

## Item 1 – Cover Page

### **BHK Securities, LLC**

2200 Lakeshore Drive, Suite 250

Birmingham, AL 35209

Phone: (205) 322-2025

Fax: (205) 322-9025

<http://www.bhkllc.com>

March 21, 2012

This wrap fee brochure provides information about the qualifications and business practices of BHK Securities, LLC. If you have any questions about the contents of this Brochure, please contact us at the number above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

BHK Securities, LLC is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. This Brochure is intended, in part, to provide information which can be used to make a determination to hire or retain an Adviser.

Additional information about BHK Securities, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

There have been no material changes since our last wrap brochure dated March 31, 2011.

Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new Brochure, as necessary based on changes or new information, at any time without charge. Our Brochure may be requested by contacting us at our main number.

Additional information about BHK Securities, LLC is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website provides information about any persons affiliated with BHK Securities, LLC who are registered, or are required to be registered, as investment adviser representatives of BHK Securities, LLC.

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

BHK Securities, LLC was established in 2006 and approved as a Registered Investment Adviser in September 2006. The three shareholders and executive officers include Meredyth Roberts Hazzard (CEO), John Gurney Brock (President), and James Bailey Knight (CCO).

BHK Securities, LLC (“Introducing Firm” or “BHKS”) has entered into an agreement with First Clearing, LLC (“First Clearing” or “Clearing Agent”) and Wells Fargo Advisors, LLC, (“Wells Fargo”) pursuant to which Wells Fargo provides advisory and/or administers various wrap fee programs that are sponsored by BHKS (“Programs”). BHKS provides investment advisory services by recommending the Asset Advisor or Private Investment Management Programs that best meet the client needs based on the investment objectives given by the client and other selection criteria. The Programs provide investment advice, brokerage, and custodial services under a “wrap fee” arrangement. Generally, in a wrap fee arrangement, the Account pays a combined fee for investment advice, brokerage services, clearance and settlement services, and custodial services. The Account may also be charged for expenses or services that are not covered by the wrap fee.

#### ***Asset Advisor Program***

Through the Asset Advisor Program (“Asset Advisor account”), BHKS provides non-discretionary investment recommendations based upon a review of the client’s investment goals, financial situation and risk tolerance. Client’s have the option of accepting the company’s recommendations or selecting alternative investments for their accounts. The company offers periodic rebalancing of the mutual funds or upon the client’s direction. We also provide monitoring and reporting of portfolio performance to clients on a periodic basis.

The company may recommend stocks, bonds, mutual funds or other assets of any kind, consistent with the client’s investment objectives. Most types of securities are eligible for purchases in the Asset Advisor account including but not limited to, common and preferred stocks, exchange traded funds, closed end funds, unit investment trusts, corporate and government bonds, certificate of deposit, mutual funds and certain wrap class alternative investments, such as hedge funds.

Market timing is defined as excessive short-term purchase and sale transactions or exchanges with the intention of capturing short-term profits in violation of the terms of the fund’s prospectus. The company will not support market timing strategies or activities for mutual funds or any other extreme trading activity that the company, in its sole discretion or by direction of the fund company, deems detrimental to the interest of average mutual fund shareholders or contrary to the policies or interest of the mutual fund companies.

Asset Advisor accounts are charged an all-inclusive “wrap fee” on Program Assets that covers advisory, execution, custodial and reporting services on Eligible Assets. Clients pay all of Asset Advisor’s usual and customary commissions, transaction fees and other charges for transactions in Excluded Assets. Commissions and fees on Excluded Assets and other charges will be assessed against a client’s account on or about the transaction date or such other date assessed by the Asset Advisor Program. The minimum quarterly fee applicable to Program Assets is \$250 and may not be offset by commissions or other charges.

### ***Private Investment Management Program (“PIM”)***

Through PIM, certain selected Financial Advisors of BHKS provide investment advisory and brokerage services to client accounts on a discretionary basis. The Financial Advisors develop disciplined portfolios based on certain established PIM guidelines and the client’s investment objectives and individual needs as established in investment portfolio and strategy criteria. Through the oversight of the Introducing Firm, PIM also provides monitoring and reporting of portfolio performance to clients on a periodic basis. The PIM program is designed to provide a disciplined advisory approach to meet client objectives and needs, yet with relatively few restrictions so that the Financial Advisor may develop the program for a wide variety of its clients’ accounts.

