



BENJAMIN F. EDWARDS & CO.
INVESTMENTS *for* GENERATIONS

BFE Asset Management

an affiliate of Benjamin F. Edwards & Co.

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Disclosure Brochure

This brochure provides clients with information about BFE Asset Management and the Advisory Portfolios identified in the Table of Contents that should be considered before becoming a client of the BFE Asset Management Advisory Portfolios. This information has not been approved or verified by any governmental authority.

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Overview of Advisory Portfolios

Introduction

BFE Asset Management (BFE-AM) is a registered investment adviser and an affiliate of Benjamin F. Edwards & Company (BFEC), a broker-dealer with whom most transactions in connection with advisory accounts are executed. Through BFE-AM, the clients of BFEC are able to incorporate the innovative investment solutions offered by professional money management into their overall investment plan, while retaining the objective advice and oversight relationship of their financial consultant and BFE Asset Management personnel.

The primary business of BFEC is retail brokerage, although it also conducts business as an insurance agency. The Executive Officers of BFE-AM are also associated with BFEC.

Implementation and execution of transactions in advisory programs are conducted by BFEC as an introducing firm on a fully disclosed basis through its clearing firm Pershing, LLC, although money managers associated with three investment advisory programs (Benjamin F. Edwards Separately Managed Portfolios (Covered); Benjamin F. Edwards Separately Managed Portfolios (Non-Covered); and Lockwood Investment Strategies) have the option of executing transactions away from Pershing if they believe it is in the client's best interests to do so.

All clients are required to open accounts with Pershing, a qualified custodian, who provides monthly and quarterly reports. The report will detail all balances, income, dividends, securities transactions, holdings, all relevant pricing and changes in securities values. Pershing will provide money market account and fixed income data as well. In addition, all investment management fees deducted during the reporting period will be reflected in the report.

BFE-AM anticipates providing investment advice to individuals, bank or thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, other business entities, public entities or other governmental organizations, educational institutions, investment clubs, foundations and other charitable or fraternal organizations.

In some cases, BFEC could have a separate brokerage relationship with persons who are also investment advisory clients of BFE-AM. During the course of a brokerage relationship, the broker-dealer may act as principal or agent when effecting transactions with clients and may receive compensation in connection with such transactions. Brokerage and investment advisory accounts are not commingled; transactions in both brokerage and advisory accounts are disclosed or reported to the client. Disclosures are provided to the client by delivering an ADV Part II or this brochure of which current copies can be obtained at any time via our public website (www.benjaminfedwards.com) or by request from your financial consultant.

Fee Schedule and Compensation Arrangements

The annual fee for all advisory programs is charged quarterly in advance (at the rate of one-fourth of the annual fee shown in the following pages). The fee is calculated based upon the market value of assets under management on the last business day of the previous quarter as determined by the custodian, Pershing. The fee will be deducted from the client's advisory account(s) (or another designated Benjamin F. Edwards brokerage account of the client) with the permission from the client. Adjustments to the fees are made quarterly (for the prior quarter) for flows of money in and out of the account being managed. Clients who join the program mid-quarter will be assessed a prorated fee for the quarter in which they joined. New accounts will be billed from the date the account is opened through the end of the current quarter. The initial fee will be charged at the account opening, paying fees in advance through the end of the quarter. In the event the account is terminated mid-quarter, BFE-AM will normally refund the prorated portion of the client's prepaid fees upon termination of the client advisory agreement (the "Agreement"). The fee is negotiable within limits with discounts reviewed and approved by BFEC. Depending on the advisory program, the Financial Consultant may receive a maximum of 50% of the total fee charged to the client.

Participating in wrap fee programs or other advisory programs may cost the client more or less than if the client were to implement his or her selected program separately from BFE-AM, such as by using a different program sponsor or pursuing the strategy independently through a brokerage account without the advisory and modeling services of BFE-AM. Some factors that might impact total cost to a client who implements a program separately from BFE-AM include the frequency of trading activity; whether a client might be successful in negotiating a lower fee to a subadvisor; rate of commissions, markups or other transaction-related compensation; or whether account fees, transaction fees or similar charges would be incurred.

Financial Consultants of BFE-AM will receive a maximum of 50% of the wrap fees paid by advisory clients to compensate them for solicitation, shareholder support, advice, order placement and execution, and other services. In addition, Financial Consultants may be eligible for cash and non-cash compensation including bonuses, recognition trips, and other benefits. Some of these programs may be financed in whole or in part by unaffiliated third parties, including representatives of mutual funds or distributors, which may influence some representatives to

favor those funds. The compensation received for a particular advisory portfolio program may be more than what the FC would receive if the client participated in other BFE-AM advisory portfolio programs or paid separately for investment advice, brokerage, and other services and hence may influence the recommendation of a particular advisory portfolio program over other programs or services.

The wrap fee does not include, and the account will be charged separately for, fees for ancillary services such as returned checks, safekeeping of physical certificates, and asset or wire transfers. The current ancillary fee schedule will be provided upon request and is also available at www.benjaminfedwards.com.

As noted above, certain money managers associated with three investment advisory programs (Benjamin F. Edwards Separately Managed Portfolios (Covered); Benjamin F. Edwards Separately Managed Portfolios (Non-Covered); and Lockwood Investment Strategies) have the option of executing transactions away from Pershing if they believe it is in the client's best interests to do so. In such cases, the cost associated with execution of the transaction will be included within the net price paid or received by the customer for the securities that are purchased or sold.

In the event a client deposits securities to initially fund an advisory account that are not readily liquid, the securities may be moved out of the advisory account and into a brokerage account so an advisory fee will not be charged for the position. Additionally, in programs that utilize mutual funds and exchange traded funds or notes, the wrap fee detailed in the following pages does not include the internal expenses of the underlying funds which are included in the price of the security and are disclosed in the fund's prospectus. Also portfolio managers providing services to the Advisory Portfolios programs may pay transaction charges including commissions, mark-ups, mark-downs, or spreads which may increase the underlying expenses associated with client transactions.

BFEC may receive distribution fees, service fees, shareholder fees, networking fees and similar compensation from investment companies or their distributors in connection with sales of investment company products. In addition, BFEC may receive marketing support payments (sometimes referred to as revenue sharing) from a fund's investment advisor or other fund affiliate.

