

Item 1: Cover Page

Part 2A of Form ADV Firm Brochure

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Premier Asset Management LLC

SEC File No. 801-60559

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This brochure provides information about the qualifications and business practices of Premier Asset Management LLC. If you have any questions about the contents of this brochure, please contact us at 312-727-0273. 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. Registration with the SEC or state regulatory authority does not imply a certain level of skill or expertise.

Additional information about Premier Asset Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Firm Brochure is our disclosure document prepared according to regulatory requirements and rules. Consistent with the 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. Furthermore, we will provide you with other interim disclosures about material changes as necessary. At this time there are no material changes.

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Item 4: Advisory Business

A. Premier Asset Management LLC

Premier Asset Management LLC ("Premier" and/or the "firm"), is a limited liability company formed under the laws of the state of Illinois. The firm is wholly owned by Denise and Joseph Seminetta. Premier has been offering investment advisory services since 2001.

B. Advisory Services Offered

Premier provides investment advisory services to high-net-worth individuals and institutions. The types of clients that Premier provides services to include, but are not limited to, individuals, family offices, 401(k) plans, IRA rollovers, Keoghs, public pensions, trusts, estates, limited partnerships, endowments, foundations, corporations, limited partnerships, retirement accounts, and Taft-Hartley plans.

Premier seeks to develop a thorough understanding of a client's goals, income, and return objectives and tolerance for risk. Once we complete this important step, we generally determine an appropriate asset allocation and implementation strategy. This is generally summarized in an "investment policy statement," which is reviewed and updated on a periodic basis. Often with the client's input, we then decide on appropriate performance measurement criteria and intervals to conduct our performance reviews. After the proper allocation framework is established, we determine which securities investments will be purchased in a client's portfolio.

C. Client-Tailored Services and Client-Imposed Restrictions

Each client's account will be managed on the basis of the client's financial situation and investment objectives and in accordance with any reasonable restrictions imposed by the client on the management of the account—for example, restricting the type or amount of security to be purchased in the portfolio.

D. Wrap Fee Programs

Premier is approved to manage assets in wrap fee programs for Morgan Stanley/Graystone Consulting. Wrap fee programs offer services for one all-inclusive fee.

E. Client Assets Under Management

As of December 31, 2015, Premier has \$532 million of discretionary client assets under management, and \$0 of non-discretionary client assets under management.

Item 5: Fees and Compensation

A. Methods of Compensation and Fee Schedule

A.1. Asset Management Fees

The annual fee for services provided by Premier will generally be charged as a percentage of assets under supervision by the firm as follows:

<u>Assets Under Management</u>	<u>Annual Fee Rate*</u>
Up to \$3,000,000	1.00%
Assets over \$3,000,000	0.75%

* Fees are negotiable.

Premier generally requires a \$5MM minimum of investment assets to establish an investment advisory relationship. Premier reserves the right to waive this minimum account requirement, at its discretion, provided the prospective client is able to make representations concerning their sophistication as an investor and their ability to bear a substantial loss of principal under Premier's management.

Asset-based fees are generally subject to the investment advisory agreement between the client and Premier. Such fees are generally charged quarterly in arrears. The quarterly fee is generally determined by applying one-quarter (1/4) of the applicable annual percentage fee to the market value of the portfolio on the last business day of each calendar quarter in arrears. The fees may be prorated if the investment advisory relationship commences other than at the beginning of a calendar quarter.

Unless other arrangements are made, the client authorizes the custodian to automatically deduct the advisory fee and all other charges payable hereunder from the assets in the account when due, with such payments to be reflected on the next account statement sent to the client. If insufficient cash is available to pay such fees, securities in an amount approximating the balance of unpaid fees will customarily be liquidated to pay for the unpaid balance. Premier may modify the fee at any time upon mutual agreement in writing.

A client investment advisory agreement may be canceled at any time, by either party, for any reason upon receipt of 90 days' prior written notice. Upon termination of any account, any earned, unpaid fees will be immediately due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

B. Client Payment of Fees

Advisory fees will ordinarily be deducted directly from the client's account provided that (i) the client provides written authorization to the qualified custodian, and (ii) the qualified custodian sends the client a statement, at least quarterly, indicating all amounts disbursed from the account.

