

CORNERSTONE INVESTMENT ADVISORS, LLC

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Part 2A Brochure

This brochure provides information about the qualifications and business practices of Cornerstone Investment Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at 218-829-2224. 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.

Additional information about Cornerstone Investment Advisors, LLC also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Cornerstone Investment Advisors, LLC is 138509.

Cornerstone Investment Advisors, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

MATERIAL CHANGES

Summary of Material Changes

There have been no material changes to our business since the last annual update on February 17, 2014.

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact our Chief Compliance Officer, David Lauer 218.829.2224 or david.lauer@natplan.com.

We encourage you to read this document in its entirety.

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ITEM 4 - ADVISORY BUSINESS

This Disclosure document is being offered to you by Cornerstone Investment Advisors, LLC (“Cornerstone”). It discloses information about the services we provide and the manner in which those services are made available to you, the client.

We are a fee-based investment management firm located in Baxter, Minnesota, specializing in asset management services for our clients. The firm was originally established as an Advisor in 2005. Currently, the firm principal owners are Jim Benson and David Lauer.

We are committed to helping you build, manage, and preserve wealth, and in doing so achieve your stated financial goals. We may offer an initial complimentary meeting; however, investment advisory services are initiated only after you and Cornerstone execute an engagement letter or client agreement.

Investment Management and Supervision Services

We offer discretionary investment management and investment supervisory services for a fee based on a percentage of your assets under management. These services include investment analysis, allocation of investments and ongoing monitoring services for the portfolio.

Cornerstone determines your portfolio composition based on your current financial condition, financial goals, investment time horizons, risk tolerances, liquidity needs and any stated investment restrictions. This analysis enables us to determine the portfolio best suited for your investment objectives.

In performing our services, we are not required to verify any information received from you or from other professionals. If you request, we may recommend and/or engage the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional.

Once we have determined the types of investments to be included in your portfolio, and allocated them, we will provide ongoing portfolio review and management services. This approach requires us to review our portfolios on a frequent basis.

We will trade and rebalance the portfolio to meet your financial objectives on a discretionary basis, however, our advisory services are tailored to meet your individual needs and if you choose, you have the ability to leave standing instructions with us to refrain from investing in particular industries or invest in limited amounts of securities.

In all cases, you have a direct and beneficial interest in your securities, rather than an undivided interest in a pool of securities. We do not and will not have custody of your funds or securities. We do have limited authority to direct the Custodian to deduct investment advisory fees, but only with the appropriate authorization from you.

Financial Planning Services

Financial advisory services provided by us may include the analysis of your current situation and assistance in identifying and implementing appropriate financial planning and investment management techniques to help you meet your specific financial objectives. Such services may include a written financial analysis and specific or general investment and/or planning recommendations.

In preparing your financial plan, we may address any or all of the six areas of financial planning established by the National Endowment for Financial Education and endorsed by the Certified Financial Planner Board of Standards, depending on your specific needs. These include: financial position, protection planning, investment planning, income tax planning, retirement planning, and estate planning.

Our specific services may include:

- Determining appropriate income planning strategies for both pre- and post-retirement;
- A review of existing and proposed investment asset mixes including a review of risk/return issues and a suggested plan of action consistent with your risk tolerance and overall financial objectives;
- A calculation of your pre-retirement savings and investing needs;
- An assessment of your overall financial position including net worth, cash flow, and debt;
- A comprehensive analysis of IRA-related issues including rollover, distribution, and inheritance planning options;
- Evaluating strategies designed to maximize the utilization and protection of your IRA assets;
- Suggestions for minimizing your federal and state income tax obligations;
- Estimates of your federal estate taxes and a suggested plan of action to help meet estate planning objectives;
- A review and determination of your life and disability insurance needs;
- Developing investment strategies consistent with your business ownership secession and transition planning, if applicable.