The advisory fees stated above do not include the expenses of the underlying funds. These expenses may include underlying investment management fees, Rule 12b-1 fees related to marketing and distribution of the funds, service fees related to personal services for investors and/or the maintenance of shareholder accounts, and other shareholder servicing fees. Each fund family has entered into an agreement with Benjamin F. Edwards & Co., Inc. as well as Pershing, Pershing and/or Benjamin F. Edwards & Co., Inc. may receive 12b-1 fees, service fees, and shareholder servicing fees paid by the fund. 12b-1 fees will not be retained by Benjamin F. Edwards & Co., Inc. for ERISA/IRA accounts. To the extent the firm receives higher payments from particular funds, it may have an incentive to place clients in such funds. With respect to the Lockwood Investment Strategies and Lockwood Asset Allocation Portfolios programs, Lockwood will pay BFE-AM and BFEC a sponsor fee from amounts charged to the client for participation in such programs. It is the policy of both affiliates that Financial Consultants do not receive payments in connection with this sponsor fee.

With respect to the Benjamin F. Edwards Separately Managed Portfolios (Covered) program, the client will pay a single fee that covers charges from Lockwood, its clearing agents, and the third-party money manager. Third-party money managers may have provisions in their agreements with BFE-AM pursuant to which the amount that is billed to BFE-AM is reduced based on the accumulation of all of its clients' assets under management with the firm. If a third-party money manager reduces its fee under such circumstances the client will continue to pay the original fee, and BFE-AM will retain the difference. To the extent the firm may realize higher compensation as a result, it may have an incentive to recommend the money manager over others. These situations are disclosed to the client pursuant to provision of an appropriate program disclosure document (i.e., ADV Part II or this brochure).

Important Disclosures

Certain financial consultants and other associated persons are considered under our internal policies to be "access persons." Access persons are required to maintain their securities accounts at BFEC, unless an exception is specifically approved in writing. In addition, no access person is permitted to invest in any private placement or initial public offering (IPO) unless an exception is specifically approved in writing in advance. Access persons also are required to periodically disclose all securities accounts and holdings other than with respect to accounts held at BFEC. Access persons are further required to periodically disclose all securities transactions other than with respect to accounts held at BFEC. Access persons are permitted to participate in the same advisory programs that are offered to public clients on the same terms. It should be noted that access persons participating in the Benjamin F. Edwards Client Portfolios program or the Benjamin F. Edwards Private Portfolios program may engage in transactions contrary to those of the client (e.g., may sell a stock that is being purchased for clients); and may also engage in transactions along side clients (i.e., may purchase or sell a stock at the same time a client is purchasing or selling).

An institutional sales representative of Atalanta Sosnoff, one of the third-party money managers that is available for clients to select in the Separately Managed Portfolios (Covered) program, has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE-AM. This individual is not an employee of, and will have no managerial or decision-making role with, BFE-AM or its affiliates. As part of her professional responsibilities, however, it is anticipated that she will meet with employees of BFE-AM and its affiliates to promote the services and benefits available by placing investment assets under the management of Atalanta Sosnoff. This individual receives compensation from Atalanta Sosnoff that is based, at least in part, on money management fees paid to Atalanta Sosnoff arising from investments that occur within her sales region through firms such as BFE-AM. Because of this individual's ownership interest in, and her professional duties involving sales services to, BFE-AM, a conflict of interest could potentially arise particularly if both firms were to negotiate asset management fees payable to Atalanta Sosnoff that are more favorable than what might otherwise be paid by firms similarly situated with BFE-AM, or if BFE-AM were to determine to include or retain Atalanta Sosnoff on the firm's Separately Managed Portfolios (Covered) program under circumstances wherein other money management firms would not be permitted to be included or to remain. This individual will have no role in negotiating asset management fees payable by BFE-AM to Atalanta Sosnoff. Further, BFE-AM and its representatives will not receive any additional or different sales compensation in connection with recommendations to clients concerning Atalanta Sosnoff versus any other money manager under comparable circumstances. In addition, Atalanta Sosnoff and its sales representative will not receive any additional or different compensation in connection with client investments placed with Atalanta Sosnoff through BFE-AM versus those of any other investment firm similarly situated.

An individual who is the Chief Executive Officer and Chief Investment Officer for Confluence Investment Management LLC, one of the third party money managers that is available for clients to select in the Separately Managed Portfolios (Covered & Non-Covered) program and a model provider for the Exchange Traded Fund Portfolios program, is a member of the board of directors and has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE-AM.

This individual is not an employee of, and will have no day to day managerial or decision-making role with BFE-AM or its affiliates; however, as a member of the board of directors, he will be involved in the development of strategy, policy and other important matters affecting Benjamin Edwards, Inc., including its affiliates. As part of his professional responsibilities with Confluence Investment Management LLC, he is involved in making investment decisions concerning portfolios of individual clients. BFE-AM and its representatives do not receive any additional or different sales compensation in connection with recommendations to clients concerning Confluence Investment Management LLC versus any other money manager under comparable circumstances. In addition, Confluence Investment Management LLC and its CEO/CIO do not receive any additional or different compensation in connection with client investments placed with Confluence Investment Management LLC through BFE-AM versus those of any other investment firm similarly situated. However, the CEO/CIO is compensated for his service as a board member of Benjamin Edwards, Inc. on the same terms as other board members.

In addition, a portfolio manager for Confluence Investment Management LLC is a beneficial owner of a trust that owns equity securities of Benjamin Edwards, Inc., the holding company of BFE-AM. This individual is not an employee of, and will have no managerial or decision-making role with, BFE-AM or its affiliates. As part of his professional responsibilities, however, he is involved in making investment decisions concerning portfolios of individual clients. BFE-AM and its representatives do not receive any additional or different sales compensation in connection with recommendations to clients concerning Confluence Investment Management LLC versus any other money manager under comparable circumstances. In addition, Confluence Investment Management LLC and its portfolio manager do not receive any additional or different compensation in connection with client investments placed with Confluence Investment Management LLC through BFE-AM versus those of any other investment firm similarly situated.

