for the partial quarter. If the first month that the account contains assets is the third month of the calendar quarter, the initial fee is billed in arrears, prorated based on the number of days that services were provided during the partial billing period. The initial fee is billed at the same time the first full period fee is billed in advance.</p> <p>Fees are calculated at the beginning of each calendar billing period (monthly or quarterly) based on the value of account assets under management as of the close of business on the last business day of the preceding period as valued by an independent pricing service, where available, or by Pershing in good faith, based on Pershing's books and records. The market value of variable annuity accounts included in the management portfolio is included in the calculation of FAP management fees. SAA may not receive account valuation information on a daily basis for variable annuities from the insurance companies or their custodians. In limited circumstances, management fees on certain variable annuity accounts may be based on the weekly or monthly average balance. The client whose variable annuity accounts are being managed may pay more or less in management fees in</p> |
|---------------------|---|

Complete amended pages in full, circle amended items and file with execution page (page 1).

1D
Cont.

those cases where the pricing is based on a weekly or monthly average balance compared to management fees charged in those cases where the pricing is based on the average daily balance. When required, Pershing sends clients a Management Fee Notification prior to fees being deducted from the client's account. The Management Fee Notification shows the period ending balance, the manner in which the fee was calculated, any adjustment to the fee and an explanation of any adjustment, and the net fee to be deducted later in the period from client's core account investment vehicle within the FAP account. The client may also be assessed ticket charges on account transactions and other miscellaneous charges by Pershing on account transactions. Account assets may also be subject to additional fees and expenses as set forth in the prospectus for mutual funds or exchange traded funds.

SAA or the Independent Investment Advisor may invest a portion of client's assets in mutual funds or variable annuities and charges an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to SAA or the Independent Investment Advisor and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.

Typically, management fees are automatically deducted from the FAP account pursuant to authorization provided in the FAP Agreement executed by the client. On an exception basis, clients may have their management fees paid from other accounts or have SAA bill them directly by invoice. In such cases, the management fee is noted as zero on clients' brokerage statements.

FAP accounts may be canceled at any time, by any of the parties, for any reason by providing notice to the appropriate party(ies). Upon termination of an FAP account, any prepaid, unearned fees are promptly refunded. If SAA receives a request to terminate and liquidate the account, SAA has up to 72 hours to begin liquidating. Subsequent transactions in a closed account are subject to SAI's normal brokerage rates and commissions.

FOR INFORMATION REGARDING PROXY VOTING, FEES AND ADDITIONAL COSTS THAT MAY BE INCURRED PLEASE REFER TO THE PROXY VOTING AND GENERAL FEE DISCLOSURE INFORMATION AT THE END OF THE INVESTMENT ADVISORY SERVICES SECTION OF THIS DOCUMENT.

2. LIFEGUIDE PROGRAM DESCRIPTION

Through LifeGuide, SAA Representatives or Independent I/A Representatives assists the client with the establishment of LifeGuide accounts with SAA. The minimum account size is \$50,000. However, exceptions may be granted at the discretion of SAA. The Client Agreement gives SAA Representatives or Independent I/A Representatives limited discretionary authority to purchase and sell securities and investments pursuant to the investment objectives determined by client unless the client elects to retain discretion on the Account.

All brokerage transactions in the account are processed by SAI and cleared through NFS. SAA receives compensation from SAI to offset administrative costs involved in LifeGuide. SAA, SAI, SAA Representatives, the Independent Investment Advisors, and the Independent I/A Representatives do not act as custodians for any LifeGuide accounts. The custody of all funds and securities is maintained by NFS, Pershing or other custodians. SAA is authorized to deduct fees directly from client accounts to pay for investment management services, and in these cases is considered to have limited custody of client assets. SAA has verified that each custodian or investment provider it utilizes for its investment management services is a qualified custodian and provides statements to clients on at least a quarterly basis.

SAA has also entered into agreements with various insurance companies that allow for the management and valuation of client variable annuity accounts within LifeGuide. Custody of all variable annuity accounts is maintained by insurance company custodians.

Complete amended pages in full, circle amended items and file with execution page (page 1).

1D
Cont.

Account investment management is determined by the stated investment objectives of the client (i.e., current income, balanced, growth & income, growth and maximum growth). SAA Representatives and Independent I/A Representatives are responsible for developing and determining the investment strategies that will be used when managing client accounts. Therefore, various investment strategies are used in the management of client accounts.

LifeGuide Account Fees

An annual management fee is charged for management services through LifeGuide. SAA Representatives and Independent I/A Representatives negotiate fees with each client based on the complexity of the client's financial situation and the services that will be provided, the experience and standard fees charged by the representative providing the services and the nature and total dollar asset value of the assets maintained in the client's account. The maximum annualized management fee that may be charged to clients is 3%. If the account only has mutual funds or linked variable annuities, the maximum annual fee may not exceed 2.25%. The exact fee or fee schedule that will be charged to each client is disclosed and quoted to each client prior to services being provided. SAA Representatives and Independent I/A Representatives can choose to "bundle" related LifeGuide accounts in order to achieve a break on management fees. Account bundling can only be done on accounts with the same fee schedule and with clients in the same immediate family or under the same qualified plan. When accounts are bundled, the total average daily balance for all of the bundled accounts is used to determine the fee percentage from the fee schedule. This percentage is then applied to each account and a fee charged to each respectively.

SAA retains an administrative fee of up to 15% of the SAA Representative or the Independent Investment Advisor annualized management fee for administrative and support services. The SAA Representative, the Independent Investment Advisor and/or the Independent I/A Representative are paid the balance of the annualized management fee. Account bundling does not reduce the SAA Administrative Fee. Each account is priced separately for purposes of the SAA Administrative Fee and minimum administrative fee.

Management fees for LifeGuide accounts that are held at NFS are billed in advance with the exception of the initial fee. If the account is billed monthly, the initial fee is billed in arrears, prorated based on the number of days that services were provided in the first billing period. The initial fee is billed at the same time the first full period fee is billed in advance. If fees are billed quarterly, the account is charged its first fee in the first full month that the account contains assets. If the first month that the account contains assets is the first or second month of the calendar quarter, the fee is prorated for the partial quarter. If the first month that the account contains assets is the third month of the calendar quarter, the initial fee is billed in arrears, prorated based on the number of days that services were provided during the partial billing period. This initial fee is billed at the same time the first full period fee is billed.

Fees are calculated at the beginning of each calendar billing period (monthly or quarterly) based on the Average Daily Balance (ADB) of the LifeGuide account assets under management for the previous period. The market value of the variable annuity accounts included in the management portfolio is included in the calculation of LifeGuide management fees. SAA may not receive account valuation information on a daily basis for variable annuity accounts from the insurance companies or their custodians. In limited circumstances, management fees on certain variable annuity accounts may be based on the weekly or monthly average balance. The client whose variable annuity accounts are being managed may pay more or less in management fees in those cases where the pricing is based on a weekly or monthly average balance compared to fees charged in those cases where the pricing is based on the average daily balance. The ADB does not take into account unpriced securities or any days when the LifeGuide accounts have a zero balance. When required, NFS sends clients a brokerage account statement at the beginning of each billing period that will include a Management Fee Notification. The Management Fee Notification shows the ADB, the manner in which the fee was calculated, any adjustment to the fee and an explanation of any adjustment and the net fee to be deducted later in the period from the client's core account

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| <p>1D Cont.</p> | <p>investment vehicle within the LifeGuide account. The client may also be assessed ticket charges on account transactions and other miscellaneous charges by NFS on account transactions. Account assets may also be subject to additional fees and expenses as set forth in the prospectus for mutual funds or exchange traded funds.</p> <p>Management fees for LifeGuide accounts that are held at Pershing are billed in advance with the exception of the initial fee. If the account is billed monthly, the initial fee is billed in arrears, prorated based on the number of days that services were provided during the first billing period. The initial fee is billed at the same time the first full period fee is billed in advance. If fees are billed quarterly, the account is charged its first fee in the first full month that the account contains assets. If the first month that the account contains assets is the first or second month of the calendar quarter, the fee will be prorated for the partial quarter. If the first month that the account contains assets is the third month of the calendar quarter, the initial fee is billed in arrears, prorated based on the number of days that services were provided during the partial billing period. The initial fee is billed at the same time the first full period is billed in advance.</p> <p>Fees are calculated at the beginning of each calendar billing period (monthly or quarterly) based on the value of account assets under management as of the close of business on the last business day of the preceding period as valued by an independent pricing service, where available, or by Pershing in good faith based on Pershing's books and records. The market value of variable annuity accounts included in the management portfolio is included in the calculation of LifeGuide management fees. SAA may not receive account valuation information on a daily basis for variable annuities from the insurance companies or their custodians. In limited circumstances, management fees on certain variable annuity accounts may be based on the weekly or monthly average balance. The client whose variable annuity accounts are being managed may pay more or less in management fees in those cases where the pricing is based on a weekly or monthly average balance compared to management fees charged in those cases where the pricing is based on the average daily balance. When required, Pershing sends clients a Management Fee Notification prior to fees being deducted from the account. The Management Fee Notification will show the period ending balance, the manner in which the fee was calculated, any adjustment to the fee and an explanation of any adjustment, and the net fee to be deducted later in the period from the client's core account investment vehicle within the LifeGuide account. The client may also be assessed ticket charges on account transactions and other miscellaneous charges by Pershing on account transactions. Account assets may also be subject to additional fees and expenses as set forth in the prospectus for mutual funds or exchange traded funds.</p> <p>SAA or the Independent Investment Advisor may invest a portion of client's assets in mutual funds or variable annuities and charges an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to SAA or the Independent Investment Advisor and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.</p> <p>Typically, management fees are automatically deducted from the LifeGuide account pursuant to authorization provided in the LifeGuide Agreement executed by the client. On an exception basis, clients may have their management fees paid from other accounts or have SAA bill them directly by invoice. In such cases, the management fee is noted as zero on the clients' brokerage statements.</p> <p>LifeGuide accounts may be canceled at any time, by any of the parties, by providing notice to the appropriate party(ies). Upon termination of a LifeGuide account, any prepaid, unearned fees are promptly refunded. If SAA receives a request to terminate and liquidate the account, SAA has up to 72 hours to begin liquidating. Subsequent transactions in a closed account are subject to SAI's normal brokerage rates and commissions.</p> <p>FOR INFORMATION REGARDING PROXY VOTING, FEES AND ADDITIONAL COSTS THAT MAY BE INCURRED PLEASE REFER TO THE PROXY VOTING AND GENERAL FEE DISCLOSURE INFORMATION AT THE END OF THE INVESTMENT</p> |
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ADVISORY SERVICES SECTION OF THIS DOCUMENT.

FAP AND LIFEGUIDE THIRD PARTY MONEY MANAGEMENT EXCEPTION

In some instances, FAP and LifeGuide accounts may be managed by third party registered investment advisors under separate investment management or sub-advisor agreements. In such circumstances, SAA Representatives and Independent Investment Advisors utilize FAP and LifeGuide accounts to provide clients and third party registered investment advisors with administrative support services and brokerage clearing services through SAI and NFS or Pershing. Third party registered investment advisor management fees are separate and distinct from SAA, the SAA Representative and the Independent Investment Advisors fees.

3. ASSET BASED BROKERAGE SERVICES PROGRAM DESCRIPTION

This program is limited to SAA Representatives or Independent I/A Representatives who were previously Representatives of Brecek & Young Advisors, Inc.

Through the Asset Based Brokerage Services Program (ABBS), SAA Representatives or the Independent I/A Representatives assist clients in the establishment of an ABBS account. The minimum account size for an ABBS account is \$20,000. However, exceptions to this minimum may be granted at the discretion of SAA. ABBS accounts are managed on a non-discretionary basis. SAA Representatives and the Independent I/A Representatives do not trade, redeem, reallocate or transfer the account without prior client approval.

Under ABBS, SAA Representatives or the Independent I/A Representatives are responsible for monitoring client portfolios. With prior client consent and when appropriate, SAA Representatives or the Independent I/A Representatives reallocate client portfolios based on changing market conditions, changes in the client's financial situation or a variety of other factors. If the client's financial situation changes, the client is responsible for notifying the SAA Representative or the Independent I/A Representative responsible for servicing the client's account.

All brokerage transactions in ABBS are processed by SAI and cleared through NFS. SAA receives compensation from SAI to offset administrative costs involved in ABBS. SAA, SAI, SAA Representatives, the Independent Investment Advisors, and the Independent I/A Representatives do not act as custodians for any ABBS account. NFS maintains custody of all funds and securities. SAA is authorized to deduct fees directly from client accounts to pay for investment management services, and in these cases is considered to have limited custody of client assets. SAA has verified that each custodian or investment provider it utilizes for its investment management services is a qualified custodian and provides statements to clients on at least a quarterly basis.

SAA has entered into agreements with various insurance companies that allow for the management and valuation of client variable annuity accounts within ABBS. Custody of all variable annuity accounts is maintained by the insurance company custodian. Variable annuities linked to an ABBS account are excluded from management fee calculations.

ABBS Account Fees

The annual management fee charged for management services through ABBS is based on the complexity of the client's financial situation, the services that will be provided, the experience and standard fees charged by the SAA Representative or the Independent I/A Representative providing services, and the nature and total dollar asset value of the assets maintained in the client's account. The maximum annual fee for ABBS is 2.45%. The fee is negotiated between the SAA Representative or the Independent I/A Representative and the client and may vary. The exact fee charged to or fee schedule used with each client is disclosed and quoted to each client prior to services being provided. SAA Representatives or the Independent I/A Representatives can choose to "bundle" related ABBS accounts in order for clients to achieve a break on management fees.

