

Item 1 Cover Page

Lockwood Advisors, Inc.

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Co-Sponsored Programs

Wrap Fee Program Brochure

Form ADV Part 2A, Appendix 1

(as of March 30, 2012)

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Lockwood Advisors, Inc. (“Lockwood”). If you have any questions about the contents of this brochure, please contact us at (800)-200-3033, Option 3. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any other state securities authority.

Additional information about Lockwood is available at the SEC’s website www.adviserinfo.sec.gov. (Click on the link, select “Investment Adviser Firm” and type in “Lockwood Advisors”.) Results will provide you with both Part 1 and 2 of Lockwood’s Form ADV.

Lockwood is a registered investment adviser with the SEC. SEC registration neither implies nor asserts that the SEC nor any state securities authority has approved or endorsed Lockwood or the contents of this disclosure. In addition, SEC registration does not carry any official imprimatur or indication Lockwood has attained a particular level of skill or training.

Item 2 Material Changes

Lockwood made the following material changes to this Wrap Fee Brochure (the “Brochure”) since the last Brochure dated March 31, 2011, as amended for certain changes November 4, 2011. A summary of these material changes is shown below:

Item 4: We added information regarding (1) Lockwood’s policy regarding consultant fees exceeding 2% and total fees exceeding 3%; (2) mutual fund surcharges and (3) fees not included in the asset based fee.

Item 6: We (1) updated the information about our process for reviewing portfolio managers and investment vehicles and (2) added information about withdrawal requests, short settlement and global rebalancing.

Item 9: We added information about (1) any of the top ten institutional shareholders of The Bank of New York Mellon Corporation (“BNY Mellon”) that have certain business relationships with Lockwood and (2) the BNY Mellon Incentive Compensation Plan.

Exhibit C: We added information about the risks associated with inverse and leveraged ETFs, health sciences and master limited partnerships.

Item 3 Table of Contents

Item 1	Cover Page	
Item 2	Material Changes	i
Item 3	Table of Contents	ii
Item 4	Services, Fees and Compensation	1
	A. About Lockwood	1
	B. The Programs and Services	2
	C. Fees	4
	D. Class Actions and Other Litigation	11
	E. Review of Consultant Fees Exceeding 2% and Total Fees Exceeding 3%	11
	F. Mutual Fund Surcharges	11
	G. Fees Not Included in the Asset Based Fee or Program Fee	12
	H. Sweep Options	12
Item 5	Account Requirements and Types of Clients	13
	A. Types of Clients	13
	B. Account Minimum Requirements	13
	C. Firm/Consultant Requirement	13
	D. U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) Sanctions Program	14
	E. Unfunded Account Termination	14
	F. Collateral Accounts	14
	G. Securities Transferred Into a Program	14
Item 6	Portfolio Manager Selection and Evaluation	16
	A. Lockwood as Sponsor	16

	B. Lockwood as Money Manager	17
	C. Lockwood as Money Manager: Methods of Analysis, Investment Strategies and Risk of Loss.....	17
	D. Portfolio Managers	22
	E. Model Managers	22
	F. Performance Standards	23
	G. Brokerage Practices	24
	H. Potential Conflicts of Interest Relating to Lockwood Managed Accounts	25
	I. Client Restrictions	26
	J. Differences in Wrap and Non-Wrap Services.	26
	K. Lockwood Performance Fee and Side-by-Side Management Disclosure	26
	L. Voting Client Securities by Portfolio Managers or by Lockwood	26
Item 7	Client Information Provided to Portfolio Managers	28
Item 8	Client Contact with Portfolio Managers	29
Item 9	Additional Information	30
	A. Disciplinary Information	30
	B. Other Financial Industry Activities	30
	C. Financial Industry Affiliations.....	30
	D. Other Relationships	32
	E. Participation or Interest in Client Transactions	32
	F. Marketing Activities	32
	G. Compliance Plan.....	34
	H. Codes of Ethics and Personal Trading.....	35
	I. Review of Accounts.....	36
	J. Client Reporting	36
	K. Custody	36

L.	Referral Fee Payments	36
M.	Other Wrap Programs and Services.....	37
N.	Privacy Policy	38
O.	Business Continuity	38
P.	Error Correction.....	38
Q.	Risk Committee	38
R.	BNY Mellon Incentive Compensation Plan	38
	Portfolio Managers.....	EXHIBIT A
	Model Managers.....	EXHIBIT B
	Risks Associated with Certain Investments.....	EXHIBIT C
	Lockwood Privacy Policy	EXHIBIT D

Item 4 Services, Fees and Compensation

A. About Lockwood

Lockwood was organized in 1995 and opened for business in the summer of 1996. It is registered with the SEC as an investment adviser. In 2002, The Bank of New York Company, Inc. acquired Lockwood. Lockwood is now an indirect, wholly-owned subsidiary of BNY Mellon, a publicly-owned company. An affiliate of Lockwood, Pershing LLC (“Pershing”) is a SEC registered broker-dealer that is a member of the Financial Industry Regulatory Authority (“FINRA”), the Securities Investor Protection Corporation (“SIPC”) and the New York Stock Exchange (“NYSE”). Lockwood may delegate certain functions to its affiliate, the Pershing Managed Account Solutions division of Pershing (“PMAS”). Lockwood does not have any offices located outside of the United States. Lockwood may accept certain non-U.S. clients, in its sole discretion, in accordance with all applicable laws.

On July 1, 2010, BNY Mellon purchased PNC Global Investment Servicing Inc., the parent of PNC Managed Investments Inc. (“PNC Managed Investments”) (formerly ADVISORport, Inc.) from The PNC Financial Services Group, Inc. (the “Transaction”). In connection with the Transaction, PNC Managed Investments became a part of Lockwood. The transition to Lockwood was accomplished in two steps. At the closing of the Transaction, PNC Managed Investments transferred its advisory business to Lockwood and, in turn, Lockwood delegated to PNC Managed Investments certain operational activities in support of the advisory programs. For transitional purposes, PNC Managed Investments was renamed BNY Mellon Managed Investments Inc. (“BNYMMI”) on July 1, 2010 and was merged with and into Lockwood in 2011. This Wrap Fee Brochure (the “Brochure”) describes certain of the programs originally administered by PNC Managed Investments prior to the transaction.

Lockwood provides services to financial institution customers, which are typically investment advisory firms (“Firms”), which are not affiliated with Lockwood. For such entities, Lockwood provides turnkey solutions designed to enable Firms to outsource activities, such as, generating investment proposals for their clients, maintaining client accounts, trading and providing investment performance reporting. Client level advice is generally provided directly by employees, agents, affiliates or other delegated persons of a Firm (collectively, “Consultants”). The Firms and/or Consultants that use this solution create a menu of investment selections and services for their clients.

Lockwood acts in a co-sponsor capacity, structuring and tailoring menus of investment selections and services for your consideration. The tailored menus of investment selections and services may come from a variety of different asset management firms (“Portfolio Managers”), and Lockwood combines them to create menus of investment options or bundled investment solutions.

Lockwood, contracts with the Firms to provide investment advisory services in connection with investment programs. The Firms, in turn, provide their clients, such as yourself and others who may be individuals, banks or thrift institutions, pension and profit sharing plans, trusts, estates,

charitable organizations, and corporations or business entities, access to Lockwood's services, including research and investment programs.

Lockwood's investment programs may be used by more than one Firm or designed especially for one Firm. In addition, such programs may be fixed (allowing no discretion on the part of the Consultant who provides advice to you) or flexible (allowing some discretion or choice by the Consultant). Lockwood's range of offerings described in this Brochure includes the programs (the "Programs") below:

- Separately Managed Account ("SMA") program
- Fund Select ("Fund Select") program
- Fund Select Premier ("Premier") program
- Fund Management Services program
- Flexible Unified Managed Account ("Flex UMA") program

Your Firm may customize the names of the Programs when describing the particular Programs available to you through the Firm. Please refer to your investment advisory agreement with your Firm and Lockwood (the "Client Agreement") and consult with your Consultant for more information regarding the Program(s) in which you may be enrolled.

Lockwood may perform services in one or more of the following capacities:

- Serve as co-sponsor of a program.
- Conduct due diligence and provide research on certain Portfolio Managers, mutual funds and other investment vehicles.
- Act as Portfolio Manager in certain Programs.
- Calculate the investment performance of each client's account both for programs sponsored by Lockwood and certain programs not sponsored by Lockwood.
- Write reports on economic and financial market conditions, as well as on investment strategies.
- Provide mutual fund screening services.

B. The Programs and Services

Your Consultant may give you an investment questionnaire to collect financial information from you, so he or she can assist you in establishing appropriate investment goals, objectives and an investment policy for your investment portfolio(s) ("Investment Questionnaires"). In general, once you and your Consultant determine which program(s) and investment choices best suit your needs, the Consultant submits the necessary paperwork to Lockwood. You, your Firm and Lockwood enter into a Client Agreement. You will open a brokerage account ("Brokerage Account") with a broker-dealer that you designate in the Client Agreement ("Designated Broker").

It is your responsibility to inform your Consultant if you have any changes in your financial circumstances. You and your Consultant will then determine if the changes affect the suitability of your current investments. It is also your responsibility to tell your Consultant if you wish to change or impose any new restrictions or objectives regarding the management of your account. Quarterly, your Consultant will pursue all reasonable means to notify you in writing of your duty to contact

your Consultant regarding any changes you want to make. At least once a year, your Consultant will pursue all reasonable means to consult with you to determine if there have been any changes in your financial situation or investment objectives, and whether you wish to change your existing instructions or impose any new instructions regarding the management of your account.

Depending on your Program and your Firm, your account may be custodied at Lockwood's affiliate, Pershing or at a custodian not affiliated at Lockwood. The custodian for your account is detailed in your Client Agreement.

The following is a description of the specific programs offered:

1. The SMA Program

The SMA Program was developed to provide you with access to Portfolio Managers. Lockwood acts as Portfolio Manager for certain SMA accounts, as described below.

Based on your information collected in the Investment Questionnaire, your Consultant formulates an asset allocation proposal and identifies Portfolio Managers that your Firm and Consultant believe are appropriate for your investment account. Generally, your Consultant will present you with a written investment proposal. Your Consultant will ask you to accept and approve this investment proposal. As part of the acceptance and approval process, and by signing the Client Agreement, you authorize Lockwood to delegate to the selected Portfolio Manager(s) discretionary trading authority over that portion of your account delegated to the Portfolio Manager(s).

In some cases Lockwood may act as the discretionary Portfolio Manager in the SMA Program. In that capacity Lockwood will engage one or more third-party money managers ("Model Managers"), who provide one or more model portfolios to Lockwood. Lockwood, as the discretionary Portfolio Manager, has the authority to not accept a particular security recommendation. Lockwood has delegated the trade order entry function to its affiliate PMAS.

With respect to performance reports, Lockwood may provide (i) your Firm and your Consultant with quarterly performance reports which your Consultant, in turn, may provide to you; (ii) the quarterly performance reports to a print vendor chosen by Lockwood, which will print and mail the quarterly performance reports to you at the request of your Consultant; or (iii) the quarterly performance reports to a print vendor chosen by the Firm and the print vendor will print and mail the quarterly performance reports to you on behalf of your Firm. Alternatively, your Firm may prepare and deliver performance reports to you.

2. Fund Select Program and Premier Program

The Fund Select Program and the Premier Program are mutual fund and exchange traded fund ("ETF") wrap programs (each, a "Fund Program"). Each Fund Program enables investors to pursue their investment objectives through the purchase and sale of mutual fund shares and, in some cases, ETFs, all in one consolidated brokerage account. Working with your Consultant, Lockwood may:

- Assist in the development of one or more asset allocation policies designed to fit your risk tolerance and investment objectives;
- On a discretionary basis, invest your assets in various mutual funds or ETFs;

- Offer diversification among multiple asset classes and investment styles;
- Conduct periodic re-balancing of your portfolio in accordance with your Client Agreement; and/or
- With respect to performance reports, provide (i) your Firm and your Consultant with quarterly performance reports which your Consultant, in turn, may provide to you; (ii) the quarterly performance reports to a print vendor chosen by Lockwood, which will print and mail the quarterly performance reports to you at the request of your Consultant; or (iii) the quarterly performance reports to a print vendor chosen by the Firm and the print vendor will print and mail the quarterly performance reports to you on behalf of your Firm.

3. Fund Management Services (also known as “Fund Manager”)

Fund Management Services is a mutual fund wrap program with a lower account minimum than the Fund Programs. Fund Management Services enables investors to pursue their investment objectives through the purchase and sale of mutual fund shares in one consolidated brokerage account. Please note that if you participate in Fund Management Services, your Consultant will not give you an Investment Questionnaire, but will work with you to complete a client profile. In addition, Lockwood account performance reports are not available in Fund Management Services.

4. Flex UMA

Lockwood’s Flex UMA was developed for clients looking to diversify their investment portfolio among different investment styles using a variety of investment types and vehicles in one consolidated brokerage account. In the UMA, Lockwood acts as the co-sponsor and the Portfolio Manager and provides your Consultant with suggested combinations of Model Managers’ strategies, ETFs and/or mutual funds for one account.

Working with your Consultant, Lockwood may:

- Assist in the development of one or more UMA investment strategies designed to fit your investment goals and objectives;
- On a discretionary basis, invest and reinvest your assets in a combination of equity security model portfolios, ETFs, and/or mutual funds in accordance with your chosen allocation strategy;
- Review and if indicated, rebalance your account in accordance with your Client Agreement; and/or
- With respect to performance reports, provide (i) your Firm and Consultant with quarterly performance reports which your Consultant, in turn, may provide to you; (ii) the quarterly performance reports to a print vendor chosen by Lockwood, which will print and mail the quarterly performance reports to you; or (iii) the quarterly performance reports to a print vendor chosen by the Firm and the print vendor will print and mail the quarterly performance reports to you on behalf of your Firm.

C. Fees

You generally will pay one fee (“Advisory Fee”) for the combined advisory services of Lockwood, your Firm and/or Consultant and, if applicable, Portfolio Manager(s) and Model Manager(s).

Please refer to your Client Agreement for your total Advisory Fee. Some clients may pay more or less than others depending on certain factors, including the type and size of the account(s), the historical or anticipated transaction activity, the range of additional services provided to the account, the aggregate amount of your relationship assets under management with Lockwood, and the managed account program in which you participate.

The Advisory Fee is calculated as a percentage of assets under advisement and will vary depending upon the services provided to you. The Advisory Fee is based on the total assets in your account, including any portion of the account maintained in cash (and/or short-term investments including, but not limited to, money market funds).