The client is responsible for verifying the accuracy of the fee calculation, as the client's custodian will not verify the calculation.

C. Additional Client Fees Charged

All fees paid for investment advisory services are separate and distinct from the fees and expenses charged by the SEC, ADRs, exchange-traded funds, mutual funds, separate account managers, broker-dealers, and custodians retained by clients. Such fees and expenses are described in each exchange-traded fund and mutual fund's prospectus, each separate account manager's Form ADV and Brochure and Brochure Supplement or similar disclosure statement, and by any broker-dealer or custodian retained by the client. Clients are advised to read these materials carefully before investing. If a mutual fund also imposes sales charges, a client may pay an initial or deferred sales charge as further described in the mutual fund's prospectus. A client using Premier may be precluded from using certain mutual funds or separate account managers because they may not be permitted by the client's custodian.

Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.

D. Prepayment of Client Fees

Premier does not generally require the prepayment of its advisory fees. Premier's fees will generally be disbursed to the firm by the qualified custodian of the client's investment accounts, subject to prior written consent of the client. The qualified custodian will deliver directly to the client an account statement, at least quarterly, showing all investment and transaction activity for the period, including fee disbursements from the account.

E. External Compensation for the Sale of Securities to Clients

Premier's financial advisors are generally compensated through a salary and bonus structure. Typically, Premier is not paid any sales, service, or administrative fees for the sale of mutual funds or any other investment products.

Item 6: Performance-Based Fees and Side-by-Side Management

Premier does not generally charge performance-based fees for its separately managed accounts and therefore has no economic incentive to manage clients' portfolios in any way other than what is in the clients' best interests.

Item 7: Types of Clients

Premier customarily provides investment advisory services to high-net-worth individuals and institutions. The types of clients that Premier provides services to include individuals, family offices, 401(k) plans, IRA rollovers, Keoghs, public pensions, trusts, estates, endowments, foundations, corporations, limited partnerships, retirement accounts, and Taft-Hartley plans.

Premier generally requires a \$5MM minimum of investment assets to establish an investment advisory relationship. Premier reserves the right to waive this minimum account requirement, at its discretion.

Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss

A. Methods of Analysis and Investment Strategies

Premier customarily utilizes a three-step process to select growth-oriented equity securities.

- *Quantitative screening:* Premier's quantitative process screens for superior earnings and revenue growth, high return on equity, and low debt levels.
- *Qualitative research:* Premier's primary research process examines secular trends, industry analysis and company specific data.
- *Technical analysis:* Premier's technical analysis involves analyzing the increasing or decreasing demand for particular industries and securities.

Premier may also incorporate a sell discipline for existing positions, but is not a guarantee against losses of magnitude.

Premier may employ outside vendors or utilize third-party software to assist in formulating investment recommendations to its clients.

A.1. Investment Strategies

Premier generally utilizes the following investment strategies:

- *Large Capitalization Growth:* Premier generally constructs portfolios of individual equity securities that trade on U.S. exchanges. These securities generally have market capitalization greater than \$10 billion (although a small percentage of the holdings may have market capitalizations between \$1–\$10 billion) at the time of purchase. The companies in this portfolio are generally characterized as having a high level of expected future growth in revenue and earnings.
- *Fixed Income Portfolios:* Premier constructs portfolios of individual investment-grade bonds, ETFs, and bond funds for clients who desire the risk/return characteristics of fixed income investments. Premier defines investment grade as having a rating of BBB-/Ba3 or higher at the time of purchase by one of the three national ratings agencies.
- *Balanced Portfolios:* Premier constructs balanced portfolios consisting of both individual equity and fixed income securities in the strategies listed above.
- *Dividend Strategy:* Premier manages a high dividend strategy. These portfolios are made up of several individual issues that generally pay a dividend at a rate that is generally higher than the yield on the S&P 500. The types of companies and sectors that comprise these dividend payers generally expose clients to risks that may be different than in Premier's growth portfolios.
- *ETF Strategy:* In smaller accounts it is difficult and may not be cost-effective to invest in individual issues. Hence, Premier has developed a diversified mix of ETFs for some of these accounts.