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| <p>1D Cont.</p> | <p>Account bundling can only be done on accounts with the same fee schedule and with clients in the same immediate family or under the same qualified plan. When accounts are bundled, the total average daily balance for all of the bundled accounts is used to determine the fee percentage from the fee schedule. This percentage is then applied to each account and a fee charged to each respectively.</p> <p>The client may also be assessed ticket charges on account transactions and other miscellaneous charges by NFS on account transactions. Account assets may also be subject to additional fees and expenses as set forth in the prospectus for mutual funds or exchange traded funds.</p> <p>SAA or the Independent Investment Advisor may invest a portion of client's assets in mutual funds or variable annuities and charges an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to SAA or the Independent Investment Advisor and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.</p> <p>For administrative and support services SAA retains up to 25 basis points of the SAA Representatives or the Independent I/A Representatives annualized management fee and the SAA Representative or the Independent I/A Representative is paid the balance.</p> <p>Fees for management services are charged monthly in advance on the 15th business day of the month. Fees are based on the previous month's average daily balance or period ending balance during the billing period. In any partial calendar month, the fee is pro-rated based upon the number of days the account was open during the month. SAA charges a \$50 annual processing fee for accounts under \$100,000 due at the end of the calendar year which can be passed on to the SAA Representative or the Independent I/A Representative at SAA's discretion.</p> <p>Typically, management fees are automatically deducted from the ABBS account pursuant to client authorization provided in the ABBS Client Agreement. On an exception basis, clients may have their management fees paid from other accounts or have SAA bill them directly by invoice. In such cases, the management fee is noted as zero on the clients' brokerage statements.</p> <p>ABBS accounts may be canceled at any time, by any of the parties, for any reason by providing notice to the appropriate party(ies). Upon termination of an ABBS account, any prepaid, unearned fees are promptly refunded. If SAA receives a request to terminate and liquidate the account, SAA has up to 72 hours to begin liquidating. Subsequent transactions in a closed account are subject to SAI's normal brokerage rates and commissions.</p> <p>FOR INFORMATION REGARDING PROXY VOTING, FEES AND ADDITIONAL COSTS THAT MAY BE INCURRED PLEASE REFER TO THE PROXY VOTING AND GENERAL FEE DISCLOSURE INFORMATION AT THE END OF THE INVESTMENT ADVISORY SERVICES SECTION OF THIS DOCUMENT.</p> <p>4. CUSTOM ALLOCATION PROGRAM DESCRIPTION</p> <p><i>This program is limited to the Independent I/A Representatives and the SAA Representatives who were previously investment advisor representatives of Brecek & Young Advisors, Inc.</i></p> <p>SAA Representatives may use the Custom Allocation Program (CAP), an asset allocation program and an investment reporting service. Brecek and Young Advisors, Inc., an SEC registered investment advisor, acts under the marketing name of Iron Point Capital Management (IPCM) in the capacity of record keeper and may provide administrative services to Investment Advisors. IPCM does not recommend any securities to clients or SAA Representatives. IPCM is affiliated with SAA and both are affiliated companies under Securities America Financial Corporation (SAFC).</p> |
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| <p>1D Cont.</p> | <p>Under CAP, SAA Representatives or the Independent I/A Representatives assist the client in establishing an account at Fidelity Institutional Wealth Services (FIWS) or Fidelity Tax-Exempt Services Company (FITSCO) who maintains custody of all account funds and securities. SAA, SAA Representatives, Independent Investment Advisors and Independent I/A Representatives do not act as custodians of the account or have direct access to client funds and/or securities. A minimum of \$50,000 is required to establish and maintain an account although exceptions may be granted at SAA Representative or the Independent I/A Representative's discretion.</p> <p>SAA Representatives or the Independent I/A Representatives have limited discretionary authority to invest, sell and reinvest proceeds in the account without obtaining client's prior confirmation of any proposed action. SAA Representatives or the Independent I/A Representatives manage the account in accordance with the investment mandates of the client and subject to any guidelines and/or restrictions provided by the client. SAA Representatives or the Independent I/A Representatives monitor the account and evaluate holdings. IPCM provides to the client a quarterly performance report.</p> <p><u>CAP Account Fees</u></p> <p>The maximum annual fee for CAP accounts is 1.75%. From this annual fee, IPCM may retain up to .65% as compensation for the reporting and administrative services it provides. The client may also be assessed ticket charges on account transactions and other miscellaneous charges by FIWS and FITSCO on account transactions. Account assets may also be subject to additional fees and expenses as set forth in the prospectus for mutual funds or exchange traded funds.</p> <p>SAA or the Independent Investment Advisor may invest a portion of client's assets in mutual funds or variable annuities and charges an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to SAA or the Independent Investment Advisor and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.</p> <p>Fees are billed quarterly in arrears based on the market value of account assets on the last trading day of each calendar quarter. For accounts opened mid-quarter, fees are prorated based on the number of days the account was open during the quarter. Generally, fees are automatically deducted from the client's account unless the client requests they are directly billed and SAA Representatives or the Independent I/A Representatives agree to that request. Fees are itemized on the client's quarterly statements.</p> <p>Services continue until any party gives written notice of termination to the other party(ies). Termination will be effective upon receipt of notice although transactions in progress will be completed in the normal course of business. The client will be responsible for prorated advisory fees up to and including the effective date of termination.</p> <p>FOR INFORMATION REGARDING PROXY VOTING, FEES AND ADDITIONAL COSTS THAT MAY BE INCURRED PLEASE REFER TO THE PROXY VOTING AND GENERAL FEE DISCLOSURE INFORMATION AT THE END OF THE INVESTMENT ADVISORY SERVICES SECTION OF THIS DOCUMENT.</p> <p>5. MANAGED OPPORTUNITIES PROGRAM</p> <p>Managed Opportunities Program (Management Opportunities) is a wrap fee program developed by SAA which provides clients with the opportunity to establish Mutual Fund Portfolios, Separate Account Portfolios, Unified Managed Account Portfolios developed by third party money managers that are registered investment advisors (collectively referred to as Sub-Advisors). One or more Sub-Advisors in this program may be affiliated with SAA. SAA Representatives and the Independent</p> |
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| <p>1D Cont.</p> | <p>I/A Representatives act as referral parties when referring clients into Mutual Fund Portfolios, Separate Account Portfolios, and Unified Managed Account Portfolios (individually each a portfolio, and collectively, portfolios).</p> <p>In addition, Managed Opportunities offers Advisor Directed Portfolios through which the SAA Representatives or the Independent I/A Representatives work with and advise clients in the selection of investments constituting a portion of the Managed Opportunities Portfolios.</p> <p>SAA, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives assist clients in establishing Managed Opportunities accounts through a web-based platform. A master brokerage account (master account) may be established at any client's request for the administrative purpose of holding and transferring client's assets. When liquidation of positions is required for investing proceeds into a Managed Opportunities Portfolios or for the purpose of transferring client assets out of Managed Opportunities, the liquidation of transactions may occur in the master account.</p> <p>Administrative, web site, transaction order entry services and other services are provided to SAA by outside service providers and Sub-Advisors. Clients grant SAA the discretionary authority to select one or more Sub-Advisors to provide administrative, web site, performance reporting, transaction order entry and other services to SAA and clients. SAA currently has a relationship with Oberon Financial Technology, Inc. (Oberon), a registered investment advisor, to provide these services. Oberon is owned by Envestnet Asset Management which is also a registered investment advisor. Clients establishing Managed Opportunities accounts receive a copy of Oberon's Disclosure Brochure in addition to SAA's and (when applicable) the Independent Investment Advisor's Disclosure Brochure. All transactions in Managed Opportunities accounts are processed by SAI.</p> <p>SAA and Envestnet are separate, non-affiliated entities. SAA and Oberon are separate, non-affiliated entities.</p> <p>In order to establish Managed Opportunities accounts, clients must provide relevant information requested by SAA in the New Account Application and Investment Policy Profile. Such information assists SAA, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives in determining the suitability of the Managed Opportunities accounts and in establishing appropriate investment objectives. Clients will also provide other supporting documents and financial information that SAA and the Independent Investment Advisor may reasonably request. A Managed Opportunities Investment Strategy Summary is generated from the suitability information provided by the client which summarize the client's recommended investment strategies and set out the objectives and restrictions in the management of the client's account. SAA and the Independent Investment Advisor provide services through Managed Opportunities based solely upon information supplied by the client.</p> <p><u>Description of Investment Strategy Options</u></p> <p>The following describes each of the investment strategy options available to clients under the program, including the nature of the grant of discretionary authority with respect to each option selected by client. For each portfolio that is selected by a client, a separate SAI brokerage account is established. As a general rule, the minimum account size for Mutual Fund Portfolios is \$50,000. The minimum account size for Separate Account Portfolios is \$100,000. The minimum account size for Unified Managed Account Portfolios is \$250,000. The minimum account size for Advisor Directed Portfolios is \$50,000. Smaller accounts may be accepted on an exception basis.</p> <p><u>Mutual Fund Account Portfolios</u></p> <p>SAA is a party to sub-advisory service agreements with one or more Sub-Advisors that provide mutual fund and/or exchange traded fund asset allocation model portfolios to SAA which are based on the information, research, asset allocation methodology and investment strategies of the Sub-</p> |
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Advisors. SAA may terminate existing Sub-Advisor service agreements and enter into new Sub-Advisor agreements at its discretion. The client's initial Mutual Fund Portfolios are described on the Managed Opportunities Investment Strategy Summary.

Separate Account Portfolios

SAA is a party to a Sub-Advisor service agreement with Oberon to provide SAA with access to a number of institutional separate account investment manager model portfolios of equity and/or fixed income securities developed by Sub-Advisors with which Oberon has contractual relationships. Oberon acts as a Sub-Advisor to SAA on all Separate Account Portfolios established under Managed Opportunities. SAA may terminate existing Sub-Advisor agreements and enter into new Sub-advisor agreements at its discretion. If a portion of the asset allocation does not meet a Sub-Advisor manager's account minimum, a mutual fund may be used in place of an individual portfolio manager. The client's initial Separate Account Portfolios are described in the Managed Opportunities Investment Strategy Summary.

Unified Managed Account Portfolios

SAA is a party to a sub-advisory services agreement with one or more Sub-Advisors to provide SAA with access to Unified Managed Account Portfolios which combine specialized institutional asset class managers, mutual funds and/or exchange traded funds, and with an overlay manager to manage separate account positions in a comprehensive asset allocation portfolio of securities in a single brokerage account. The client's initial Unified Managed Account Portfolios are described on the Managed Opportunities Investment Strategy Summary.

Advisor Directed Portfolios

Advisor Directed Portfolios are managed by an SAA Representative or an Independent I/A Representative. The SAA Representative or the Independent I/A Representative manage the client's account based on the financial information and investment objectives provided by the client. The SAA Representative or the Independent I/A Representative design one or more investment management and asset allocation portfolios for the client. The client's initial Advisor Directed Portfolios are described on the Managed Opportunities Investment Strategy Summary.

Account Authorization

When executing a Managed Opportunities client services agreement, the client grants SAA discretion to select one or more Sub-Advisors, including those providing administrative, web site, performance reporting, transaction order entry and other services to SAA and the client. The client grants SAA and any Sub-Advisor selected by SAA, limited discretionary trading authority with respect to the purchase and sale of securities in the Master Account, Mutual Fund Portfolios, Separate Account Portfolios, Unified Managed Account Portfolios and Advisor Directed Portfolios and appoints SAA and any Sub-Advisor selected by SAA as client's agent and attorney-in-fact with respect to the trading authorization. When executing a Managed Opportunities client services agreement, client grants SAA or the Independent Investment Advisor limited discretionary trading authority with respect to the purchase and sale of securities in the Master Account and Advisor Directed Portfolios and appoints SAA or the Independent Investment Advisor as client's agent and attorney-in-fact with respect to the trading authorization.

When executing a Managed Opportunities client services agreement, the client acknowledges that the composition of any of the Managed Opportunities Portfolios may change from time to time; causing the portfolio to become more conservative or more aggressive and such changes are a normal part of the investment management process. Unless a Sub-Advisor notifies SAA of a change in the fundamental investment objectives of a portfolio, SAA, the SAA Representative, the Independent Investment Advisor and/or the Independent I/A Representative will not notify the client of such changes or take action to change the investment portfolio selected for the client.

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The initial portfolio or portfolios selected by the client are set forth on a “Managed Opportunities Investment Strategy Summary” document. Any changes to the initial portfolio(s) selection are reflected in a verification update letter mailed to the client.

Managed Opportunities Account Fees

Clients pay an annual management fee based on a percentage of assets under management for all Managed Opportunities accounts. SAA Representatives and Independent I/A Representatives negotiate Managed Opportunities fees with each client based on the complexity of the client’s financial situations and the services that will be provided, the experience and standard fees charged by the investment advisor representative providing the services and the nature and total dollar asset value of the assets maintained in the client’s account. The maximum annualized management fee that may be charged to clients is 3%. If the account only has mutual funds, the maximum management may not exceed 2.25%. The exact fee or fee schedule that will be charged to each client will be disclosed and quoted to each client prior to services being provided. The SAA Representative and the Independent Investment Advisor or the Independent I/A Representative are paid a portion of the management fee for solicitations/referrals to Mutual Fund Portfolios, Separate Account Portfolios and Unified Managed Account Portfolios.

