



## Wrap Fee Program Brochure

Form ADV – Part 2A Appendix 1 Information

December 12, 2012

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[www.umb.com](http://www.umb.com)

This wrap fee program brochure provides information about the qualifications and business practices of UMB Financial Services, Inc. If you have any questions about the contents of this brochure, please contact us at 1.800.842.9999. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about UMB Financial Services, Inc., including a copy of its Form ADV Part 1, is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

UMB Financial Services, Inc. is a SEC Registered Investment Adviser. Registration does not imply a certain level of skill or training.

**UMB Financial Services, Inc.**  
Member FINRA, SIPC

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## **Item 2 – Material Changes**

On August 12, 2010, the SEC published “Amendments to Form ADV” which requires investment advisers registered with the SEC to provide clients with a brochure and brochure supplement written in plain English. This brochure dated December 12, 2012 is prepared according to the SEC’s new requirements and rules. This brochure not only looks different, but contains more information than our earlier disclosure documents.

Information regarding the UMB Advisor Select Program has been added since the last annual update of the wrap fee program brochure. Please contact your local UMB Financial Services Advisor, or give us a call at 1.800.842.9999, if you have any questions about the contents of this brochure. You may also contact Jeff Maxwell, Chief Administrative Officer for UMB Financial Services, Inc. at 816.860.8790, or send an email request to [jeffrey.maxwell@umb.com](mailto:jeffrey.maxwell@umb.com) to receive a copy of our current brochure. We will provide you with a new brochure at any time without charge.

Additional information about UMB Financial Services, Inc. is available on the Internet at [www.finra.com](http://www.finra.com). You can search this site by a unique identifying number, known as a CRD number. The CRD for UMB Financial Services, Inc. is 17073.

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## **Item 4 – Services, Fees and Compensation**

UMB Financial Services, Inc. (“UMB Financial Services” or “UMBFSI”) is a broker-dealer registered with the SEC under the Securities Exchange Act of 1934, an investment adviser registered with the SEC, and a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”).

In addition to offering investment advice, UMBFSI offers products and services, including corporate bonds, equities, mutual funds, exchange traded funds (“ETFs”), municipal securities, government bonds, variable annuities and options.

There are important differences between brokerage and investment advisory services, including the type of advice and assistance provided, the fees charged, and the rights and obligations of the parties. It is important that you consider this information in the context of your personal risk tolerance and investment goals. This brochure discusses UMBFSI’s advisory services and it provides information that you should consider before becoming a client of the UMB Managed Account Solutions Program.

### **A. UMB Managed Account Solutions Program**

UMBFSI is the sponsor of the UMB Managed Account Solutions Program (“the MAS Program”) providing investment advisory services to clients. Financial Advisors are representatives of UMBFSI, the sponsor of the MAS Program.

In the MAS Program, a Financial Advisor uses a thorough review process to understand your investment needs and goals. In order to develop your overall investor suitability profile, the Financial Advisor will review and evaluate your financial position and goals, risk tolerance, time horizon and other pertinent information based on the completion of an investment questionnaire (the “risk tolerance questionnaire” or “questionnaire”). As a result of this assessment, your Financial Advisor will assist you in selecting the asset allocation model appropriate for you.

Your MAS account will be serviced through a brokerage account with UMBFSI. This brokerage account will be used to execute transactions and hold the assets in you MAS account. UMBFSI is an introducing firm and clears through National Financial Services, LLC (“NFS”). As the clearing firm, NFS executes the security transactions in the account and is the custodian of the assets in the account.

The MAS Program consists of two options: the UMB Fund Advisor® Program and the UMB Advisor Select Program. Both programs use the same risk tolerance questionnaire, asset allocation models and approved list of Eligible Assets. The Financial Advisor will assist you in selecting which program is appropriate for you.

Asset allocation models and the approved list of Eligible Assets are created and maintained by UMB Bank, n.a.’s (UMBFSI’s parent company) Investment & Wealth Management Division (“UMBIWM”). One or more officers of UMBFSI may serve on the committee that is responsible for the construction and maintenance of asset allocation models, but a majority of the committee consists of UMBIWM officers. No UMBFSI associates may serve on the committee responsible for the creation and maintenance of the approved list of Eligible Assets. UMBFSI associates also may not serve on the UMBIWM committee responsible for the portfolio management of the UMB Fund Advisor Program.