A Senior Executive at Franklin Templeton, one of the mutual fund families utilized in the Mutual Funds Portfolios program, and one of the third-party money managers that is available for clients to select in the Separately Managed Portfolios (Covered) program, has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE-AM. This individual is not an employee of, and will have no managerial or decision-making role with, BFE-AM or its affiliates. This individual is a trustee and the chairman of a number of Franklin Templeton funds in which BFE-AM advisory programs may invest from time to time. He will have no role in negotiating asset management fees payable by BFE-AM to Franklin Templeton, and has no direct sales responsibilities with respect to BFE-AM or its affiliates. Further, BFE-AM and its representatives will not receive any additional or different sales compensation in connection with recommendations to clients concerning Franklin Templeton versus any other fund company or money manager under comparable circumstances. Any potential conflict regarding Franklin Templeton's status on the Separately Managed Portfolios (Covered) program or in the Mutual Fund Portfolios will be resolved by following the same evaluation, criteria and investment committee process used to evaluate other mutual funds and money managers.

**Services Provided by
BFE Asset Management**

Services provided as part of the wrap fee for all advisory programs include:

- access to a BFE-AM advisor for personal service and financial advice
- review of suitability based on information provided in advisory agreement, new account form, and client interview
- monthly account statements
- quarterly performance reporting
- fee billing
- execution of transactions
- custody and clearance of securities
- delivery of required documents, such as mutual fund prospectuses and proxy mailings

Performance reporting is conducted by Pershing Managed Account Solutions (PMAS). Performance is reported in accordance with Modified Dietz standards. A sample of the performance data is reviewed for accuracy by Pershing or their affiliate prior to being made available to clients. The evaluation entails reviewing all accounts with returns greater than 2% standard deviation for the periods Month to Date, Quarter to Date and Year to Date. As part of the evaluation, securities are reviewed for missing or stale prices, the market values between the portfolio accounting system and the custodian are compared and the benchmarks are reviewed for accuracy.

When clients choose to participate in an advisory portfolio program, a portfolio manager is responsible for managing the client's assets. Selection of portfolio managers, then, is based on the program selected by the client during the interview/questionnaire process at the onset of the advisory relationship. Portfolio managers' performance is reviewed by BFE-AM's home office at the program level versus other programs with similar objectives and strategies.

With respect to non-affiliated managers, if the performance or strategy execution of a particular program or manager is determined to be inadequate, then BFE-AM will consider whether to discontinue the affected program or, in the case of BFE-Separately Managed Portfolios programs, to recommend that a client change portfolio managers.

With respect to the Benjamin F. Edwards Client Portfolios and Benjamin F. Edwards Private Portfolios programs, affiliated FCs are permitted to act as portfolio managers following an application process wherein their qualifications relating to education, experience, disciplinary history, investment philosophy or strategy, and other pertinent factors are reviewed. Clients are free to select financial consultants with whom to work based on their own preferences, and may select a different financial consultant at any time. BFE-AM typically will not recommend the replacement of a financial consultant unless the firm determines that the financial consultant no longer meets the firm's internal eligibility requirements to participate in the particular investment advisory program, or unless the financial consultant leaves the firm.

BFE-AM requires a college degree or satisfactory past business experience in the area in which the employee is engaged, plus any required industry examinations and registrations. In order to participate in Benjamin F. Edwards Client Portfolios, the financial consultant is required to have worked at least one year as a financial consultant or be able to demonstrate equivalent experience directly related to management of client assets. In order to participate in Benjamin F. Edwards Private Portfolios, the financial consultant is required to have worked at least five years as a financial consultant or be able to demonstrate equivalent experience directly related to management of client assets.

For most advisory programs, BFE-AM will not normally vote on matters requiring shareholder voting in connection with the securities held in a client's account, or with respect to certain legal actions involving securities including, for example, voting of proxies, mergers, bankruptcies or restructuring, class actions, or similar matters. See specific advisory program descriptions on the following pages, as some outside managers will vote proxies. However, upon request of the client, BFE-AM may be able to provide limited advice regarding proxy voting, mergers, bankruptcies or restructuring, class actions, or similar matters, except under the following circumstances:

- No advice will be given if it is on behalf of any person soliciting proxies or on behalf of a participant in a matter relating to the election or removal of directors;
- No advice will be given if the firm holds, including in nominee name, 5% or more of the securities that are the subject of a proxy vote;
- No advice will be given with respect to matters involving foreign private issuers, including American Depositary Receipts (ADRs);
- No advice will be given if resources are not available upon which BFE-AM may form a reasonable basis for the advice to be given;
- No advice will be given if prohibited by law or regulation; and
- No advice will be given if BFE-AM believes that a conflict of interest may exist that might materially affect the judgment required to properly render such advice, or if BFE-AM believes in its judgment that other factors are present which do not make the rendering of such advice to be prudent.

Client Confidentiality and Communication

All nonpublic personal information provided to BFE-AM will be treated as confidential and shall not be disclosed to third parties except as required by law, as necessary to accomplish the purposes of this Agreement, or in accordance with your specific instructions, such as to provide information to designated parties such as accountants and tax preparers.

The client's communication regarding the management of their BFE-AM Advisory Portfolios will be via their Financial Consultant. Typically the client is not in direct contact with portfolio managers who are not affiliates of BFE-AM.

Available Programs

BFE-AM offers investment services through the following programs:

- **Benjamin F. Edwards Mutual Fund Portfolios**
- **Russell Model Strategies**
- **Benjamin F. Edwards Exchange Traded Fund Portfolios**
- **Benjamin F. Edwards Client Portfolios**
- **Benjamin F. Edwards Private Portfolios**
- **Benjamin F. Edwards Separately Managed Portfolios**
- **Lockwood Asset Allocation Portfolios**
- **Lockwood Investment Strategies**

Additional services specific to each program, the fee schedule, the minimum account size, and a description of each program is included in the following pages of this brochure.

PLEASE NOTE: With respect to "minimum account size" BFE-AM may, under appropriate circumstances, consider permitting accounts asset values lower than the indicated minimum account size to participate in the programs. Such circumstances might include, but are not limited to, whether the account is a transfer account, the totality of the relationship with other client accounts and anticipated future business.