SAA retains a portion of the SAA Representative or the Independent Investment Advisor annualized management fee for management, administrative and support services provided. The SAA Representative, the Independent Investment Advisor and/or the Independent I/A Representative are paid the balance of the annualized management fee. SAA charges the SAA Representative, the Independent Investment Advisor or the Independent I/A Representative a minimum administrative fee of \$10 per month for Mutual Fund Portfolios and \$20 per month for all other Portfolios. Oberon and Sub-Advisors are compensated by SAA from SAA’s portion of the fees. The fees paid to SAA, Oberon and the Independent Investment Advisors are disclosed in the Managed Opportunities Investment Strategy Summary that is provided to the client as part of the client services agreement.

For Advisor Directed Portfolios, the client may also be assessed ticket charges on account transactions and other miscellaneous charges by NFS on account transactions. Account assets may also be subject to additional fees and expenses as set forth in the prospectus for mutual funds or exchange traded funds.

SAA or the Independent Investment Advisor may invest a portion of client’s assets in mutual funds or variable annuities and charges an investment management fee on client’s assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to SAA or the Independent Investment Advisor and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.

Management Fee Calculations and Payments

Management fees will be billed in advance with the exception of the initial fee. The initial fee is billed in arrears, prorated based on the number of days that services were provided during the first billing period. This initial fee is billed at the same time the first full period fee is billed in advance. Management fees are calculated at the beginning of each calendar month based on the Average Daily Balance (ADB) of the client’s account assets under management for the previous period. The ADB does not take into account unpriced securities held in the account or days when an account has a zero balance.

Clients provide SAA with written authorization to have management fees automatically deducted from their accounts. At no time will SAA or SAI act as custodian of client accounts or have direct access to clients’ funds and/or securities. When required, SAA, the Independent Investment Advisor or the account custodian sends a client Management Fee Notification at the beginning of each billing period. The Management Fee Notification may be included on clients’ brokerage

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account statements. The Management Fee Notifications shows the ADB computed fee, any adjustment to such fee and an explanation of such adjustment and the net fee to be deducted later in the billing period from the client's core account investment vehicle. Clients must maintain cash in a core account investment vehicle which clients select to be part of the account to pay for management fees and other charges and fees. All fees and charges are noted on clients' statements.

If an account is terminated and securities are liquidated, the client may incur separate transaction charges for each transaction. In addition, the client may incur contingent deferred sales charges (CDSC) imposed by mutual fund companies on mutual fund position liquidations if the client directs SAA to liquidate the account or switches managers. All other brokerage commissions are waived in Managed Opportunities accounts. The client is subject to a \$200 transfer charge if, within 12 months of the establishment of a Managed Opportunities Portfolio, client directs SAA to transfer the assets of that Managed Opportunities Portfolio to another Managed Opportunities Portfolio.

Managed Opportunities accounts may be canceled at any time, by any of the parties, for any reason by providing notice to the appropriate party(ies). Upon termination of a Managed Opportunities account, any prepaid, unearned fees are promptly refunded. If SAA receives a request to terminate and liquidate the account, SAA has up to 72 hours to begin liquidating. Subsequent transactions in a closed account are subject to SAI's normal brokerage rates and commissions.

FOR INFORMATION REGARDING PROXY VOTING, FEES AND ADDITIONAL COSTS THAT MAY BE INCURRED PLEASE REFER TO THE PROXY VOTING AND GENERAL FEE DISCLOSURE INFORMATION AT THE END OF THE INVESTMENT ADVISORY SERVICES SECTION OF THIS DOCUMENT.

6. RETIREMENT OPPORTUNITIES PROGRAM DESCRIPTION

Retirement Opportunities is a program that SAA has developed to provide qualified retirement plans with investment advisory services. The plan sponsor authorizes and engages SAA or an Independent Investment Advisor to provide to the Plan the investment advisory services as described herein. With respect to investment advisory services, SAA, the SAA Representative, the Independent Investment Advisor and the Independent I/A Representative shall:

1. Meet with the Plan Sponsor /Named Fiduciary and/or their delegate to select approved asset classes, and maintain model portfolios on a discretionary basis, including the investing, rebalancing of assets, changing of the asset allocations or changing the underlying model portfolios. Recommend, maintain and periodically update the list of mutual funds to the Plan for inclusion as investment options available to Plan participants. The Plan Sponsor/ Named Fiduciary appoints SAA and SAA Representative or the Independent Investment Advisor and its Investment I/A Representative as an "investment manager" and SAA and SAA Representative or the Independent Investment Advisor and its Investment I/A Representative acknowledges their status as "investment advisor" for purposes of ERISA Section 3(38) to the extent of the provision of discretionary advisory services under this Agreement. SAA and the SAA Representative or the Independent Investment Advisor and its Investment I/A Representative have full discretion over fund changes within the approved asset classes and will communicate its decision to the Named Fiduciary on a reasonable basis. SAA and the SAA Representative or the Independent Investment Advisor and its Investment I/A Representative shall exercise this authority in accordance with objectives set forth by the Named Fiduciary as may be amended from time to time and in accordance with additional written guidelines and/or investment policies provided by the Named Fiduciary. Otherwise, the Named Fiduciary must only approve changes to the asset classes. Unless otherwise directed by the Named Fiduciary, SAA and the SAA Representative or the Independent Investment Advisor and its Investment I/A Representative will arrange for the execution of securities transactions for the Plan through brokers or dealers that SAA and the SAA Representative or the Independent Investment Advisor and its Investment I/A Representative reasonably believe will provide the best execution. In carrying out its duties, SAA may utilize the services of its affiliate, SAI, a registered Broker/Dealer, other affiliates and other registered investment advisors.

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| <p>1D Cont.</p> | <p>2. Conduct a periodic review of Plan investments and investment options including, without limitation, investment performance, fund expenses and style drift for investments offered by the Plan to participants; provide suggestions to the Named Fiduciary from time to time as deemed warranted by the Representative for alternative investment options for the Plan to make available to its participants (which decision shall remain the sole and exclusive decision of the Named Fiduciary and/or their delegate).</p> <p>An independent Service Provider (SP) may provide various administrative services to the plan including, among other things, facilitating plan participant investment decisions such as the selection and modification of their investment elections.</p> <p>As a general rule, the minimum plan size that will be accepted into Retirement Opportunities is \$1,000,000. Smaller plans may be accepted on an exception basis.</p> <p><u>Retirement Opportunities Fees</u></p> <p>The investment advisory fees charged are negotiated with each plan. The maximum investment advisory fee that may be charged to a plan for recommending and maintaining model portfolios and mutual fund lists is 1%. SAA retains up to 10% on retirement opportunities business as compensation.</p> <p>SAA or the Independent Investment Advisor may invest a portion of client's assets in mutual funds or variable annuities and charges an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to SAA or the Independent Investment Advisor and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.</p> <p><u>Fee Calculations</u></p> <p>Investment advisory fees are calculated by the SP on behalf of SAA and the Independent Investment Advisor. Investment advisory fees are calculated in arrears based on the previous quarter's ending balance. The investment advisory fees are then be deducted from the plan by no later than the 15th day of the calendar quarter and are paid to SAA, the SAA Representative and/or the Independent Investment Advisor and the Independent I/A Representative.</p> <p>The plans provide SAA and the Independent Investment Advisors with written authorization to have the investment advisory fees automatically deducted from the plan's custodial account. At no time will SAA or the Independent I/A act as custodian of the plan or have direct access to the plan's funds and/or securities. The custody of all assets, funds and securities are maintained by qualified independent custodians. All fees and charges are noted on the plan's custodial account statements. The plan sponsor is responsible for verifying the accuracy of the fee calculation.</p> <p>On an exception basis, the plan may have its investment advisory fees paid from other accounts or have SAA bill the plan directly by invoice. In such cases, the investment advisory fee is noted as zero on the plan's custodial account statements.</p> <p>7. ADDITIONAL INVESTMENT SUPERVISORY SERVICES</p> <p><u>Investment Advisory Programs (Outside of FAP, Lifeguide, ABBS, Managed Opportunities, and Retirement Opportunities)</u></p> <p>SAA may allow SAA Representatives to enter into Investment Advisory Agreements with clients to provide investment supervisory services outside of SAA's FAP, Lifeguide, ABBS, Managed Opportunities, and Retirement Opportunities programs. The client may grant the SAA Representative written authority to manage assets on a limited discretionary basis to purchase and sell securities and investments pursuant to the client's stated investment objectives.</p> |
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SAA, SAI, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives do not act as a custodian for any client account. Custody of all funds and securities is maintained by an outside custodian.

Various investment strategies are used in the management of client accounts. Each SAA Representative or the Independent I/A Representative is responsible for determining the management style based on each client's individual financial situation, goals and objectives.

Investment Advisory Programs Fees (Outside of FAP, Lifeguide, ABBS, Managed Opportunities and Retirement Opportunities)

In these programs, SAA Representatives and the Independent I/A Representatives charge an annual fee based on the value of the assets under management. The annual fee charged for these services is negotiated with each client, with 3% being the maximum annualized fee that may be charged to the client unless the account only has mutual funds and variable annuities, and then the maximum is 2.25%. Annual fees charged as a percentage of assets under management are charged, monthly or quarterly, in advance or arrears as agreed upon between the SAA Representative or the Independent I/A Representative and the client. SAA Representatives and Independent I/A Representatives quote an exact percentage to each client based on both the nature and total asset value of that account. In some instances, SAA Representatives or Independent I/A Representatives may choose to charge a fixed fee for management services. Fixed fees range from \$250 to \$5,000 annually and are determined by the SAA Representative or the Independent I/A Representative based on the amount of assets under management and the complexity of the services that will be provided. Fixed fees may be charged monthly, quarterly or annually, in advance or arrears. Fees of more than \$500 will not be collected more than six months in advance.

The management fees charged for investment advisory services are deducted from the client's account by the account custodian or are billed directly to the client. If fees are deducted from the account, the client provides the account custodian with written authority to have fees deducted upon notice from the SAA Representative or the Independent I/A Representative and paid to SAA. All management fees billed directly are due upon receipt of the SAA invoice. SAA retains a portion of any fees charged to the client. The remainder of the fees are paid to the SAA Representative or Independent I/A Representative. SAA retains up to 20% of the fees charged.

Management fees charged as a percentage of assets under management may be calculated at the beginning of each period (monthly or quarterly) based on the value of the client's account assets under management at the end of the previous period or management fees may be calculated at the end of each period (monthly or quarterly) based on the period-ending balance. As an alternative, SAA Representatives, may limit their management fee compensation to a portion of mutual fund sales loads, 12(b)-1 distribution fees, variable annuity sales commissions and trail commissions.

SAA or the Independent Investment Advisor may invest a portion of client's assets in mutual funds or variable annuities and charges an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to SAA or the Independent Investment Advisor and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.

Services may be canceled at any time, by any of the parties, for any reason upon receipt of written notice.

SUMMARY OF PROXY VOTING AND DISCLOSURE POLICY AND PROCEDURES

Other than the specific Managed Opportunities Portfolios described in this section, SAA and SAA Representatives will not perform proxy voting services on behalf of clients in any other SAA program. Other than the specific Managed Opportunities Portfolios described in this section, if the account is for a pension or other employee benefit governed by ERISA, the right to vote proxies is

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| <p>1D Cont.</p> | <p>expressly reserved for the plan's trustees or other plan fiduciary and not SAA. All proxy notices will be sent directly to clients. Clients are instructed to read through the information provided with the proxy materials and to make a determination based on the information provided. Upon request from a client, SAA Representatives may provide a recommendation or clarification based on their understanding of issues presented in the proxy materials. Clients are solely responsible for all proxy voting decisions. SAA and SAA Representatives are expressly precluded from the voting of proxies solicited by the issuers of securities held by the qualified plan other than for those Managed Opportunities accounts as herein described.</p> <p>SAA or its designee votes proxies on behalf of the client for Managed Opportunities Mutual Fund Portfolios, Separate Account Portfolios and Unified Managed Account Portfolios, unless the client specifically chooses not to grant such authority and completes the Managed Opportunities Additional Instructions Form indicating that they wish to receive all proxy notices. SAA votes proxies in the case of Managed Opportunities Mutual Fund Portfolios. SAA's designee, Envestnet votes proxies in the case of Managed Opportunities Separate Account Portfolios and Managed Opportunities Unified Managed Account Portfolios. SAA or its designee votes all proxies in a manner which, at the time any proxy vote is cast, is consistent with its proxy voting policies and its good faith judgment. SAA is committed to voting corporate proxies in a manner that it reasonably believes serves the best interest of its clients. The quality and depth of management is an important factor that SAA considers when investing in a company. In general, SAA or its designee votes in favor of proposals which do not change the structure, bylaws, or operations of a company to the detriment of the shareholders and votes against proposals that clearly have the effect of restricting the ability of shareholders to realize the full potential value of their investment. SAA considers each proxy proposal on its merits, and will not follow management recommendations if SAA reasonably believes those recommendations are not in the best interests of its clients. As SAA considers each proxy proposal and the related corporate circumstances independently, it may vote differently with respect to similar proposals for different companies. All proxies received are reviewed by the Proxy Voting Committee to ensure proper voting. For each proxy, SAA maintains all related records as required by applicable law. The client shall promptly transmit or cause to be transmitted to SAA all proxies and proxy voting information received by client. If the Managed Opportunities account is for a qualified plan, the plan sponsors provide SAA and its designee with complete discretion to vote proxies solicited by or with respect to the issuers of securities in which the assets of the plan may be invested from time to time, unless the plan sponsors specifically chooses not to grant such authority by completing the Managed Opportunities Additional Instructions Form indicating that they wish to receive all proxy notices and the plan documents specifically provide for another party to perform such proxy voting duties. SAA or its designee shall vote all proxies on behalf of the plans in a manner, which, at the time any proxy vote is cast, is consistent with SAA or its designee's good faith and judgment. The plans shall promptly transmit or cause to be transmitted to SAA or its designee all proxies and additional information received with the proxies by the plans.</p> <p>SAA recognizes that in some circumstances it, or a Proxy Voting Committee member, may have a material conflict of interest in voting proxies on behalf of its clients. In the event of a material conflict, SAA may require that a Proxy Voting Member with the conflict recuse himself or herself and not participate in the voting decisions with respect to that proxy. SAA may also engage the services of an independent third party proxy service provider to obtain a vote recommendation. SAA will adopt the vote recommendation of the third party proxy service provider if SAA reasonably believes that recommendation appears to be in the best interest of its clients.</p> <p>Clients may request information on how their account proxies were voted or request a copy of SAA's proxy voting policies and procedures by writing to Securities America Advisors, Inc., 12325 Port Grace Blvd., La Vista, NE, 68128, Attention: Proxy Voting Committee.</p> <p>FOR INFORMATION REGARDING FEES AND ADDITIONAL COSTS THAT MAY BE INCURRED PLEASE REFER TO THE GENERAL FEE DISCLOSURE INFORMATION AT THE END OF THE INVESTMENT MANAGEMENT NOT INVOLVING</p> |
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INVESTMENT SUPERVISORY SERVICES SECTION OF THIS DOCUMENT.