Fees are billed pro rata when you open and fund your account for the remainder of the calendar quarter and quarterly thereafter, unless indicated otherwise in your Client Agreement. A portion of this Advisory Fee is paid to each of the Firm and/or Consultant, Portfolio Manager(s), and Model Manager(s), as applicable, for their respective services according to their applicable fee schedule. Each Portfolio Manager engaged by you or by your Consultant, on your behalf, will set and charge fees independently. As a result, fees will vary by Portfolio Manager. Please refer to Exhibit A for a list of the Portfolio Managers available in the Programs and their fees.

In addition, Portfolio Managers that participate in the Programs described in this Brochure may participate in other Lockwood Programs and their fees in those other Programs may be different. Similarly, the Consultants set and charge fees independently and the fees charged by Consultants may vary accordingly.

Unless you instruct otherwise, Lockwood or the custodian generally debits your account for the fees charged by Lockwood, the Firm and/or Consultant, custodian and, if applicable, Portfolio Manager(s) and Model Manager(s) and remits the fees to the respective parties, accordingly. You may pay more or less for services at Lockwood than you would if you purchased similar services separately from other providers.

There may be other costs assessed which are not included in the Advisory Fee described above, such as fees, expenses and charges levied by mutual funds, ETFs, money market mutual funds, costs associated with the purchase and sale of certain mutual funds and other similar securities held in your account, dealer mark-ups, odd lot differentials, exchange or auction fees, transfer taxes, any fees imposed by the SEC, electronic fund and wire transfer fees, clearing and custody costs, fees or commissions for securities transactions, costs associated with temporary investment of your funds in a cash management account, trust service charges and other charges mandated by law. For more information regarding these fees and to determine which fees are included in the Advisory Fee, you should refer to the Client Agreement and the account opening forms of the Designated Broker signed separately from the Client Agreement. With respect to a mutual fund company's fees and expenses, including short-term redemption fees and Rule 12b-1 fees, you should read the prospectus carefully.

The Advisory Fees you pay in the SMA Program may or may not include any fee reductions provided by Portfolio Managers to Lockwood after Lockwood reaches a certain level of assets under management with the Portfolio Manager. These levels are known as breakpoints. Lockwood retains any savings with respect to corresponding reductions in fees paid to Portfolio Managers. As

a result, Lockwood could have an incentive to engage, retain or, with respect to the Fixed UMA program, direct your assets to Model Managers whose breakpoint schedules favor Lockwood. To mitigate the risk posed by that potential conflict of interest, the Investment Committee will not take into consideration the breakpoint schedules between Lockwood and any Portfolio Manager when determining whether to engage, retain, recommend or discontinue use of a particular Portfolio Manager.

The Advisory Fees are negotiable depending on certain factors, including the type and size of your account, the range of service provided to you and the total assets under management Lockwood has with your Firm. If you have multiple accounts with Lockwood, Lockwood may combine your assets for fee calculation purposes, as described in the Client Agreement.

If you choose an asset-based fee schedule for custody and trade execution service directly with a Designated Broker and custodian, that fee may be charged separately and will be in addition to the Advisory Fee paid to Lockwood. Your custodian may assess additional charges for transactions executed other than at your custodian. A more detailed explanation of these fees for custody and trade execution can be found in the account opening forms of your Designated Broker signed separately from the Client Agreement.

Lockwood may impose a minimum annual fee ranging from \$75 to \$400, per account, in accordance with your Client Agreement. In addition, Lockwood may charge a termination fee, in its discretion and subject to the terms of your Client Agreement.

For additional information on your fee, you should refer to your Client Agreement.

1. Lockwood Separately Managed Account Program Fees

Lockwood's SMA base fees ("SMA Base Fees") cover the screening and selection of Portfolio Managers and Model Managers, as well as the provision of platform and administrative services (e.g., asset allocation tools and models, performance reports, periodic account billing, document processing, information systems and other administrative services). The maximum fee schedule is shown below.

Lockwood's Separately Managed Account Program Maximum Base Fee Schedule:

Portfolio Assets	Maximum Annual Fee
From \$0 – \$1,000,000	0.400%
On the next \$1,000,000	0.350%
On the next \$3,000,000	0.325%
On the next \$10,000,000	0.300%
On the next \$15,000,000	0.250%

On assets over \$30,000,000	0.200%
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As an example, if you have an account with assets of \$1,500,000 and assuming there is no change in value over the year, you will pay 0.400 percent (or, \$4,000) per year on your first \$1,000,000 in assets; for the next \$500,000, the fee charged drops to 0.350 percent or \$1,750 per year. In total, your base fee for an account of \$1,500,000 is \$5,750 per year or 0.383 percent. The resulting SMA Base Fee is a weighted average of the maximum annual fees applicable for the asset tiers reached based on your account size. Lockwood's SMA base fees as a percent of assets may decline as your account size increases. The weighted average SMA Base Fee – based on the tiers reached – will never be more than 0.400 percent per year.

In addition to the SMA Base Fees, you are responsible for each Portfolio Manager's fees, your Firm's and/or Consultant's fees, internal mutual fund and other pooled vehicle fees and expenses, including any short-term redemption fees imposed by a mutual fund, as well as any brokerage and custody fees that may be imposed by your Designated Broker and/or custodian.

Portfolio Manager Fees generally range from between 0.35% to 0.75% per year for a standard equity SMA product, and from between 0.25% to 0.35% for a standard fixed-income SMA product. Please refer to Exhibit A for a list of the Portfolio Managers and their Fees.

When Lockwood acts as Portfolio Manager in an SMA account, it selects a Model Manager to provide the investment selections and allocations for the account. Lockwood reviews the Model Manager's selections and enters the trade orders. This service is sometimes known as "overlay management." When Lockwood acts as Portfolio Manager in an SMA account it receives a fee of 0.05% in addition to the SMA Base Fee. The Model Manager's fee is also included in the Advisory fee. Lockwood is responsible for paying the Model Managers that supply the relevant model out of the Advisory Fee. Please refer to Exhibit B for a list of the Model Managers and their fees. In addition, the fees charged by a Model Manager in the Program may be different from the Model Manager's fee where there is no overlay management. Please refer to each Model Manager's Form ADV, Part 2 or alternatively, if applicable, their disclosure brochure for more information about their fees.

2. Fund Select Program and Premier Program Fees

Lockwood's fees for the Fund Select and Premier Programs cover the screening and selection of mutual funds and ETFs, as well as the provision of platform and administrative services (e.g., asset allocation tools and models, performance reports, periodic account billing, document processing, information systems and other administrative services). The maximum fee schedule is shown below.

Lockwood's maximum fee for each of the Fund Select and Premier Programs is:

.40% per year

(minimum quarterly fee up to \$62.50)

In addition to the fees set out above, you are responsible for your Firm's and/or Consultant's fees, internal mutual fund and other pooled vehicle fees and expenses, including short-term redemption fees and any brokerage and custody fees that may be imposed by your Designated Broker and/or custodian.

3. Lockwood Fund Management Services Account Program Fees

Lockwood's fees for the Fund Management Services Program cover the screening and selection of mutual funds and ETFs, as well as the provision of platform and administrative services (e.g., periodic account billing, document processing, information systems and other administrative services). The maximum fee schedule is shown below.

Lockwood's maximum fee for the Fund Management Services Programs is:

.30% per year

(minimum quarterly fee up to \$50.00)

In addition to the fees set out above, you are responsible for your Firm's and/or Consultant's fees, internal mutual fund and other pooled vehicle fees and expenses, including short-term redemption fees and any brokerage and custody fees that may be imposed by your Designated Broker and/or custodian.

4. Lockwood Unified Managed Account Program Fees

Lockwood's UMA base fees ("UMA Base Fees") cover its screening and selection of Model Managers, ETFs and mutual funds, as well as Lockwood's provision of the platform and administrative services. Examples of Lockwood's platform and administrative services include providing asset allocation tools and models, performance reports, periodic account billing, document processing and providing information systems.

The maximum Lockwood UMA Base Fee is, as follows:

Portfolio Assets	Maximum Annual Fee
From \$0 – \$1,000,000	0.400%
On the next \$1,000,000	0.350%
On the next \$3,000,000	0.325%
On the next \$10,000,000	0.300%
On the next \$15,000,000	0.250%
On assets over \$30,000,000	0.200%

As an example, your account with assets of \$1,500,000 and, assuming there is no change in value over the year, will pay 0.400 percent (or, \$4,000) per year on your first \$1,000,000 in assets; for the next \$500,000, the fee charged drops to 0.350 percent or \$1,750 per year. In total, your UMA Base Fee for an account of \$1,500,000 is \$5,750 per year or 0.383 percent. The resulting base fee is a weighted average of the maximum annual fees applicable for the asset tiers reached based on your account size. In general, Lockwood's UMA Base Fees as a percentage of assets will decline as your account size increases. The weighted average base fee – based on the tiers reached – will never be more than 0.400 percent per year.

In addition to the UMA Base Fee, you are responsible for Lockwood's investment management fee, your Firm's and/or Consultant's fees, internal mutual fund and other pooled vehicle fees and expenses, including any short-term redemption fees a mutual fund may impose, as well as any brokerage and custody fees that may be imposed by your Designated Broker and/or custodian.

When Lockwood acts as Portfolio Manager, Lockwood receives a fee in addition to the UMA Base Fee, as noted below. The Model Manager's fee is also included in the Advisory Fee. Lockwood is responsible for paying the Model Managers that supply the relevant models out of such fees. Please see Exhibit B for a list of Model Managers and their fees. In addition, the fees charged by a Model Manager in the Program may be different from the Model Manager's fee where there is no overlay management. Please refer to each Model Manager's Form ADV, Part 2 or alternatively, if applicable, their disclosure brochure for more information about their fees.

Lockwood's maximum UMA Program investment management fee is 0.05% for the standard UMA. If you opt for Lockwood's optional component that seeks to minimize the income taxes incurred in buying and selling securities on your behalf, Lockwood's maximum UMA Program fee is 0.10%.

5. Firm Administrative Fee

Additionally, Lockwood has entered into arrangements with certain Firms whereby such Firms are compensated for performing certain administrative functions for your account. These administrative functions may include account opening and maintenance functions, billing support, and facilitating your contributions, withdrawals and termination notices. This additional fee that is paid from your account to the Firm is included in the Lockwood portion of the Advisory Fee. Under this arrangement, the Lockwood portion of your Advisory Fee may be up to 0.150% more than that charged to clients of Firms that have not entered into such a relationship with Lockwood. However, the Lockwood fee will not exceed the maximum amounts described above for each Program.

6. Determining the Total Market Value of a Client's Account for Payment of Advisory Fee

The total market value of your account as determined for purposes of payment of the Advisory Fee is established as follows:

If you pay your fee quarterly in advance, you pay an initial fee after the date the custodian receives the initial assets for your account. For post-inception deposits in excess of \$25,000 made during a calendar quarter, Lockwood may charge prorated fees on each deposit. You pay for that portion of the on-going quarterly Advisory Fee that relates to the number of days remaining in the calendar quarter as of the date that Lockwood assumes responsibility for each account. This Advisory Fee

will be based on Lockwood's or your custodian's record of the total market value of the assets in each account on that date, including any assets held in cash. No adjustment or refund will be made with respect to partial withdrawals that may be made during any calendar quarter. The process for charging fees for post-inception deposits made during a calendar quarter may vary by Firm.

After the initial billing period, you pay the quarterly Advisory Fee to Lockwood at the end of each calendar quarter for the following quarter. This Advisory Fee will be based on the total market value of the assets in the account on the last business day of the prior quarter.

If you pay your fee at the end of the quarter, which is known as "paying in arrears," you will first pay your fee at the end of the first calendar quarter after your account is opened. Your fee will be prorated for the number of days your account was open during that first quarter. Then, you will be billed at the end of each calendar quarter. This Advisory Fee will be based on the total market value of the assets in each account on that date, including any assets held in cash.

For clients of certain Firms, Lockwood's SMA Base Fee and/or UMA Base Fee is based on the average of the account's daily total market value for the prior quarter. For clients of these Firms, however, the Advisory Fee may be based on the total market value of the assets in the account on the last business day of the prior quarter. In addition, where Lockwood's UMA Base Fee is based on the average of the account's daily total market value for the prior quarter, the fees paid to Model Managers are based on the average of the account's total market value on the first day of the quarter and the last day of each month in that quarter.

In some cases Lockwood's fee may be calculated based on the total assets that the Firm has with Lockwood in a particular program or overall. This is known as an "institutional fee". If there is an institutional fee, Lockwood's fee percentage may decrease as the total amount of assets with the Firm increases. This will not affect the calculation of your Advisory Fee.

You may terminate your accounts at any time, in which case, fees will be prorated from the start of the current billing period through the termination date. If Lockwood charges your fee quarterly in advance, the daily proration upon termination after the first year may result in a rebate to you of the unused portion of the quarterly fee. If Lockwood charges your fee quarterly in arrears, then at the time your account terminates you will pay a fee prorated for the number of days your account was open during the calendar quarter your account terminates.

Lockwood may, at its sole discretion, terminate your account provided that Lockwood notifies you in advance, and subject to the terms of your Client Agreement. After such termination, Lockwood shall not be liable to you for any loss incurred by you.

Please refer to your Client Agreement for more information about your Advisory Fee.

7. Other Compensation of Firms and Consultants

As set out above, Lockwood maintains contracted relationships with various Firms. Such Firms utilize the services provided by Lockwood to assist you in asset allocation modeling, asset selection and consolidated reporting, as well as gaining access to mutual funds, Portfolio Managers and Model Managers that might otherwise be unavailable to you. You are made aware of such contractual relationships at the time you enter into an agreement with Lockwood and your Firm.

Firms and Consultants recommending Programs described in this Brochure may receive compensation as a result of your participation in these Programs. The amount of this compensation may be more than what a Firm or Consultant would receive should you participate in other programs offered by your Firm and/or Consultant or if you paid separately for investment advice, brokerage, and other services. In addition, Firms and/or Consultants recommending certain mutual funds described in this Brochure may have mutual fund marketing and compensation arrangements with those mutual funds and may receive compensation as a result of your investment in these mutual funds. The amount of this compensation may be more than what a Firm and Consultant would receive should a client invest in other mutual funds offered by your Firm and/or Consultant. As a result, there may be a financial incentive for certain parties to recommend the Programs described in this Brochure over other programs or services. For more information on services offered, and fees charged, by your Firm and/or Consultant, you should review the Firm's Form ADV Part 2 and your Client Agreement.

8. Fee Charged to Portfolio Managers

Lockwood may charge each Portfolio Manager a fee of 0.05% of total assets annually to cover expenses associated with the portfolio accounting system for the Programs described in this Brochure. In certain limited instances, Lockwood may waive or reduce this fee.

D. Class Actions and Other Litigation

It is Lockwood's policy that it does not advise, initiate or take any other action on your behalf relating to securities held in your account managed by Lockwood in any legal proceeding (including, without limitation, class actions, class action settlements and bankruptcies). Lockwood does not file proofs of claim relating to securities held in your account and does not notify you or your custodian of class action settlements or bankruptcies relating in any way to such account. You should consult with the custodian and other service providers to verify such coverage.