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Key Personnel

Our Team

BFE-AM's Investment Committee members and Executive Officers are indicated below:

Benjamin (Tad) F. Edwards IV *(Executive Officer)*

b. 1955

Trinity Christian College, B.A. Biblical Studies, English Literature minor, 1977

Securities Industry Institute Program Certificate (*Sponsored by Securities Industry Association and The Wharton School*), 1983

Executive Leadership Program Certificate, Washington University, 1983

Benjamin Edwards Inc. (and affiliates), President & CEO 2008-Present; Wachovia Securities, Branch Manager 2007-2008; A.G. Edwards & Sons, Inc., President, Director of Sales and Marketing Division, Regional Manager, Branch Manager, Assistant Branch Manager, Investment Broker, HR Manager at various times throughout 1977-2007

Cynthia L. Becker *(Investment Committee/Executive Officer)*

b. 1959

Maryville University, B.S. Business Administration, 2005

Maryville University, M.B.A., 2006

Benjamin Edwards Inc. (and affiliates), Chief Administrative Officer 2008-present; Edward Jones, Product and Service Division Specialist, 2007-2008; A.G. Edwards & Sons, Inc., Manager Advisory Support Services, 1982-1999

E. Allen Cole *(Investment Committee/Executive Officer)*

b. 1959

Ouachita Baptist University, B.A. Business Administration, 1982

Washington University, J.D. 1993

Benjamin Edwards Inc. (and affiliates), Chief Compliance Officer & Counsel 2008 – present; Wachovia Securities, LLC, Director-Products and Advisory Services Compliance 2007-2008; A.G. Edwards & Sons, Inc., Capital Markets Compliance Counsel 1993-2007

Kurt D. Longworth *(Investment Committee/Executive Officer)*

b. 1957

Webster University, B.A. Business Administration 1987

Certified Financial Planner TM 1992

Benjamin Edwards Inc. (and affiliates), Chief Operating Officer 2008 – present; Wachovia Bank, N.A., Managing Director Trust Administration 2007-2008; A.G. Edwards Trust Company, Chief Operating Officer, Trust Administration and Operations Manager, 1987 -2007 A.G. Edwards & Sons, Inc., Operations Manager, Margin Assistant Supervisor, Margin Clerk 1978-1987

Joanne M. Welker *(Investment Committee)*

b. 1971

Missouri State University, B.S. Finance, 1992

Boston University, M.S. Banking and Financial Services, 2006

Chartered Financial Analyst (CFA), 1999

Benjamin Edwards Inc. (and affiliates), Manager Advisory Services 2008 – present; Wachovia Bank N.A., Lead Portfolio Manager 2007 – 2008, A.G. Edwards Trust Company, Assistant Manager-Trust Investments, Supervisory of Managed Portfolios, Portfolio Manager, Assistant Portfolio Manager, 1995 – 2007

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Benjamin F. Edwards Mutual Fund Portfolios

Overview

Benjamin F. Edwards Mutual Fund Portfolios is a discretionary, mutual-fund-only portfolio advisory program. An employee of the sponsor acts as the portfolio manager for this program. The asset allocation models include a variety of asset types that, together, offer appropriate style diversification (i.e. diversification among large-, mid- and smallcap funds, as well as value vs. growth strategies) to accommodate each investment objective. Clients will work with their Financial Consultant to determine the asset allocation model most appropriate for their needs. The models developed and used by BFE-AM are strategic in nature. Changes may occur from time to time to style (sub-category) allocations, but adjustments to the asset allocation (equity vs. fixed income) are expected to be infrequent. The models are designed to provide the investor with broad style diversification. Where appropriate, multiple funds are selected for a style to provide additional diversification.

Mutual Fund Selection and Model Preparation

BFE-AM's process for selecting which mutual funds may be used in the program is as follows:

From a universe of over 3,000 mutual funds, the funds are reviewed for:

- performance history of at least 5 years
- manager tenure and experience
- reasonable size of fund for the investment style
- adherence to stated investment philosophies
- ability to purchase the fund at net asset value and with an initial minimum investment appropriate for the model

Ultimately, funds selected for this program must exhibit favorable returns relative to their peers with the same investment style. The funds selected for these portfolios will be monitored on a quarterly basis to assure they are adhering to their stated philosophy and are performing well relative to their peers and appropriate benchmark. Ongoing monitoring of significant events (i.e. portfolio manager or strategy change) will occur and be addressed accordingly. Fund replacement will occur as needed.

BFE-AM will also offer a suite of models that focus on a specific fund family (e.g., American Funds and Franklin/Templeton). These models are generally built on the same strategic asset allocation foundation described above but focus on utilizing the strengths of the particular family of funds. When the fund family does not have a fund(s) that meets the desired exposure for the model, a fund from another fund family will be used.

Suitability, Monitoring, Rebalancing

At account opening, client documents are reviewed for consistency, suitability criteria, and model selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Advisory Portfolios Specialist.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client's overall progress with respect to the account and will discuss with the financial consultant as needed. During these reviews the client's general financial circumstances will be assessed and recommendations as to adjustments to the client's investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

Rebalancing will be implemented by PMAS in accordance with a servicing agreement with BFE-AM. The account will automatically be rebalanced to more closely align with the model's target asset and fund allocation percentages on a periodic basis selected by the client in the advisory agreement. The default will be semi-annually, but annually is also an option. In addition, the account will automatically be rebalanced when deposits and withdrawals occur unless, in the judgment of PMAS, the amount involved would not have a meaningful impact on the strategy.

Quarterly, the performance of the mutual funds used in the models will be reviewed by BFE-AM's Manager of Advisory Services to ensure continued adherence to BFE-AM's qualitative standards. In addition, a review will be conducted as needed by BFE-AM based on potentially significant developments that may affect the operations or management of the fund (e.g., change of fund manager, corporate reorganizations, etc.). Adjustments will be made as needed to individual accounts based on the outcomes of the reviews.

Program Fees

Funds are bought at net asset value. The fee below does not include the internal expenses of the underlying funds which are included in the net asset value and are disclosed in the fund's prospectus. The annual fee for this advisory service is as follows:

First \$250,000 in assets = 1.50%

Next \$250,000 in assets = 1.25%

Next \$500,000 in assets = 1%

Amounts greater than \$1,000,000 = 0.75%

Minimum account size = \$50,000

Additional Services

- BFE-AM shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research on the mutual funds offered in the Benjamin F. Edwards Mutual Fund Portfolios
- Maintenance and trade implementation of the mutual fund models
- Rebalancing of the funds to conform to the investment allocations per the frequency selected and as needed for deposits/withdrawals
- Clients requesting restrictions in this program will be encouraged to use another program provided by BFE-AM

**Proxy Voting and
Corporate Actions**

BFE-AM shall not vote or advise you about matters requiring shareholder voting in connection with the securities held in your account, or with respect to certain legal actions involving your securities. This includes, for example, voting of proxies, mergers, bankruptcies or restructuring, class actions, or similar matters. However, upon request of the client, we may be able to provide limited advice regarding some of these matters. Please see the Services Provided by BFE Asset Management section above for details.