B. FINANCIAL PLANNING AND FINANCIAL PLANNING CONSULTATIONS OTHER SERVICES

1. FINANCIAL PLANNING AND FINANCIAL PLANNING CONSULTATIONS

SAA and SAA Representatives provide advice through the presentation of financial plans. Any client requiring this type of service receives a written financial plan providing the client with a financial blueprint designed to achieve their stated financial goals and objectives. Financial plans may be comprehensive or may focus only on specific areas of client concern. In general, a financial plan may address any or all of the following areas of concern:

- **PERSONAL:** Family records, budgeting, personal liability, estate information, divorce planning, college planning and financial goals analysis.
- **TAX & CASH FLOW:** Income tax and spending analysis and planning for past, current and future years.
- **DEATH & DISABILITY:** Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- **RETIREMENT:** Analysis of current strategies and investment plans to help each client achieve the client's retirement goals. Retirement planning could include the review of qualified and non-qualified retirement plans and strategies.
- **INVESTMENTS:** Analysis of investment alternatives, asset allocation strategies and their effects on a client's portfolio.
- **LIFE INSURANCE:** Analysis of current and future insurance needs.
- **COLLEGE PLANNING:** Analysis of client's college funding and planning situations along with recommendations of academic and financial strategies to increase client's cash flow, which can be used to reduce college expenses and help maintain client retirement goals.

In addition, SAA and SAA Representatives provide financial planning consultation services to clients. Consultation services will be provided focusing on specific areas of concern to the client. These services can also include retirement plan consulting services provided to the plan sponsor or to an individual client wanting advice on how their plan investments should be allocated. SAA and SAA Representatives may also provide financial planning services to business entities and groups requesting educational services and financial planning seminars or individual consulting and planning services to be provided to employees or members. If individual planning or consulting services are provided, each participating employee or member will be required to execute a separate agreement with SAA. These services will be advice only services. SAA and SAA Representatives will not implement transactions on behalf of clients as part of these services. Clients wanting SAA or SAA Representatives to implement transactions on their behalf will need to contract with SAA and an SAA Representative for one or more of the management services previously described in this document or will utilize the SAA Representative in his or her separate capacity as a registered representative to establish a brokerage account and implement transactions in this separate capacity. A conflict may exist between the interests of SAA or SAA Representatives and the interests of the client if the client chooses to purchase product(s) through the SAA Representative in his/her capacity as an SAI registered representative where the Representative may receive a commission on the product(s) sold in addition to the fees charged for financial planning and financial planning consultations. The client is under no obligation to act upon SAA's or an SAA Representative's recommendations. If the client elects to act on any of the recommendations, the client is under no obligation to effect transactions through SAA or SAI. SAA Representatives may recommend investments to clients in which the client may pay management fees and/or broker-dealer commissions if the transaction is effected through SAI.

When providing financial planning and financial planning consultation services, SAA Representatives gather information through interviews. Information is gathered concerning the

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client's current financial status, future goals, attitudes towards risk and time horizon. Clients may be required to complete a questionnaire and provide additional documentation as requested by SAA or SAA Representative. Depending on the level of services contracted for by the client, a written report may be prepared. Implementing the recommendations may require the client to work closely with the client's attorney, accountant and/or insurance agent. Implementation is entirely at the client's discretion. SAA Representatives may also provide advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, college planning and insurance and/or annuity advice.

Financial Planning and Financial Planning Consultation Fees

SAA Representatives may charge an hourly fee, a fixed fee or a percentage of the assets the SAA Representative is providing consultation services on for financial planning and financial planning consultation services. Hourly fees for financial planning and financial planning consultations are generally charged at a rate of up to \$750 per hour. As an alternative, a flat fee may be charged. Flat fees for financial planning and consultation services will typically be in a range up to \$15,000. Clients contracting for ongoing financial planning and consultation services may be charged an annual, semi-annual, quarterly or monthly retainer fee. Such fee is charged as a flat fee or a percentage of assets that the SAA Representative is providing advice on. The maximum percentage charged will be 2.25% of the value of assets that the consulting services are provided on. SAA and SAA Representatives may or may not charge individual attendees or sponsors for financial planning seminars. Financial planning seminar fees may range from zero to \$15,000. SAA or SAA Representatives may also be entitled to receive reimbursements for seminar expenses if agreed to in advance by seminar attendees or sponsors.

The above ranges are the standard fee ranges that are typically charged. In some instances fees higher than those stated above may be charged if the scope of the project contracted for warrants a higher fee. All fees are negotiable and are agreed upon prior to entering into a contract. SAA Representatives may waive agreed upon financial planning, consultation and seminar fees and expenses if a client purchases products or enters into agreements for other services with the SAA Representative. The client and SAA Representative preparing the financial plan or providing the financial planning consultation services determines the exact fee and the manner in which the fee is to be paid. SAA Representatives negotiate fees with each client based on the complexity of the client's personal circumstances, financial situation and the services that will be provided, the scope of the engagement, the client's gross income, the experience and standard fees charged by the SAA Representative providing the services, and the nature and total dollar asset value of the assets that services will be provided on. In addition, fees may be negotiated based on whether or not the client has assets under management with the SAA Representative. Financial plans are generally presented to the client within 90 days of entering the contract, provided that all information needed to prepare the financial plan has been promptly provided by the client. Fees of more than \$500 will not be collected more than six months in advance.

2. FOX COLLEGE FUNDING DESCRIPTION

SAA has entered into consulting agreements with Fox College Funding, LLC (Fox) to assist SAA Representatives and the Independent I/A Representatives in providing college funding and planning services to clients. Fox also retain other professionals to assist them in the services they provide to SAA Representatives and the Independent I/A Representatives. Fox and these other professionals are not affiliates of SAA, however, an owner and planner affiliated with Fox is an SAA and SAI Representative. An SAA Representative or an Independent I/A Representative reviews and analyzes financial information relating to a client's current financial circumstances to develop a college funding plan. The SAA Representative or the Independent I/A Representative provides a written analysis of client's college funding and planning situation along with recommendations of academic and financial strategies to increase client's cash flow which can be used to reduce college expenses and help maintain client's retirement goals. The client's college funding and planning data is updated on an annual basis if the client maintains an on-going relationship with the SAA

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| <p>1D Cont.</p> | <p>Representative or the Independent I/A Representative. The client pays the Planner under the following fee rates:</p> <p>Initial basic fee structure not to exceed \$5,000. Updates and revisions may be charged at the following rates:</p> <p style="padding-left: 40px;">Fixed Fee - not to exceed \$1,500 Hourly Rate - not to exceed \$300 an hour</p> <p>SAA Representatives and the Independent I/A Representatives may provide additional financial planning services and charge fees at SAA or the Independent Investment Advisor's (as is applicable) current hourly and fixed fee rates.</p> <p>SAA Representatives or the Independent I/A Representatives may also be independent contractors with Fox under which they may provide additional non-advisory college consulting services for non-advisory compensation.</p> <p>C. OTHER INVESTMENT MANAGEMENT SERVICES</p> <p>1. INDEPENDENT MANAGED ASSETS PROGRAM DESCRIPTION</p> <p>The Independent Managed Assets Program (IMAP) is a program through which SAA selects, through its own due diligence, a group of money managers that are registered as investment advisors and sponsor turn-key wrap programs offering a wide range of advisory services including asset allocation, market timing and portfolio management. One or more of these money managers may be affiliated entities of SAA. SAA may allow SAA Representatives to enter into solicitation agreements with third party investment advisors for which SAA Representatives may act as a solicitor. SAA Representatives or the Independent Investment Advisors solicit the services of the recommended money managers and sponsor turn-key wrap programs or offer third party money manager services on a consulting basis. A third party investment advisor manages client accounts in accordance with the disclosures set forth in the third party investment advisor's disclosure documents. The third party investment advisor typically assumes discretionary authority over the account. SAA, SAA Representatives, the Independent Investment Advisors, and the Independent I/A Representatives do not manage or obtain discretionary authority over the assets in accounts participating in these programs. SAA Representatives and the Independent I/A Representatives assist the client with the selection of a recommended money manager or turn-key wrap program based upon the individual needs of the client. IMAP clients execute an agreement directly with the outside money managers or program sponsors providing the recommended programs/services.</p> <p>Various investment strategies are used in the management of client accounts. Each SAA Representative or the Independent I/A Representative is responsible for determining the management style based on each clients individual financial situation, goals and objectives. The SAA Representative or the Independent I/A Representative typically: gathers information from the client about the client's financial situation, investment objectives, risk tolerance and investment time horizon and any reasonable restrictions the client wants imposed on the management of the account; periodically reviews reports provided to the client and consults with the client; contacts the client at least annually to review with the client the client's financial situation; and objectives; communicates information to the third party investment advisor as warranted; and assists the client in understanding and evaluating the services provided by the third party investment advisor. Clients must notify the SAA Representatives or the Independent I/A Representatives of any changes in their financial situation, investment objective or account restrictions. Clients may also directly contact the third party advisor managing the account.</p> <p>Client reports depend upon the money manager selected. SAA Representatives and the Independent Investment Advisors are available to meet with the client on a regular basis. SAA, SAI, SAA Representatives, the Independent Investment Advisors, and the Independent I/A Representatives do</p> |
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not act as a custodian for any client account. Custody of all funds and securities are maintained by an outside custodian.

IMAP Fees

SAA, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives are compensated by the IMAP money managers or turn-key wrap programs sponsors through solicitor or consulting fees. Clients should be aware that the solicitor or consulting fees paid to SAA, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives, differ among recommended managers and turn-key wrap programs that may be recommended by SAA Representatives and Independent I/A Representatives and selected by a client. SAA may receive marketing override fees or preferred sponsor fees from the IMAP money managers or turn-key wrap program sponsors. If SAA does not receive marketing override fees or preferred sponsor fees from a money manager or turn-key wrap program sponsors, then SAA may retain up to 10% of a SAA Representative's and the Independent Investment Advisor and the Independent I/A Representative's solicitation fees or consulting fees from those programs.

Fees may be negotiated but generally range from .10% to 3% annually, depending upon the program selected, the size of the account and the services covered. Under some programs, an inclusive fee covers account management, brokerage, clearance, custody and administrative services. In other programs, the account may be charged separately for such services. The amount of the fees, services provided, payment structure, termination provisions and other aspects of each program are detailed and disclosed in the third party investment advisor's Part II of Form ADV, the Schedule H wrap fee disclosure brochure, or other applicable disclosure documents such as the disclosure documents of the managers selected and the account opening documents. SAA, SAA Representatives, Independent Investment Advisors, and Independent I/A Representatives share in a portion of the fee charged by the third party money manager. The shared portion varies program to program. Disclosure of the shared amount can be obtained by request to SAA

In mutual fund/variable annuity programs, SAA Representatives or the Independent I/A Representatives assist clients in selecting various strategies consisting of model portfolios of mutual funds and/or variable annuity sub-accounts or assist clients in designating certain of their existing investment in mutual funds and/or variable annuities to be managed by a third party investment advisor firm. SAA, SAA Representatives and the Independent Investment Advisors and the Independent I/A Representatives do not manage or obtain discretionary authority over the assets in accounts participating in these programs. The third party advisor either rebalances the mutual funds, variable annuity sub-accounts, or model portfolios selected by the client on a predetermined schedule or actively manages a portfolio of mutual funds and/or variable annuity sub-accounts in accordance with the client's stated general strategy or objectives.

The third party advisor may invest a portion of client's assets in mutual funds or variable annuities and charges an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to the third party advisor, a portion of which is shared amongst SAA, SAA Representatives, Independent Investment Advisors, and Independent I/A Representatives, and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.

SAA's policy allows the annual fee for these services to be negotiated, but may not exceed 3%. If the account only has mutual funds and variable annuities, the maximum annual fee may not exceed 2.25%. Annual fees charged as a percentage of assets under management are charged, monthly or quarterly, in advance or arrears as agreed upon between the SAA Representative or the Independent I/A Representative and the client. SAA Representatives or Independent I/A Representatives quote an exact percentage to each client based on both the nature and total asset value of that account. Fees of more than \$500 will not be collected more than six months in advance.