Variable Annuity Subaccount Management

When applicable, Cornerstone may actively manage the sub-accounts of one or more of your variable annuity contracts. We will take necessary steps to establish limited trading authorization over the contract subaccounts. We obtain the necessary financial data from you to assist us in determining the suitability of the underlying subaccounts. The information provided by you will include a description of your investment objectives and guidelines for managing the annuity subaccounts, including any investment restrictions you may have. We are available to you on an ongoing basis to receive deposit and withdrawal instructions and make requested changes to subaccounts. We will exchange funds between and among the annuity subaccounts in accordance with the information you provide. We are not permitted to make withdrawals from the annuity contract without your written authorization. While Cornerstone and our Investment Advisor Representatives (IAR's) have limited discretionary authority to transfer funds between your subaccounts, neither Cornerstone nor our IAR's retain custody of the assets.

Consulting Services

Cornerstone may also provide advice on a limited basis in areas not relating to securities, such as estate planning, real estate investing, insurance, and fixed annuities.

You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. We cannot offer any guarantees or promises that your financial goals and objectives will be met. As your financial situation, goals, objectives, or needs change, you must notify us promptly.

Wrap Fee Programs

Cornerstone does not participate in wrap fee programs.

Assets

As of December 31, 2014, we managed \$106,830,000 in client assets on a discretionary basis. We do not manage any non-discretionary assets.

ITEM 5 - FEES AND COMPENSATION

Investment Management Fees and Compensation

Cornerstone charges a fee as compensation for providing Investment Management Services to your account(s). These services include advisory and consulting services, trade entry, investment supervision, and other account maintenance activities. The custodian may charge custodial fees,

transaction costs, asset based transaction fees, redemption fees, retirement plan and administrative fees or commissions. See Additional Fees and Expenses at the end of this section.

The fees are based on an annual percentage of assets under management. The fees are applied to the account asset value on a pro-rated basis and billed quarterly in arrears. The initial fee will be based upon the date the account is accepted for management by the execution of the Client Investment Management Agreement and the date the assets are transferred, through the last day of the current calendar quarter.

Thereafter, the fee will be based on the market value of the account on the last day of the previous calendar quarter and will cover the period from the first day of the calendar quarter through the last day of the calendar quarter. The market value will be determined as reported by the Custodian. Fees are assessed on all assets under management, including securities, cash and money market balances. Margin debit balances do not reduce the value of assets under management.

The annual negotiable fee ranges from $\frac{1}{2}$ of 1% to 2% of the account balance. The specific determination of the percentage rate charged is based on a combination of the following factors: 1) assets in the account, 2) complexity of the investment strategy employed, and 3) the estimated investment of time the advisor will spend managing the specific assets in the account. The specific fee is disclosed on the Client Investment Management Agreement.

In our discretion, we may add (aggregate) asset amounts in accounts from your household together to determine the advisory fee for all your accounts. We may do this, for example, where we also service accounts on behalf of your minor children, individual and joint accounts for a spouse, and/or other types of related accounts. This consolidation practice is designed to allow you the benefit of an increased asset total, which could potentially cause your account(s) to be assessed a reduced advisory fee.

You will provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. The qualified custodian agrees to deliver an account statement, at least quarterly, directly to you indicating all the amounts deducted from the account including our advisory fees. You are encouraged to review your account statements for accuracy. Cornerstone will receive access to a copy of the custodian's statement that was delivered to you.

Either Cornerstone, or you, may terminate the management agreement, upon a 30 day written notice to the other party. The management fee will be pro-rated to the date of termination, for the quarter in which the cancellation notice was given, and any earned fees will be deducted from your account. Upon termination, you are responsible for monitoring the securities in your account, and we will have no further obligation to act or advise with respect to those assets.

Through these programs, Cornerstone may invest a portion of your assets in mutual funds, exchange traded funds (ETFs) or variable annuities, etc. These investments may charge a fee on your assets invested in these securities. Therefore, you may pay two levels of fees for the management of your assets, one directly to Cornerstone and one indirectly to the managers of the mutual funds, ETFs or variable annuity subaccounts held in your portfolios.