E. Review of Consultant Fees Exceeding 2% and Total Fees Exceeding 3%

Lockwood carefully reviews fees in order to comply with the SEC Staff's position regarding investment advisory fees. See SEC reply to No-Action Request, John G. Kinnard & Co. Inc. (October 30, 1973) and SEC reply to No-Action Request, Consultant Publications, Inc., (December 30, 1974). Lockwood has implemented a procedure to identify individual Consultant fees that exceed 2% and total fees that exceed 3%. If there are any exceptions, Lockwood will request additional information from the Consultant and the Firm and take such other action as would be necessary.

F. Mutual Fund Surcharges

If your account holds mutual funds, your account may be charged a surcharge by the custodian for each purchase and sale transaction in the mutual funds of certain mutual fund families ("Mutual Fund Surcharge"). The Mutual Fund Surcharge is in addition to your Asset Based Fee or Program Fee and will be listed on your custodial statement.

G. Fees Not Included in the Asset Based Fee or Program Fee

There may be other costs assessed which are not included in the Asset Based Fee or Program Fee, such as fees, expenses and charges levied by mutual funds, ETFs and money market funds. In addition, there may be fees charged by the custodian that are not included in your Asset Based Fee or Program Fee, such as costs associated with the purchase and sale of certain mutual funds and other similar securities held in your account, dealer mark-ups, odd-lot differentials, exchange or auction fees, transfer taxes, costs for transactions executed other than at the custodian, any fees imposed by the SEC, electronic fund and wire transfers, costs associated with temporary investment of your funds in a cash management account, trust services charges, annual IRA custodial fees, IRA termination fees, custodial fees for prototype pension and profit sharing plans and Keoghs, custodial fees associated with special circumstances or events, such as transfer on death, returned check fees and other charges mandated by law. Further, interest will normally be charged on a negative balance in your account. If Pershing has custody of the assets, it will credit interest and dividends to the account.

H. Sweep Options

You may choose from a selection of money market funds or other short term cash vehicles (“Sweep Options”) that are available through your Firm and/or Broker for cash held overnight in a brokerage account at your Firm. The universe of Sweep Options made available to you is in the sole discretion of either your Firm or your Broker. These money market funds are fully described in each fund’s prospectus, which you should review in detail. You will receive the prospectus for the money market fund when you open your account and it will contain a complete description of any relevant fees and/or expenses.

In utilizing money market or other funds, if Pershing is the custodian, Pershing may receive a benefit from its possession and temporary investment of cash balances in your accounts prior to investment, whether in a sweep arrangement or otherwise. Pershing may be paid certain fees relating to these money market funds, such as networking or 12b-1 fees.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency, unless disclosed otherwise in the prospectus. Although money market funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in money market funds.

Item 5 Account Requirements and Types of Clients

A. Types of Clients

Lockwood's clients may include institutions such as financial services firms, investment management firms, insurance companies, other registered investment advisers, broker-dealers, and banks whose investor clients may consist of individuals, banks or thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations and corporations or business entities. In addition, Lockwood may provide mutual fund selection services in connection with mutual fund wrap programs that are not sponsored by Lockwood to BNY Mellon Investment Servicing Trust Company, formerly PFPC Trust Company ("BNYMTC") and its clients may consist of individuals and institutions.

B. Account Minimum Requirements

Lockwood generally imposes a \$100,000 minimum account size for each SMA account, although Portfolio Managers which Lockwood has engaged may have different minimum account sizes. Some Portfolio Managers have account minimums higher than \$100,000. You must meet the Portfolio Manager's minimum account size before the Portfolio Manager will manage your assets. Please refer to Exhibit A for a list of Portfolio Managers and their account minimums. In addition, your Firm may impose a higher minimum for SMA accounts. Please refer to your Firm's Form ADV Part 2 brochure for information about its SMA minimums.

Lockwood generally imposes the following minimums in the Fund Programs, Fund Management Services and the UMA Programs:

Program	Account Opening Minimum
Fund Select	\$50,000
Premier	\$50,000
Flex UMA	\$250,000
Fund Management Services	\$10,000

Lockwood reserves the right to waive its minimum initial investment requirements, in its sole discretion. Lockwood and/or your Portfolio Manager may terminate your account should your account fail to meet the account minimum during the life of your account.

C. Firm/Consultant Requirement

Lockwood's services are offered to investors only through Firms such as financial advisors, financial planners, certified public accountants, broker-dealers, registered investment advisers and investment consultants. These Firms or their Consultants consult with you and provide advice to

you. Consultants are not employees of Lockwood, but are independent or employed by Firms not affiliated with Lockwood.

D. U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Sanctions Program

In compliance with the OFAC sanctions program, Lockwood or its designee will check to verify that your name does not appear on OFAC's "Specifically Designated Nationals and Blocked Persons" List ("SDN List"). Your name will also be checked to verify that you are not from, or engaging in transactions with people or entities from, embargoed countries and regions published on the OFAC Web Site. Lockwood or its agent may access these lists through various software programs to conduct these searches in a timely and accurate manner. Lockwood or its designee will also review existing accounts against these lists when they are updated.

In the event Lockwood or its designee determines a client, or someone with or for whom the client is transacting, is on the SDN List, or is from or engaging in transactions with a person or entity located in an embargoed country or region, Lockwood will immediately contact Lockwood's Anti-Money Laundering and OFAC compliance group to determine the proper course of action, which may include: rejecting the transaction and/or blocking the client's assets; and, filing a blocked assets and/or rejected transaction form with OFAC.

E. Unfunded Account Termination

If your account has a zero balance for more than six months, Lockwood may terminate your advisory account in our systems. Your underlying brokerage account, however, may remain open unless terminated by the Designated Broker and custodian. Once an advisory account has been terminated, funding of the account at the custodian will no longer be recognized by Lockwood. Lockwood will not be held responsible for account trading delays that may result. Further, Lockwood will not provide any communications to you or your Consultant regarding terminated advisory accounts. It is recommended that if you have a terminated account, you contact your Consultant to terminate the account at the Designated Broker and the custodian. You should notify your Consultant if you wish to keep an account open for future funding. If you wish to reopen a terminated advisory account, you should contact your Consultant. New account paperwork may be required and other procedures for reactivating the account must be followed. Please contact your Consultant to find out about your Firm's and your Designated Broker's unfunded account termination policy.

F. Collateral Accounts

If an account is pledged as collateral for a loan and if the lender has initiated a liquidation of securities in the account pursuant to the terms of the collateral agreement, the account may not be invested in accordance with the model portfolio and/or your investment objective for a period of time.

G. Securities Transferred Into a Program

If you transfer securities into the Programs described in this Brochure, you should be aware that your Designated Broker may liquidate some, and possibly all, transferred securities shortly after

notification to the Portfolio Manager (“Liquidation Trades”). Please be advised that Liquidation Trades may result in higher commissions or less favorable net prices. You may incur adverse tax consequences, as well as additional transaction costs in connection with these Liquidation Trade executions. You should consult your tax advisor and Consultant on these issues prior to transferring any securities into a Program.

Item 6 Portfolio Manager Selection and Evaluation

A. Lockwood as Sponsor

As the sponsor or co-sponsor of managed account programs, Lockwood evaluates Portfolio Managers and Model Managers for inclusion in various managed account programs. Depending upon the particular program, Lockwood's review process may differ, as described below. Lockwood works with its affiliate, BNY Mellon, in reviewing and researching Portfolio Managers and Model Managers.

In certain programs (Managed Account Link, Managed Account Advisor and co-sponsored programs), Lockwood provides its clients with a list of covered Portfolio Managers and Model Managers ("Covered Managers,"). In determining which Portfolio Managers are selected for coverage, Lockwood utilizes a preliminary screening process involving a variety of criteria, such as, assets under management, personnel, registration, disclosures and regulatory history. If the preliminary screen is successful, the next phase of the analysis includes a review of a range of quantitative criteria (relating to performance and portfolios reviews) and qualitative criteria (relating to such items as the investment team, philosophy and process, capacity and structure). Lockwood also relies on information regarding the Portfolio Managers from the following types of sources: Covered Manager's website, publicly available sources, regulator websites, commercially available databases and in person meetings. The criteria employed for each Covered Manager may not be identical and instead, is typically based on the nature of the Portfolio Manager's portfolios and investment philosophy.

The analysis of each Portfolio Manager and Model Manager is prepared by Lockwood personnel and presented to Lockwood's Investment Advisory Committee for review. Portfolio Managers and Model Managers which are chosen as Covered Managers are approved in each instance by Lockwood's Investment Advisory Committee. Once selected for inclusion as a Covered Manager, Lockwood personnel engage in on-going due diligence and continuing evaluation of the Portfolio Manager or the Model Manager's appropriateness for a particular program.

In certain programs (Managed Account Link and Managed Account Advisor), Lockwood may, as an accommodation, permit certain Portfolio Managers which are not covered ("Non-Covered Managers,") to be accessible to Clients. In its contract with Clients, Lockwood and the Client agree that Lockwood is not responsible for determining the suitability of this Portfolio Manager, rather, the Client and the Client's financial adviser assume the responsibility for that determination. Lockwood may, in its sole discretion, conduct initial and on-going due diligence on a Non-Covered Manager.

In addition, the programs referenced above, Lockwood offers the Lockwood Sponsored Program which is an open architecture, separately managed account program. In this program, Lockwood, as sponsor, conducts an initial baseline due diligence (similar to the preliminary screening process described above) on each Portfolio Manager offered in the program and on-going review. In effect, this program allows the Client and the Client's financial consultant to select the Portfolio Managers which they believe are appropriate for the Client. Lockwood makes no representation as to whether

Portfolio Managers are suitable for you. In the Lockwood Sponsored Program, the Client and the Client's Consultant and Firm are responsible for determining the Client's asset allocation, investment objectives, risk tolerance and time horizon. In all cases, the Portfolio Manager selected has discretion over the Client's assets. With respect to all Portfolio Managers offered in the Lockwood Sponsored Program, Lockwood retains the ability to hire and fire any Portfolio Manager. Lockwood may, with the appropriate disclosure, offer affiliated Portfolio Managers in the Lockwood Sponsored Program.

With respect to all Portfolio Managers and Model Managers (regardless of the program), Lockwood employs the preliminary screening process, described above, and the attendant criteria. Lockwood exercises its discretion with respect to the amount and type of additional research conducted. Lockwood reserves the right to terminate any Portfolio Manager or Model Manager, at any time in Lockwood's sole discretion.

You should be familiar with the specific program you are contracted for and understand the level of diligence which is performed on the Portfolio Managers or Model Managers in the program.

B. Lockwood as Money Manager

In Lockwood's role as the money manager for its proprietary products (LIS, LAAP and AFP, as each is described in another Wrap Fee Brochure) and for other products offered in co-sponsored programs (mutual fund wrap, UMA), Lockwood evaluates Portfolio Managers as subadvisors in a UMA; pooled investment vehicles such as mutual funds and ETFs and other investment vehicles for inclusion in these managed products. Lockwood works with its affiliate, BNY Mellon, to identify, evaluate and implement these products, as well as in the on-going maintenance of these products. In evaluating Portfolio Managers for inclusion as a subadvisor in a UMA, Lockwood uses the screening process described above for Covered Managers.

With respect to mutual funds, Lockwood uses a screening process to evaluate mutual funds. The criteria employed in the screening may vary depending on a variety of factors, but can include a range of criteria including analysis of the particular investment style, evaluation of the portfolio management team, performance criteria, costs associated with the fund, to name a few. With respect to ETFs, Lockwood uses a comparable screening process where the factors considered include, but are not limited to, the tracked index or benchmark, performance, comparables, personnel and content of the particular ETF.

In each case, the inclusion of these various investment vehicles in a managed product is reviewed and approved by Lockwood's Investment Advisory Committee. Similarly, Lockwood may replace any of these investment vehicles, at its discretion, at any time. In certain co-sponsored programs, Lockwood's co-sponsor may have input into the universe of investment vehicles used.

C. Lockwood as Money Manager: Methods of Analysis, Investment Strategies and Risk of Loss

In Lockwood's role as the money manager for its proprietary products (LIS, LAAP and AFP, as each is described in another Wrap Fee Brochures) and for other products offered in co-sponsored programs (mutual fund wrap, UMA), Lockwood evaluates Portfolio Managers as subadvisors in a UMA, mutual funds, ETFs and other investment vehicles for inclusion in these managed products.

Lockwood works with its affiliate, BNY Mellon, to identify, evaluate and implement these products, as well as in the on-going maintenance of these products. In evaluating Portfolio Managers for inclusion as a subadvisor in a UMA, Lockwood uses the screening process described above for Covered Managers.

With respect to mutual funds, Lockwood uses a screening process to evaluate mutual funds. The criteria employed in the screening may vary depending on a variety of factors, but can include a range of criteria including analysis of the particular investment style, evaluation of the portfolio management team, performance criteria, costs associated with the fund, to name a few. With respect to ETFs, Lockwood uses a comparable screening process where the factors considered include, but are not limited to, the tracked index or benchmark, performance, comparables, personnel and content of the particular ETF.

In each case, the inclusion of these various investment vehicles in a managed product is reviewed and approved by Lockwood's Investment Advisory Committee. Similarly, Lockwood may replace any of these investment vehicles, at its discretion, at any time. In certain co-sponsored programs, Lockwood's co-sponsor may have input into the universe of investment vehicles used.

Information about each Program where Lockwood serves as Portfolio Manager is provided below. Information about the risks associated with specific investment selections are contained in Exhibit C and you should review them in detail. It is important to remember that there are risks inherent in any investment, including the loss of principal, which you must be prepared to bear. There is no assurance that any asset class or index, or a diversified mix of assets will provide positive performance over time. Asset classes and/or other investment strategies not included in Fund Select, Premier, Fund Management Services or UMA may exhibit similar superior characteristics and performance than those that are included.

1. Fund Select Program and Premier Program

In the Fund Select and Premier Programs, Lockwood maintains a series of combinations of different asset classes, each known as an “asset allocation” (each a “Model”), such as income, growth and income, and aggressive growth. These Models are comprised of different asset classes which may differ by Firm. In each Model, Lockwood attempts to meet a particular investment objective through a unique asset class mix. Each Model presents you with certain common and unique risks that you and your Consultant must consider in light of your personal financial circumstances. Certain asset classes, in turn, consist of multiple investment styles, such as large cap value, large cap core, and large cap growth. Lockwood will invest your portfolio in mutual funds or ETFs that are intended to meet your investment objectives subject to your risk tolerance.