A.2. Material Risks of Investment Instruments

Premier typically invests in equity securities, corporate and bank-sponsored debt instruments, municipal fixed income instruments, government and government agency securities including asset-backed securities, options on securities, and other securities as detailed below:

- Equity securities
- Warrants and rights
- Mutual fund securities
- Exchange-traded funds
- Inverse exchange-traded funds
- Corporate debt securities, commercial paper, and certificates of deposit
- Municipal securities
- U.S. government securities
- Option contracts on securities
- Government and agency mortgage-backed securities
- Corporate debt obligations
- Mortgage-backed securities
- Option contracts on indices

A.2.a. Equity Securities

Investing in individual companies involves inherent risk. The major risks relate to the company's capitalization, quality of the company's management, quality and cost of the company's services, the company's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk, and the company's ability to create shareholder value (i.e., increase the value of the company's stock price). Foreign securities, in addition to the general risks of equity securities, have geopolitical risk, financial transparency risk, currency risk, regulatory risk and liquidity risk.

A.2.b. Warrants and Rights

Warrants are securities, typically issued with preferred stock or bonds that give the holder the right to purchase a given number of shares of common stock at a specified price and time. The price of the warrant usually represents a premium over the applicable market value of the common stock at the time of the warrant's issuance. Warrants have no voting rights with respect to the common stock, receive no dividends and have no rights with respect to the assets of the issuer.

Investments in warrants and rights involve certain risks, including the possible lack of a liquid market for the resale of the warrants and rights, potential price fluctuations due to adverse market conditions or other factors and failure of the price of the common stock to rise. If the warrant is not exercised within the specified time period, it becomes worthless.

A.2.c. Mutual Fund Securities

Investing in mutual funds carries inherent risk. The major risks of investing in a mutual fund include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification, and the type and amount of sector diversification within specific industries. In addition, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold the fund.

A.2.d. Exchange-Traded Funds ("ETFs")

ETFs are investment companies whose shares are bought and sold on a securities exchange. An ETF holds a portfolio of securities designed to track a particular market segment or index. Some examples of ETFs are SPDRs[®], streetTRACKS[®], DIAMONDSSM, NASDAQ 100 Index Tracking StockSM ("QQQsSM") iShares[®] and VIPERs[®]. The funds could purchase an ETF to gain exposure to a portion of the U.S. or foreign market. The funds, as a shareholder of another investment company, will bear their pro-rata portion of the other investment company's advisory fee and other expenses, in addition to their own expenses.

Investing in ETFs involves risk. Specifically, ETFs, depending on the underlying portfolio and its size, can have wide price (bid and ask) spreads, thus diluting or negating any upward price movement of the ETF or enhancing any downward price movement. Also, ETFs require more frequent portfolio reporting by regulators and are thereby more susceptible to actions by hedge funds that could have a negative impact on the price of the ETF. Certain ETFs may employ leverage, which creates additional volatility and price risk depending on the amount of leverage utilized, the collateral and the liquidity of the supporting collateral.

Further, the use of leverage (i.e., employing the use of margin) generally results in additional interest costs to the ETF. Certain ETFs are highly leveraged and therefore have additional volatility and liquidity risk. Volatility and liquidity can severely and negatively impact the price of the ETF's underlying portfolio securities, thereby causing significant price fluctuations of the ETF.

A.2.e. Inverse Exchange-Traded Funds

An inverse ETF is an exchange-traded fund that is constructed by using various derivatives for the purpose of profiting from a decline in the value of the ETF's underlying benchmark.

Investing in inverse ETFs is similar to holding a short position, which profits from a decline in the security or incurs a loss when the security increases in value. An inverse ETF profits when the market or a particular market segment pegged to the ETF declines in value, and suffers a loss when the market or a particular market segment increases in value. Inverse ETFs may involve leverage, and such leverage can exacerbate the risk of loss because of the multiplier effect when leverage is utilized.