Financial Planning Fees

Cornerstone will negotiate financial planning fees with you. The fee is based on the extent and complexity of your individual personal circumstances, your gross income and amount of assets under management. Your fee for the designated financial plan will be determined in one of the following ways:

- **Fixed Fee:** Under a fixed fee arrangement, any fee will be agreed upon by you and your advisor in advance of services being performed. The fee will be determined based on factors including your net worth, the complexity of your financial situation, agreed upon deliverables, and whether or not you intend to implement any recommendations through your financial advisor. If Cornerstone is chosen to implement your plan, we may at our discretion waive or reduce a portion of our financial planning fee. One half of the total fee will be due and payable at the time the client enters into the financial planning agreement, with the balance due and payable at the time the financial plan is delivered. Typically plans are completed and presented to you within 90 days of the contract date, provided that all information needed to prepare the financial plan has been provided to Cornerstone. If the work is not completed in such a time, we will refund your fee on a pro-rated basis. Fixed fees shall not exceed \$ 10,000.
- **Hourly Rate:** Under an hourly rate agreement, your total cost for financial planning services will be based on the amount of time your advisor and our staff spend developing your financial plan. This includes time spent meeting with you, analyzing your financial objectives, and evaluating and documenting your strategies. Our hourly rates vary between \$150 and \$500. The hourly rate will be agreed upon by you and your advisor in advance of services being performed. The fee and the number of hours will be determined based on factors including your net worth, the complexity of your financial situation, agreed upon deliverables and the sophistication of the advisors assigned to your plan.

In no case are our fees based on, or related to, the performance of your funds or investments.

We will not require prepayment of more than \$ 1200 in fees per client, six (6) or more months in advance of providing any services.

You may terminate the Consulting Services Agreement by providing us with written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you.

When both investment management or plan implementation and financial planning services are offered, there is a potential conflict of interest since there is an incentive for the party offering financial planning services to recommend products or services for which Cornerstone, or a related party, may receive compensation. However, as a financial planning client, you are under no obligation to act upon any of our recommendations or effect the transaction(s) through us if you decide to follow the recommendations.

Variable Annuity Subaccount Fee Schedule

The variable annuity will be custodied by the issuing insurance company. Cornerstone will calculate the applicable sub-account management fee for your contract(s). The maximum total advisory fees charged may not exceed 2.0%. The insurance company will withdraw the fee from your variable annuity, send the fee to us, and shall forward account statements and confirmation of each purchase, sale, deposit and withdrawal to you and Cornerstone no less than quarterly.

It is possible that at times more than 50% of our compensation results from commissions from products we recommend to you.

Consulting

Your fee for general consulting services will be determined in one of the following ways:

- **Fixed Fee:** Under a fixed fee arrangement, any fee will be agreed upon by you and your advisor in advance of services being performed. The fee will be determined based on factors of the consulting project and fully detailed in our Consulting Services Agreement. One half of the fee is payable upon signing the agreement. We will complete work within six months of the date your fee is paid provided we receive all necessary information from the client. If the work is not completed in such a time, we will refund your fee on a pro-rated basis. The fixed fee shall not exceed \$10,000.
- **Hourly Rate:** Under an hourly rate agreement, your total cost for consulting services will be based on the amount of time your advisor and our staff spend working on your specific project. Our hourly rates vary between \$150 and \$500. You will be billed as services are rendered.

Additional Fees and Expenses

Advisory fees payable to us do not include the fees you may pay when we purchase or sell securities for your account(s). The following list of fees or expenses are what you may pay directly to third parties, whether a security is being purchased, sold or held in your account(s) under our management.

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF), Exchange Traded Funds (ETFs);
- Advisory fees charged by sub-advisers (if any are used for your account);

- Custodial Fees;
- Odd-Lot differentials;
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions;
- Variable annuity assets may be subject to trailing service fees, deferred sales charges, mortality and expense fees and 12(b)(1) fees as described in the contract's prospectus;
- Mutual fund assets may be subject to trailing service fees, deferred sales charges, 12(b)(1) fees and other expenses as described in the fund's prospectus.

Please refer to the "Brokerage Practices" below for discussion of Cornerstone's brokerage practices.

ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Cornerstone 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). Our advisory fee compensation is charged only as disclosed above in Fees and Compensation.