UMBFSI has signed an agreement with Envestnet Asset Management Services, Inc. (“Envestnet”) and National Financial Services LLC (“NFS”) whereby Envestnet has agreed to provide certain technical support, software and trading services in connection with client accounts. The fees for Envestnet’s services are included in the MAS Program Fee that you pay. As the clearing firm for UMBFSI, NFS provides certain accounting and other software to UMBFSI in connection with client securities transactions. UMBFSI compensates NFS out of the MAS Program Fee.

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### **UMB Fund Advisor® Program Services**

The UMB Fund Advisor Program is a discretionary investment advisory program where you appoint the portfolio manager to invest, reinvest and otherwise manage, at their discretion, the securities in your account based upon the investment objectives selected by you. You may include reasonable investment restrictions; however, you cannot direct the portfolio manager to buy or sell specific securities.

#### ***Investment Services***

Your Financial Advisor will assist you in selecting one of a number of model portfolios created and maintained by UMBIWM upon the completion of an investment questionnaire. Each model portfolio is constructed by using one of the asset allocation models and a selection of mutual funds and/or ETFs from a number of money managers on the approved list of Eligible Assets, representing various investment styles and asset classes. Some of the funds available may be funds managed by an affiliate of UMBIWM.

UMBIWM serves as the portfolio manager for the UMB Fund Advisor Program. UMBIWM selects and monitors the funds in the UMB Fund Advisor Program for performance, adherence to investment style and changes in management. UMBIWM receives initial and updated information about each client, including any reasonable investment restrictions on the management of a client's account.

UMBIWM may buy, sell or exchange approved eligible securities without prior consultation with you and these transactions may have tax consequence for your account. UMBIWM will rebalance your account periodically so that the allocation of assets to particular asset classes, and to particular funds, continues to adhere to the model portfolio. Rebalancing also may have tax consequences for your account. Please consult your tax adviser for more information.

#### ***Plan Review***

Annually, your Financial Advisor will contact you to review suitability using the same risk tolerance questionnaire that was used when you became a client of the Program. You are asked to promptly notify UMBFSI of any material changes in the information you furnished in the questionnaire.

### **UMB Advisor Select Program Services**

The UMB Advisor Select Program is a non-discretionary investment advisory program designed to assist you in devising and implementing an investment strategy tailored to your individual financial circumstances. Your Financial Advisor assists you in evaluating your investment objectives and risk tolerances and will provide you with investment advice based upon your investment objectives. Neither UMBIWM or, UMBFSI, nor their affiliated entities, have any investment discretion over your UMB Advisor Select account. You will make the final decisions as to the selection of specific Eligible Asset managers for your account and the timing of when your account is rebalanced.

#### ***Investment Services***

UMBFSI will prepare an investment proposal (the "Proposal") containing investment concepts that are consistent with your investment objectives. The Proposal provides specific advice about implementing investment decisions through Eligible Assets, which cover a spectrum of investments. Information about your risk tolerance, investment objectives and the assets that you have chosen will be documented in a Statement of Investment Selection, which describes the investment advisory services that will be provided to you. Available mutual funds ("Mutual Funds") may be purchased by you without the imposition of any initial or contingent deferred sales charges (but will remain subject to the internal expenses described in each Fund prospectus' expense table). The Mutual Funds may impose short-term redemption fees and you should refer to the Fund's prospectus for additional information regarding these fees.

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In the event that you notify UMBFSI of a change in your investment suitability and objectives contained in the risk tolerance questionnaire, Proposal or Statement of Investment Selection, or a change in the Eligible Assets held in your account, UMBFSI may generate a revised Proposal, and if necessary, a new Statement of Investment Selection. With your consent, UMBFSI will then rebalance the UMB Advisor Select account's asset allocation in accordance with the updated information.

Your Financial Advisor will notify you in the event an Eligible Asset held in your account is placed on a Watch List to select a replacement asset or obtain a direction letter if you wish to maintain the asset in your account. In the event you can not be reached, the asset will be retained in your account.

When an asset is removed from the approved Eligible Asset list or an asset class is removed/ added to the asset allocation model selected by you, your Financial Advisor will notify you of the change. You will be required to select a new asset or realign your account to the new asset allocation criteria. In the event your Financial Advisor is unable to contact you after reasonable attempts, or you do not designate a replacement fund or align your account to the new asset allocation requirements, UMBFSI will resign as advisor to your account and your assets will remain in your brokerage account.