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There are conflicts of interest that may affect the independent judgment of SAA, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives to recommend one manager or turn-key program over another. The amount of compensation that may be received by SAA, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives from a particular money manager or turn-key program sponsor may be higher than the compensation that would be received from another manager or program. This may result in the SAA Representative, the Independent Investment Advisor and/or the Independent I/A Representative having a financial incentive to recommend one money manager or turn-key program over another.

GENERAL DISCLOSURE INFORMATION

Upon retaining an Advisor and establishing an account, clients complete certain account opening documents required by the qualified custodian. The account opening documents provide information in regards to the custodian's name, address and manner in which the funds or securities are maintained. To the extent the client receives performance reports from the SAA Representative or the Independent I/A Representative, the Advisor urges the client to compare performance reports received with account statements received from the custodian. Inquiries or concerns regarding the account including performance reports should be directed to the Advisor at the phone number listed on the performance report

GENERAL FEE DISCLOSURE LANGUAGE

At no time will fees of more than \$500 be charged more than six months in advance. Fees for investment supervisory services may be more than the cost of purchasing the same services separately. Clients may be able to obtain similar services for a lesser fee from other advisors. The fees charged vary among investment supervisory services. The amount of compensation an SAA Representative or an Independent Investment Advisor may receive in a particular program may be more than would be received if the client participated in other SAA programs or paid separately for investment advice, brokerage and other services. In addition, the compensation an SAA Representative or an Independent Investment Advisor and an Independent I/A Representative receives for recommending one Managed Opportunities portfolio option over another portfolio option may vary. These circumstances may result in the SAA Representative or the Independent Investment Advisor having a financial incentive to recommend one Investment Supervisory Service program or (when applicable) Managed Opportunities portfolio option over another or over other services. The factors to be considered by clients in determining the reasonableness of the fees charged include, but may not be limited to, the following:

1. The fee charged for development of an asset allocation study and/or development of an investment strategy.
2. Transaction and custody costs or other miscellaneous fees and taxes and/or charges, as well as commissions or mark ups and mark downs, on the purchase and/or sale of securities.
3. The cost of producing a quarterly performance report covering the managed assets.
4. The value of the consulting service provided by the SAA Representative or the Independent Investment Advisor in designing and monitoring the client's managed assets.
5. The cost of investment advice provided by SAA, the SAA Representative or the Independent Investment Advisor.
6. The cost of the additional administrative, marketing, asset management and other support services that may be provided by SAA and (when applicable) any sub-advisors used in the management of a program account.

Additional Fees and Charges

Clients may incur certain fees and charges imposed by third parties other than SAA, SAI or the Independent Investment Advisor in connection with investments implemented or maintained in investment management accounts including, but not limited to, mutual fund sales loads, trail

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| <p>1D Cont.</p> | <p>commissions, 12(b)-1 distribution fees and surrender charges; variable annuity commissions and surrender charges; and IRA and qualified retirement plan fees. SAI, SAA Representatives and the Independent I/A Representatives that are registered as SAI registered representatives may retain a portion of the mutual fund sales loads, trail commissions, and 12(b)-1 distribution fees and variable annuity commissions on investments placed in managed accounts. Advisory fees charged in Investment Supervisory Services programs administered by SAA, are separate and distinct from fees and expenses charged by mutual funds and variable annuities that may be recommended to clients. A description of these fees and expenses is available in each fund and variable annuity's prospectus.</p> <p>Brokerage commissions are typically waived in managed accounts. Load mutual funds and bonds may be purchased in some managed accounts on an exception basis at the direction of the client. SAA Representatives and the Independent I/A Representatives may offset or reduce their management fees by the amount of commissions or mutual fund sales loads they receive if they are SAI registered representatives. In some instances at the discretion of the SAA Representatives or the Independent I/A Representatives, the cost incurred by SAA Representatives and the Independent I/A Representatives for executing trades (referred to as transactions charges, ticket charges or service fees/charges) may be passed on to the client. If the SAA Representative or the Independent I/A Representative elect to pass this charge on to the client, it will be reflected on the client's trade confirmation as a Post/Serv Fee for NFS accounts or as a Trans. or Service Charge for Pershing accounts. All fees and charges are noted on the client's statements and/or confirmations. Stocks, bonds and other securities may be traded in managed accounts and are subject to normal spreads, mark-ups and mark-downs paid to market makers of those securities. SAI does not make markets in securities and neither SAA nor SAI receive any portion of the spreads, mark-ups or mark-downs.</p> <p>SAA or the Independent Investment Advisor may invest a portion of client's assets in mutual funds or variable annuities and charges an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of advisory fees for the management of their assets, one directly to SAA or the Independent Investment Advisor and one indirectly to the managers of the mutual funds or variable annuities held in their portfolios.</p> <p>GENERAL FEE DISCLOSURE INFORMATION FOR SAA'S OTHER SERVICES</p> <p>Fees charged in SAA programs are separate and distinct from fees and expenses charged by mutual funds, exchange-traded funds and variable annuities which may be recommended to clients. A description of these fees and expenses are available in each mutual fund and annuity's prospectus.</p> <p>At no time will fees of more than \$500 be charged more than six months in advance. Fees charged in SAA programs may be more than the cost of purchasing the same services separately. Fees charged in SAA programs are separate and distinct from fee and expenses charged by mutual funds, exchange-traded funds and variable annuities which may be recommended to clients. A description of these fees and expenses are available in each mutual fund and annuity's prospectus. Clients may be able to obtain similar services for a lesser fee from other advisors. The fees charged vary among SAA programs. The amount of compensation an SAA Representative or an Independent Investment Advisor may receive in a particular program may be more than would be received if the client participated in other SAA programs or paid separately for investment advice, brokerage and other services. The factors to be considered by clients in determining the reasonableness of the fees charged include, but may not be limited to, the following:</p> <ol style="list-style-type: none"> 1. The cost of developing investment strategies and managing the assets. 2. The cost of producing performance reports covering the managed assets. 3. The cost of administrative, marketing, and web site services provided by SAA, SAI, SAA Representatives, the Independent Investment Advisors, the Independent I/A Representatives, or IMAP money managers. 4. Transaction and custody costs or other miscellaneous fees, taxes or charges as well as |
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| <p>2G</p> <p>3K(3) & 3L 4C(7)</p> | <p>commissions or mark-ups and mark-downs on the purchase and sale of securities.</p> <p>5. The value of the services provided by SAA, SAI, SAA Representatives, the Independent Investment Advisors, the Independent I/A Representatives, or IMAP money managers in assisting the client in designing, establishing and monitoring the managed assets.</p> <p>The SAA Representative or the Independent Investment Advisor recommending SAA's programs or SAA's recommended programs to clients receive compensation as a result of the client's participation in SAA's programs. The amount of compensation may be more than what the SAA Representative or the Independent Investment Advisor would receive if the client participated in other SAA programs or paid separately for investment advice, brokerage and other services. The SAA Representative or the Independent Investment Advisor may therefore have a financial incentive to recommend SAA's programs over other programs or services. All clients receive standard account statements from investment sponsors, brokerage firms, insurance companies and other money managers no less than quarterly or monthly if there is any activity in the account.</p> <p>TYPES OF CLIENTS</p> <p>Investment advice may also be provided to state and municipal government entities.</p> <p>TYPES OF INVESTMENTS</p> <p>Advice may be provided on investments such as exchange traded funds, real estate investment trusts, real estate investments, limited partnerships and private placement partnerships in equipment leasing, tax credit programs, cable and other miscellaneous direct participation programs.</p> <p>SAA/SAI conducts or may hire third party vendors to conduct due diligence analysis of the products listed on Part II, Page 3 Item 3 and the products listed above prior to making them available to the public through SAA/SAI. In addition to receiving commissions on the sale of these products, SAI may receive due diligence and/or marketing allowance payments from certain sponsors. While the arrangements with each sponsor may vary, each product sponsor may pay a due diligence or marketing allowance fee based upon the amount of assets held at the sponsor or on the gross amount of each sale, depending upon the product. In certain cases, additional payments are paid or directed to SAA/SAI who sells these products. This may create a conflict of interest based on the amount of compensation SAA/SAI receives when recommending one non-publicly traded product over another.</p> <p>SAI, on behalf of SAA, has policies and procedures in place to review the issuers of financial products such as real estate investment trusts, structured notes and annuity and life insurance products that SAA/SAI permits its SAA Representatives and Independent I/A Representatives to offer to some or all of its clients. This review includes publicly available information and reports issued by third party rating agencies, and may in some cases include certain nonpublic information provided by the issuer. SAI, on behalf of SAA periodically reassesses, but does not continuously monitor, the creditworthiness or financial solvency of third party issuers. These policies and procedures are reasonably designed to mitigate our clients' exposure to credit and default risks resulting from an inability of the issuers to repay the principal on a note or fulfill an insurance obligation. However, you should be advised that credit markets can be volatile and the creditworthiness of an issuer may change rapidly. SAI as a seller of these products is prohibited by regulation from guaranteeing or providing any assurance that an issuer of financial products will be able to fulfill the issuer's obligation to any purchase of such a product through SAI.</p> <p>ADDITIONAL INVESTMENT STRATEGIES USED TO IMPLEMENT ADVICE</p> <p>Strategic and Tactical Asset Allocation Model Portfolios are employed in various SAA Programs. Model mutual fund and variable annuity asset allocation portfolio programs, provided by a number of institutional investment managers and strategists, may be used when managing client assets.</p> |
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Complete amended pages in full, circle amended items and file with execution page (page 1).

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| | <p>EDUCATIONAL AND BUSINESS STANDARDS</p> |
| 5 | <p>SAA requires that persons in an advisory function within the firm possess minimally one or more of the following examinations or designations: the FINRA Series 6 or 7 examinations, NASAA Series 65 or 66 examination(s), the CFP® designation, or the ChFC designation, as well as any examinations or designations required by the state in which they will offer advisory services.</p> <p>EDUCATION AND BUSINESS BACKGROUND OF KEY SAA OFFICERS AND PRINCIPALS</p> |
| 6 | <p><u>Pamela Janine Wertheim</u> Born: 1960 <u>Education</u> Anderson Baptist College, Anderson, SC, AA, Business 1980 Lander College, Greenwood, SC, BS, Business Administration, 1982 <u>Business Background</u> Securities America Financial Corporation, Holding Company, Director, 10/04 to Present Securities America Advisors, Inc., Investment Advisor, President, 10/93 to Present Securities America Advisors, Inc., Investment Advisor, Director, 01/93 to Present Securities America, Inc., Broker Dealer, Sr. VP, Chief Marketing Officer, 3/84 to Present Brecek & Young Advisors, Inc., Investment Advisor and Broker Dealer, Director, 10/08 to Present</p> <p><u>Steven Ford McWhorter</u> Born: 1942 <u>Education</u> Amherst College, Amherst, MA, BA, Political Science, 1964 University of Nebraska, Lincoln, NE, Juris Doctorate, Law 1967 <u>Business Background</u> Securities America Financial Corporation, Holding Company, Chairman, CEO, President, 12/87 to Present Securities America Advisors, Inc., Investment Advisor, Director, 11/91 to Present Securities America Advisors, Inc., Investment Advisor, Chairman, CEO, 02/98 to Present Securities America, Inc., Broker Dealer, Chairman, CEO, 02/98 to Present Securities America, Inc., Broker Dealer, President, 12/87 to 8/08 Brecek & Young Advisors, Inc., Investment Advisor and Broker Dealer, CEO, Director, 02/09 to Present</p> <p><u>James Delwyn Nagengast</u> Born: 1965 <u>Education</u> Harvard University, Cambridge, MA, AB, Economics, 1987 Columbia University, New York, NY, MBA, Finance/Accounting, 1992 <u>Business Background</u> Securities America Financial Corporation, Holding Company, Executive VP, COO, 12/94 to Present Securities America Financial Corporation, Holding Company, Director, 02/00 to Present Securities America Financial Corporation, Holding Company, CFO, 12/94 to 06/10 Securities America Financial Corporation, Holding Company, Treasurer, 12/94 to 10/04 Securities America Advisors, Inc., Investment Advisor, Executive VP, COO, 12/94 to Present Securities America Advisors, Inc., Investment Advisor, CFO, 12/94 to 6/10 Securities America, Inc., Broker Dealer, Executive VP, 12/94 to 8/08 Brecek & Young Advisors, Inc., Investment Advisor and Broker Dealer, Director, 10/08 to Present Brecek & Young Advisors, Inc., Investment Advisor and Broker-Dealer, FinOp, 01/09 to 03/09</p> <p><u>Kelly Joseph Windorski</u> Born: 1976 <u>Education</u> University of Wisconsin, Madison, WI, BBA - Finance, 1998 University of Wisconsin, Madison, WI, BBA - Accounting, 1998 <u>Business Background</u></p> |

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Securities America Financial Corporation, Holding Company, CFO, 6/10 to Present
Securities America Advisors, Inc., Investment Advisor, CFO, 6/10 to Present
Securities America, Inc., Broker Dealer, CFO, 6/10 to Present
Brecek & Young Advisors, Inc., Investment Advisor and Broker Dealer, CFO, 6/10 to Present
Ameriprise Financial, Vice President/Lead Financial Officer - Advice & Wealth Management, 3/06 to 5/10
Ameriprise Financial, Director/Lead Financial Officer - Marketing, 2/04 to 2/06

Doreen Louise Griffith Born: 1961

Education

Creighton University, Omaha NE, BSN Nursing, 1983

Business Background

Securities America Advisors, Inc., Investment Advisor, Sr. VP, Chief Information Officer, 8/00 to Present