ITEM 7 - TYPES OF CLIENTS

We provide investment advice to individuals, trusts, pension plans, estates, charitable organizations and corporations.

We have a \$50,000 initial account minimum. This account minimum may be waived at our discretion.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The method of security analysis we utilize is both fundamental and technical. We gather information for investment purposes from our own research, financial publications, research prepared by others, corporate rating services, company press releases, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Our investment methodology is based on holding assets on a longer-term basis, however, as market conditions indicate, we may recommend defensive strategies for preservation of capital over both the short and the long term. The primary investment strategy is to provide a disciplined application of capital management in order to achieve long-term goals.

We allocate assets among the various asset classes based on the investment strategy chosen, prevailing economic conditions and our determination of where we are in the economic cycle. Potential risks and opportunities are weighed to determine the asset allocation for the portfolio.

Third parties may provide research and help build, monitor and update Model Portfolios. The third party will provide Cornerstone with investment analysis, allocation of investments, quarterly portfolio summaries and ongoing monitoring services for the portfolio assets.

Cornerstone will advise and implement the portfolio strategy that best meets your risk tolerance and time horizon.

Third parties selected to provide this service need to meet several quantitative and qualitative criteria established by Cornerstone. Among the criteria that may be considered are:

- Manager experience
- Performance record
- Buy and sell disciplines
- Capitalization level
- Fund objectives and investment styles
- Superior performance relative to fund peer groups over time
- Asset size providing liquidity and maneuverability
- Expense ratios

After investments are selected for a portfolio, the account is monitored to ensure that each fund continues to be aligned with the portfolio's specific needs. Market conditions may cause your account to vary from the established allocation. To remain consistent with the allocation guidelines established, your account is monitored and may be rebalanced at least annually to the original allocation, or if deemed beneficial, to a new allocation based on the then prevailing economic conditions and within the guidelines of the chosen investment strategy. Cornerstone Investment Advisors also provides a methodology to actively manage client accounts to take advantage of movements in asset prices. This management service is designed to provide maximum return from asset price movements, and to preserve capital during poor market conditions.

You are advised that past performance is not a guarantee of future results and that certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account.

Risks

There are principal and material risks involved which may adversely affect the account value and total return. There are other circumstances (including additional risks that are not described here) which could prevent your portfolio from achieving its investment objective. It is important to read all the disclosure information provided and to understand that you may lose money by investing in the any of our strategies.

Your account is subject to the following risks:

- **Stock Market Risk** – The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.
- **Managed Portfolio Risk** – The manager’s investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- **Interest Rate Risk** - upon purchasing an individual bond or mutual fund bond fund, changes in the prevailing interest rate environment may positively or negatively affect the market value of your bond investments.
- **Industry Risk** – The portfolio’s investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries may disproportionately impact your portfolio. Investments focused in a particular industry are subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- **Non-U.S. Securities Risk** – Non-U.S. securities are subject to the risks of foreign currency fluctuations, generally higher volatility, and possibly lower liquidity than U.S. securities.
- **Emerging Markets Risk** – To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets may be more volatile than the markets of developed countries with more mature economies.
- **Currency Risk** – The value of your portfolio’s investments may fall as a result of changes in exchange rates.

ITEM 9 - DISCIPLINARY INFORMATION

Cornerstone does not have any legal, financial or other “disciplinary” items to report.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Insurance

We may provide insurance products for clients, such as fixed annuities, term insurance universal life insurance and long-term care insurance, and receive compensation in the form of insurance commissions. If we receive commissions from these insurance products, advisory fees will not be charged on those assets. A small portion of our time is spent in connection with these activities.

Broker Dealer

Investment Advisor Representatives (IAR's) of Cornerstone are registered representatives and investment adviser representatives of National Planning Corporation ("NPC"), or NPC of America (in the states of Florida and New York) a securities broker-dealer, and will be compensated for effecting securities transactions or providing advisory services. A portion of the time the IARs of Cornerstone is spent in connection with broker/dealer activities.