A.2.f. Corporate Debt, Commercial Paper and Certificates of Deposit

Fixed income securities carry additional risks than those of equity securities described above. These risks include the company's ability to retire its debt at maturity, the current interest rate environment, the coupon interest rate promised to bondholders, legal constraints, jurisdictional risk (U.S or foreign), and currency risk. If bonds have maturities of ten years or greater, they will likely have greater price swings when interest rates move up or down. The shorter the maturity the less volatile the price swings. Foreign bonds also have liquidity and currency risk.

Commercial paper and certificates of deposit are generally considered safe instruments, although they are subject to the level of general interest rates, the credit quality of the issuing bank and the length of maturity. With respect to certificates of deposit, depending on the length of maturity there can be prepayment penalties if the client needs to convert the certificate of deposit to cash prior to maturity.

A.2.g. Municipal Securities

Municipal securities carry additional risks than those of corporate and bank-sponsored debt securities described above. These risks include the municipality's ability to raise additional tax revenue or other revenue (in the event the bonds are revenue bonds) to pay interest on its debt and to retire its debt at maturity. Municipal bonds are generally tax free at the federal level, but may be taxable in individual states other than the state in which both the investor and municipal issuer is domiciled.

A.2.h. U.S. Government Securities

U.S. government securities include securities issued by the U.S. Treasury and by U.S. government agencies and instrumentalities. U.S. government securities may be supported by the full faith and credit of the United States.

A.2.i. Options on Securities

A call option is a contract under which the purchaser of the call option, in return for a premium paid, has the right to buy the security (or index) underlying the option at a specified price at any time during the term of the option. The writer of the call option, who receives the premium, has the obligation upon exercise of the option to deliver the underlying security against payment of the exercise price. A put option gives its purchaser, in return for a premium, the right to sell the underlying security at a specified price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy, upon exercise of the option, the underlying security (or a cash amount equal to the value of the index) at the exercise price. The amount of a premium received or paid for an option is based upon certain factors, including the market price of the underlying security, the relationship of the exercise price to the market price, the historical price volatility of the underlying security, the option period and interest rates. Options have a unique set of risks shaped by the structure of option contracts. Options are time sensitive investments that can lose all of their value in a short period of time even if an investor chooses the correct direction of price

movement. Generally, they are also leveraged securities that may amplify gains and losses of the underlying security.

A.2.j. Government and Agency Mortgage-Backed Securities

The principal issuers or guarantors of mortgage-backed securities are the Government National Mortgage Association ("GNMA"), Fannie Mae ("FNMA") and the Federal Home Loan Mortgage Corporation ("FHLMC"). GNMA, a wholly owned U.S. government corporation within the Department of Housing and Urban Development ("HUD"), creates pass-through securities from pools of government-guaranteed (Farmers' Home Administration, Federal Housing Authority or Veterans Administration) mortgages. The principal and interest on GNMA pass-through securities are backed by the full faith and credit of the U.S. government.

FNMA, which is a U.S. government-sponsored corporation owned entirely by private stockholders that is subject to regulation by the secretary of HUD, and FHLMC, a corporate instrumentality of the U.S. government, issue pass-through securities from pools of conventional and federally insured and/or guaranteed residential mortgages. FNMA guarantees full and timely payment of all interest and principal, and FHMLC guarantees timely payment of interest and ultimate collection of principal of its pass-through securities. Mortgage-backed securities from FNMA and FHLMC are *not* backed by the full faith and credit of the U.S. government.

A.2.k. Corporate Debt Obligations

Corporate debt obligations include corporate bonds, debentures, notes, commercial paper and other similar corporate debt instruments. Companies use these instruments to borrow money from investors. The issuer pays the investor a fixed or variable rate of interest and must repay the amount borrowed at maturity. Commercial paper (short-term unsecured promissory notes) is issued by companies to finance their current obligations and normally has a maturity of less than nine months. In addition, the firm may also invest in corporate debt securities registered and sold in the United States by foreign issuers (Yankee bonds) and those sold outside the U.S. by foreign or U.S. issuers (Eurobonds).