In some cases, each investment style may be represented by one or more mutual funds or ETFs that Lockwood has screened and selected. In some instances, a Firm may provide Lockwood with a specific fund universe from which to select the mutual funds and/or ETFs to be used for each investment style. In either case, Lockwood selects from the relevant fund and ETF universe by analyzing mutual funds and ETFs using a variety of quantitative and qualitative analyses and screening techniques.

a. Fund Select Program

In the Fund Select Program, Lockwood will invest and reinvest your assets in mutual funds and/or ETFs in accordance with the corresponding investment strategy for the Model you select. You have granted Lockwood complete discretionary trading authorization as your discretionary Portfolio Manager with respect to the assets in your Fund Select account(s). Your authorizations are continuing and remain in full force and effect until your account(s) is terminated by you, your Firm or Lockwood, in writing.

b. Premier Program

The Premier Program offers more flexibility to you than the Fund Select Program in that it allows your Consultant to make certain recommendations to you. Your Consultant is responsible for recommending mutual funds and/or ETFs to you to complete the asset allocation forming your Model. In the Premier Program, Lockwood provides your Consultant with an asset allocation range designed to be consistent with your risk profile as indicated by your Investment Questionnaire answers. Your Consultant also has the ability to recommend that you adjust the asset allocation generated by Lockwood's proposal system within the ranges appropriate for your risk profile. Either you or your Consultant retains final authority for the asset allocation decisions and the selection of individual mutual funds and/or ETFs to fill the asset allocation ranges.

c. Both Fund Programs

For both Fund Programs, Lockwood will periodically buy and sell securities in your account so that the assets you own are in line with the Model without receiving prior approval from you. This process is known as "rebalancing." Asset allocations may differ by Firm and by Program. In addition, if a Firm has multiple Programs, the asset allocations may differ among that Firm's Programs.

Lockwood may, in its discretion, remove a mutual fund and/or ETF from its list of pre-screened funds and may replace it with another mutual fund or ETF. If a replacement mutual fund and/or ETF is not selected, assets from the removed mutual fund and/or ETF will be automatically reallocated by Lockwood for investment among the other mutual fund and/or ETF(s) currently held within the Model in accordance with the Model's asset allocation. This replacement process will be subject to the usual and customary settlement procedures governing mutual funds and ETFs and may have tax consequences. Lockwood notifies the applicable Firms and Consultants about the removal and replacement of mutual funds and/or ETFs, and your Consultant, in turn, is responsible for advising you about material changes to the applicable Program (including mutual fund and/or ETF changes). Whether a mutual fund and/or ETF is removed or replaced in an account may differ by Firm.

2. Fund Management Services

Lockwood has assembled and is responsible for maintaining a series of Models such as income, growth and income, and aggressive growth that are comprised of different asset classes, which may differ by Firm. Because each Model consists of a unique asset class mix, each Model has a distinctive expected risk associated with it. Your assets are invested in the Model with the investment objective and level of risk you and your Consultant determine suits your risk tolerance and financial situation as identified by you in the account application. In some instances, a Firm

may provide Lockwood with a specific mutual fund universe, which may be limited to mutual funds from a specific mutual fund family that meets Firm suitability requirements for inclusion in Management Services or specific asset allocation models and therefore, the mutual funds and/or ETFs may differ by Firm. In that case, Lockwood selects the mutual funds and/or ETFs for each Model out of the relevant universe using a variety of quantitative and qualitative analyses and screening techniques, with the discretion to exclude particular funds. If the Firm has provided Lockwood with a specific fund universe, the Model used for your account may differ from the Models used for other clients with similar investment objectives and risk tolerance. In addition, mutual funds available in other models may not be available in your Model.

In Fund Management Services, Lockwood will invest and reinvest your assets in mutual funds and/or ETFs in accordance with your selected Model. As your discretionary Portfolio Manager with respect to the assets in your Fund Management Services account(s), Lockwood is granted complete discretionary trading authorization. These authorizations are continuing and remain in full force and effect until you, your Firm or Lockwood terminates your account, in writing.

Lockwood may, in its discretion, remove a mutual fund and/or ETF from a Model and replace it with another mutual fund and/or ETF. Lockwood will automatically convert the assets from the removed mutual fund and/or ETF into the new replacement mutual fund and/or ETF it selects. As a result of this replacement process you may incur tax liabilities. If a replacement mutual fund and/or ETF is not selected, Lockwood will automatically reallocate assets from the removed mutual fund and/or ETF for investment among the other mutual fund(s) and/or ETF(s) currently held within the Model in accordance with the Model's asset allocation.

Additionally, Lockwood may, in its discretion, discontinue offering a particular Model. If Lockwood discontinues offering a particular Model selected by you, Lockwood may, in its discretion, move your account to a comparable Model. To do this Lockwood may sell some or all of the existing mutual funds in your account and buy new mutual funds. Lockwood notifies the affected Firms and Consultants about the removal and replacement of mutual funds and/or ETFs and Models, and the Consultants, in turn, are responsible for advising you about material changes to the applicable Program (including mutual fund and/or ETF changes). Whether a mutual fund and/or ETF is removed or replaced from an account may differ by Firm.

3. Flex UMA

Lockwood has assembled a series of Models, such as income, growth and income, and aggressive growth that are comprised of different asset classes, which may differ by Firm or by Program if a Firm has multiple programs. Because each Model consists of a unique asset class mix, each Model has a distinctive expected risk associated with it. Your assets are invested in accordance with the investment objective and level of risk you and your Consultant determine suits your risk tolerance and financial objectives. If you have selected a UMA, your account is invested in a combination of some or all of the following investment products:

- equity security model portfolios designed, reviewed and updated by one or more Model Managers;
- ETFs; and
- mutual funds.

Lockwood designs each Model for a certain level of risk tolerance and investment objective. Lockwood selects mutual funds and/or ETFs, equity security model portfolios and ETFs (the “Investment Choices”) that it believes are appropriate for each Model. Each investment class is represented by one or more of the aforementioned product types listed above. Lockwood has screened and selected each Model Manager, ETF and mutual fund available via the UMA Programs. In some instances, a Firm may provide Lockwood with a specific Model Manager, ETF and/or mutual fund universe and, therefore, the Investment Choices may differ by Firm. In either case, Lockwood selects the Model Manager, ETFs and mutual funds out of the relevant universe using a variety of screening techniques.

Some of the investment strategies for the UMA include investment directly in equity securities, which Lockwood buys and sells based on model portfolios provided by Model Managers. When a Model Manager makes model portfolio changes, the Model Manager may notify Lockwood after the Model Manager has bought and sold securities in its other clients’ accounts. Once a particular Model Manager notifies Lockwood of model portfolio changes, Lockwood may make corresponding changes to your account. Lockwood reserves the right to not accept a particular Model Manager recommendation. For example, if a security is subject to a reasonable restriction you imposed, Lockwood will not purchase that security for your account. As a result of the timing of model change notifications and Lockwood’s processes, however, Model Managers may effect trades on behalf of their other clients’ accounts before Lockwood effects corresponding trades in UMA accounts. Therefore, in connection with model portfolio changes, due to the potential for the markets to react to the trades effected by the Model Managers, you may be at a disadvantage when compared to Model Managers’ other clients with respect to the timing of the trades.

Because this is a flexible UMA, it offers flexibility to you and your Consultant by enabling your Consultant to make certain recommendations. Your Consultant is responsible for recommending Model Managers, ETFs and/or mutual funds from a pre-approved list of Investment Choices to you to fill the asset allocation forming the Model you selected. Lockwood provides asset allocation ranges designed to be consistent with your risk portfolio as indicated by the Investment Questionnaire results. As a result, the Consultant may recommend that you adjust the asset allocation generated by Lockwood’s proposal system within the ranges. Lockwood is granted limited discretionary trading authority with respect to assets in your Flex UMA account(s). Either you or your Consultant retains final authority for the asset allocation decisions and the selection of individual Investment Choices to fill the selected asset allocation.

The UMA may also offer an optional component that seeks to minimize the income taxes incurred in buying and selling securities on your behalf. You should consult your tax advisor regarding these selections.

Lockwood retains the authority to terminate or change Model Managers when circumstances are such that Lockwood believes termination or change is generally beneficial. Additionally, Lockwood may, in its discretion, remove an ETF or mutual fund from its list of pre-screened ETFs and mutual funds and may replace it with an alternative ETF or mutual fund. If a replacement ETF or mutual fund is not selected, assets from the removed ETF or mutual fund will be automatically reallocated by Lockwood for investment among the other ETF(s) and mutual fund(s) currently held within the account in accordance with the Model’s asset allocation. This replacement process will be subject to the usual and customary settlement procedures and may have tax consequences.

Lockwood notifies the applicable Firms and Consultants about the termination and replacement of Model Managers, ETFs and mutual funds, and the Consultants, in turn, are responsible for advising you about these changes to the Program. The replacement process may differ by Firm.

Lockwood performs due diligence on various Model Managers and contracts with those Model Managers. Lockwood continues to monitor contracted Model Managers on an on-going basis. Lockwood makes profile information about the Model Managers available to your Consultant. Lockwood may engage third-party firms to assist Lockwood in its due diligence efforts.

In some instances, Lockwood may perform the aforementioned due diligence on particular Model Managers that a Firm and/or Consultant identifies. However, Lockwood retains sole discretion on whether to engage or refrain from engaging a potential Model Manager and/or whether to make, or refrain from making a particular model available to clients.

D. Portfolio Managers

As referenced above, Lockwood provides you with access to professional Portfolio Managers. This access is available because of the agreements Lockwood enters into with third-party Portfolio Managers regarding the provision of such services. You and your Consultant should review each relevant Portfolio Manager's ADV Part 2 or alternative disclosure document.

E. Model Managers

As referenced above, Lockwood provides you with access to investment models generated by professional Model Managers. Lockwood enters into agreements with third-party Model Managers regarding the provision of such investment models. Model Managers do not receive information regarding your identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status or financial needs or goals. Except for the provision of the relevant investment model(s), a Model Manager has no obligation for the provision of advice specifically to you. Model Managers are not responsible for determining the appropriateness or suitability of investment model(s), or of any of the securities included from time to time in the investment model(s), for you specifically. Notwithstanding the foregoing, you and your Consultant should review each relevant Model Manager's ADV Part 2 or alternative disclosure document.

When a Model Manager makes model portfolio changes, the Model Manager may notify Lockwood after the Model Manager has effected changes in its other clients' accounts. Once a particular Model Manager notifies Lockwood of model portfolio changes, Lockwood will make corresponding changes to your portfolios at its sole discretion. Lockwood reserves the right to not accept a particular Model Manager recommendation. For example, if a security is subject to one of your restrictions, Lockwood will not purchase that security for your account. As a result of the timing of model change notifications and Lockwood's processes, however, Model Managers may effect trades on behalf of their other clients' accounts before Lockwood effects corresponding trades in your account. Therefore, in connection with model portfolio changes, due to the potential for the markets to react to the trades effected by the Model Managers, you may be at a disadvantage when compared to Model Managers' other clients with respect to such trades.

F. Performance Standards

Lockwood obtains investment performance information from the Portfolio Managers and Model Managers. Individual Portfolio Managers and Model Managers use various methods of calculating performance. Some Portfolio Managers and Model Managers adhere to specific performance calculation standards and every attempt is made to obtain performance information, which is calculated according to a uniform and consistent basis. In some cases, however, the information provided by Portfolio Managers and Model Managers may not be calculated on a uniform and consistent basis.

1. Risks of Reported Performance

When evaluating performance, Lockwood believes you should consider the risks inherent with investing in any one asset class or style.

Your individual returns will be reduced by advisory and program fees. Because fees are deducted periodically, the compounding effect will be to increase the impact of fee deductions by an amount directly related to the gross account performance. For example, on an account with an 8.6% gross annual rate of return and a 3% annual fee deducted quarterly (.75%); the compounding effect of the fees would result in a net annual rate of return of 5.5%. Actual results will vary from this example.

The performance data you will receive represents past performance and does not guarantee future results. Actual account performance may be lower or higher than the generic performance data reported in marketing material. The investment return and principal value of an investment will fluctuate, so that your shares, when redeemed, may be worth more or less than their original cost.

Lockwood does not provide performance reports or calculations on non-U.S. securities or non-U.S. currencies.

2. Proprietary Portfolio Managers' Performance

There may be Portfolio Managers or Model Managers included on the platform, which are Lockwood entities, affiliates of Lockwood or related parties to Lockwood. For any related Portfolio Managers, performance fees are not charged. As of the date of this Brochure, there were no affiliated Portfolio Managers or Model Managers available in the Programs. The specific fee schedules for the Portfolio Managers and Model Managers are found in Exhibits A and B of this Brochure.

3. Composite Performance

Lockwood calculates composite performance for the Fund Management Services Program. The inception of a Lockwood composite begins when five accounts with the same management style have been active with Lockwood for one full month. Lockwood includes all actual, fee-paying discretionary accounts in at least one composite, but excludes those where fewer than five accounts exist. Terminated accounts are permanently included in all monthly composites in which they have been active for the entire month. They are excluded in the month in which they terminate.

Composite returns represent historical gross performance with no deduction for advisory, program or consultant fees, assumes reinvestment of dividends, income and any other earnings plus capital appreciation, and is net of transaction costs. Individual client returns will be reduced by the program fee and any other fees and/or expenses incurred in the management of the client's account. Returns for periods of one year or longer are annualized.

G. Brokerage Practices

1. Soft Dollars

Lockwood currently does not use soft dollar research or services. In the event Lockwood should begin to use soft dollar research or services, then Lockwood would make a good faith determination of the value of the research product or service in relation to the commissions paid. Lockwood would pay particular attention to the fact that any benefit must be advantageous to clients.

2. Trade Aggregation

Lockwood delegates certain operational functions to PMAS, including trade order entry with respect to accounts managed by Lockwood. As a result, the timing of trading among the different Programs may, and often does, differ.

“Average price accounts” are maintained at each of the broker-dealers or custodians with which trades are conducted. Trades are generally combined from multiple accounts into one “trading block” for each broker-dealer or custodian. These average price accounts are used to aggregate trades in the same trading block so that all accounts within that trading block will receive the same price for execution based on the average price for the block.

3. Trade Rotation

When Lockwood is acting as a discretionary asset manager, Lockwood has adopted a Trade Rotation Policy pursuant to which Lockwood seeks the fair treatment of accounts held at various custodians. Pursuant to Lockwood's Trade Rotation Policy applicable to the Programs described in this Brochure, Lockwood uses a custodian rotation log designed to allocate trade orders in a fair manner so that the clients of no one custodian are granted favoritism. In addition, if there is a partial fill for any one trade, the trades will be allocated on a pro-rata basis.

4. Best Execution

Lockwood has adopted a Best Execution Policy pursuant to which Lockwood reviews samples of trades periodically. Pursuant to its Best Execution Policy, Lockwood reviews and monitors compliance with applicable regulations on a quarterly basis.