As a broker-dealer, NPC engages in a broad range of activities normally associated with securities brokerage firms. Pursuant to the investment advice given by Cornerstone or its IARs, investments in securities may be recommended for clients. If NPC is selected as the broker-dealer, NPC and its registered representatives, including IARs of Cornerstone, may receive commissions for executing securities transactions. When IARs of Cornerstone receive commissions in connection with the advice given to advisory clients, Cornerstone may reduce a portion of its fees by the amount of the commissions earned by the Cornerstone's IARs.

You are advised that if NPC is selected as the broker-dealer, the transaction charges may be higher or lower than the charges you may pay if the transactions were executed at other broker/dealers. You should note, however, that you are under no obligation to purchase securities through IARs of Cornerstone or NPC.

Cornerstone may provide advice regarding investment company securities. You should be aware that, in addition to the advisory fees you pay in connection with any Cornerstone program, each investment company also pays its own separate investment advisory fees and other expenses. Such fees and expenses are disclosed in the mutual fund's or variable annuities' prospectus. In addition, clients should be aware that mutual funds and variable annuities may be purchased separately and independent of the investment management services of Cornerstone.

Moreover, you should note that under the rules and regulations of FINRA, NPC has an obligation to maintain certain client records and perform other functions regarding certain aspects of the investment advisory activities of its registered representatives. These obligations require NPC to coordinate with, and have the cooperation of its registered representatives that operate as, or are otherwise associated with, investment advisers other than NPC. Accordingly, NPC may limit the use of certain custodial and brokerage arrangements available to clients of Cornerstone and NPC may collect as paying agent of Cornerstone the investment advisory fee remitted to Cornerstone by the account custodian. NPC may retain a portion of the investment advisory fee so remitted as a charge for the functions it performs and such portion may be further re-allowed to other registered representatives of NPC. The charge will not increase the brokerage charges to you or the fee you have agreed to pay Cornerstone.

IARs of Cornerstone may, in their capacity as registered representatives of NPC, or as agents appointed with various life, disability or other insurance companies, receive commissions, 12(b)-1 fees, trails, or other compensation from the respective product sponsors and/or as a result of effecting securities transactions for clients. As previously noted, when commissions or fees are received by Cornerstone or its IARs in connection with the advice given to advisory clients, Cornerstone may, but is not obligated to, reduce its fee proportionate to the amount of the

commission or fee earned by Cornerstone or its IARs. However, clients should note that they are under no obligation to purchase any investment products through Cornerstone or its IARs.

ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Cornerstone and persons associated with us are allowed to invest for their own accounts or have a financial interest in the same securities or other investments that we recommend or acquire for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This may create a conflict of interest. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest. The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of Cornerstone, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether they are complying with Cornerstone's ethical principles.

We have established the following restrictions in order to ensure our fiduciary responsibilities:

1. A director, officer or employee of Cornerstone shall not buy or sell any securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No director, officer or employee of Cornerstone shall prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings for Cornerstone, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of Cornerstone.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We emphasize the unrestricted right of the client to select and choose any broker-dealer (except in situations where we are granted discretionary authority) he or she wishes.

5. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. Any individual not in observance of the above may be subject to termination.

You may request a complete copy of our Code by contacting us at the address, telephone or email on the cover page of this Part 2; Attn: Chief Compliance Officer.

ITEM 12 - BROKERAGE PRACTICES

Cornerstone has a relationship with Charles Schwab and Company Inc., a registered broker/dealer and member FINRA/SIPC (“Schwab”), to act as custodian for your accounts. Some of the products, services and other benefits provided by Schwab benefit Cornerstone and may not benefit your account. Cornerstone's recommendation/requirement that you place assets in Schwab's custody may be based in part on benefits Schwab provides to Cornerstone, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

Cornerstone may recommend that you establish accounts with Schwab to maintain custody of your assets and to effect trades for your accounts. Cornerstone is independently owned and operated and not affiliated with Schwab. Schwab provides Cornerstone with access to its institutional trading and custody services. These services include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors.