Securities America, Inc., Broker Dealer, Sr. VP, Chief Information Officer, 8/99 to Present

Dennis Michael King, CFP® Born: 1953

Education

Bellevue University, Bellevue NE, BS, Global Business Management, 2000

University of Nebraska, Omaha, NE, MBA, 2003

Business Background

Securities America Advisors, Inc., Investment Advisor, Sr. VP Business Development, 1/07 to Present

Securities America Advisors, Inc., Investment Advisor, VP, Business Development 2/00 to 1/07

James Heeney, CRCP Born: 1968

Education

Bellevue University, Bellevue NE, BS, Business Administration, 2001

Wharton Certificate Program through FINRA Institute, Certified Regulatory & Compliance Professional (CRCP) designation

Business Background

Securities America Advisors, Inc., Investment Advisor, Sr. VP, Sales Supervision and Operations, 03/10 to Present

Securities America Advisors, Inc., Investment Advisor, VP, Sales Supervision, 08/08 to 03/10

Securities America Advisors, Inc., Investment Advisor, VP, Operations, 01/09 to 03/10

Securities America Advisors, Inc., Investment Advisor, VP, Chief Compliance Officer, 11/07 to 08/08

Securities America, Inc., Broker Dealer, Sr. VP, Sales Supervision and Operations, 03/10 to Present

Securities America, Inc., Broker Dealer, VP, Sales Supervision, 08/08 to 03/10

Securities America, Inc., Broker Dealer, VP, Operations, 01/09 to 03/10

Securities America, Inc., Broker Dealer, VP, Chief Compliance Officer, 11/07 to 08/08

Brecek & Young Advisors, Inc., Broker Dealer and Investment Advisor, Sr. VP, Sales Supervision and Operations, 03/10 to Present

Gregg Johnson, Born: 1966

Education

Creighton University School of Business, Omaha, NE, MBA, 2003

Morningside College, Sioux City, IA, BS, Business Administration, 1989

Business Background

Securities America Advisors, Inc., Investment Advisor, Sr. VP, Branch Office Development, 02/08 to Present

Securities America Advisors, Inc., Investment Advisor, VP, Branch Office Development, 09/06 to 02/08

Securities America, Inc., Broker Dealer, Sr. VP, Branch Office Development, 02/08 to Present

Securities America, Inc., Broker Dealer, VP, Branch Office Development, 09/06 to 02/08

First National Bank, Managing Director, 10/96 to 09/06

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Kirk Hulett, Born: 1970

Education

University of Nebraska, Omaha, NE, MS, Industrial/Organizational Psychology, 1994
Washburn University, Topeka, KS, Bachelor of Science, Psychology, 1992

Business Background

Securities America Advisors, Inc., Investment Advisor, Sr. VP, Strategy & Practice Management and Human Resources, 09/03 to Present

Securities America, Inc., Broker Dealer, Sr. VP, Strategy & Practice Management and Human Resources, 09/03 to Present

Terrance S Dewald Born: 1962

Education

Creighton University School of Business, Omaha, NE, BSBA, 1985

Creighton University School of Law, Omaha, NE, Juris Doctorate, 1987

Business Background

Securities America Financial Corp., Holding Company, Sr. VP, General Counsel, Secretary, 5/07 to Present

Securities America Advisors, Inc., Investment Advisor, Sr. VP, General Counsel, Secretary, 5/07 to Present

Securities America, Inc., Broker Dealer, Sr. VP, General Counsel, Secretary, 5/07 to Present

Terrance Dewald-Arbitrator for NYSE, 5/07 to Present

Creighton University School of Law, College, Adjunct Professor, 9/06 to Present

Terrance Dewald-Mediator for Securities Disputes, 6/06 to Present

Breck & Young Advisors, Inc., Investment Advisor, Sr. VP, General Counsel, Secretary, 02/09 to Present

TD Ameritrade, Inc., Broker Dealer and Investment Advisor, Managing Director and Chief Compliance Officer, 11/03 to 5/07

Amerivest, LLC, Investment Advisor, Managing Director and Chief Compliance Officer, 11/03 to 5/07

Mutual of Omaha Companies, including its wholly owned broker dealer Mutual of Omaha Investor Services, Sr. VP, Chief Compliance Officer and Counsel, 8/98 to 11/03

Kevin J. Miller Born: 1965

Education

Iowa State University, Ames, IA, BS, Business Administration, 1987

Creighton University School of Law, Omaha, NE, Juris Doctorate, 1990

Business Background

Securities America, Inc., Broker Dealer, VP, Chief Compliance Officer, Deputy General Counsel, 08/08 to Present

Securities America, Inc., Broker Dealer, AML Officer & Identity Theft Protection Policy Officer, 02/09 to Present

Securities America, Inc., Broker Dealer, Privacy Officer, 08/08 to Present

Securities America, Inc., Broker Dealer, Risk Officer, 05/09 to Present

Securities America Advisors, Inc., Investment Advisor, VP, Chief Compliance Officer, Deputy General Counsel, 08/08 to Present

Securities America Advisors, Inc., Investment Advisor, AML Officer & Identity Theft Protection Policy Officer, 02/09 to Present

Securities America Advisors, Inc., Investment Advisor, Privacy Officer, 08/08 to Present

Securities America Advisors, Inc., Investment Advisor, Risk Officer, 05/09 to Present

Securities America, Inc., Broker Dealer, Associate General Counsel, VP, 1st VP, Deputy General Counsel, 9/00 to 07/08

Breck & Young Advisors, Inc., Investment Advisor and Broker Dealer, VP, Chief Compliance Officer, Deputy General Counsel, 01/09 to Present

Breck & Young Advisors, Inc., Investment Advisor and Broker Dealer, Privacy Officer, AML Officer & Identity Theft Protection Policy Officer, 02/09 to Present

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| <p>6 Cont.</p> | <p>Breck & Young Advisors, Inc., Investment Advisor and Broker Dealer, Risk Officer, 05/09 to Present</p> <p><u>Walter S Berman</u> Born: 1942 <u>Education</u> Brooklyn College, Brooklyn, NY, BS Accounting, 1965 <u>Business Background</u> Ameriprise Financial Services, Inc., Investment Advisor, Executive VP, CFO, 09/05 to Present Securities America Financial Corporation, Holding Company, Director, 04/08 to Present Securities America, Inc., Broker Dealer, Director, 04/08 to Present Securities America Advisors, Inc., Investment Advisor, Director, 04/08 to Present Threadneedle Asset Management Holdings, Director, 12/03 to Present Montclair State University, Director, 10/08 to Present</p> <p><u>Donald E Froude</u> Born: 1956 <u>Education</u> College of the Holy Cross, Worcester, MA, BS Sociology, 1978 <u>Business Background</u> Ameriprise Financial Services, Inc., Investment Advisor, President of the Personal Advisors Group, CEO, Director, 09/08 to Present Securities America Financial Corporation, Holding Company, Director, 04/08 to Present Securities America, Inc., Broker Dealer, Director, 09/08 to Present Securities America Advisors, Inc., Investment Advisor, Director, 09/08 to Present Legg Mason, Inc., Managing Director, Head of U.S Distribution, 10/06 – 08/08 Columbia Management, a division of Bank of America, President of Intermediary Distribution, 01/04 to 10/06</p> <p>OTHER BUSINESS ACTIVITIES</p> |
| <p>7A, 7B, & 7C</p> | <p>The principal executive officers, other employees and SAA Representatives may be separately licensed as registered representatives and registered principals of SAI and/or agents or brokers of various insurance companies. These individuals may spend the majority of their time involved in all or a portion of these activities.</p> <p>OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS</p> |
| <p>8C</p> | <p>SAA, SAI, and their holding company, Securities America Financial Corporation (SAFC) are wholly-owned subsidiaries of Ameriprise Financial, Inc. (Ameriprise), an SEC registered investment advisor and FINRA registered broker/dealer. Ameriprise provides a diverse array of financial products and services through a number of subsidiaries and affiliated companies. Ameriprise has several other affiliates registered as investment advisors, broker/dealers, investment companies, banking and thrift institutions and insurance companies or agencies. Due to the interrelationship of these entities, conflicts of interest may arise that are not readily apparent to the client. SAFC, through SAI and SAA, and Ameriprise, in the course of its business operations, may engage in marketing allowance or sponsorship arrangements with third parties, sub-advisors, and brokerage firms to promote the distribution of investment products, including, but not limited to, variable annuity and insurance products, mutual funds, managed accounts and customized portfolios. These additional engagements may not necessarily result in additional assets under management with SAA.</p> <p>The majority of SAA Representatives are independent contractors and not employees of SAA or SAI. Some SAA Representatives may be employees of SAA or SAI. The majority of SAA Representatives may own, operate, be employed by or otherwise maintain affiliations with other business entities such as insurance agencies, law firms, real estate or mortgage companies, financial planning firms, investment advisors and/or accounting firms. Further, certain SAA Representatives may also market their services under a different marketing name and/or under an outside business</p> |

Complete amended pages in full, circle amended items and file with execution page (page 1).

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| <p>8C(1), 8C(2)</p> | <p>activity.</p> <p>BROKER/DEALER</p> <p>The principal executive officers, other employees, SAA Representatives and the Independent I/A Representatives are also registered representatives of SAI. As such, these individuals are able to effect securities transactions and may receive separate, yet customary compensation for effecting any securities transactions.</p> <p>SAA recognizes the unrestricted right of the client to select and choose any broker or dealer the client wishes, except in situations where SAA or a recommended manager is given discretionary authority over the client's account.</p> <p>On October 30, 2008, SAFC purchased Brecek & Young Advisors, Inc. (B&Y). SAFC is the holding company for SAA and SAI. All are wholly-owned subsidiaries of Ameriprise, an SEC registered investment advisor and FINRA registered broker/dealer. Ameriprise provides a diverse array of financial products and services through a number of subsidiaries and affiliated companies. Ameriprise has several other affiliates registered as investment advisors, broker/dealers, investment companies, banking and thrift institutions and insurance companies or agencies.</p> <p>As an affiliate of SAA, B&Y is an SEC registered investment advisor and FINRA registered broker/dealer. B&Y offers management advisory services under the marketing name of Iron Point Capital Management (IPCM) to SAA and to SAA's advisors through SAA's Managed Opportunities and IMAP programs (previously disclosed in Item 1D). IPCM may also offer advisory services to other broker/dealers including SAI.</p> <p>At the request of SAA/SAI, IPCM may provide model allocations on the Securities America Intranet which includes strategy performance and standard deviation information. These model allocations are selected based upon criteria established by SAA/SAI. SAA Representatives and the Independent I/A Representatives can utilize this information in the Representative's construction of his/her client portfolio. IPCM may also provide SAA Representatives and the Independent I/A Representatives with research information pertaining to exchange traded funds traded in the United States. IPCM administers and publishes the Securities America Top Rated Funds, Top Rated NTC Funds and Top Rated Premier Funds lists. The criteria used to select such funds are established by SAA/SAI. IPCM does not recommend any securities to clients, SAA Representatives or the Independent I/A Representatives as part of this process. While the SAA Representatives or the Independent I/A Representative may utilize on the research provided by IPCM, the Representative is responsible for making recommendations based on the client's stated investment objectives, risk tolerance and other factors. IPCM is not acting as the client's Advisor in providing research or maintaining certain model allocations or other tasks as directed by SAA/SAI.</p> <p>OTHER INVESTMENT ADVISORS</p> <p>8C(3)</p> <p>It is possible that an outside manager recommended by SAA through IMAP may use SAI and its representatives to implement recommended transactions for separate compensation, provided that the use of SAI is consistent with the manager's obligation of best execution. However, no manager is under any obligation to use SAI for any securities transactions.</p> <p>Independent I/A Representatives are independent contractors and not employees of SAA or SAI. Certain Independent I/A Representatives may own, operate, be employed by or otherwise maintain affiliations with other business entities such as insurance agencies, law firms, real estate or mortgage companies, financial planning firms, investment advisors and/or accounting firms. Further, certain Independent I/A Representatives may also market their services under a different marketing name and/or under an outside business activity. Certain Registered Representatives of SAI may have their own registered investment advisory businesses. The Independent Investment Advisors are separate business entities and are not under common control and ownership with SAI</p> |
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Complete amended pages in full, circle amended items and file with execution page (page 1).