5. Withdrawal Requests - Short Settlement and Global Rebalancing

When you request a cash withdrawal from your account, Lockwood must first sell some of the securities in your account to raise the cash you requested. After an equity security is sold, it may take up to three (3) business days before the trade settles and the cash proceeds are in your account. In some cases, Lockwood may be able to request a “short settlement” and have the trade settled in

one (1) business day. Please note, however, that you will incur additional brokerage costs to have a short settlement effected. In addition, certain mutual funds do not permit next day settlement requests even though most open-ended mutual fund trades settle in one (1) business day.

Periodically, Lockwood will rebalance a portion of the portfolio or the entire portfolio (each, a “Global Rebalance”). During a Global Rebalance, if there is a cash balance in the portfolio, the cash may not be available to be withdrawn. Lockwood performs its trading analysis based on trade date, not settlement date, so cash that may appear to be available to you when it is not available during such a Global Rebalance.

For example, Lockwood sends an order to sell a security and buy another security. The security sale raises \$10,000 and the new security is purchased for the same amount. The sale may settle the next business day, but the new security may not settle for three (3) more business days. If you request a withdrawal and take the cash in the strategy after the sale of the security settles, but before the new security buy settles, it will result in a negative balance. In addition, there are times when it will take more than one (1) day to complete the trading required for a Global Rebalance and cash may appear to be available to you at times when it is not available.

If you wish to make a withdrawal or some other change, such as a Model change, style change, etc., Lockwood cannot process this request on shares that have not settled, because the client does not own them yet. This would constitute a violation called “freeriding,” which is not permitted under the Federal Reserve Board’s Regulation T and the custodian may be required to prohibit trading in the Client’s account for 90 days.

You should consult your tax advisor and Consultant on these issues prior to requesting a withdrawal from your account.

H. Potential Conflicts of Interest Relating to Lockwood Managed Accounts

Because Lockwood acts as both sponsor and Portfolio Manager in certain Fund Programs, Fund Management Services or the UMA Programs, there is the potential for a conflict of interest. Lockwood relies on you and your Consultant to make the decisions as to which Portfolio Manager to use in your account. By removing itself from the decision process, Lockwood averts a potential conflict of interest as to whether the client selects Lockwood or an independent Portfolio Manager.

Lockwood’s broker-dealer affiliates, including Pershing and Pershing Advisor Solutions LLC (“PAS”), may receive fees from certain mutual fund families whose funds are used in proprietary managed programs. In addition, Lockwood affiliates may be a service provider, such as a trustee or administrator to a mutual fund or ETF used in the Fund Programs, Fund Management Services or the UMA Programs, and they may receive a fee from the mutual fund or ETF for performing such service.

Certain employees of Lockwood or its affiliates may be invested in Fund Programs, Fund Management Services or the UMA. Lockwood monitors security ownership by its employees according to a personal trading policy which is incorporated in the Lockwood Compliance Manual and Code of Ethics, which are described in Item 9 of this Brochure.

Lockwood's affiliate, Lockwood Solutions, Inc., provides certain asset management firms with backoffice support services, for a fee, related to their participation in wrap fee programs. Some of the asset management firms that pay for these services may also be Portfolio Managers or Model Managers in the Programs.

Lockwood does not select mutual funds or ETFs managed by investment advisers affiliated with Lockwood. When Lockwood serves as Portfolio Manager, Lockwood does not purchase securities issued by BNY Mellon.

Lockwood and its affiliates perform investment advisory services for various clients. Lockwood may give advice and take action in the performance of its duties with respect to any of its other clients, which may differ from the advice given, or the timing or nature of action taken, with respect to another client. Lockwood has no obligation to purchase or sell for a client any security or other property, which it purchases or sells for its own account or for the account of any other client, if it is undesirable or impractical to take such action. Lockwood may give advice or take action in the performance of its duties with respect to any of its clients, which may differ from the advice given, or the timing or nature of action taken by our affiliates on behalf of their clients.

I. Client Restrictions

You may put reasonable restrictions on the investments in your account. For example, you may request that Lockwood not buy a particular stock or stocks from a particular industry. If a restriction you request is so overly broad as to make it impossible to manage the account according to the Lockwood strategy, Lockwood will work with your Consultant to determine a potential alternative.

J. Differences in Wrap and Non-Wrap Services.

Lockwood managed portfolios are generally only offered under wrap fee programs. In a wrap program, Lockwood's advisory fees are disclosed and Lockwood receives its proportion of the total fee.

K. Lockwood Performance Fee and Side-by-Side Management Disclosure

Lockwood's fee schedule does not include performance-based fees whereby a party is compensated based on a share of capital gains upon, or capital appreciation of, funds or any portion of funds or other investments in your account. Nor does Lockwood at this time retain any Model Manager or Portfolio Manager receiving any performance-based compensation in the Programs.

L. Voting Client Securities by Portfolio Managers or by Lockwood

If you opt to have your Portfolio Manager vote proxies for you, your custodian will send reorganization notices and proxy materials to the Portfolio Manager. If your account is a tax-qualified retirement plan subject to ERISA, unless you opt to do it yourself, your Portfolio Manager will vote your proxies. If your account is not an ERISA account, you may either retain the right to vote proxies or delegate such authority to your Portfolio Manager. Individual Portfolio Managers have their own proxy voting policies, and the policies differ from Portfolio Manager to Portfolio Manager. In instances where Lockwood is the Portfolio Manager, clients may delegate proxy

voting to Lockwood. If you opt to vote your own proxies, you will receive proxies as described in your brokerage agreement. Clients should contact their Consultant if they have any questions about any proxies or other solicitations they receive.

Lockwood's proxy voting policy is set forth below.

Lockwood participates in BNY Mellon's Proxy Policy Committee (the "Proxy Committee") and has adopted a Proxy Voting Policy, related procedures, and voting guidelines. These policies apply to those clients who have given Lockwood, through the Client Agreement, authority to vote proxies. In voting proxies, Lockwood will seek to act solely your best interest.

Lockwood will carefully review proposals that would limit shareholder control or could affect the value of a client's investment. Lockwood generally will oppose proposals designed to protect a company's management unnecessarily from the wishes of a majority of shareholders. However, Lockwood will generally support proposals designed to provide management with short-term protection from outside influences so as to allow management to achieve long-term goals.

Conflicts of interest may arise between Lockwood's interests and our client's interest when voting client securities. A conflict of interest may exist, for example, if BNY Mellon or any of its affiliates has a business relationship with either the company soliciting the proxy or a third-party that has a material interest in the outcome of a proxy vote. Lockwood seeks to avoid material conflicts of interest through its participation in the Proxy Committee, which applies detailed, pre-determined proxy voting guidelines (the "Voting Guidelines") in an objective and consistent manner across client accounts, based on internal and external research and recommendations provided by a third-party vendor, and without consideration of any client relationship factors. Further, Lockwood and its affiliates engage a third-party as an independent fiduciary to vote all proxies for BNY Mellon securities and affiliated mutual fund securities.

All proxy voting proposals are reviewed, categorized, analyzed and voted in accordance with the Voting Guidelines. These guidelines are reviewed periodically and updated as necessary to reflect new issues and any changes in our policies on specific issues. Items that can be categorized under the Voting Guidelines will be voted in accordance with any applicable guidelines. On the other hand, proposals that cannot be categorized under the Voting Guidelines will be referred to the Proxy Committee for discussion and vote. Additionally, the Proxy Committee may review any proposal where it has identified a particular company, industry or issue for special scrutiny. With regard to voting proxies of foreign companies, Lockwood may weigh the cost of voting, and potential inability to sell the securities (which may occur during the voting process) against the benefit of voting the proxies to determine whether or not to vote.

Clients may request Lockwood to make a particular vote with regard to an issue of importance to the client, and Lockwood will consider the feasibility of honoring that request within its policy and administrative procedures.

Lockwood will furnish a complete copy of its Proxy Voting Policy, any related procedures, and its Voting Guidelines to each client upon request. Upon request, Lockwood will also disclose the proxy voting history for a client's account after the shareholder meeting has concluded.

Item 7 Client Information Provided to Portfolio Managers

When you open your account, Lockwood will provide your selected Portfolio Manager(s) with information on your financial circumstances, investment goals and objectives and any special written instructions you may wish to give the Portfolio Manager regarding your account. Please notify your Consultant if your financial condition changes or if you want to impose additional investment restrictions or change existing investment restrictions. If Lockwood receives updated information about you from you or your Consultant, Lockwood will share that information with your Portfolio Manager if the information will impact the daily management of your portfolio.

Item 8 Client Contact with Portfolio Managers

You may contact and consult with Portfolio Managers (including Lockwood, where Lockwood acts as Portfolio Manager), in writing, over the phone or electronically. Portfolio Managers in Lockwood's Programs agree to be reasonably available for discussions with you, and many hold regular conference calls to discuss investment strategies or current market events. If you wish to communicate directly with the Portfolio Manager personally, many Portfolio Managers prefer that you contact them through, or together with, your Consultant, so that the financial advice you receive is consistent. Note that while mutual funds and ETFs have Portfolio Managers, it is often unlikely that you will be able to speak directly with them. Mutual fund firms do have client service and investor relations persons who typically handle client communications.

Item 9 Additional Information

A. Disciplinary Information

Lockwood is not a defendant in any of the complaints or actions described in the following paragraph.

Several State Attorney General's Offices, the U.S. Attorney's Office for the Southern District of New York and certain individual plaintiffs have filed civil complaints against BNY Mellon, the parent company of Lockwood. Certain of these complaints supersede complaints that had been filed by a purported whistleblower under state false claims act statutes. In addition, the Massachusetts Securities Division has filed an administrative complaint against BNY Mellon. These actions allege that BNY Mellon improperly charged and reported prices for standing instruction foreign exchange ("FX") transactions executed in connection with custody services provided by BNY Mellon. BNY Mellon believes that the claims asserted in the actions are without merit, and reflect a fundamental misunderstanding of the role of custodian banks and the operation of institutional FX markets. BNY Mellon plans to defend itself vigorously on behalf of its shareholders.

B. Other Financial Industry Activities

Lockwood does not engage in any other business other than that of an investment manager and sponsor or administrator for managed account programs. Some of Lockwood's personnel may have securities registrations, including, but not limited to FINRA series 7 or series 24, which are held with Lockwood's affiliate, Pershing.

C. Financial Industry Affiliations

Lockwood is affiliated with a large number of investment advisers and broker-dealers within the BNY Mellon family of companies. Please see Form ADV, Part 1A, Schedule D, Section 7.A. for a list of investment advisers and broker-dealers affiliated with Lockwood.

BNY Mellon is a global financial services company providing a comprehensive array of financial services (including asset management, wealth management, asset servicing, clearing and execution services, issuer services and treasury services) through a world-wide, client-focused team that enables institutions and individuals to manage and service their financial assets. BNY Mellon Asset Management is the umbrella designation for certain of BNY Mellon's affiliated investment management firms and global distribution companies and is responsible, through various subsidiaries, for U.S. and non-U.S. retail, intermediary and institutional distribution of investment management and related services.

Lockwood may enter into transactions with unaffiliated counterparties or third-party service providers who then use affiliates of Lockwood to execute such transactions. These services may include, for example, clearance of trades, purchases or sales of ADRs, or other transactions not contemplated by Lockwood. Although the affiliate may receive compensation for engaging in these transactions, the decision to use or not use an affiliate of Lockwood is made by the unaffiliated counterparty or third-party service provider. Further, Lockwood will likely be unaware that the

affiliate is being used to enter into such transaction. Lockwood does not use or recommend any Model Managers that are investment management affiliates of BNY Mellon in the Programs where Lockwood is Portfolio Manager to avoid potential conflicts of interest. However, the Programs may include Portfolio Managers that are affiliates of Lockwood. To address any potential conflicts of interest, Lockwood does not cover these affiliated Portfolio Managers for purposes of research reports. As of the date of this Brochure, none of the Portfolio Managers or Model Managers listed in Exhibits A and B are affiliated with Lockwood.

Parties which are related parties to Lockwood, or under common control as subsidiaries owned by BNY Mellon, include those which are:

- broker dealers (such as Pershing or PAS)
- investment companies or other mutual funds
- futures or commodity brokers or agents
- hedge funds
- other investment advisers
- banks
- insurance companies or agencies
- pension consultants
- syndicators of limited partnerships
- general partners of limited partnerships.

Affiliates of Lockwood may refer Consultants, Firms, Model Managers and/or Portfolio Managers to Lockwood. Lockwood shall make an independent determination as to whether to do business with such entities. Affiliates of Lockwood may also have business arrangements with Consultants, Firms, Portfolio Managers and/or Model Managers that may indirectly benefit from such entities' business with Lockwood.

As of December 31, 2011, the following firms were one of the top ten institutional owners of the common stock of BNY Mellon and have a relationship with Lockwood, relating to program's covered in this Brochure and not covered in this Brochure as indicated:

Davis Selected Advisers, L.P. (Portfolio Manager in certain Lockwood managed account programs);

BlackRock Institutional Trust Company, N.A. (affiliate of BlackRock Investment Management LLC, a Portfolio Manager in certain managed account programs);

MFS Investment Management (affiliate of MFS Investment Advisors, Inc., a Portfolio Manager in certain Lockwood managed account programs); and

Vanguard Group, Inc. (Mutual Fund(s) and ETFs held in products managed by Lockwood).

This relationship with BNY Mellon did not and does not affect Lockwood's decision to include these firms in a managed account program and these Portfolio Managers and investment vehicles are subject to Lockwood's due diligence criteria.

Effective as of the date of the Transaction, Lockwood became an affiliate of BNY Mellon Distributors Inc. (“BNYMDI”), and BNY Mellon Investment Servicing (US) Inc. (“BNYMIS”), both BNY Mellon Companies. The mutual funds and ETFs in which you invest may be serviced by BNYMDI, BNYMIS, BNYMTC and/or other Lockwood affiliates and for which such affiliates receive fees. When selecting a mutual fund and/or ETF for inclusion in, or removal from, a Program, Lockwood does not take into consideration whether the fund is serviced by an affiliate of Lockwood. BNY Mellon is expected to sell BNYMDI to a third party at some point in the first half of 2012, at which point BNYMDI would no longer be affiliated with Lockwood. For more detailed information regarding a fund, including fees and expenses, please refer to that fund’s prospectus.

D. Other Relationships

In addition, BNY Mellon personnel, including certain of our employees, may have board, advisory, or other relationships with issuers, distributors, consultants and others that may have investments in a private fund and/or related funds or that may recommend investments in a private fund or distribute interests in a private fund. To the extent permitted by applicable law, BNY Mellon and its affiliates, including us and our personnel, may make charitable contributions to institutions, including those that have relationships with investors or personnel of investors. As a result of the relationships and arrangements described in this paragraph, placement agents, consultants, distributors and other parties may have conflicts associated with their promotion of a private fund, or other dealings with a private fund, that create incentives for them to promote a private fund.