UMBFSI will periodically provide you with investment advice, which may include recommendations regarding investing in Mutual Funds and or ETFs in a manner consistent with your investment objectives. Pursuant to your consent, which shall be obtained prior to each transaction, UMBFSI may place transaction orders in your UMB Advisor Select account.

#### ***Plan Review***

Your Financial Advisor will contact you periodically, but not less than annually to review your account ("Plan Review") to help ensure that it remains within appropriate asset allocation parameters. With your consent, your Financial Advisor may rebalance your account, which may result in tax consequences to you.

Your Financial Advisor will also contact you when an asset is placed on the Watch List or is removed as an Eligible Asset or if there is a new asset allocation model requirement.

#### **Eligible Assets and Restrictions**

"Eligible Assets" consist of assets that are: (a) load waived shares or no load shares of certain open-end investment companies as specified from time to time by UMBFSI (such no-load and load-waived shares collectively referred to as "Mutual Funds"); (b) certain ETFs; and (c) cash and cash equivalents (i.e. money market funds and certain short-term fixed income securities) ("Cash Equivalents").

An exchange traded fund, or ETF, is an investment vehicle that combines certain features of a mutual fund and an individual stock. An ETF is an open-end fund that invests in a portfolio of securities that typically tracks a particular index, similar to an index fund. Also, like an index fund, an ETF provides very broad diversification. Unlike a mutual fund, an ETF is traded like a stock on a stock exchange and can be bought or sold at any time during market hours.

"Ineligible Assets" include, but are not limited to: (a) domestic equity and certain other securities, including, but not limited to, common stock, convertible preferred stock, convertible bonds, shares of closed-end investment companies and unit investment trusts, American Depositary Receipts, and any rights or warrants on equity securities; (b) certain foreign equity securities; (c) options on domestic equity securities or indices, insurance, annuities, limited partnership interests or units, precious metals or other commodities or futures thereon, options on futures, currency options, foreign currency, commercial paper, certificates of deposit, bankers acceptances, and certain unit investment trusts, investment company shares and fixed income securities that are not Eligible Assets as described above.

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UMBFSI may add or delete classes of securities or assets from the definition of Eligible Assets and Ineligible Assets from time to time, and upon notice to you.

**Additional Information Concerning the UMB Managed Account Solutions Program**

You may impose reasonable restrictions on the management of your account, such as restricting the purchase of a particular fund for your account. In addition, you retain the following rights as to your account assets to the same extent as if you held the assets in an account outside of the UMB Managed Account Solutions Program: (a) the right to add to or withdraw securities or cash from your account ; (b) the right to vote, or delegate the authority to vote, the securities in your account; (c) the right to be provided in a timely manner with written trade confirmations for all securities transactions in your account, and all other documents required by law to be given to security holders; and (d) the right to proceed directly against as issuer of any security in your account and not be obligated to join any other person or client of the Program as a condition of bringing a proceeding.

Any information presented about tax considerations affecting client financial transactions or arrangements is not intended as tax advice and should not be relied upon for the purpose of avoiding any tax penalties. Neither UMBFSI nor its Financial Advisors provide tax, accounting or legal advice. Clients should review any planned financial transactions or arrangements that may have tax, accounting or legal implications with their personal professional advisors.

You will receive a quarterly performance report that provides a general market update, as well as updates on the performance of components of the Program and any appropriate fund manager updates. You will also receive copies of transaction confirmations and monthly account statements, providing there is activity in the account during the month. Otherwise, statements will be mailed quarterly. Your Financial Advisor will be available to discuss your account during normal business hours.

Participation in the MAS Program subjects the client to the risk of investing in the securities market. There is no guarantee that the investment objectives the client seeks can be obtained. Asset allocation, diversification and rebalancing do not assure a profit or protect against loss in declining markets. Investing in securities involves risk, and there is always the potential of losing money when you invest in securities.

**Investment products are:**

<b>Not FDIC Insured</b>	<b>Not Bank Guaranteed</b>	<b>May Lose Value</b>
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**UMB Managed Account Solutions Program Fees**

Fees payable for the UMB Managed Account Solutions Programs are calculated as a percentage of the total value of assets under management as set forth below.