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Russell Model Strategies

Overview

Russell Model Strategies is a discretionary advisory program utilizing only Russell Investments' mutual funds. Russell provides the models, and the funds to use within each model, with no ability to customize the portfolios. These models allow for well balanced and diversified portfolios. Funds are bought at net asset value. The fee below does not include the internal expenses of the underlying funds which are included in the net asset value and are disclosed in the fund's prospectus.

Suitability, Monitoring, Rebalancing

At account opening, client documents are reviewed for consistency, suitability criteria, and model selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Advisory Portfolios Specialist.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client's overall progress with respect to the account and will discuss with the financial consultant as needed. During these reviews the client's general financial circumstances will be assessed and recommendations as to adjustments to the client's investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

Rebalancing will be implemented by PMAS in accordance with a servicing agreement with BFE-AM. The account will automatically be rebalanced to more closely align with the model's target asset and fund allocation percentages on a periodic basis selected by the client in the advisory agreement. The default will be semi-annually, but annually is also an option. In addition, the account will automatically be rebalanced when deposits and withdrawals occur unless, in the judgment of PMAS, the amount involved would not have a meaningful impact on the strategy.

The models for the Russell Model Strategies are implemented per the recommendations of Russell Investments. Quarterly, the performance of the Russell Model Strategies will be reviewed by BFE-AM's Manager of Advisory Services to ensure continued adherence to BFE-AM's qualitative standards.

Program Fees

Russell will monitor the allocations and funds used in the models. BFE-AM will be notified of any changes to the model strategies. Adjustments will be made as needed to individual accounts based on the changes to the models. The annual fee for this advisory service is as follows:

First \$250,000 in assets = 1.50%

Next \$250,000 in assets = 1.25%

Next \$500,000 in assets = 1%

Amounts greater than \$1,000,000 = 0.75%

Minimum account size = \$50,000

Additional Services

- BFE-AM shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research by BFE-AM on the Russell Model Strategies
- Ongoing monitoring, due diligence and research by Russell Investments on the funds and allocations
- Maintenance and trade implementation of the mutual fund models on BFE-AM's platform
- Rebalancing of the funds to conform to the investment allocations per the frequency selected and as needed for deposits/withdrawals
- Clients requesting restrictions in this program will be encouraged to use another program provided by BFE-AM

Proxy Voting and Corporate Actions

BFE-AM shall not vote or advise you about matters requiring shareholder voting in connection with the securities held in your account, or with respect to certain legal actions involving your securities. This includes, for example, voting of proxies, mergers, bankruptcies or restructuring, class actions, or similar matters. However, upon request of the client, we may be able to provide limited advice regarding some of these matters. Please see the Services Provided by BFE Asset Management section above for details.

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Benjamin F. Edwards Exchange Traded Fund Portfolios

Overview

Benjamin F. Edwards Exchange Traded Fund Portfolios is a discretionary advisory program that utilizes Exchange Traded Funds (ETFs) or Exchange Traded Notes (ETNs) as the portfolio's investment vehicles. Confluence Investment Management LLC and Laffer Investments will serve as the model providers for this program supplying the models and recommendations for specific investments within each model. BFE-AM may modify those recommendations when implementing the program. The Confluence models are style-diversified and cyclical in nature. The Laffer model is a global strategy.

Suitability, Monitoring, Rebalancing

At account opening, client documents are reviewed for consistency, suitability criteria, and model selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Advisory Portfolios Specialist.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client's overall progress with respect to the account and will discuss with the financial consultant as needed. During these reviews the client's general financial circumstances will be assessed and recommendations as to adjustments to the client's investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

The models for the ETF Portfolios are provided by Laffer and Confluence Investment Management LLC. Quarterly, the performance of Laffer and Confluence will be reviewed by BFE-AM's Manager of Advisory Services to ensure continued adherence to BFE-AM's qualitative standards.

Confluence will review the allocations and ETFs used in their models on a quarterly basis. Laffer reviews the allocations and ETFs used in their models on an ongoing basis. BFE-AM will be notified of any changes to the model strategies. Rebalancing may occur as needed to individual accounts based on the changes to and the strategy for the models, taking into account advice received from the model providers. Rebalancing will be implemented by PMAS in accordance with a servicing agreement with BFE-AM. In addition, the account will automatically be rebalanced when deposits and withdrawals occur unless, in the judgment of PMAS, the amount involved would not have a meaningful impact on the strategy.

Both Confluence and Laffer are engaged in a business in which they provide models to firms such as BFE-AM, as well as manage accounts independently of BFE-AM on a fiduciary basis.

With respect to the ETF models provided by Confluence, Confluence will not provide BFE-AM with changes to its models until after such changes are first implemented in its own clients' accounts. As a result, changes to Confluence's models that are implemented in BFE-AM client accounts will take place after the changes in Confluence's accounts, and the performance in BFE-AM's accounts will differ from those managed directly by Confluence. It is possible that Confluence's prior transactions could increase the price of ETFs that BFE-AM's clients might have to pay for purchases, or reduce the proceeds that might be obtained in connection with sales.

With respect to the ETF models provided by Laffer, Laffer will provide BFE-AM with changes to its models before implementing the changes in their own clients' accounts. As a result, changes to BFE-AM accounts may take place prior to, after, or simultaneously with the changes in Laffer's accounts. As a result, the performance results of the BFE-AM accounts will differ from those managed by Laffer.

Program Fees

The fee below does not include the internal expenses of individual ETFs or ETNs, which are included in the price of the security and are disclosed in the security's prospectus. The annual fee for this advisory service is as follows:

First \$250,000 in assets = 2.25%

Next \$250,000 in assets = 1.75%

Next \$500,000 in assets = 1.50%

Amounts greater than \$1,000,000 = 1.25%

Minimum account size = \$50,000

Additional Services

- BFE-AM shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research by BFE-AM on Confluence Investment Management LLC and Laffer Investments
- Ongoing monitoring, due diligence and research by Confluence Investment Management LLC and Laffer Investments in connection with securities and allocations that they recommend
- Maintenance and trade implementation of the models
- Rebalancing of the securities to conform to the investment allocations and as needed for deposits/withdrawals
- Clients requesting restrictions in this program will be encouraged to use another program provided by BFE-AM

**Proxy Voting and
Corporate Actions**

BFE-AM shall not vote or advise you about matters requiring shareholder voting in connection with the securities held in your account, or with respect to certain legal actions involving your securities. This includes, for example, voting of proxies, mergers, bankruptcies or restructuring, class actions, or similar matters. However, upon request of the client, we may be able to provide limited advice regarding some of these matters. Please see the Services Provided by BFE Asset Management section above for details.