E. Participation or Interest in Client Transactions

Lockwood, its employees and/or affiliates may give advice and take action in the performance of their duties that may be the same as, similar to, or different from advice given, or the timing or nature of actions taken, for other client accounts or for their proprietary or personal accounts. Lockwood and its employees may at any time hold, acquire, increase, decrease, dispose of or otherwise deal with positions in investments in which your account may have an interest from time to time. Lockwood has no obligation to acquire for your account a position in any investment which it, acting on behalf of another client, or an employee, may acquire, and the client accounts shall not have first refusal, co-investment or other rights in respect of any such investment. In addition, Lockwood employees may be invested in the Programs. Because this may present a potential conflict of interest, Lockwood has adopted a Code of Ethics, which includes restrictions on employees’ personal trading as described in Section H.

Pershing, a registered broker-dealer and Lockwood’s affiliate, provides clearing and custody services for certain Lockwood Programs. PAS, a registered broker-dealer and Lockwood’s affiliate, provides brokerage services for certain Lockwood sponsored managed account programs.

F. Marketing Activities

Lockwood or an affiliate of Lockwood may pay event attendance, sponsorship or participation fees, underwrite charitable or industry events, waive or reduce fees or provide gifts of value to, or at the request of, an organization or individual that offers or includes products or services of Lockwood, including your Firm and/or Consultant. In addition, Lockwood may have, on occasion, offered prizes in a raffle in connection with the marketing of Lockwood Programs at certain events.

During 2010 and 2011 Lockwood and/or its predecessor Lockwood Capital Management, Inc. paid sponsorships fees for certain, specific marketing activities engaged in by the financial institutions and organizations listed below. PNCMI has disclosed to Lockwood that Firms receiving such benefits in 2010 included the MetLife Broker Dealer Group, E*TRADE Capital Management, LLC and Genworth Financial Advisors Corp. This list includes Firms that participate or participated in Lockwood's MAL Program, MAA Program, the Lockwood Sponsored Program, certain co-sponsored programs, its Managed Account Command platform and other non-advisory platforms.

AIG (including AIG Advisor Group Inc., AIG Financial Advisors, Inc. AIG Financial Products, Corp.)

Ameritas Investment Corp.

Associated Investment Services, Inc.

AXA Advisors, LLC

B.C. Ziegler & Company

Benjamin F. Edwards & Company, Inc.

Black Walnut Advisors LLC

Cambridge Investment Research Inc.

Cantella & Co., Inc.

Centaurus Financial, Inc.

Client 1st Advisors Inc.

Consultiva Internacional, Inc.

Crowell Weedon and Co.

Essex Securities LLC

E*TRADE Capital Management, LLC

Excel Securities & Assoc.

Fulcrum Securities Inc.

Genesis Capital Advisors, Inc.

Genworth Financial Investment

Services/Genworth Financial Advisors Corp.

H. Beck Inc.

Hornor, Townsend & Kent, Inc.

Infinex Investments Inc.

Investors Security Co., Inc.

Kahn Litwin Renza & Co LTD (related to KLR Investment Advisors, LLC)

The MetLife Broker Dealer Group (including MetLife Securities, New England Securities and Walnut Street Securities)

Lincoln Financial Advisors Inc.

Minnesota Life Insurance Company

Money Concepts Capital Corp.

North Ridge Securities Corp.

NPB Financial Group LLC

Premier Resource Group

PFS Investments Inc. (d/b/a Primerica Advisors)

Questar Capital Corporation

Royal Alliance Associates, Inc.

Sanders Morris Harris (SMH Capital)

Securian Advisors/Securian Financial Services

Strategic Financial Solutions, LLC

Summit Brokerage Services, Inc.

United Planners' Financial Services of America

Waddell and Reed Inc.

Westport Resources Investment Services

Woodbury Financial Services, Inc.

Affiliates of Lockwood, including Pershing, may have also paid or received sponsorship fees for certain marketing activities of firms, including the Portfolio Managers and Model Managers that do business with Lockwood. Lockwood manages this potential conflict of interest by applying the same selection criteria to Portfolio Managers and Model Managers, regardless of whether Pershing or any other affiliate of Lockwood, receives sponsorship fees.

G. Compliance Plan

Lockwood has adopted its Investment Advisory Compliance Plan (the “Plan”), pursuant to Rule 206(4)-7 under the Investment Advisers Act of 1940 (“Advisers Act”). Part of that plan includes the adoption of written policies and procedures, which are incorporated within Lockwood’s Compliance Manual. The Compliance Manual addresses the following topics:

- | | |
|---|--|
| 1. Adherence to Investment Objectives and Restrictions | 26. Form ADV |
| 2. Advertisements | 27. Gifts, Entertainment and Other Payments |
| 3. Adviser’s Compliance Program | 28. Government Contracts |
| 4. Adviser as Sponsor | 29. Insider Trading and Pre-Clearance |
| 5. Adviser as Portfolio Manager | 30. Investment Adviser Representative Registration |
| 6. Advisory Agreements | 31. Late Trading and Market Timing-Mutual Funds |
| 7. Agency Cross Transactions | 32. Material Compliance Event |
| 8. Anti-Money Laundering | 33. Oversight of Portfolio Managers, Investment Vehicles and Buy List Providers |
| 9. Best Execution | 34. Performance Advertising |
| 10. Books and Records | 35. Personal Securities Transactions and Records |
| 11. Business Continuity and Disaster Recovery | 36. Principal Trading |
| 12. Client Accounts | 37. Prohibited Business Practices for Investment Advisers and their Associated Persons |
| 13. Complaints | 38. Proxy Voting |
| 14. Conflicts of Interest | 39. Regulation S-P- Privacy of Client Financial Information and Safeguarding Information |
| 15. Continuing Education | 40. Security Pricing and Account Valuations |
| 16. Custody | 41. Soft Dollars |
| 17. Dealings with Regulators, Government Agencies, Outside Attorneys and Duty to Escalate | 42. Solicitor Arrangements |
| 18. Directed Brokerage | 43. Trade Errors |
| 19. Due Diligence – Third Party Firms | 44. Trading |
| 20. Due Diligence-Selection of Portfolio Managers | 45. Political Contributions by Investment Advisors |
| 21. Due Diligence-Selection of Investment Vehicles and Third-party List Providers | |
| 22. Electronic Communications | |
| 23. ERISA | |
| 24. Exchange Act Filings | |
| 25. Fees | |

Lockwood employees receive periodic training relating to the Compliance Plan, which is amended periodically to reflect additional policies.

H. Codes of Ethics and Personal Trading

Lockwood has adopted a Code of Ethics (“Code”) pursuant to Rules 204A-1 and 204-2 of the Advisers Act. The Code is updated periodically as necessary and distributed to all personnel. Periodic training on the Code is provided to existing employees and all new employees upon hire.

The Code addresses a variety of topics relating to the appropriate conduct of investment advisory personnel, including the following:

- fiduciary duties of advisory personnel;
- confidentiality duties of advisory personnel;
- gift policy;
- trading policy for advisory personnel;
- reporting, review and record-keeping obligations; and
- avoidance of conflicts of interest.

With respect to personal trading, the Code contains rules and restrictions on the purchase and sale of securities by employees. These rules and/or restrictions are designed to protect Lockwood’s clients. All officers and employees are required to put the interests of the clients first in all dealings relating to the client and their investments.

Activities that are strictly prohibited include:

- having a personal interest in any client transaction;
- getting any personal benefit from a client transaction;
- using knowledge of client transactions for personal gain; and
- allowing anything to influence or impact an independent unbiased judgment with respect to client communications.

Lockwood Compliance personnel monitor personal securities trading by employees and members of the employee’s household. Employees who have direct contact with client account information are required to get approval in advance of any securities transactions they wish to make. Employee personal trading reports are reviewed by Compliance personnel to verify the employees are complying with the Code. Lockwood imposes penalties and sanctions on employees who have violated provisions of the Code; including the personal trading policy. Employees must hold all securities accounts at an approved brokerage firm and file transaction reports with Compliance at least quarterly. Compliance personnel compare employee reports to brokerage statements to verify they are accurate.

To the extent the Code is silent on a matter, Lockwood shall default to the BNY Mellon Code of Conduct and Interpretive Guidance (the “BNY Mellon Code”). The BNY Mellon Code provides to employees the framework and sets the expectations for business conduct. In addition, it

clarifies our responsibilities to clients, suppliers, government officials, competitors and the communities we serve and outlines important legal and ethical issues.

Lockwood will provide a copy of the Code or the BNY Mellon Code to you or any prospective client, upon request.

I. Review of Accounts

Where Lockwood is the Portfolio Manager, Lockwood personnel employ a variety of reports to review accounts for such items as cash level, style drift and investment performance.

Your Consultant is responsible for obtaining information from you regarding your financial situation and investment objectives, and providing you with the opportunity to impose reasonable restrictions on the management of the account.

In addition, your Consultant is responsible for monitoring your investment objectives or guidelines on an on-going and periodic basis but not less frequently than quarterly to confirm consistency with your investments/portfolios.

J. Client Reporting

You will receive custodial account statements about portfolio holdings directly from the custodian that maintains your funds and securities. You are encouraged to carefully review the custodial account statements you receive from the custodian and compare the information on those statements to any report on an account that you receive from Lockwood. If you require additional information about the content of a Lockwood report, you should contact the Service Desk at 1-800-200-3033, Option #3.

In addition to custodial brokerage statements provided by the custodian, Lockwood may make regular performance and evaluation reports available to your Consultant, so you can measure your progress toward your financial goals.

K. Custody

Lockwood's affiliate, Pershing, may serve as the custodian of your account. Your custodian is identified in your Client Agreement. Because Lockwood is affiliated with one of the custodians used in the Programs, Lockwood engaged an independent public accountant to perform a surprise examination of Lockwood pursuant to Rule 206(4)-2 under the Advisers Act. The most recent independent public accountant's report dated November 22, 2011, is filed with the SEC and is available at the SEC's website www.adviserinfo.sec.gov. (Click on the link, select "investment adviser firm," type in "Lockwood Advisors", and then select "Form ADV-E, Accountant Surprise Examination Report.")

L. Referral Fee Payments

As of the date of this Brochure, Lockwood does not have any solicitor arrangements. Lockwood may enter into agreements with third parties who will solicit investor clients for Lockwood and

receive compensation from Lockwood for their solicitation efforts. In such instances, Lockwood will give the third-party solicitor either a percentage of or a set fee from the Lockwood advisory fee charged to the client. The Lockwood advisory fee charged to the client is not affected by the use of a third-party solicitor in connection with the client's account(s), and the client will not be assessed any additional charges because of that referral fee paid by Lockwood. If the services of a third-party solicitor are used in connection with the client's account, the structure of the arrangement and the compensation paid to the third-party solicitor will be fully disclosed to the client pursuant to Rule 206(4) of the Investment Advisers Act.

M. Other Wrap Programs and Services

Lockwood acts as sponsor and/or Portfolio Manager in programs that may be similar to the Programs described in this Brochure and priced differently. Lockwood acts as Portfolio Manager in programs where Lockwood acts a sponsor and also in programs where it does not also act as sponsor. **In addition, Lockwood's management of the investments in these other programs not described in this Brochure may differ from the way Lockwood manages the investments in the Programs described in this Brochure, for accounts with the same or similar investment objectives, similar risk structure and similar size. For the Programs described in this Brochure and the programs not described in this Brochure, where Lockwood acts as Portfolio Manager, Lockwood may make different decisions regarding the same security in different programs, taking into consideration all facts and circumstances, on or about the same time.** Lockwood personnel enter trade orders for each program independently from the other programs due to different trading technology platforms. As a result, the trades from one program may be entered before the trades of another program.

To obtain a copy of other Lockwood Brochures, call 1-800-200-3033, Option 3.

Lockwood, through its affiliation with Pershing Securities Singapore Pte Ltd., provides certain fund management services to accredited institutional investors in Singapore, subject to its registration in Singapore.

Lockwood may enter into arrangements with third parties, including the Firms, whereby these parties have access to Lockwood's proposal generation and/or reporting systems and/or Lockwood may provide back office support for services such as client billing and investment performance reporting. These services may be referred to as platform services. Lockwood may charge such third parties directly for these services.

Lockwood may enter into agreements with third parties, including Firms and affiliates of Lockwood, whereby Lockwood will apply its proprietary quantitative screening techniques (including historical performance and risk measures) to a mutual fund and/or ETF universe provided to Lockwood by a third-party, including your Firm. Lockwood will then assess each mutual fund/ETF as to whether it passes or fails the screening process. The screening results are not intended to be offered by Lockwood as investment advice to clients, but rather only offered to the corresponding Firm. Lockwood has no investment discretion when it is only providing mutual fund and ETF screening services. Lockwood's fee for this service may be billed quarterly to the third-party or Firm.

N. Privacy Policy

Lockwood protects your personal information. Please refer to Exhibit D for Lockwood's Privacy Policy.

O. Business Continuity

Lockwood has adopted a business continuity strategy to maintain critical functions in the event of circumstances which impact our physical plants, applications, data centers or networks. Lockwood has engaged in planning and process development to reduce risk in this area.

P. Error Correction

Lockwood seeks to correct errors affecting client accounts in a fair and timely manner and in such a way that the client will not suffer a loss. To manage potential conflicts of interest concerning errors, we have implemented a written error resolution policy, whereby risk management personnel monitor and resolve such issues.

Q. Risk Committee

A Risk Committee has been established that provides oversight of investment management and operational policies and procedures.

R. BNY Mellon Incentive Compensation Plan

BNY Mellon has adopted an incentive compensation program ("IC Program"), which seeks to financially reward eligible employees who offer a business lead that results in a sale of certain affiliated products or services to existing clients and prospects. These rewards may be paid to Lockwood and its employees for referring business (services or products) to its affiliates, and Lockwood's affiliates and their employees may receive rewards for referring business to Lockwood. The rewards may be based on the number of referrals made. These rewards may create conflicts of interest for Lockwood and our employees because we have an incentive to encourage our clients to engage in transactions with our affiliates, based on the compensation that we will receive for these referrals.

To the extent that Lockwood participates in the IC Program, it will do so in a manner that complies with all applicable law and Rule 206(4)-3 under the Advisers Act, if applicable.

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Item. Lockwood has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has never been the subject of a bankruptcy proceeding.