<b>Market Value of Account</b>	<b>Annual Rate</b>
Under \$200,000.00 . . . . .	2.00%
\$200,000.01 — \$500,000.00 . . . . .	1.50%
\$500,000.01 — \$1,000,000.00 . . . . .	1.25%
Over \$1,000,000.01 . . . . .	1.00%

Fees are charged in advance on a quarterly basis. Fees may be negotiable based on the client's total relationship with UMB. Either party may terminate the UMBFSI client contract at any time upon receipt of written notice. At termination, a prorated portion of prepaid fees will be refunded to you.

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The Program Fee covers charges for transactions that are effected through NFS and for the services provided by Envestnet. Wire transfer fees, other miscellaneous charges and other charges imposed by law, as well as IRA account fees, are not included in the Program Fee.

## **B. Costs**

UMBFSI currently pays UMBIWM \$48,000 per year for their services provided to the Program.

The Program fees shown above may be more or less than those charged by UMBFSI to another client for similar services, and by other advisers for similar services.

Also, clients should be aware that the Program fee might be higher than those charged by other investment advisers. The Program may also cost the client more or less, depending on the trading activity, than purchasing such services separately.

## **C. Internal Fees of Funds and Other Excluded Costs; Revenue Sharing Payment**

All mutual funds and ETF's incur annual operating expenses that are paid from fund assets. These fees can include management, Rule 12b-1 (distribution) fees, shareholder servicing fees, and other expenses.

NFS may receive 12b-1 fees from distributors of funds that have adopted Rule 12b-1 plans, as well as shareholder servicing fees as reimbursement from funds or ETFs for account servicing. UMBFSI will credit your account with the value of any 12b-1 and shareholder servicing fees it receives from the funds or ETFs. However, your account will pay both the Program Fee and fund management fees on account assets invested in third party mutual funds.

In addition, advisors and distributors may make payments to NFS from their own resources (known as "revenue sharing payments"). UMBFSI currently receives revenue sharing payments from NFS in connection with certain classes of fund shares. These payments, which are not credited to your account by UMBFSI, do not affect the Net Asset Value (NAV) of the funds in which your account is invested or your net yield from such funds. UMBFSI receives no revenue sharing payments on fund shares held in qualified plans or IRA accounts.

An ETF is expected to have lower portfolio turnover than an actively managed mutual fund, as an ETF has lower expenses and fewer capital gains distributions than most mutual funds.

## **D. Program Fee Incentives**

The Financial Advisor receives a portion of the fees paid from the client, based on the value of assets under management. The amount of this compensation may be more than the Financial Advisor would receive if the client participated in other programs or paid separately for investment advice, brokerage, and other services. The Financial Advisor may therefore have a financial incentive to recommend the Program over other programs or services.

## **Item 5 – Account Requirements and Types of Clients**

The minimum initial investment necessary to open a UMB Managed Account Solutions program account is \$50,000.

You may make additions to your account (of at least \$10,000) at any time. You may make withdrawals from your account (of at least \$5,000), upon three business days' notice, but this minimum does not apply to required minimum distributions in an Individual Retirement Account. UMBFSI may terminate your account if your account balance falls below \$50,000.

UMBFSI makes its advisory services available to a wide variety of clients including, but not limited to individuals, trusts, estates, qualified retirement plans and charitable organizations.



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## **Item 6 – Portfolio Manager Selection and Evaluation**

### **A. Fund Managers**

UMBIWM's selection process for fund managers begins with extensive research of a fund's history, expense ratio and industry rating. UMBIWM uses various resources to gather this information, including annual reports, prospectuses and filings with the SEC. Next, UMBIWM examines whether the fund managers have consistently delivered the same style of investment management over time. Finally, UMBIWM strives to understand the investment philosophy and strategy used in the fund's management.

As part of UMBIWM's ongoing review process, all funds selected for presentation to you are required to provide UMBIWM with a complete list of holdings in the portfolio on a quarterly basis. UMBIWM reviews rates of return and other statistical analysis, as well as written commentary, to help validate each fund manager's continued compliance with UMBIWM's internal criteria for inclusion in the Program. UMBIWM may remove a fund from the Program for reasons such as a failure to adhere to management style or strategy objectives, a material change in the professional staff of the fund manager or unexplained poor performance.