PIM may encompass money market funds, exchange-traded fund shares; closed-end funds; and mutual fund shares from Wells Fargo’s Allowable List. This Allowable List includes only open-end mutual funds that offer shares at net asset value through advisory programs. Some of the funds may be advised by, or otherwise affiliated with, Wells Fargo or the Clearing Agent.

Fees for the PIM program will cover advisory services, performance measurement, transaction costs, custody services and trading. The fees do not cover the fees and expenses of any underlying funds purchased in the account. Fees are based on the assets in the account and are assessed quarterly. A minimum fee of \$1000.00 annually applies for this program.

As of December 31, 2010, BHKS held \$24,200,000 in discretionary assets under management and \$249,200,000 in non-discretionary assets under management.

### ***Fees and Compensation***

Client agrees to pay BHKS for the service detailed above according to the following annual fee schedule, which is negotiable:

<b>Standard Wrap Fee Schedule</b>	
<b>Total Account Value</b>	<b>Annualized Program Fee</b>
First \$500,000	3%
Next \$500,000	2.5%
Next \$500,000	2%
Over \$2,000,000	Negotiable

The specific manner in which fees are charged by BHKS is established in a client’s written agreement. BHKS will bill its fees on a quarterly basis in advance. Fees will be debited directly from the client’s account, are based on the assets under management and in some instances, may be negotiated. Fees are in the form of an annual rate that is calculated and assessed in advance on a quarterly basis.

The account value is calculated as the market value of all long and short securities positions in the account. The fee encompasses all transaction related costs associated with the execution of the transaction. The client shall pay an initial fee from the account to BHKS on the date of acceptance of the contract based upon the value of the account on the date of acceptance and prorated through the end of the calendar quarter. Thereafter, the quarterly fee shall be paid to BHKS on the first business day of each succeeding calendar quarter based upon the value of the account on the last business day of the

prior calendar quarter. In the case of a net capital contribution or withdrawal, fees will be prorated and charged or refunded if the net addition or net withdrawal would generate a fee or refund of at least \$40 for that quarter. No fee adjustment will be made during any fee period for appreciation or depreciation in the market value of assets in the account during that period. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client will maintain or deposit sufficient funds in the account to cover payment of all fees authorized by the contract and the client authorizes BHKS and clearing firm to debit the account balances or redeem money market fund shares in the amount equal to the fee that is due. If there are not funds to cover the fees, then BHKS may liquidate assets to cover fees. The service fee schedule may be changed upon written notification from BHKS to the client.

A portion of the fees described herein may be paid to BHKS Financial Advisors in connection with the provision of investment advice and/or client-related services within those programs. This compensation may be more than BHKS's Financial Advisors would receive if clients paid separately for investment advice, brokerage, and other services and; therefore, BHKS Financial Advisors may have a financial incentive to recommend the program services over other programs or services.

As a shareholder of a money market fund or mutual fund, in addition to fees paid by a client to BHKS under a program, the client will bear a proportionate share of the fund's expenses, including the investment management fees that are paid to the fund's investment adviser, and will bear any other charges levied by a fund (e.g., redemption fees). For more information about fund expenses, see the fund's prospectus. Wrap fee also does not include fees related to adoption, maintenance, and closure of retirement accounts. A description of these and other expenses are available in each fund's prospectus.

Generally, BHKS purchases no-load mutual funds which do not generate sales charges. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as 12b-1 fees. 12b-1 fees come from fund assets, therefore, indirectly from client assets. 12b-1 fees may be initially paid to BHKS and a portion passed to Advisory Representatives. The receipt of such fees could represent an incentive for Advisory Representatives to recommend funds with 12b-1 fees over funds that have no fees or lower fees. As a result, there is a potential conflict of interest.

The Program Fees are subject to exclusions, calculations, and conditions contained in each Program's Advisory Agreement. Additionally, most Programs have a minimum quarterly Program Fee (which may be \$375 per quarter or more), which may cause the effective Program Fee (expressed as a percentage) to be greater than the fee rates shown above.