Cornerstone places trades for your account subject to its duty to seek best execution and its other fiduciary duties. Cornerstone may use broker-dealers other than Schwab to execute trades for accounts maintained at Schwab, but this practice may result in additional costs to you so that Cornerstone is more likely to place trades through Schwab rather than other broker-dealers. Schwab's execution quality may be different than other broker-dealers.

For Cornerstone accounts maintained in Schwab's custody, Schwab generally does not charge separately for custody but is compensated by account holders through commissions, asset based fees or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

We may aggregate trades for ourselves, our associated persons and other client accounts with your trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed to our existing clients (if any) and the broker-dealer(s) through which such transactions will be placed;
2. We will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek best price) for you

and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated;

3. No advisory client will be favored over any other client; each client that participates in an aggregated order will receive the average share price for the order, with transaction costs based on each client's participation in the order;
4. We maintain an allocation procedure specifying the participating client accounts and how to allocate the order among those clients;
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, it will be allocated pro-rata based on the allocation statement;
6. Our books and records will separately reflect, for each client account, the orders of which were aggregated, the securities held by, and bought for that account;
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and,
8. Individual advice and treatment will be accorded to each advisory client.

As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis. Any indirect research products and services received by us from broker-dealers will be used to provide services to all our clients.

ITEM 13 - REVIEW OF ACCOUNTS

The underlying securities within the investment supervisory services are regularly monitored. These reviews will be made by Jim Benson, (Managing Member), David Lauer (Managing Member, Chief Compliance Officer), David Hartmann (Investment Advisor Representative) and Melissa Bestul (Investment Advisor Representative). An annual review is usually conducted in person or by telephone. The specific accounts assigned to each IAR depend on which IAR has the personal relationship with the client. The purpose of all these reviews is to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, the financial markets, political changes, or economic environment changes. You are urged to notify us of any changes in your personal circumstances.

Financial planning/Consulting clients may not receive regular reports from Cornerstone.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

The custodians we utilize make available to us other products and services that benefit us but may not benefit your accounts. Some of these other products and services assist us in managing and administering your accounts. These include software and technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from your account, and assist with back-office functions, recordkeeping and reporting.

Many of these services generally may be used to service all or a substantial number of our accounts. The custodians also make available to us other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications, conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, the custodians may make available, arrange and/or pay for these services rendered to us by third parties. The custodians may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to us.

While as a fiduciary, we endeavor to act in your best interests, our recommendation that you maintain your assets in accounts at one of our recommended custodians may be based in part on the benefit to us or the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the custodian. These circumstances may create a potential conflict of interest.

ITEM 15 - CUSTODY

All Client account assets are held by a qualified custodian. Cornerstone periodically reviews Clients' custody relationships to ascertain their effectiveness, responsiveness and costs. Cornerstone, however, is not responsible for the actions of a Client's custodian.

Clients should carefully review account statements received directly from the qualified custodian.

ITEM 16 - INVESTMENT DISCRETION

We have authority to supervise and direct on an ongoing basis your investments in accordance with your investment objectives and guidelines in the Client Investment Management Agreement. We are authorized, in our discretion and without prior consultation with you to: 1) buy, sell, exchange and otherwise trade any stocks, bonds or other securities or assets; 2) determine the amount of securities to be bought or sold and; 3) place orders with the custodian.

We shall employ broker dealers and markets as is prudent for your account. We will not, however, employ a broker dealer affiliated with us without first disclosing the affiliation to you

and obtaining your written consent. We shall not be liable for any act or omission of any broker dealer (other than an affiliated broker dealer employed with your written consent).

Cornerstone requires that we be granted discretionary authority to determine which securities are bought and sold, the amounts of the securities to be bought or sold, as well as the broker-dealer to be used and the commission rates to be paid. Any limitations on this discretionary authority shall be communicated by you, to Cornerstone, in writing. You may amend these limitations as you require with such amendments also submitted in writing.

ITEM 17 - VOTING YOUR SECURITIES

We will not vote proxies under our limited discretionary authority. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your assigned third party. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies. Should you have any questions about a particular solicitation, you may contact Cornerstone or your IAR.

ITEM 18 - FINANCIAL INFORMATION

This item is not applicable to this brochure. We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.