Neither UMBFSI nor any third party (except for a fund's independent auditors) reviews fund performance information for accuracy. Fund performance information is calculated on a uniform and consistent basis, in accordance with SEC rules.

### **B. Related Managers**

UMBIWM, an affiliate of UMBFSI, serves as the portfolio manager for the UMB Fund Advisor Program described in this brochure. UMBFSI has a conflict in selecting its affiliate to serve as the portfolio manager, because UMBFSI and its affiliates will retain more of the client's fee than if a third party portfolio manager had been selected. UMBFSI addresses this conflict through disclosure in this Brochure. Because the wrap fee program requires only the services of a single portfolio manager, UMBFSI does not have different criteria for the inclusion of affiliated portfolio managers and third party managers.

## **Item 7 – Client Information Provided to Portfolio Managers**

UMBFSI provides UMBIWM with initial and updated information about each client, including any reasonable investment restrictions on the management of a client's account.

## **Item 8 – Client Contact with Portfolio Managers**

As a client of the Program, you may discuss your account with your Financial Advisor and with an associate of UMBIWM during regular business hours.

## **Item 9 – Additional Information**

### **A. Disciplinary Information**

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management. UMBFSI does not have any disciplinary information to report regarding itself or any of its management persons.

### **Other Financial Industry Activities and Affiliations**

UMBFSI is a broker-dealer registered with the SEC under the Securities Exchange Act of 1934, an investment adviser registered with the SEC, and a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). UMBFSI is a wholly owned subsidiary of UMB Bank, n.a. and is a corporation

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duly organized under the laws of the State of Missouri. In addition to offering investment advice, UMBFSI offers products and services, including corporate bonds, equities, mutual funds, municipal securities, government bonds, variable annuities and options.

UMB Distribution Services, LLC, an affiliate of UMBFSI, may have dealer agreements with funds offered in the Program.

Scout Investments, Inc., an affiliate of UMBFSI, serves as investment adviser to the Scout Funds, a family of proprietary mutual funds that may be offered in the Program.

UMB Fund Services, Inc., an affiliate of UMBFSI, provides transfer agency and other services to the Scout Funds. UMB Fund Services, Inc. may provide transfer agency and other services to other funds offered in the Program.

UMB Bank, n.a., the parent corporation of UMBFSI, is a national banking association and offers a full range of banking services to commercial, retail, government and correspondent bank customers. In addition, UMB Bank, n.a. may serve as custodian for funds offered in the Program.

UMBIWM, a department of UMB Bank, n.a., offers a full range of trust services for individuals, estates, business corporations, governmental bodies and public authorities. UMBIWM serves as the portfolio manager for the Program, which is sponsored by UMBFSI.

## **B. Other Information**

### **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

UMBFSI and its associates, acting in an investment advisory capacity, have a fiduciary obligation to their advisory clients. Our associates have a duty when acting in an advisory capacity to:

- Place the advisory clients' interests over their own;
- Comply with the Code of Ethics requirements;
- Avoid actual or potential conflicts of interest (or when this is not possible, fully disclose them to the client), abuse of their position of trust and responsibility, and taking inappropriate advantage of their position;
- Maintain the confidentiality of the security holdings and financial circumstances of advisory clients;
- Maintain their independence in the investment decision-making process to the degree that they participate in that process;
- Comply with applicable federal and state securities laws; and
- Report any violations of this Code of Ethics promptly to the UMBFSI Chief Compliance Officer.

UMBFSI has adopted a Code of Ethics ("Code") that addresses securities-related conduct of its employees and representatives. We will provide a copy of the Code to any client or prospective client upon request.

UMBFSI has defined two categories for persons subject to the Code and those categories are Supervised Persons and Access Persons. All Supervised Persons are subject to this Code of Ethics. For UMBFSI, a "Supervised Person" includes:

- All UMBFSI associates performing investment advisory activities or having access to investment advisory activities information. "Investment advisory activities information" includes access to the UMBIWM Research List of stocks provided to UMBFSI for full service brokerage accounts or access to the transactions derived from this Research List]
- All associates with an active investment adviser license through UMBFSI; and
- The UMBFSI Board.