A.2.l. Mortgage-Backed Securities

Mortgage-backed securities represent interests in a pool of mortgage loans originated by lenders such as commercial banks, savings associations, and mortgage bankers and brokers. Mortgage-backed securities may be issued by governmental or government-related entities, or by non-governmental entities such as special-purpose trusts created by commercial lenders.

Pools of mortgages consist of whole mortgage loans or participations in mortgage loans. The majority of these loans are made to purchasers of between one and four family homes. The terms and characteristics of the mortgage instruments are generally uniform within a pool but may vary among pools. For example, in addition to fixed-rate, fixed-term mortgages, the firm may purchase pools of adjustable-rate mortgages, growing equity mortgages, graduated payment mortgages and other types. Mortgage poolers apply qualification standards to lending institutions, which originate mortgages for the pools as well as credit standards and

underwriting criteria for individual mortgages included in the pools. In addition, many mortgages included in pools are insured through private mortgage insurance companies.

Mortgage-backed securities differ from other forms of fixed income securities, which normally provide for periodic payment of interest in fixed amounts with principal payments at maturity or on specified call dates. Most mortgage-backed securities, however, are pass-through securities, which means that investors receive payments consisting of a pro rata share of both principal and interest (less servicing and other fees), as well as unscheduled prepayments as loans in the underlying mortgage pool are paid off by the borrowers. Additional prepayments to holders of these securities are caused by prepayments resulting from the sale or foreclosure of the underlying property or refinancing of the underlying loans. As prepayment rates of individual pools of mortgage loans vary widely, it is not possible to accurately predict the average life of a particular mortgage-backed security. Although mortgage-backed securities are issued with stated maturities of up to 40 years, unscheduled or early payments of principal and interest on the mortgages may shorten considerably the securities' effective maturities.

In certain instances, when an independent investment manager, through a separately managed account product or privately sponsored fund, has discretionary authority, such investment manager may invest in the following types of financial instruments:

A.2.m. Options on Indices

An index assigns relative values to the securities included in the index, and the index fluctuates with changes in the market values of the securities included in the index. Index cash options operate in the same way as the more traditional options on securities, except that index options are settled exclusively in cash and do not involve delivery of securities. Thus, upon exercise of index options, the purchaser will realize and the writer will pay an amount based on the differences between the exercise price and the closing price of the index. Options are time sensitive investments that can lose all of their value in a short period of time even if an investor chooses the correct direction of price movement. Generally, they are also leveraged securities that may amplify gains and losses of the underlying security. In the case of an option on an index, it is impossible to hold the underlying asset and makes it more difficult to fully hedge certain risks.

B. Investment Strategy and Method of Analysis Material Risks

B.1. Risk Factors

The following list of risk factors does not purport to be a complete explanation of all potential risks. Prospective clients should read the entire ADV Part 2 before determining whether to invest.

- *Capital Loss* – The possibility of partial or total loss of capital exists when investing in stocks and bonds. Clients should be prepared to bear the consequences of such loss.

- *Fraud* – Premier conducts due diligence reviews of the securities, mutual funds, and exchange-traded funds it recommends. However, due diligence is not a perfect process and may not uncover all problems.
- *Business and Financial Risk* – Individual corporations and money managers may experience rapidly changing business conditions or unforeseen loss of capital, causing that corporation or money manager to have a weak financial condition.
- *Style* – Premier generally uses a specific investment style, which may become in or out of favor in the marketplace. This specific style could result in abrupt changes in a portfolio's market value and could underperform the overall market averages.
- *Capitalization* – Premier generally invests in a specific sub-segment of securities at various levels of capitalization. The performance of this subsection may underperform the overall market averages.
- *Alternative Assets* – Alternative assets present several unique risks, including liquidity risk and counterparty risk.
- *Taxation* – Timing of capital gains, purchases and sales, and changes or modifications to existing tax laws may negatively affect the performance of a client's portfolio.
- *Valuation* – Certain securities or market conditions may make it difficult or impossible to efficiently price securities.
- *Institutional Risk* – Institutions such as brokerage firms, banks, or managed funds will generally have custody of the client's assets. Bankruptcy, fraud, or misrepresentation could impair a client's portfolio.
- *International Investments* – International investing presents unique risks, including currency risk and exposure to foreign investment rules and regulations. Currency exchange rates are highly volatile, and a profitable investment may lose its value because of currency fluctuations.