Disclosure Brochure

Benjamin F. Edwards Client Portfolios

Overview

Benjamin F. Edwards Client Portfolios is an advisory program where portfolio management services are provided to the client on a non-discretionary basis for a wrap fee based on the value of the account. As a non-discretionary account the client retains final decision making authority with respect to all transactions. The financial consultant and client will work together to identify an appropriate investment strategy. The financial consultant will monitor the account to ensure it remains consistent with the strategy and make recommendations as needed.

Suitability and Monitoring

At account opening, client documents are reviewed for consistency, suitability criteria and investment selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Manager, Client & Private Portfolios Supervision.

During the life of the account, the Branch Office Manager and Home Office Principals will monitor accounts to ensure activity is suitable and that the account is properly administered. Various reviews will be performed on a daily, monthly, quarterly or annual basis. In addition, ad hoc reviews will be performed as needed.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client's overall progress with respect to the account and discuss with the financial consultant as needed. During these reviews the client's general financial circumstances will be assessed and recommendations as to adjustments to the client's investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

Program Fees

The fee schedule is as follows:

First \$250,000 = 2.00%
Next \$250,000 = 1.50%
Next \$500,000 = 1.25%
Next \$1,500,000 = 1.00%
Next \$2,500,000 = 0.75%
Amounts greater than \$5,000,000 = 0.65%

Minimum account size = \$50,000

Additional Services

- Recommendation of customized asset allocation
- Recommendations by the financial consultant to invest, reinvest, sell or retain assets, if appropriate
- Ongoing monitoring of the account by the financial consultant
- Advice by the financial consultant on the client's proposed unsolicited transactions

Proxy Voting and Corporate Actions

BFE-AM shall not vote or advise you about matters requiring shareholder voting in connection with the securities held in your account, or with respect to certain legal actions involving your securities. This includes, for example, voting of proxies, mergers, bankruptcies or restructuring, class actions, or similar matters. However, upon request of the client, we may be able to provide limited advice regarding some of these matters. Please see the Services Provided by BFE Asset Management section above for details.

Disclosure Brochure

Benjamin F. Edwards Private Portfolios

Overview

Benjamin F. Edwards Private Portfolios is an advisory program where portfolio management services are provided to the client on a discretionary basis for a wrap fee based on the value of the account. As a discretionary account, the financial consultant is not required to contact the client prior to each transaction. The financial consultant and client will work together to develop an investment strategy. The financial consultant will monitor the account to ensure it remains consistent with the investment strategy and that the strategy remains appropriate.

Suitability and Monitoring

At account opening, client documents are reviewed for consistency, suitability criteria and investment selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Manager, Client & Private Portfolios Supervision.

During the life of the account, the Branch Office Manager and Home Office Principals will monitor accounts to ensure activity is suitable and that the account is properly administered. Various reviews will be performed on a daily, monthly, quarterly or annual basis. In addition, ad hoc reviews will be performed as needed.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client's overall progress with respect to the account and discuss with the financial consultant as needed. During these reviews the client's general financial circumstances will be assessed and recommendations as to adjustments to the client's investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

Program Fees

The fee schedule is as follows:

First \$250,000 = 2.25%
Next \$250,000 = 1.75%
Next \$500,000 = 1.50%
Next \$1,500,000 = 1.25%
Next \$2,500,000 = 0.85%
Amounts greater than \$5,000,000 = 0.75%

Minimum account size = \$50,000

Additional Services

- Investing, reinvesting, selling or retaining assets at the Financial Consultant's sole discretion, based on client suitability profile
- Ongoing monitoring and security selection by the financial consultant
- Development of customized asset allocation
- Rebalancing of the securities as needed to conform to the investment allocations and/or for deposits/withdrawals
- Administration of reasonable purchase restrictions on individual securities and/or sectors
- Advice by the financial consultant on the client's proposed unsolicited transactions

Proxy Voting and Corporate Actions

BFE-AM shall not vote or advise you about matters requiring shareholder voting in connection with the securities held in your account, or with respect to certain legal actions involving your securities. This includes, for example, voting of proxies, mergers, bankruptcies or restructuring, class actions, or similar matters. However, upon request of the client, we may be able to provide limited advice regarding some of these matters. Please see the Services Provided by BFE Asset Management section above for details.

Disclosure Brochure

Benjamin F. Edwards Separately Managed Portfolios (Covered)

Overview

The Benjamin F. Edwards Separately Managed Portfolios (Covered) advisory program provides the client with an opportunity to access select third-party money managers that are covered by BFE-AM (“Covered Managers”), meaning that BFE-AM conducts initial and on-going research and due diligence on these managers. To be a Covered Manager, certain information must be readily available to support BFE-AM’s initial and on-going due diligence of the money manager, the manager must meet BFE-AM’s qualitative due diligence requirements, and there must be sufficient economic efficiencies including the amount of fees charged by the money manager or the level of interest in the money manager on the part of BFE-AM clients. BFE-AM is the sponsor of the program with the money manager serving as the sub-advisor. The client pays one wrap fee that includes the money manager fee. Periodic information regarding the manager and its strategy will be available to BFE-AM’s Financial Consultants to provide to clients upon request.

Selection of Covered Managers

In order to provide our clients with a broad range of investment strategies from familiar major asset management firms, as well as some smaller boutique firms, BFE-AM initially considered a large universe of hundreds of managers and performed a subjective qualitative evaluation that resulted in an initial subset of managers from which more detailed evaluation was performed.

The subset of managers described above were classified by capitalization (e.g., small-, mid-, large-cap) and investment style (e.g., fixed income, balanced, growth, value, core). Within each classification their performance relative to their peers was screened as the primary factor for inclusion in the Benjamin F. Edwards Separately Managed Portfolios Covered program. We believe this focus on the managers that had results in the top two-thirds relative to their peers over the past 3-, 5- and 10-year periods indicates the strength of the manager and their investment philosophy for that strategy.

Managers who meet and continue to meet the screening criteria described above will generally be permitted to be included in our Covered Manager program.