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Supervised Persons, in the course of acting as a fiduciary in an investment advisory capacity, have an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of their clients. This duty is best served by avoiding conflicts of interest and, where this is not possible, by fully disclosing all material facts concerning any conflict that arises with respect to any client.

A “conflict of interest” occurs when UMBFSI’s or an individual’s personal interests interfere or appear to interfere with the interests of the clients. A conflict may arise when a person takes actions or has interests that make it difficult to objectively and effectively perform his or her duties with respect to the client. Conflicts of interest may also arise when a person receives improper benefits, or members of his or her family receive improper personal benefits resulting from his or her position. For example:

- Supervised Persons should not favor the interests of one client over another client. Inappropriate favoritism of one client over another client constitutes a breach of fiduciary duty.
- A Supervised Person is prohibited from recommending, implementing or considering any securities transaction for a client without disclosing to the Chief Administrative Officer (“CAO”) his or her material beneficial ownership (defined below), business or personal relationship, or other material interest in the issuer or its affiliates. If the beneficial ownership presents a material conflict, the Supervised Person may not participate in any decision-making process regarding the purchase or sale of the securities of that issuer.

Supervised Persons may purchase securities in an initial public offering, or participate in a private placement, or directly or indirectly acquire beneficial ownership in any security in a private placement, but only if they obtain prior approval from the CAO.

Certain Supervised Persons are also “Access Persons”. For UMBFSI, an Access Person includes:

- An individual who makes, participates in, or obtains information regarding client transactions;
- An individual whose functions relate to making any recommendations with respect to purchases or sales by clients; or

An individual who has access to nonpublic information regarding the portfolio holdings of funds the adviser or an affiliate manages is considered an Access Person. This includes individuals with access to the UMBIWM Research List of stocks provided to UMBFSI for full service brokerage accounts or transactions derived from the List.

Access Persons are required to submit to the CAO a report of all holdings in reportable securities of which they have beneficial ownership within 10 days of becoming an Access Person and at least once for each 12-month period thereafter as prompted by the CAO.

Access Persons are also required to report quarterly all accounts containing reportable securities that they own either directly or beneficially. The CAO is responsible for reviewing the initial and annual holdings reports, quarterly transaction reports, and the dissemination, verification of receipt and recording of the initial, annual and any amended acknowledgement of the Code of Ethics certifications. Access Persons’ trading activities will be reviewed by the CAO for abusive practices as outlined in the UMBFSI Compliance Manual and UMBFSI Supervisory Policies and Procedures.

### **Review of Accounts**

UMBFSI employs a team approach to account management. Accounts are under continuous review. The Financial Advisor is responsible for periodically monitoring the client accounts to ensure they are managed consistent with the established objectives and investment guidelines, review accounts periodically and all accounts no less than yearly. UMBFSI Management reviews all trades on a daily basis, monitors accounts for exceptions, verifies annual reviews are performed by the Financial Advisors and reviews accounts randomly throughout the year.

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UMBIWM serves as portfolio manager for the UMB Fund Advisor Program, and conducts model portfolio and fund reviews no less than once per quarter. The funds or their agents calculate fund performance in accordance with SEC rules. Neither UMBFSI nor UMBIWM reviews fund performance for accuracy.

The Investment Advisory Committee of UMBFSI ("IA Committee") consists of at least three voting members (the President, the National Sales Manager, and the COO of UMBFSI) and several nonvoting members. The IA Committee meets periodically to review fund performance, style drift, ratings, manager changes, the current asset allocation models and the approved list of Eligible Assets for any changes, with the intent to make appropriate adjustments to current models and available funds. The IA Committee also reviews UMBIWM's performance as portfolio manager of the Fund Advisor Program and determines whether UMBIWM has provided the services it has contracted to provide and whether the continued use of UMBIWM is in the best interests of UMBFSI's clients.

#### **Client Referrals and Other Compensation**

UMBFSI may pay referral fees to UMB Bank, n.a. or other affiliates of UMBFSI, to employees of UMB Bank, n.a. or other affiliates of UMBFSI, or to other entities or individuals for referrals of clients to UMBFSI.

#### **Financial Information**

UMBFSI does not require or solicit prepayment of more than \$1,200 in fees per client six months or more in advance and, thus, has not included a balance sheet of its most recent fiscal year. UMBFSI is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients, nor has UMBFSI been the subject of a bankruptcy petition at any time during the past ten years.