The wrap program may cost the client more or less than purchasing such services separately and will depend on the trading activity in the client's account. The cost of non-wrapped investment advisory services is lower than investment advisory services provided under the wrap program. Because BHKS may receive more compensation from a client from the client's participation in the Program than if the client received advisory services and brokerage services separately, BHKS may have a financial incentive to recommend the Program to clients over other types of advisory services. BHKS may give advice to others that may be different from the advice given to Program clients. Clients should consider the value of the additional consulting services when making such comparisons. The combination of custodial, consulting, and brokerage services may not be available separately or may require multiple accounts, documentation, and fees. In addition, certain advisors may not be available to certain clients outside the consulting relationship because of minimum account sizes, fee schedules, geographic availability, or

other factors. A non-wrapped pricing arrangement may be more cost effective for accounts that do not experience frequent trading activity. Because of the single fee charged to a Program account, BHKS may be regarded as having a conflict of interest in that it may realize a greater profit on a Program account with a relatively low rate of portfolio turnover compared to other types of accounts, assuming the same level of fees.

All fees may be subject to negotiation. When negotiating fees, factors considered include, but are not limited to: (i) clients with multiple accounts; (ii) size of the account; (iii) a prior or existing relationship; and (iv) a client's particular needs or financial characteristics. Due to the fact that fees may vary, clients with existing accounts may be charged fees which do not match precisely the foregoing fee schedules or the fees paid by other clients.

Other costs that may be assessed and that are not part of those outlined above include fees for portfolio transactions executed away from the broker/custodian selected by the client, dealer mark-ups, electronic fund and wire transfers, spreads paid to market-makers, and exchange fees, among others. The broker/custodian may charge clients certain additional and/or minimum fees.

The Program wrap fee does not include: (i) annual account fees or other administrative fees, such as wire fees, charged by First Clearing (ii) certain odd-lot differentials, transfer taxes, transaction fees mandated by the Securities Act of 1934, postage and handling fees, and charges imposed by law with regard to transactions in the client's account; and (iii) advisory fees, expenses or sales charges (loads) of mutual funds (including money market funds), closed-end investment companies or other managed investments, if any, held in client's account.

BHKS receives compensation from the custodian based on the value of credit balances in the accounts. If cash is swept into a money market fund, BHKS receives compensation based on the value of assets in these funds as broker-dealer. Thus, BHKS has an incentive to recommend that clients select money market funds as a sweep vehicle that pays more compensation to BHKS than other funds.

### ***Account Termination***

Client may initiate termination of the contract at any time by sending written notice to BHKS. BHKS may terminate the contract at any time for any reason; in which event BHKS will refund the pro-rata fee received for the calendar quarter to the extent that such fee exceeds the execution charges that would have been owed based upon BHKS's regular commission and execution rates. A full refund will be provided without penalty if the client terminates the contract within 5 business days of signing with BHKS.

Upon termination, all securities and cash positions will remain intact; absent any liquidation orders. If specific liquidation orders are received, BHKS and its agent will, in an orderly and efficient manner, proceed with liquidation of the client's account. There will not be a charge by us for such redemption; however, the client should be aware that certain mutual funds impose redemption fees as stated in each company's fund prospectus in certain circumstances. Clients must keep in mind that the decision to liquidate security issues or mutual funds may result in tax consequences that should be discussed with the client's tax advisor. Factors that may affect the orderly and efficient manner would be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities' markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. Due to the administrative processing time needed to terminate client's investment advisory service and communicate the instructions to client's Investment Advisor,

termination orders received from clients are not market orders; it may take several business days under normal market conditions to process the client's request. During this time, the client's account is subject to market risk. BHKS and its agent are not responsible for market fluctuations of the client's account from time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner.

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

### ***Account Requirement***

Certain advisors may not be available to certain clients outside the consulting relationship because of minimum account sizes, fee schedules, geographic availability, or other factors.

### ***Types of Clients***

BHKS provides portfolio management services to individuals, corporations and business entities, pension and profit-sharing plans, charitable institutions, foundations, endowments, estates and trusts.

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

BHKS serves as the portfolio manager in the wrap fee program. BHKS does not outsource its portfolio management by using outside portfolio managers for the referenced Programs. BHKS uses industry standards to measure the performance of its portfolio managers; however, it does not use a third party auditor to review and verify the performance of its portfolio managers.

### ***Performance-Based Fees and Side-by-Side Management***

BHKS does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

### ***Methods of Analysis, Investment Strategies and Risk of Loss***

Our investment strategy begins with an understanding of a client's financial goals. Advisors use demographic and financial information provided by the client on the Client Profile Form. Information includes detailed information regarding the client's financial condition, investment objectives and risk tolerance and is used in determining an appropriate plan for the client's assets. Investment strategies ordinarily include long- or short-term purchases of stock portfolios, mutual funds and fixed income securities.