EXHIBIT A

Portfolio Managers

Portfolio Manager and Investment Style (as of March 19, 2012)	Minimum	Fee*
Atlanta Capital High Quality Growth Plus	\$100,000	0.50%
Affinity Investment Advisors Core Equity	\$100,000	0.50%
Alliance Bernstein Large Cap Balanced	\$100,000	0.50%
Alliance Bernstein Global Value	\$100,000	0.50%
Alliance Bernstein International Value ADR	\$100,000	0.50%
American Independence Active Treasury	\$100,000	0.30%
Boyd Watterson Intermediate Bond	\$250,000	0.30%
Boyd Watterson Ultra Enhanced Core Bond	\$500,000	0.30%
Boyd Watterson Intermediate Bond	\$250,000	0.30%
Boyd Watterson Ultra Enhanced Core Bond	\$500,000	0.30%
Carl Domino Large Cap Value	\$100,000	0.50%
Chartwell Mid Cap Value	\$100,000	0.50%
Crawford Large Cap Value	\$100,000	0.50%
C.S. McKee Large Cap Value	\$100,000	0.50%
C.S. McKee Small Cap Equity	\$100,000	0.55%
Dana Investment Advisors Mid Cap Core	\$100,000	0.50%
Dana Investment Advisors Large Cap	\$100,000	0.50%
Dana Investment Advisors Municipal Bond	\$500,000	0.50%
Dana Investment Advisors Large Cap Socially Responsible	\$100,000	0.50%
Delaware International ADR	\$100,000	0.50%
Delaware Large Cap Value	\$100,000	0.50%
Davis Large Cap Value	\$100,000	0.50%
Davis REIT	\$100,000	0.50%
Eagle Large Cap Core	\$100,000	0.50%
Eagle All Cap Value	\$100,000	0.50%
Eagle Balanced 60/40 LCC/High Quality Taxable	\$100,000	0.50%
Eagle Small/Mid Cap Core	\$100,000	0.50%
Eagle Small Cap Growth	\$100,000	0.50%
Eagle High Quality Taxable Bond	\$200,000	0.30%
Eagle All Cap Value	\$100,000	0.50%
Eaton Vance Intermediate Municipal Bond	\$250,000	0.30%
Fred Alger Capital Appreciation	\$100,000	0.50%
Fred Alger Large Cap Growth	\$100,000	0.50%
Fred Alger Mid Cap Growth	\$100,000	0.50%
Fred Alger Small Cap Growth	\$100,000	0.50%
Fred Alger Small/Mid Cap Growth	\$100,000	0.50%

*If the Portfolio Manager has a tiered fee schedule with breakpoints, the fee shown is the current blended fee rate paid to the Portfolio Manager.

Portfolio Manager and Investment Style (as of March 19, 2012)	Minimum	Fee*
Federated Core Equity	\$100,000	0.50%
Federated Core Equity	\$100,000	0.50%
Federated Strategic Value	\$100,000	0.50%
Forward Management Tactical Growth Model	\$50,000	0.65%
Groesbeck Large Cap Core	\$100,000	0.50%
Gratry & Company International Growth ADR Model	\$100,000	0.50%
Gratry & Company Global Growth Model	\$100,000	0.50%
Philadelphia Intl Advisors International ADR Model	\$100,000	0.50%
Gannett, Welsh & Kotler Intermediate Muni Bond	\$250,000	0.30%
INVESCO International ADR	\$100,000	0.50%
INVESCO Global	\$100,000	0.50%
INVESCO REIT	\$100,000	0.50%
Investment Management of VA Large Cap Core	\$100,000	0.50%
Investment Management of VA Small/Mid Cap	\$100,000	0.50%
John Hancock Small Cap Value Diversified	\$100,000	0.50%
John Hancock Large Cap Value	\$100,000	0.50%
Logan Concentrated Large Cap Value	\$100,000	0.50%
Logan Growth	\$100,000	0.50%
Ziegler Lotsoff Small Cap	\$100,000	0.50%
Ziegler Lotsoff Large Cap	\$100,000	0.50%
Ziegler Lotsoff Small/Mid Cap	\$100,000	0.50%
Ziegler Lotsoff Mid Cap	\$100,000	0.50%
Madison Intermediate Government/Corporate	\$200,000	0.30%
Madison Large Cap Core	\$100,000	0.50%
Morris Capital Large Cap Growth	\$100,000	0.50%
Nuveen Intermediate Term Municipal Bond	\$250,000	0.35%
Victory Newgate Large Cap Growth	\$100,000	0.50%
Neuberger Berman Limited Maturity Municipal Bond	\$250,000	0.30%
Neuberger Berman Taxable Intermed Maturity Bond	\$250,000	0.30%
Neuberger Berman Intermediate Maturity Muni Bond	\$250,000	0.30%
Pacific Income Market Duration Bond	\$150,000	0.30%
Pacific Income Limited Duration Bond	\$150,000	0.30%
Parametric S&P 500 After Tax Index	\$500,000	0.35%
Alliance Bernstein Strategic Research Equity	\$100,000	0.50%
Alliance Bernstein Strategic Research Balanced	\$100,000	0.50%
Rice Hall James Small Cap Growth	\$100,000	0.75%
Rice Hall James Mid Cap Growth	\$100,000	0.50%
Rice Hall James Mid Cap Growth	\$100,000	0.50%
Rushmore Large Cap Growth	\$100,000	0.50%

*If the Portfolio Manager has a tiered fee schedule with breakpoints, the fee shown is the current blended fee rate paid to the Portfolio Manager.

Portfolio Manager and Investment Style (as of March 19, 2012)	Minimum	Fee*
Santa Barbara Balanced/Conservative Growth	\$100,000	0.50%
Santa Barbara Conservative Growth	\$100,000	0.50%
RNC Genter Dividend Income Model	\$100,000	0.50%
RNC Genter Municipal Quality Intermediate Bond	\$250,000	0.30%
RNC Genter Taxable Quality Intermediate Bond	\$250,000	0.30%
Sage Intermediate Taxable Bond	\$250,000	0.30%
Sage Intermediate Tax-Exempt Bond	\$250,000	0.30%
Sage Core Plus Bond w/ETF Model	\$50,000	0.30%
Sage Intermediate Taxable Bond	\$250,000	0.30%
Sage Intermediate Tax-Exempt Bond	\$250,000	0.30%
Sovereign Dividend Performers	\$100,000	0.50%
Sovereign Balanced Dividend Performers	\$100,000	0.50%
Seizert Mid Cap Core Model	\$100,000	0.50%
Seizert Core Equity Model	\$100,000	0.50%
Todd/Veredus Large Cap Model	\$100,000	0.50%
Tradition Tax Efficient All Cap Core	\$100,000	0.50%
Wentworth, Hauser & Violich International ADR	\$100,000	0.50%

*If the Portfolio Manager has a tiered fee schedule with breakpoints, the fee shown is the current blended fee rate paid to the Portfolio Manager.

EXHIBIT B

MODEL MANAGERS

Model Manager Investment Style (as of March 19, 2012)	Fee*
Affinity Investment Advisors Core Equity	0.30%
American Independence Active Treasury w/ETFs Model	0.25%
American Independence Active Treasury L/S w/ETFs Model	0.25%
American Independence Large Cap Value	0.30%
Carl Domino Large Cap Value Model	0.25%
Chartwell Investment Partners Mid Cap Value Model	0.30%
Crawford Investment Counsel Large Cap Value Model	0.47%
C.S. McKee Large Cap Value Model	0.30%
C.S. McKee Small/Mid Cap Core Model	0.40%
Dana Investment Advisors Large Cap Core Model	0.25%
Dana Investment Advisors Socially Responsible Equity Model	0.25%
Dana Investment Advisors Small/Mid Cap Core Model	0.40%
Delaware Investments Large Cap Value Model	0.30%
Eagle Asset Management Large Cap Core Model	0.30%
Federated Investment Counseling Large Cap Core Model	0.30%
Federated Investment Counseling Strategic Value Dividend	0.35%
Forward International Dividend Model	0.35%
Forward Tactical Growth Model	0.55%
Gratry & Company International Growth Model	0.35%
Gratry & Company Global Growth Model	0.35%
Investment Mgmt of Virginia Small/Mid Cap Core Model	0.35%
Optique Capital Large Cap Value Model	0.25%
Logan Capital Management Large Cap Growth Model	0.25%
Morris Capital Advisors Large Cap Growth Model	0.25%
Philadelphia International Advisors International Equity Model	0.35%
Rice Hall James Mid Cap Growth Model	0.35%
Rice Hall James Small Cap Growth Model	0.35%
Rushmore Investment Advisors Large Cap Growth Model	0.25%
RNC Genter Dividend Income Model	0.25%
Santa Barbara Dividend Growth Model	0.30%
Sage Advisory Core Plus Fixed Income w/ETFs	0.20%
Seizert Large Cap Core Model	0.25%
Seizert Mid Cap Core Model	0.35%
Todd Investments Advisors Large Cap Co Model	0.28%
Victory Capital Management Large Cap Growth Model	0.30%

B-1

*If the Model Manager has a tiered fee schedule with breakpoints, the fee shown is the current blended fee rate paid to the Model Manager.

EXHIBIT C

Risks Associated With Certain Investments

Despite the analysis undertaken by Lockwood's analysts, it is important to remember that all investments carry at least some degree of risk. Risk may include loss of some, or even all, of your investment. No particular type of investment, or approach to investing, is guaranteed to perform well, and there may be other funds, Portfolio Managers, Model Managers or approaches not offered by Lockwood that may perform as well or better. You should consider these factors carefully before deciding to invest. The risks associated with certain investment vehicles are described below.

Alternative Investments and Derivatives

Alternative investments and derivatives are often more volatile than other investments and may magnify the vehicle's gains and losses. A derivative is a security or contract (futures, options, etc.) the value of which fluctuates with the value of another security (i.e., its value is "derived" from the value of another). An example would be a call option on a stock. The value of the option depends, in part, on the price of the stock. An investment vehicle that uses derivatives could be negatively affected if the change in market value of its securities fails to correspond as expected to the underlying securities. You should have a long-term investment horizon if you are considering these types of investments.

Alternative investment products are not for everyone and entail risks that are different from more traditional investments. Alternative investment strategies are intended for sophisticated investors and involve a high degree of risk, including, among other things, the risks inherent in investing in securities and derivatives, using leverage, and engaging in short sales. An investment in an alternative investment product or strategy is speculative and should not constitute a complete investment program. Diversification and strategic asset allocation do not assure a profit or protect against loss in declining markets.

The potential for a commodity investment vehicle to use derivative instruments, such as futures, options, and swap agreements, to achieve its investment objective may create additional risks that would not be present in the underlying securities themselves, thus raising the potential for greater investment loss.

Convertible Arbitrage Strategies

Mutual funds that employ convertible arbitrage strategies seek to generate income by purchasing convertible securities and then selling short the securities' underlying stock. Investing in convertible securities involves risks, including the risk that the company issuing the debt security will be unable to repay principal and interest (default risk) and the risk that the debt security will decline in value if interest rates rise (interest rate risk). Convertible securities are subject to price fluctuations and may gain or lose value if sold prior to maturity. A majority of convertible securities trade on the over-the-counter market, which may make them more illiquid than other investments. Short selling involves significant risk, as an increase in the value of borrowed

securities between the date of the short sale and date the borrowed security is replaced may expose the fund to unlimited loss.

Corporate Fixed Income

Investments in corporate fixed income securities are subject to a number of risks, including the possibility of issuer default, credit risk, market risk and call risk.

Covered Calls

Mutual funds that engage in the selling (or writing) of covered calls may involve a high degree of risk and may not be suitable for all investors. For a call option that is sold (written), if that option is exercised, the upside potential is limited to the premium received plus the difference between its stock price and the stock purchase price. If the option is not exercised and expires out-of-the-money and with no value, the upside potential is any gain in share value plus the premium received. On the downside, limited protection is provided by the premium received from the call's sale. The loss potential may be substantial and is limited only by the stock declining to zero. Investors should read and understand the risks associated with options prior to engaging in any covered call strategy. These risks are more fully described in the booklet entitled "The Characteristics & Risks of Standardized Options", which can be accessed at www.optionsclearing.com.

Currency Carry Strategies

Mutual funds that employ currency carry strategies seek to benefit from changes in the relative valuations of one currency to another currency, primarily through the buying and selling of over-the-counter (OTC) derivatives, such as currency spot, forward and non-deliverable forward contracts. This strategy may involve significant risk, as there is no exchange on which to trade over-the-counter derivatives and no standardization of contracts, which may make it difficult or impossible to value or liquidate an open position. The relationship between different currencies may be highly volatile, and transactions involving foreign currencies may entail risks not common to investments denominated entirely in a person's domestic currency. Such risks include the risks of political or economic policy changes in the foreign nation; the stability of foreign governments, banking systems and economies; the performance of global stock markets; interest rate levels; inflation; and any other conditions that may substantially, and permanently, alter the conditions, terms, marketability or price of a foreign currency. The market for some currencies may, at times, experience low trading volume and become illiquid, thus subjecting the mutual fund to added risk, including the potential for substantial loss.

Emerging Markets

Emerging markets tend to be more volatile and less liquid than the markets of more mature economies, and generally have less diverse and less mature economic structures and less stable political systems than those of developed countries. The securities of issuers located or doing substantial business in emerging markets are often subject to rapid and large changes in price. In particular, emerging markets may have relatively unstable governments, present the risk of sudden adverse government or regulatory action and even nationalization of businesses' restrictions on foreign ownership on prohibitions of repatriation of assets, and may have less protection of property rights than more developed countries. The economies of emerging market

countries may be based predominantly on only a few industries and may be highly vulnerable to changes in local or global trade conditions, and may suffer from extreme debt burdens or volatile inflation rates. Local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of substantial holdings difficult. Transaction settlement and dividend collection procedures also may be less reliable in emerging markets than in developed markets.

ETF's

Investment vehicles used may include ETF's. The Advisory Fees do not include fees or expenses that may be associated with individual ETFs, including, but not limited to, the ETF sponsor fee, the trustee fee, ETF custodian's fee, stock exchange listing fees, SEC registration fees, printing and mailing costs, audit fees, legal fees, licensing fees, marketing expenses and other operating expenses. For more information on these expenses refer to the ETF's prospectus. There are special risks associated with ETF's, such as:

- ETF shares are not individually redeemable.
- The market price of ETF shares may differ from the net asset value.
- An active trading market for ETF shares may not exist and if it does exist, it may not be maintained over time.
- Trading of ETF shares may be halted by regulators under certain circumstances.

Certain ETFs may have elected to be treated as partnerships for federal, state and local income tax purposes. Accordingly, if you own one of these ETFs, you will be taxed as a beneficial owner of an interest in a partnership. Tax information for such ETFs will be reported to you on an IRS Schedule K-1. You should consult your tax advisor in determining the tax consequences of any investment, including the application of state, local or other tax laws and the possible effects of changes in federal or other tax laws.