Manager Status

In some cases, a manager’s performance might rank in the lower third relative to peers, but nevertheless will be allowed into, or to remain in, the program with a status of “Under Review” or “Watch List.” This may occur if we make a qualitative determination that the manager, strategy and processes are sound notwithstanding the fact that their performance lagged their peers.

Managers may also be placed in “Under Review” status if other situations occur that give us reason to reassess whether they still meet our qualitative and objective standards. These might include, for example, the departure or loss of key personnel; substantial decrease in assets under management; change in ownership; significant departure from a manager’s stated investment style or strategy; or other situations.

Upon review, if a situation warrants continued monitoring, a manager may be placed on a program Watch List where the manager’s performance, strategy and process will be observed for a period of time and then a determination will be made to return the manager to good standing in the Covered Program or to remove the manager from the program.

The client’s Financial Consultant will be advised of any change in the manager’s status. The Financial Consultant will determine whether the client should also be notified.

Suitability and Monitoring

At account opening, client documents are reviewed for consistency, suitability criteria, and model selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Advisory Portfolios Specialist.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client’s overall progress with respect to the account and will discuss with the financial consultant as needed. During these reviews the client’s general financial circumstances will be assessed and recommendations as to adjustments to the client’s investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

Quarterly, the third-party money managers in the Benjamin F. Edwards Separately Managed Portfolios program will be reviewed by BFE-AM's Manager of Advisory Services to ensure continued adherence to BFE-AM's qualitative and performance standards. Both Covered and Non-Covered Managers will be reviewed; however, a higher level of ongoing research and due diligence is applied to the Covered Managers.

In addition, a review will be conducted as needed by BFE-AM's Manager of Advisory Services based on potentially significant developments that may affect the operations or management of the portfolios (e.g., change of Portfolio Manager, corporate reorganizations, etc.).

Program Fees

Adjustments will be made to the managers' status in the program as needed and individual accounts will be addressed accordingly based on the outcomes of the reviews. The annual fee for this advisory service varies based on the type of securities managed and is as follows:

	Equity/Balanced	Fixed Income
First \$500,000 in assets	2.75%	1.25%
Next \$500,000 in assets	2.25%	1.15%
Next \$1,500,000 in assets	1.75%	1.00%
Amounts greater than \$2,500,000	1.25%	0.85%

Minimum account size varies by manager but most commonly is \$100,000.

Additional Services

- The third-party money manager shall invest, reinvest, sell or retain assets in its sole discretion for this account.
- Ongoing monitoring and due diligence by BFE-AM on the third-party money managers.
- Ongoing monitoring, due diligence and research by third-party money manager on the securities selected.
- Administration of reasonable purchase restrictions on individual securities and/or sectors.
- Proxy voting by third-party manager depending on the election made on the client advisory agreement.
If the client has elected the manager to vote the proxies, the client may contact their financial consultant to request information regarding how the proxies were voted.

Disclosure Brochure

Benjamin F. Edwards Separately Managed Portfolios (Non-Covered)

Overview

The Benjamin F. Edwards Separately Managed Portfolios (Non-Covered) advisory program provides the client with an opportunity to utilize third-party money managers that are available on the platform but not covered by BFE-AM ("Non-Covered Managers"), meaning that BFE-AM performs only minimal on-going research and due diligence on these managers. A manager may not be Covered for a variety of reasons including: not meeting the due diligence standards required by BFE-AM's Covered program; lack of ready availability or access to information necessary for BFE-AM to perform required diligence; or for economic inefficiencies including the amount of fees charged by the money manager or the level of interest in the money manager on the part of BFE-AM clients. BFE-AM is the sponsor of the program with the money manager serving as the sub-advisor. The client pays a wrap fee that excludes the fee charged by the third-party money manager, which is paid separately by the client. The total fee may be more or less than the wrap fee charged by BFE-AM on Covered Managers depending on the fee charged by the third-party money manager. However, the advisory fee charged by BFE-AM is less due to the lower degree of due diligence performed. Unlike the Covered Program, periodic information regarding the manager and its strategy will only be provided if the information is readily available and accessible to BFE-AM.

Suitability and Monitoring

At account opening, client documents are reviewed for consistency, suitability criteria, and model selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Advisory Portfolios Specialist.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client's overall progress with respect to the account and will discuss with the financial consultant as needed. During these reviews the client's general financial circumstances will be assessed and recommendations as to adjustments to the client's investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

Quarterly, the third-party money managers in the Benjamin F. Edwards Separately Managed Portfolios program will be reviewed by BFE-AM's Manager of Advisory Services to ensure continued adherence to BFE-AM's qualitative and performance standards. Both Covered and Non-Covered Managers will be reviewed; however, a higher level of ongoing research and due diligence is applied to the Covered Managers.

In addition, a review will be conducted as needed by BFE-AM's Manager of Advisory Services based on potentially significant developments that may affect the operations or management of the portfolios (e.g., change of Portfolio Manager, corporate reorganizations, etc.). Adjustments will be made to the managers' status in the program as needed and individual accounts will be addressed accordingly based on the outcomes of the reviews.

Program Fees

The annual fee for this advisory service, excluding the separate money manager's fee which differs among managers, varies based on the type of securities managed and is as follows:

	Equity/Balanced	Fixed Income
First \$500,000 in assets	2.00%	0.75%
Next \$500,000 in assets	1.50%	0.65%
Next \$1,500,000 in assets	1.00%	0.60%
Amounts greater than \$2,500,000	0.75%	0.60%

Minimum account size varies by manager but most commonly is \$100,000.

Additional Services

- The third-party money manager shall invest, reinvest, sell or retain assets in its sole discretion for this account.
- Limited ongoing monitoring and due diligence by BFE-AM on the third-party money managers.
- Ongoing monitoring, due diligence and research by third-party money manager on the securities selected.
- Administration of reasonable purchase restrictions on individual securities and/or sectors.
- Proxy voting by third-party manager depending on the election made on the client advisory agreement. If the client has elected the manager to vote the proxies, the client may contact their financial consultant to request information regarding how the proxies were voted.