Investment recommendations are based on an analysis of the client's individual needs, and are drawn from research and analysis. Security analysis methods may include fundamental analysis, technical analysis, charting and cyclical analysis. Information for this analysis may be drawn from financial newspapers and magazines, research materials prepared by others, annual reports, corporate filings, prospectuses, company press releases and corporate ratings services.

It is important to note that investing in securities involves certain risks that are borne by the investor. For any risks associated with Investment Company products, please refer to the prospectuses for additional details about these risks. Our investment approach constantly keeps the risk of loss in mind. These risks include, but are not limited to:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.



- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

#### **Item 9 – Disciplinary Information**

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of BHKS or the integrity of BHKS's management. BHKS has no information applicable to this Item.

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

BHKS is both your Registered Investment Adviser and your Portfolio Manager. BHKS does not outsource its portfolio management by using outside portfolio managers for the referenced Programs. Therefore, your portfolio manager has the same access to your information as BHKS. Your information includes, among other things, income, net worth, risk tolerance, and investment objectives. Your portfolio manager uses this information to determine the appropriate asset allocation and manage your investments. When you update your information with BHKS, your portfolio manager will have immediate access to the same updated information.

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

You may communicate with Portfolio Managers directly. Consultations beyond normal business practices may require additional negotiated fees.

#### **Item 9 – Additional Information**

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

BHK Advisors, LLC is affiliated through common control and is effectively registered as a Registered Investment Adviser. BHKS is owned by a holding company, BHK Holdings, LLC, which also owns 100% BHK Securities, LLC. Clients of BHKS may also be clients of BHK Advisors, LLC. All clients of BHK Advisors, LLC are delivered a separate disclosure document which contains relevant information and related

disclosures. Advisors spend an estimated 20% of their time on these business activities outside of being an Investment Adviser. BHKS is also registered as an insurance agency.

For those advisory clients who wish to use broker/dealer or insurance products to attain their goals, clients are reminded that such services are not offered as part of the advisory service and fees are separate. Advisory clients are under no obligation to purchase any broker/dealer or insurance products. As a broker/dealer, trade errors may occur on occasion and may result in profit or loss to the firm. The firm has controls in place to limit such trade errors. Individual Advisers will not participate in any profits resulting from such errors and the Chief Compliance Officer will review a trade error log to ensure that no conflicts and/or patterns exist.

For broker/dealer and insurance services, the Adviser or its associated persons may receive compensation for such transactions, where such compensation is separate and distinct from Adviser's compensation related to its investment advisory services. From time to time, associated persons of the Adviser may recommend that clients buy or sell securities or investment products that the Adviser also owns. In such circumstances, the Adviser shall adhere to the Code of Ethics.

BHKS requires that clients establish brokerage accounts with First Clearing, LLC ("First Clearing"), a broker/dealer, to maintain custody of clients' assets and to effect trades for their accounts. Although BHKS may recommend that clients establish accounts at First Clearing, it is the client's decision to custody assets with First Clearing. BHKS is independently owned and operated and not affiliated with First Clearing.

### ***Voting Client Securities***

As a matter of firm policy and practice, BHKS does not vote proxies on any client's behalf. Clients can authorize investment managers to vote proxy requests on their behalf in their client agreements. Please refer to the respective investment manager's Form ADV for a full disclosure of its proxy voting policies and procedures. Clients should contact their financial consultant if they have any questions and/or to obtain this information. Clients will receive their proxies or other solicitations directly from their custodian or transfer agent.

### ***Brokerage Practices***

For BHKS client accounts maintained in its custody, First Clearing generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through First Clearing or that settle into First Clearing accounts. First Clearing may make products and services available to BHKS that benefit BHKS but may not directly benefit its clients' accounts. Many of these products and services are used to service all or a substantial number of BHKS accounts. Some of these products and services provided by First Clearing includes software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitates trade execution and allocates aggregated trade orders for multiple client accounts; (iii) provides pricing, charts and other market data; (iv) facilitates payment of BHKS fees from its clients' accounts; and (v) assists with back-office functions, recordkeeping and client reporting.

**Block Trading Disclosure:** It is the practice of BHKS, its agent, or the third party investment advisors, when feasible, to aggregate for execution as a single transaction orders for the purchase or sale of a particular security for the accounts of several Program Clients, in order to seek a lower commission or

more advantageous net price. The benefit, if any, obtained as a result of such aggregation is generally allocated on a pro rata basis among the accounts of clients that participated in the aggregated transaction in accordance with procedures adopted by BHKS.