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| <p>8C(3) Cont.</p> | <p>or any of its affiliated subsidiaries. Any advice or action taken by a client pursuant to an agreement with an Independent Investment Advisor is strictly the responsibility or obligation of the Independent Investment Advisors and not the responsibility or obligation of SAA as the investment advisor. The Independent Investment Advisor market these services under a different marketing name or/and under an outside business activity.</p> <p>The Independent I/A Representatives may be separately registered as representatives of SAI and may use the programs of SAA when managing their clients' assets. The Independent I/As may engage SAA to assist them in providing advisory services. SAA may use the services of the Independent Investment Advisors. The Independent Investment Advisors may be engaged by SAA to provide advisory services on SAA's behalf. In certain circumstances, the separate Independent Investment Advisors may perform services similar to those offered by SAA for fees which may be greater or less than the fees charged by SAA. SAA will only engage these firms and their associated persons to provide advice on SAA's behalf when the engagement is in compliance with applicable SEC and state regulations. SAA recommends the use of other investment advisor firms as part of the Managed Opportunities, IMAP and other programs. Please refer to Item 1.D for disclosure of these programs.</p> <p>Additional SEC registered investment advisors that are affiliated with SAA include Ameriprise and its wholly owned subsidiaries and affiliates. In limited circumstances, SAA Representatives may also be dually licensed as investment advisor representatives and registered representatives under Ameriprise. SAA Representatives may sell various mutual fund and insurance products offered by subsidiaries of Ameriprise. Therefore, a potential conflict of interest may exist when SAA Representatives recommend these products inasmuch as Ameriprise stands to receive earnings from the internal fees of the recommended securities as well as earnings from a portion of the investment advisory fee received by SAA. However, SAA Representatives are not under any obligation to sell these products or to meet any selling quotas related specifically to these products.</p> <p>SAA's Managed Opportunities Mutual Fund Asset Allocation Account Portfolios and Separate Account Portfolios are developed by third party money managers that are registered investment advisors (collectively referred to as Sub-Advisors). One Sub-Advisor is B&Y, an affiliated subsidiary of SAA. All other Sub-Advisors in this program are not affiliates of SAA. In addition, SAA's Managed Opportunities is provided with administrative, web site, transaction order entry services and other services by Oberon, a registered investment advisor.</p> <p>SAA has a relationship with Hanson McClain Retirement Network (HMRN), a registered broker-dealer and investment advisor. The associated persons of HMRN, provide consultation and marketing support services to SAA Representatives to assist SAA Representatives in obtaining more clients. As a result of this relationship, SAA will pay HMRN a portion of the fees obtained from any clients as a result of the services provided by HMRN.</p> <p>FINANCIAL PLANNING FIRM</p> <p>8C(4) The Independent I/As engaged by SAA may provide financial planning services similar to those provided by SAA. The fees charged for these services may be greater or less than those charged by SAA.</p> <p>BANKING OR THRIFT INSTITUTION</p> <p>8C(6) SAA's brokerage affiliate, SAI, markets its services through banks and thrifts. In certain circumstances, investment advisory services may also be marketed through these banks and thrifts, provided that such marketing is done in compliance with applicable SEC and state regulations. SAI has established an agreement with EverBank, a Federal Deposit Insurance Corporation (FDIC) insured Savings Association, to allow SAI registered representatives that may also be SAA Representatives or the Independent I/A Representatives to affiliate with EverBank. In this capacity, SAA Representatives and the Independent I/A Representatives may refer clients to EverBank, so</p> |
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that EverBank may provide clients with banking services. These SAA Representatives and the Independent I/A Representatives are compensated for such referrals. However, no client is obligated to use any of these individuals to provide banking services.

Bank Deposit Sweep Program (BDSP)

Managed accounts custodied with NFS have a core account used for settling securities transactions and holding credit balances. SAA may provide clients with access to a variety of different core account investment vehicles, including money market funds and bank deposit accounts to hold a cash balance awaiting reinvestment. The BDSP is one such core account investment vehicle. Available cash is deposited through the BDSP into interest-bearing FDIC-Insured deposit accounts at one or more FDIC-insured depository institutions. Currently, Ameriprise Bank, FSB is the initial Bank into which cash will be deposited. (For fee-based retirement accounts utilizing the BDSP, all available cash balances will be deposited at Ameriprise Bank, FSB without exception). The participation of Ameriprise Bank, FSB as a BDSP Bank, or its position as the initial Bank on any or all of the BDSP Bank lists, is subject to change. Ameriprise Bank, FSB and SAA are affiliated entities.

The BDSP may create financial benefits for SAA and its affiliates, one or more of whom may be a Program Bank, and NFS. SAA, its affiliated broker-dealer, SAI, and any Program Banks who are affiliated with it (such as Ameriprise Bank, FSB) may receive additional benefits under the Program. For example, Ameriprise Bank, FSB uses deposits to fund current and new loans and investments, thereby generating revenue based on the difference between the interest it receives and the amount it has agreed to pay for the deposits. Favorable pricing between affiliates may contribute to higher revenue for Ameriprise Bank, FSB, which may result in greater profitability to Ameriprise Bank, FSB and SAA's parent company, Ameriprise.

Any deposits that clients maintain in the same insurable capacity, outside of the BDSP but with a BDSP Bank, are aggregated with BDSP deposits for purposes of the maximum applicable FDIC Deposit Insurance. Clients are responsible for monitoring the total amount of deposits with each BDSP Bank to determine the extent of FDIC deposit insurance coverage available.

Clients eligible for the BDSP receive and should review carefully the BDSP Disclosure Document.

Deutsche Bank Insured Deposit Program (DBIDP)

Managed accounts custodian at Pershing may participate in the DBIDP which sweeps excess cash balances in the client's brokerage account carried at Pershing to bank deposit accounts at various depository institutions (DBIDP Banks) and sweeps cash from the various DBIDP Banks to cover purchases of securities and other debits in client's brokerage account carried at Pershing.

Pershing uses the services of Deutsche Bank Trust Company Americas (DBTCA) to perform allocations among the DBIDP Banks to maximize FDIC insurance coverage. Clients are solely responsible for monitoring any money held at a DBIDP Bank outside the DBIDP as this may impact the insurance coverage available.

Each DBIDP Bank pays DBTCA a fee for its services related to the client's deposit account at each particular DBIDP Bank. DBTCA in turn shares a portion of that fee with Pershing which in turn shares a portion of its fee with SAA. SAA may earn a higher fee if the client participates in the DBIDP than if the client purchases shares in a money market fund. DBID Banks are listed on the client's account statement.

Clients eligible to participate in the DBIDP receive and should carefully review the Deutsche Bank Insured Deposit Terms and Conditions.

Complete amended pages in full, circle amended items and file with execution page (page 1).

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| | <p>ACCOUNTING FIRM</p> <p>8C(7) SAA Representatives may be separately licensed as accountants and may offer accounting services to advisory clients for separate and typical compensation. However, no client is obligated to use any of these individuals to provide accounting services.</p> <p>LAW FIRM</p> <p>8C(8) SAA Representatives may be separately licensed as attorneys and, as such, may offer to provide legal advice for separate and typical compensation. However, no client is obligated to use any of these individuals to provide legal services.</p> <p>INSURANCE COMPANY OR AGENCY</p> <p>8C(9) The principal executive officers and other employees of SAA are agents and/or brokers of various insurance companies. These individuals are able to effect insurance recommendations for any client electing to have insurance recommendations implemented. It is understood that these individuals will be able to receive separate and typical compensation for insurance and/or annuity implementation. Clients are not obligated to utilize any of these individuals for insurance product purchases. All clients are free to utilize any insurance agent or insurance broker they choose.</p> <p>SAA has arrangements that are material to its advisory business with a related person who is an insurance agency. SAI is a licensed insurance agency and may receive commissions in connection with the sale of fixed insurance products by registered representatives who are licensed to sell these products. SAI, in addition to receiving commissions on the sale of these insurance products, receives payments from certain insurance sponsors for marketing, training and distribution support. None of these additional payments are paid or directed to any registered representative/insurance agent who sells these products. The registered representative/insurance agent does not receive a greater or lesser commission for sales of these insurance products from which SAI receives revenue sharing payments.</p> <p>The marketing, educational and distribution activities paid for with revenue sharing could potentially lead a registered representative/insurance agent to focus more on products offered by insurance sponsors that make revenue sharing payments to SAI, than those of sponsors that do not make such payments when recommending insurance products to their clients.</p> <p>PENSION CONSULTANT</p> <p>8C(10) SAA Representatives may be separately engaged in providing pension-consulting services. Clients needing such services may engage these individuals for separate and typical compensation. No advisory client is obligated to use any of these firms or individuals to provide this service. In addition, SAA Representatives may establish relationships with outside parties that provide pension-consulting services. In such instances, SAA Representatives may refer clients to pension consultants and may receive a solicitor referral fee. Such arrangements are fully disclosed to clients no later than the time of referral.</p> <p>REAL ESTATE BROKER OR DEALER</p> <p>8C(11) SAA Representatives may be separately licensed as real estate agents. As such, these individuals will, for a separate commission or fee, provide real estate brokerage and/or appraisal services for clients who require these services. However, clients are not obligated to use these individuals for real estate services.</p> <p>9 PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS</p> |
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AS A BROKER OR AGENT EFFECTS SECURITIES TRANSACTIONS FOR COMPENSATION FOR ANY CLIENT

As a registered broker-dealer, SAI may execute securities transactions for clients on behalf of SAA, an SAA Representative or an Independent I/A Representative. SAI and/or SAA, the SAA Representative or the Independent I/A Representative may receive both advisory fees and broker-dealer commissions for the sale of securities placed under SAA's management. The receipt of compensation from a variety of sources may be considered to be a conflict of interest.

SAA will process brokerage security transactions through SAI so long as SAA determines that executing the transactions through SAI fulfills its duty of best execution. SAA considers the following factors when selecting a broker-dealer and determining the reasonableness of commissions: electronic download of trades, balances, efficiencies achieved in utilizing integrated front and back office technology systems, a dedicated service team, electronic download of duplicate statements, and confirmations and the ability to have advisory fees directly deducted from client accounts. SAA will exercise reasonable diligence to make certain that best execution is obtained for all clients when implementing any client transaction by considering the back office services, technology provided and pricing of services offered. On behalf of SAA, SAI conducts trade reviews in order to determine that the duty of best execution is being met by its trade execution and clearing firms.

SAA pays a set commission rate on trades for securities that are traded with a commission and does not negotiate commissions on a trade by trade basis or directed brokerage basis.

If SAA or its associated persons are responsible for making a trade error in the client's account, the error will be corrected and the client's account will be restored to where it would have been had the trade error not occurred. Any profit from the trade correction will be maintained by SAA.

Managers recommended in IMAP determine the brokers to be used for client trades within IMAP Program accounts. In certain circumstances, and when consistent with the manager's fiduciary obligation of best execution, trades may be effected through SAI and its representatives, who will receive separate and typical compensation for implementation of these transactions. Clients should review the disclosure documents of the IMAP manager to determine if these managers block trade, negotiate commissions, and/or obtain volume discounts.

SAA Representatives and the Independent I/A Representatives, who provide advice to clients through FAP, LifeGuide, ABBS, Managed Opportunities and Retirement Opportunities, waive their brokerage commissions from recommended securities transactions effected on behalf of FAP, LifeGuide, ABBS, Managed Opportunities and Retirement Opportunities accounts. These individuals may, however, receive mutual fund sales loads, 12(b)-1 distribution fees, and variable annuity sales and trail commissions from investments placed in FAP, LifeGuide, CAP and ABBS. SAA Representatives and the Independent I/A Representatives may be charged per transaction charges, also known as ticket charges, for transactions placed in the previously referenced managed accounts. These charges may be considered by the representative when determining the amount of fees to be charged to the client. When allowed by SAI/SAA, these charges may be passed on to the client at the discretion of the SAA Representative or the Independent I/A Representative. If charges are passed onto the client, the charges will show as Miscellaneous Fees on the trade confirmations.

SAA Representatives and the Independent I/A Representatives, as licensed registered representatives of SAI, are able to effect securities transactions for separate and typical compensation for any client requesting these securities transaction services. However, financial planning clients are not under any obligation to engage SAA Representatives in their SAI registered representative capacity when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the financial planning client. In addition, SAA Representatives and the Independent I/A Representatives, as insurance agents or brokers of various insurance companies, are able to purchase investment products

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| <p>9B Cont.</p> | <p>(insurance) for separate and typical compensation for any client requesting this additional service. However, clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.</p> <p>SAA Representatives are prohibited from engaging in agency cross transactions where the SAA Representatives act as brokers for both the sale and purchase of a single security between two different clients for which the representatives receive compensation in the form of an agency commission or principal mark-up for the trades. Should SAA adopt a different policy in this area, SAA will observe all rules and regulations in accordance with the disclosure and consent requirements of Section 206(3) of the Advisers Act. Additionally, SAA is aware that such transactions can only occur if SAA can ensure that it meets its duty of best execution for the client.</p> <p>RECOMMENDS TO CLIENTS THAT THEY BUY OR SELL SECURITIES OR INVESTMENT PRODUCTS IN WHICH THE APPLICANT OR A RELATED PERSON HAS SOME FINANCIAL INTEREST</p> |
| <p>9D</p> | <p>SAA Representatives may sell various mutual fund and insurance products offered by Ameriprise. SAA is a wholly-owned subsidiary of Ameriprise and, therefore, a potential conflict of interest may exist when SAA Representatives recommend these products. However, SAA Representatives are not under any obligation to sell these products or to meet any selling quotas related specifically to these products.</p> <p>BUYS OR SELLS FOR ITSELF SECURITIES THAT IT ALSO RECOMMENDS TO CLIENTS</p> |
| <p>9E</p> | <p>SAA or individuals associated with SAA may buy or sell securities identical to those recommended to customers.</p> <p>SECURITIES AMERICA ADVISORS, INC. CODE OF ETHICS SUMMARY</p> <p>SAA has established a Code of Ethics to comply with the requirements of Section 204A-1 of the <i>Investment Advisers Act of 1940</i> that reflects SAA's fiduciary obligations and those of its supervised persons, and requires compliance with federal securities laws.</p> <p>SAA's Code of Ethics covers all individuals that are classified as "supervised persons." All Securities America (including SAFC, SAA, and SAI) employees, SAA officers, SAA directors, SAA Representatives and their associated persons are classified as supervised persons.</p> <p>SAA requires its affiliates, and its supervised persons to consistently act in their clients best interests in all advisory activities. SAA imposes certain requirements on its affiliates, and supervised persons to ensure that they meet the firm's fiduciary responsibilities to their clients. The standard of conduct required is higher than that ordinarily required and encountered in commercial business.</p> <p>This Item 9-E response is only intended to provide current clients and potential clients with a summary description of SAA's Code of Ethics. If current clients or potential clients wish to review SAA's Code of Ethics in its entirety a copy may be obtained by calling SAA at (800)747-6111, Ext. 6141 or writing to the SAA-RIA Regulatory Analyst II at Securities America Advisors, Inc., 12325 Port Grace Blvd, La Vista NE, 68128.</p> <p>SECURITIES AMERICA ADVISORS, INC. INSIDER TRADING POLICY</p> <p>SAA and its supervised persons may, from time to time, come into possession of material nonpublic information which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, SAA and its supervised persons are prohibited from improperly disclosing or</p> |