Disclosure Brochure

Lockwood Asset Allocation Portfolios (LAAP)

Overview

LAAP is a discretionary, multi-discipline managed portfolio product. BFE-AM is the sponsor of LAAP and Lockwood Capital Management (LCM), an affiliate of Lockwood Advisors Inc., serves as the Portfolio Manager. As Portfolio Manager, LCM determines the asset allocation strategy and selects investment vehicles for each investment style component of LAAP based on proprietary models. These models may consist of open and closed-end mutual funds, exchange traded funds and other securities as determined by LCM in its sole discretion. The program fee includes all costs including LCM's fee and all clearing and custody fees. Mutual funds are bought at net asset value. The fee below does not include the internal expenses of the underlying securities, which are included in the price of the security and are disclosed in the security's prospectus.

Suitability, Monitoring, Rebalancing

At account opening, client documents are reviewed for consistency, suitability criteria, and model selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Advisory Portfolios Specialist.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client's overall progress with respect to the account and will discuss with the financial consultant as needed. During these reviews the client's general financial circumstances will be assessed and recommendations as to adjustments to the client's investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

The accounts are rebalanced periodically to reflect market changes and to maintain compliance with Lockwood's strategy-specific guidelines. This may occur as a result of deposits, withdrawals or market movement. Rebalancing will be implemented by Lockwood Capital Management, Inc.

The strategies for the Lockwood Asset Allocation Portfolios are managed by Lockwood Capital Management, Inc. Quarterly, the performance of Lockwood Capital Management, Inc will be reviewed by BFE-AM's Manager of Advisory Services to ensure continued adherence to BFE-AM's qualitative standards.

Program Fees

Lockwood Capital Management, Inc will review the allocations and securities used in their models on an ongoing basis. Adjustments will be made as needed to individual accounts based on the changes to the models. The annual fee for this advisory service is as follows:

First \$500,000 in assets = 1.50%

Next \$500,000 in assets = 1.25%

Next \$1,500,000 in assets = 1.00%

Amounts greater than \$2,500,000 = 0.75%

Minimum account size = \$50,000

Additional Services

- LCM shall invest, reinvest, sell or retain assets in its sole discretion for this account.
- Ongoing monitoring, due diligence and research by BFE-AM on LCM.
- Ongoing monitoring, due diligence and research by LCM on the securities and allocations.
- Maintenance and trade implementation of the models.
- As needed, rebalancing of the securities to conform to the investment allocations and for deposits/withdrawals
- Proxy voting by third-party manager depending on the election made on the client advisory agreement. If the client has elected the manager to vote the proxies, the client may contact their financial consultant to request information regarding how the proxies were voted.
- Clients requesting restrictions in this program will be encouraged to use another program provided by BFE-AM.

Disclosure Brochure

Lockwood Investment Strategies (LIS)

Overview

LIS is a discretionary, multi-discipline managed account product housed in a single account with five core models. The five (5) core models span the risk/return spectrum from a current income model to a growth model within the context of a diversified portfolio. If appropriate, a client may also choose from four (4) additional models which include exposure to non-traditional asset classes. BFE-AM is the sponsor of LIS and Lockwood Capital Management (LCM), an affiliate of Lockwood Advisors Inc., serves as the Portfolio Manager. As Portfolio Manager, LCM determines the asset allocation strategy and selects both Sub-Managers and specific investment vehicles for each investment style component of LIS based on proprietary modeling strategies, as well as its macroeconomic outlook and investment discipline. These models may consist of stocks, bonds, open and closed-end mutual funds, exchange traded funds and other securities as determined by LCM in its sole discretion. The program fee includes all costs including LCM, any third-party money manager fee, and all clearing and custody fees. Mutual funds are bought at net asset value. The fee below does not include the internal expenses of the underlying securities which are included in the price of the security and are disclosed in the security's prospectus.

Suitability, Monitoring, Rebalancing

At account opening, client documents are reviewed for consistency, suitability criteria, and model selection. Reviews are performed by the Branch Office Manager or an appropriately designated sales principal, as well as a designated home office representative, Advisory Portfolios Specialist.

At least annually, the Branch Office Manager will ensure that the financial consultant conducts a review of the client's overall progress with respect to the account and will discuss with the financial consultant as needed. During these reviews the client's general financial circumstances will be assessed and recommendations as to adjustments to the client's investment strategy will be made as necessary. Financial Consultants are responsible for conducting reviews with respect to all accounts under their purview.

The accounts are rebalanced periodically to reflect market changes and to maintain compliance with Lockwood's strategy-specific guidelines. This may occur as a result of deposits, withdrawals or market movement. Rebalancing will be implemented by Lockwood Capital Management, Inc.

The strategies for the Lockwood Investment Strategies are managed by Lockwood Capital Management, Inc. Quarterly, the performance of Lockwood Capital Management, Inc will be reviewed by BFE-AM's Manager of Advisory Services to ensure continued adherence to BFE-AM's qualitative standards.

Program Fees

Lockwood Capital Management, Inc will review the allocations and securities used in their models on an ongoing basis. Adjustments will be made as needed to individual accounts based on the changes to the models. The annual fee for this advisory service is as follows:

First \$500,000 in assets = 2.50%
Next \$500,000 in assets = 2.00%
Next \$1,500,000 in assets = 1.50%
Next \$2,500,000 in assets = 1.00%
Amounts greater than \$5,000,000 = 0.75%

Minimum account size = \$250,000

Additional Services

- LCM shall invest, reinvest, sell or retain assets in its sole discretion for this account.
- Ongoing monitoring, due diligence and research by BFE-AM on LCM.
- Ongoing monitoring, due diligence and research by LCM on the securities and allocations.
- Maintenance and implementation of the models.
- Administration of reasonable purchase restrictions on individual securities and/or sectors.
- As needed, rebalancing of the securities to conform to the investment allocations and for deposits/withdrawals.
- Proxy voting by third-party manager depending on the election made on the client advisory agreement. If the client has elected the manager to vote the proxies, the client may contact their financial consultant to request information regarding how the proxies were voted.

Disclosure Brochure
Schedule H/ADV Cross-Reference

The following table cross references the disclosure items in Schedule H of Form ADV with this brochure:

Schedule H item	Brochure page(s)
7(a)	Cover
7(b)	Cover
7(c)	Pages 2, 5 and appears in each program description - see pages 8-19
7(d)	Page 2
7(e)	Pages 2-3
7(f)	Page 3
7(g)	Page 5
7(h)	Page 5
7(i)	Page 6
7(j)	Page 6
7(k)	Pages 3- 7 and appears in each program description - see pages 8-19
7(l)	Pages 3-4
7(m)	Page 8