Exchange-Traded Notes

Exchange-Traded Notes ("ETNs") are a type of senior, unsecured, unsubordinated debt security of the issuing company. This type of debt security differs from other types of bonds and notes because ETN returns are based upon the performance of a market index minus applicable fees, no periodic coupon payments are distributed and no principal protection exists. Similar to ETFs, ETNs are generally traded on a securities exchange. Investors can also hold the debt security until maturity. At that time the issuer is obligated to give the investor a cash amount that would be equal to the principal amount times the applicable index factor less investor fees. The index factor on any given day is a mathematical equation equal to the closing value of the underlying index on that day divided by the initial index level. The initial index level is the closing value of the underlying index on the creation/inception date of the note.

One significant risk factor that affects an ETN's value is the credit of the issuer. ETNs are synthetic investment products that do not represent ownership of the securities of the indices they track, and are backed only by the issuer's credit. The value of the ETN may drop despite no change in the underlying index due to an adverse change in issuer's creditworthiness or in perceptions of the issuer's creditworthiness.

Another significant risk factor affecting ETNs is liquidity. Upon issuance, the ETNs may not have an established trading market. There is no assurance that a trading market for the notes will develop or, if one develops, that it will be maintained. Although the issuers of the notes may apply to list certain issuances of notes on a national securities exchange, the notes may not meet the requirements. Even if there is a secondary market, it may not provide liquidity. While the issuers of the notes may make a market for the notes, they are not required to do so. If the notes are not listed on any securities exchange and the issuers of the notes were to cease acting as a market maker in the notes, it is likely that there would be no secondary market for the notes. All of these factors impact the overall liquidity of the notes and may impact the price received upon disposition of the notes.

Additional risks of investing in ETNs include limited portfolio diversification, price fluctuations, issuer default, uncertain principal repayment, and uncertain federal income tax treatment. Clients should consult their tax advisor regarding tax treatment. Investing in ETNs is not equivalent to a direct investment in an index or index components. The performance of the ETNs may vary from the actual performance of the underlying index and the performance of the underlying index components. By investing in ETNs, the owner does not have certain rights that investors in the securities that comprise the underlying index may have, such as stock voting rights. Upon sale or redemption of the ETN shares, the owner will be paid cash, and will have no right to receive delivery of any of the underlying index components or commodities or other assets underlying the index components. Similar to ETFs, ETNs have operating fees that will reduce the amount of return at maturity or on redemption, and as a result, the owner may receive less than the principal amount of its investment upon sale or redemption of an ETN, even if the value of the relevant index has increased.

Fixed Income

Portfolios that invest in fixed income securities are subject to several general risks, including interest rate risk and credit risk, which could reduce the yield that you receive from your portfolio. These risks may occur from fluctuations in interest rates, a change to an issuer's individual situation or industry, or events in the financial markets.

Floating Rate Loans

Investment vehicles may include mutual funds and/or ETFs that invest in floating rate loans, which are subject to risks similar to those of below investment grade securities. The value of the collateral securing the loan may decline, causing a loan to be substantially unsecured. In addition, the sale and purchase of a bank loan are subject to the requirements of the underlying credit agreement governing such bank loan. These requirements may limit the eligible pool of potential bank loan holders by placing conditions or restriction on sales and purchases of bank loans. Bank loans are not traded on an exchange and purchasers and sellers of bank loans rely on market makers, usually the administrative agent for a particular bank loan, to trade bank loans. These factors, in addition to overall market volatility, may negatively impact the liquidity of loans. Difficulty in selling a floating rate loan may result in a loss. Borrowers may pay back principal before the scheduled due date when interest rates decline, which may require the mutual fund or ETF to replace a particular loan with a lower-yielding security. There may be less public information available with respect to loans than for rated, registered or exchange listed securities. The mutual fund or ETF may assume the credit risk of the administrative agent

in addition to the borrower, and investments in loan assignments may involve the risks of being a lender.

Foreign Investments

Foreign investments are subject to risks not ordinarily associated with domestic investments, such as currency, economic, and political risks, and may follow different accounting standards than domestic investments.

Futures

Mutual funds that employ managed futures strategies typically utilize derivatives, such as futures, options, structured notes and swap agreements, which provide exposure to the price movements of a commodity (i.e., oil, grain, livestock) or a financial instrument (i.e., currency, index). This may expose the fund to additional risks that would not be present had the fund invested directly in the securities underlying those derivatives. Mutual funds that invest in commodity-linked derivatives may be subject to greater volatility, as the value of those derivatives may be affected by overall market movements, changes in interest rates and other factors such as weather, disease, embargoes and international economic and political developments, as well as the trading activity of speculators and arbitrageurs in the underlying commodities. This strategy may cause the mutual fund to invest a significant portion of assets in the securities of a single issuer. Changes in the market value of the issuer's securities may result in greater volatility than would otherwise occur in a more diversified mutual fund, thus increasing the potential for greater investment loss. Mutual funds that employ managed futures strategies may purchase shares of other pooled investments, such as ETFs. In addition to its own expenses, the mutual fund will also bear a portion of the ETFs expenses, which may negatively impact performance. A highly liquid secondary market may not exist for certain derivatives utilized by this strategy, and there can be no assurances that one will develop.

GNMA Securities

Investments in Government National Mortgage Association ("GNMA") securities involve fluctuation due to changing interest rates or other market conditions. Investors may experience a gain or loss due to prepayment of obligations and may receive back part of their investment before redemption.

Gold

Investment vehicles used may include ETFs that invest in gold bullion. The price of gold has fluctuated widely over the past several years. Several factors affect the price of gold, including: global supply and demand; global or regional political, economic or financial events and situations; investors' expectations with respect to the rate of inflation; currency exchange rates; and interest rates. There is no assurance that gold will maintain its long-term value in terms of purchasing power in the future.

Health Sciences

Portfolios may include mutual funds and/or ETFs that invest in health sciences companies, which are subject to a number of risks, including the adverse impact of legislative actions and government regulations. These actions and regulations can affect the approval process for

patents, medical devices and drugs, the funding of research and medical care programs, and the operation and licensing of facilities and personnel. The goods and services of health sciences companies are subject to risks of rapid technological change and obsolescence, product liability litigation, and intense price and other competitive pressures.

High Yield Bonds

High yield (“junk”) bonds involve greater credit risk, including the risk of default, than investment grade bonds, and are considered predominantly speculative with respect to the issuer’s ability to make principal and interest payments. The prices of high yield bonds can fall dramatically in response to bad news about the issuer or its industry, or the economy in general.

Inflation-Indexed Bonds

Inflation-indexed bonds are subject to a variety of risks including interest rate, credit, and inflation risk.

International Equity Small-Cap

Investments in international equity small-cap securities involve additional risks, including foreign currency risk, political instability, foreign legal and accounting practices, increased volatility, and reduced liquidity often associated with securities of smaller companies.

Inverse and Leveraged ETFs

Leveraged ETFs seek to deliver multiples of the performance of the index or benchmark they track. Inverse ETFs seek to deliver the opposite of the performance of the index or benchmark they track. Most leveraged and inverse ETFs “reset” daily, meaning that they are designed to achieve their stated objectives on a daily basis. Their performance over longer periods of time can differ significantly from the performance (or inverse of the performance) of their underlying index or benchmark during the same period of time. This effect can be magnified in volatile markets. Inverse or leveraged ETFs may engage in short sales, use swaps, use futures contracts and use other derivatives, which may expose the ETF to additional risks. Leveraged and inverse ETFs may be more costly than traditional ETFs. Leveraged or inverse ETFs may be less tax-efficient than traditional ETFs, in part because daily resets can cause the ETF to realize significant short-term capital gains that may not be offset by a loss. Investors should consult their tax advisor about the consequences of investing in a leveraged or inverse ETF. In addition, investors should read the prospectus for a leveraged or inverse ETF to understand the risks of investing.

Long/Short Positions

Investment vehicles used may employ the use of long and short positions, which may involve risks different from those normally associated with other types of investment vehicles, such as mutual funds. It is possible that the fund’s long positions will decline in value at the same time that the value of the securities sold short increases, thus raising the potential for greater investment loss. Market neutral investing, in using long and short positions, provides no guarantee that it will be successful in limiting the fund’s exposure to domestic stock market movements, capitalization, sector swings or other risk factors. Investment in a strategy involved

in long and short selling may have higher portfolio turnover rates, which may result in additional tax liabilities. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

Master Limited Partnerships

Master Limited Partnerships (MLPs) are subject to certain risks, including limited control and limited rights to vote on matters affecting the partnership. In addition, conflicts may exist between common unit holders, subordinated unit holders, and the general partner of an MLP, including conflicts arising as a result of incentive distribution payments. Unit holders in MLPs will receive an Internal Revenue Service (“IRS”) Schedule K-1 from the MLP, and information about the MLP will not be included in any Form 1099 received from the custodian. In addition, investors may need to file with the IRS for an extension to file their tax returns due to the timing of the issuance and mailing of the Schedule K-1 by the MLP. Unit holders of MLPs may be subject to complex tax requirements and such tax features may not be suitable for certain investors. Investors should consult with their tax advisors prior to investing in MLPs.

Merger Arbitrage Strategies

Mutual funds that employ merger arbitrage strategies seek to capitalize on “event”-driven situations, such as announced mergers, acquisitions and reorganizations, by purchasing the securities of companies that have agreed to be acquired by another company. This strategy involves risks, including the risk that the merger or similar transaction will not occur, will be renegotiated at a less attractive price or may take longer than expected to be completed, which may cause the price of the company’s securities to decline significantly. Mutual funds that employ merger arbitrage strategies may experience significant portfolio turnover, generally resulting in additional transaction costs that may negatively impact fund performance. Mutual funds may also invest in the securities of a limited number of companies whereby a decline in the value of any one security may have a greater impact on the fund’s share price. This may result in increased volatility over a more diversified mutual fund and the potential for greater investment loss.

Micro-Cap Securities

Micro-cap stocks may offer greater opportunity for capital appreciation than the stocks of larger and more established companies; however, they also involve substantially greater risks of loss and price fluctuations. Micro-cap companies carry additional risks because their earnings and revenues tend to be less predictable (and some companies may be experiencing significant losses), and their share prices tend to be more volatile and their markets less liquid than companies with larger market capitalizations. Micro-cap companies may be newly formed or in the early stages of development, with limited product lines, markets or financial resources, and may lack management depth. In addition, there may be less public information available about these companies. The shares of micro-cap companies tend to trade less frequently than those of larger, more established companies, which can adversely affect the pricing of these securities and the ability to sell these securities. Also, it may take a long time before the value of your investment realizes a gain, if any, on an investment in a micro-cap company.

Mortgage-and Asset-Backed Securities

Investments in mortgage-and/or asset-backed securities involve risk, including the risk of prepayment, which may affect the overall return of the investment. Only select deposit products are guaranteed by the Federal Deposit Insurance Corporation (FDIC), and the credit quality of a particular security or group of securities does not ensure the stability or safety of the overall portfolio.

Mutual Funds

Investment vehicles used may include mutual funds. The Advisory Fees do not include fees or expenses which may be associated with individual mutual funds, including, but not limited to, redemption fees, 12b-1 fees, other fund expenses or other applicable regulatory fees.

Lockwood's affiliates, including Pershing and PAS, may receive fees from certain mutual fund families whose funds are selected by Lockwood.

Non-U.S. Fixed Income

Investments in non-U.S. fixed income securities involve additional risk, including credit risk, which could reduce the yield that you receive from your portfolio. These are in addition to the risks associated with all fixed income securities, including interest rate risk, market risk and the possibility of issuer default.

Preferred Securities

Preferred securities are subject to certain risks, including interest rate risk, where a rise in interest rates may cause the value of preferred shares to decline significantly. Dividend payments are not guaranteed, and an issuer's decision to decrease or suspend dividend payments may adversely affect the value of its preferred shares. Redemption of shares due to maturity, conversion or call features may decrease the overall yield of the portfolio.

REITS

Investments in REITs are subject to many of the risks associated with direct real estate ownership and, as such, may be adversely affected by declines in real estate values and general and local economic conditions.

Small- and/or Mid-Cap Portfolios

Small and midsize companies carry additional risks because the operating histories of these companies tend to be more limited, their earnings and revenues less predictable (and some companies may be experiencing significant losses), and their share prices more volatile than those of larger, more established companies. The shares of smaller companies tend to trade less frequently than those of larger, more established companies, which can adversely affect the pricing of these securities and the strategy's ability to sell these securities. These companies may have limited product lines, markets or financial resources, or may depend on a limited management group. Some of the strategy's investments will rise and fall based on investor perception rather than economic factors. Other investments are made in anticipation of future products, services or events whose delay or cancellation could cause the stock price to drop.

Specific Sector or Industry

Portfolios that invest a significant portion of assets in one sector or industry, or in related industries, may involve greater risks, including greater potential for volatility, than more diversified portfolios.

Treasury Inflation Protected Securities

Investments in Treasury Inflation Protected Securities involve liquidity risk and are subject to specific taxation obligations.

Treasury Securities

Investments in intermediate- and long-term Treasury securities involve interest rate risk and inflation risk, which could reduce the value or real return of an investment should interest rates rise.

EXHIBIT D
LOCKWOOD PRIVACY POLICY

(BEGINS ON THE NEXT PAGE)

FACTS

WHAT DOES **Lockwood** DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information.

Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information may include:

- Social Security number
- Risk Tolerance
- Investment Experience
- Income and Assets
- Account Balances

When you are no longer our client, we may continue to share your information as described in this notice.

How?

All financial companies need to share clients' personal information to run their everyday business. In the section below, we list the reasons financial companies may share their clients' personal information; the reasons Lockwood chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Lockwood share?	Can you limit this sharing?
For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes—to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	No
For our affiliates' everyday business purposes—information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes—information about your creditworthiness	No	No
For our affiliates to market to you	No	No
For non-affiliates to market to you	No	No

Questions?

**Call Lockwood Compliance at 1-800-200-3033,
extension 8776**

Who we are

Who is providing this notice?

Lockwood Advisors, Inc. ("Lockwood")

What we do

How does Lockwood protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. Our internal data security policies restrict access of nonpublic personal information to authorized employees. We maintain physical, electronic and procedural safeguards to guard our customers' nonpublic personal information. Employees who violate our data security policies are subject to disciplinary action, up to and including termination.

How does Lockwood collect my personal information?

We collect your personal information for example, when you

- Open an account
- Make deposits/withdrawals
- Enter into an Investment Advisory Contract
- Provide your income information
- Provide your employment information
- Show your Driver's License information

We also collect your personal information from others such as affiliates or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for non-affiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies. Our affiliates include Pershing, LLC, Pershing Advisor Solutions and The Bank of New York Mellon Corporation.

Non-affiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- Lockwood does not share with non-affiliates so they can market to you.

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- Lockwood doesn't jointly market.

Other important information

This notice applies to individual consumers who are customers or former customers. This notice replaces all previous notices of our consumer privacy policy, and may be amended at any time. We will keep you informed of changes or amendments as required by law.