### ***Code of Ethics***

BHKS has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at BHKS must acknowledge the terms of the Code of Ethics annually, or as amended.

Advisors of BHKS may buy or sell securities that are recommended to clients. BHKS's employees and persons associated with BHKS are required to follow the Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of BHKS and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for BHKS's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of BHKS will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of BHKS's clients. In addition, the Code requires pre-approval of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between BHKS and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with BHKS's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. BHKS will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

*BHKS's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting James Bailey Knight or Meredyth Roberts Hazzard at our main number.*

### ***Review of Accounts***

BHKS, through the Clearing Agent or its agent, will transmit to clients (and where appropriate to the applicable investment advisor) the following reports:

- Trade confirmations reflecting all transactions in securities; provided, however, that periodic statements of account activity may be furnished in lieu of transaction-by-transaction confirmations to the extent and in the manner permitted by Rule 10b-10 under the Exchange Act;
- A statement of account activity at least quarterly;
- Performance Reports; and

- BHK Investment Consulting clients will receive all reports in accordance with each respective adviser's Disclosure Document.

Investment Advisor Representatives ("IAR") are responsible for performing quarterly review of the account and for consulting with their clients. Factors that may trigger an account review include, but are not limited to, the following: investment objectives, targeted allocation, current allocation, suitability, performance, number of trades, monthly distributions, concentrated positions, diversification, and outside holdings. Accounts may also be subject to a secondary review by a designated supervisor. Such supervisory reviews will be done on a periodic basis; however, not less than annually. The supervisor will oversee the selected accounts for the same triggering factors as mentioned above.

Performance reports may be sent quarterly to BHKS clients. Not less than annually, the IAR will contact the client and discuss the account and related performance. Such IAR will request current information to determine whether there have been any changes in their profile information. The client agrees to inform the IAR in writing of any material changes in their profile or the client's financial circumstances that might affect the manner in which the client's assets should be invested. The client may contact the IAR during normal business hours to consult with the IAR concerning the management of the client's account(s).

Each client has the ability to impose reasonable restrictions on the management of his/her account, including the designation of particular securities or types of securities that should not be purchased for the account, or that should be sold if held in the account. If a client's instructions are unreasonable or an IAR believes that the instructions are inappropriate for the client, BHKS will notify the client that, unless the instructions are modified, it may cancel the instructions in the client's account. A client will not be able to provide instructions that prohibit or restrict the Investment Adviser of an open-end or closed-end mutual fund or ETF with respect to the purchase or sale of specific securities or types of securities within the fund.

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

BHKS does not compensate others for client referrals.

### ***Financial Information***

Registered Investment Advisers are required to provide you with certain financial information or disclosures about BHKS's financial condition. BHKS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of any bankruptcy proceeding.

### ***Custody***

Clients should receive statements at least quarterly from First Clearing, the qualified custodian that holds and maintains your investment assets. BHKS urges you to carefully review such statements and compare the official custodial records to the account statements that we may provide you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### ***Investment Discretion***

Through the Asset Advisor Program ("Asset Advisor account"), certain selected Financial Advisors of BHKS provide investment advisory and brokerage services to client accounts on a non-discretionary basis. Through the Private Investment Management Program ("PIM"), certain selected Financial Advisors

of BHKS provide investment advisory and brokerage services to client accounts on a discretionary basis. When the client chooses to grant investment discretion to the Adviser, the Adviser will have authority to supervise and direct the investments of and for the client's account(s) without prior consultation with the client. Pursuant to this discretionary authority, the Adviser will determine which securities are bought and sold for the account and the total amount of such purchases and sales. The Adviser will make investment decisions for client accounts in accordance with the investment objectives, risk tolerance, investment time horizon, and any investment policies, guidelines, or reasonable restrictions as the client may impose in writing, and to which the Adviser agrees. Pursuant to the client's instruction, client money/cash may be invested in a money market mutual fund managed by their custodian who may charge a fee. Clients should contact their custodian for more information about this investment of their cash.

### ***Privacy Policy***

We collect nonpublic personal information about you from the following sources: Information we receive on applications, questionnaires, web site, or other forms and information about your transactions with our affiliates, others, or us. We do not disclose any non-public information about our current or former customers to anyone, except as permitted by law or in order to provide the current services. Our employees have limited access to your personal information based on their responsibilities to provide products or services to you. Be assured that we maintain physical, electronic and procedural safeguards in compliance with federal standards to protect your information.