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| | <p>using such information for their personal benefit or for the benefit of any other person, regardless of whether such other person is a client. Accordingly, should SAA or its supervised persons come into possession of material nonpublic information with respect to any company, they may be prohibited from communicating such information to, or using such information for the benefit of, their respective clients, and have no obligation or responsibility to disclose such information to, nor responsibility to use such information for the benefit of, their clients when following policies and procedures designed to comply with law.</p> <p>SAA and its affiliated entities have adopted an “Insider Trading Policy” in accordance with Section 204A of the Advisers Act which establishes procedures to prevent the misuse of material nonpublic information by SAA and its supervised persons. To the extent an SAA Representative or an I/A Representative maintains an outside account, the SAA Representative or the I/A Representative must make arrangements with their outside broker-dealers to send at least quarterly statements to SAI, on behalf of SAA, complete an annual certification concerning their personal securities activities, and provide such additional information about personal trading activities as may be required under the Insider Trading Policy and the Code of Ethics. Individuals who violate this policy (and to whom this policy applies) may be subject to sanctions imposed by SAA.</p> |
| 10 | <p>CONDITIONS FOR MANAGING ACCOUNTS</p> <p>SAA requires a minimum account of \$25,000 for FAP, \$50,000 for LifeGuide, \$20,000 for ABBS, \$50,000 for CAP, \$50,000 for Managed Opportunities Mutual Fund Portfolios, \$100,000 for Managed Opportunities Separate Account Portfolios, \$250,000 for Managed Opportunities Unified Managed Account Portfolios, \$50,000 for Managed Opportunities Advisor Directed Account Portfolios and \$1,000,000 for Retirement Opportunities. Minimum account sizes for IMAP are determined by each participating money manager and turn-key wrap program. The minimum fee for Fox is \$750. All minimums are, however, negotiable in each program.</p> |
| 11A & 11B | <p>PORTFOLIO REVIEWS & REPORTS</p> <p>FAP, LifeGuide, ABBS, CAP, Managed Opportunities, Retirement Opportunities, and other investment advisory agreements (wherein SAA or the SAA Representative is the Advisor) are reviewed as needed by SAA supervisors (SAI Principals), SAA Representatives and the Independent I/A Representatives. The nature and timing of the reviews may vary by Advisor; however, reviews are conducted at least annually. Triggering factors may include material market, economic or political events, and changes in clients’ financial or personal situation or performance of the account in general. Accounts not receiving reports from SAA (e.g. IMAP) will be reviewed and monitored at the discretion of the SAA Representative assigned to the account or the Independent Investment Advisor, their Independent I/A Representatives, and money managers handling the accounts. No other parties review accounts for accuracy of performance information. These individuals are available to answer client questions and to review an account at a client’s request. Financial planning and Fox College Funding clients may contract for a review and update of their financial plans for a separate fee.</p> <p>Clients receive monthly statements from the account custodian or clearing firm, if their accounts have activity during the month. If the account does not have any monthly activity, an account statement is provided by the account custodian or clearing firm at least quarterly. Such reports will show any activity in the account, as well as period ending position balances. Clients also receive a confirmation from the custodian or clearing firm of each purchase and sale transaction that occurs within FAP, LifeGuide and ABBS accounts. Quarterly performance reports are provided to clients in CAP by IPCM. Quarterly, monthly or on-demand performance reports may be provided to clients in FAP, LifeGuide and ABBS by SAA or Independent Investment Advisors. SAA prepares quarterly performance reports that are provided electronically to the SAA Representative or the Independent I/A Representative currently assigned to the account. Each representative then has the discretion whether or not they will provide these reports to their clients. Clients should note that performance reports provided by the Independent Investment Advisors may differ from</p> |

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| <p>11A & 11B Cont.</p> | <p>performance reports provided by SAA Independent Investment Advisors may have the ability to prepare their own reports. Performance information provided by SAA is believed to be accurate but cannot be guaranteed. SAA may or may not include variable annuity account position information within its performance reports. Fund values and other information are obtained from third parties. SAA does not guarantee the accuracy of information obtained from third parties. To the extent the client receives performance reports from the SAA Representative or the Independent I/A Representative, the Advisor urges the client to compare performance reports received with account statements received from the custodian. Inquiries or concerns regarding the account including performance reports should be directed to the Advisor at the phone number listed on the performance report.</p> <p>If the SAA Representative prepares a quarterly performance report for an account, the SAA Representative reviews the performance information to determine accuracy.</p> <p>Clients participating in Managed Opportunities are able to view daily and quarterly performance reports on a web site prepared on behalf of SAA by Oberon which describes the performance, holdings and other activity in the clients' Managed Opportunities accounts. During any month in which there is activity in Managed Opportunities accounts, clients receive monthly statements from the account custodian or clearing firm showing the activity in the clients' accounts, as well as positions held in the accounts at month end. Clients also receive a confirmation of each purchase and sale transaction that occurs within the Managed Opportunities accounts, unless the client provides SAA with written authorization to suppress confirm delivery. If there is no activity in the account, clients receive statements no less than quarterly from the account custodian or clearing firm.</p> <p>SAA reviews the performance information in Managed Opportunities accounts to determine its accuracy. Performance information provided by SAA is believed to be accurate, but cannot be guaranteed. Fund and other securities' values and other information are obtained from third parties. SAA does not guarantee the accuracy of information obtained from third parties.</p> <p>For Retirement Opportunities accounts, SAA Representatives or Independent Investment Advisors may furnish to the plan sponsor consolidated performance reports of the Model Portfolios in the plan on at least a quarterly basis. Such reports are provided at the discretion of the SAA Representatives and the Independent Investment Advisors, as well as the services agreed upon by the SAA Representative or the Independent Investment Advisors and the Plan. Plan portfolios are reviewed as needed by SAA supervisors (SAI Principals), SAA Representatives, the Independent Investment Advisors, and/or the Independent I/A Representatives. Triggering factors include material market, economic or political events.</p> |
| <p>12A(1), (2)(3) & (4) & 12B</p> | <p>INVESTMENT OR BROKERAGE DISCRETION</p> <p>For discretionary clients, SAA requests that it be provided with written authority to determine which securities and the amounts of securities that are to be bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be submitted in writing.</p> <p>Clients participating in Managed Opportunities grant SAA discretion to select one or more Sub-Advisors, including those providing administrative, web site, performance reporting, transaction order entry and other services to SAA and the client.</p> <p>Although commissions are normally waived in managed accounts, SAA Representatives that are also registered representatives of SAI have the ability to charge commissions when implementing transactions. In determining the amount of commissions that is charged the SAI registered representatives will take into account FINRA's 5% guideline policy, the type of security involved, the availability of the security in the market, the price of the security and the amount of money involved in the transaction. SAI registered representatives have the discretion to determine the</p> |

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SAA, its officers and representatives may from time to time receive reimbursements from marketing and distribution allowances, due diligence fees and travel expenses. Other compensation may also be received based on deposits and/or assets under management directly from third-party asset manager programs sponsors for the costs of marketing, distribution, business and client development, educational enhancement and/or due diligence reviews incurred by SAA or SAA Representatives relating to the promotion or sale of the program sponsor's products or services.

Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

SAA's officers, SAA Representatives and other employees (collectively referred to as SAA), may, from time to time sell securities and insurance products, in their separate capacities as registered representatives and independent insurance agents, for sales commissions. Some of the advice offered involves investments in mutual fund products. Load and no-load mutual funds may pay annual distribution charges sometimes referred to as 12(b)-1 fees. SAA and SAA Representatives may receive a portion of the 12(b)-1 fee from some investment companies in their separate capacities as registered representatives. Clients should be aware that these 12(b)-1 fees come from fund assets and thus, indirectly from client's assets. The receipt of these fees could represent an incentive for SAA to recommend funds with 12(b)-1 fees or higher 12(b)-1 fees over funds with no fees or lower fees, therefore creating a potential conflict of interest.

SAA or SAI may form alliances and networking and referral arrangements with financial institutions such as community banks, credit unions, credit union service organizations and Farm Credit Services (Third Party Financial Institutions) to allow SAA Representatives or Independent I/A Representatives to offer financial planning services and certain other non-deposit investment and insurance products and services, to customers/members of the Third Party Financial Institutions. SAA or the Independent Investment Advisor may lease space in selected branches of the Third Party Financial Institutions and may sub-lease it to SAA Representatives or Independent I/A Representatives who will conduct business from these locations. As a result of these alliances or networking arrangements, SAA Representatives or Independent I/A Representatives may not be able to offer certain products available through SAA or the Independent Investment Advisors. Also as a result of these alliances or networking arrangements, Third Party Financial Institutions may receive, in the form of a program support or rent payment, and/or, a portion of advisory fees or securities and insurance commissions paid to SAA Representatives or Independent I/A Representatives for sales to customer/members of third party financial institutions.

Some SAA Representatives and the Independent I/A Representatives have established a relationship with Heartland Financial Network, LLC (HFN). In order for SAA Representatives and the Independent I/A Representatives to participate in this relationship, they must first obtain the Certified Financial Educator (CFEd®) designation through The Heartland Institute for Financial Education (HIFE). Once the CFEd® designation has been obtained, the CFEd® designee is certified to provide college sponsored financial education courses. The CFEd® designees may agree to participate in additional training through HFN from whom they will receive further instruction on leveraging the CFEd® designation to convert course attendees into advisory clients. In addition, HFN provides marketing assistance and may assist in establishing relationships with various institutions and businesses through which the CFEd® designee will provide financial training to individuals. However, HFN will not solicit or refer individual clients to SAA, SAA Representatives, the Independent Investment Advisors and the Independent I/A Representatives. After receiving the additional training, the CFEd® designee provides financial education courses to individuals. No specific products will be discussed or sold during these courses. However,

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individuals attending these courses receive an initial one-on-one consultation with the CFEd[®] designee at no charge to the individual attendee. If the attendee then wishes to become a client and work with the CFEd[®] designee in his/her separate capacity as an SAA Representative or the Independent I/A Representative, the client signs an agreement with the SAA Representative or the Independent I/A Representative for those services.

In order to receive this additional training and assistance, each SAA Representative or the Independent I/A Representative must sign an agreement with HFN. HFN is owned by SAFC and Alan Gappinger. SAA Representatives and the Independent I/A Representatives participating in this program pays an annual fee of up to \$7,500 and a renewal fee for each subsequent year of up to \$4,000. In addition, SAA Representatives and the Independent I/A Representatives will pay a fee of \$150 for every HFN generated lead. This fee is paid regardless of whether a lead becomes a brokerage or advisory client and regardless of whether an account is established. Such fees are then used to pay expenses of HFN. While direct fees are not paid to Alan Gappinger as a result of this relationship, in addition to SAA/SAFC, Alan benefits from this relationship, in addition to SAA/SAFC, because he shares in a portion of any profits produced through HFN.

Important Factors to Consider When Purchasing Securities (Broker/Dealer Charges)

Transaction charges may apply to securities sales, purchases and exchanges. The rate charged varies for mutual funds, variable products, stocks, bonds and option transactions. Factors that determine transaction charges include size of purchase, type of transaction, mutual fund family, variable product sponsor, the Advisor and/or Advisor Representative involved and processing method (on-line/phone/systematic). Full transaction charges may not apply to certain transactions associated with mutual fund product sponsors participating in the Premier Funds program (see description below). Accordingly, the transaction charges incurred will vary. At the representative's discretion, he/she may apply these transaction charges to the expenses that the client pays for his or her securities transactions. For more information on these transaction charges or commissions, please ask the representative or visit SAI's website www.securitiesamerica.com under Investors/Investor Information.

SAI created the Premier Funds program for mutual funds and variable product sponsors. These sponsors are selected to participate based on several criteria including brand recognition, product breadth, investment performance and training and wholesaling support. In exchange for certain benefits, such as broader access to SAI registered representatives, product sponsors in the Premier Funds program are required to pay SAI for participation in the program by sharing with SAI a portion of the revenue generated from the sales of their products. SAI may, at its sole discretion, share all or a portion of the revenue generated under the Premier Funds Program with representatives who recommend products of sponsors in the program. Certain product sponsors also provide for the payment of a marketing allowance to SAI which may be based upon a percentage of the amount of the sponsor's product purchased by clients. SAI, at its sole discretion, may share all or some of any marketing allowance payments with representatives as part of compensating them for their marketing and distribution expenditures incurred promoting the sponsor's products. For the most current list of Premier fund families, please ask the SAI representative or visit SAI's website www.securitiesamerica.com under Investors/Investor Information.

SAA created the Preferred Sponsor program for investment advisors collectively offering a diversified array of money management services and programs. Investment advisors are selected to participate based on several criteria including, investment strategy, investment performance, transaction reporting capabilities and training and wholesaling support. In exchange for certain benefits, such as broader access to SAI registered representatives, investment advisors in the Preferred Sponsor program are required to pay SAA for participation in the program by sharing with SAA a portion of the revenue generated from the sales of their services. For the most current list of Preferred Sponsor Program participants, please ask the advisor or visit SAI's website www.securitiesamerica.com under Investors/Investor information.

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