B.2. Leverage

Although Premier, as a general business practice, does not utilize leverage, there may be instances in which exchange-traded funds, other separate account managers and, in very limited circumstances, Premier will utilize leverage. In this regard please review the following:

The use of leverage enhances the overall risk of investment gain and loss to the client's investment portfolio. For example, investors are able to control \$2 of a security for \$1. So if the price of a security rises by \$1, the investor earns a 100% return on their investment. Conversely, if the security declines by \$.50, then the investor loses 50% of their investment. The use of leverage entails borrowing, which results in additional interest costs to the investor.

Broker-dealers that carry customer accounts require a minimum equity requirement when clients utilize margin leverage. The minimum equity requirement is stated as a percentage of the value of the underlying collateral security with an absolute minimum dollar requirement. For example, if the price of a security declines in value to the point where the excess equity used to satisfy the minimum requirement dissipates, the broker-dealer will require the client to deposit additional collateral to the account in the form of cash or marketable securities. A deposit of

securities to the account will require a larger deposit, as the security being deposited is included in the computation of the minimum equity requirement. In addition, when leverage is utilized and the client needs to withdraw cash, the client must sell a disproportionate amount of collateral securities to release enough cash to satisfy the withdrawal amount based upon similar reasoning as cited above.

Regulations concerning the use of margin leverage are established by the Federal Reserve Board and vary if the client's account is held at a broker-dealer versus a bank custodian. Broker-dealers and bank custodians may apply more stringent rules as they deem necessary.

B.3. Short-Term Trading

Although Premier, as a general business practice, does not utilize short-term trading, there may be instances in which short-term trading may be necessary or an appropriate strategy. In this regard, please read the following:

There is an inherent risk for clients who trade frequently in that high-frequency trading creates substantial transaction costs that in the aggregate could negatively impact account performance.

B.4. Short Selling

Premier generally does not engage in short selling but reserves the right to do so in the exercise of its sole judgment. Short selling involves the sale of a security that is borrowed rather than owned. When a short sale is effected, the investor is expecting the price of the security to decline in value so that a purchase or closeout of the short sale can be effected at a significantly lower price. The primary risks of effecting short sales is the availability to borrow the stock, the unlimited potential for loss, and the requirement to fund any difference between the short credit balance and the market value of the security.

B.5. Option Strategies

Various option strategies give the holder the right to acquire or sell underlying securities at the contract strike price up until expiration of the option. Each contract is worth 100 shares of the underlying security. Options entail greater risk but allow an investor to have market exposure to a particular security or group of securities without the capital commitment required to purchase the underlying security or groups of securities. In addition, options allow investors to hedge security positions held in the portfolio. For detailed information on the use of options and option strategies, please contact the Options Clearing Corporation for the current Options Risk Disclosure Statement.

Premier as part of its investment strategy may employ the following option strategies:

- Covered call writing
- Long call options purchases
- Long put options purchases

B.5.a. Covered Call Writing

Covered call writing is the sale of in-, at-, or out-of-the-money call option against a long security position held in the client portfolio. This type of transaction is used to generate income. It also serves to create downside protection in the event the security position declines in value. Income is received from the proceeds of the option sale. Such income may be reduced to the extent it is necessary to buy back the option position prior to its expiration. This strategy may involve a degree of trading velocity, transaction costs and significant losses if the underlying security has volatile price movement. Covered call strategies are generally suited for companies with little price volatility.

B.5.b. Long Call Option Purchases

Long call option purchases allow the option holder to be exposed to the general market characteristics of a security without the outlay of capital necessary to own the security. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

B.5.c. Long Put Option Purchases

Long put option purchases allow the option holder to sell or “put” the underlying security at the contract strike price at a future date. If the price of the underlying security declines in value, the value of the long put option increases. In this way long puts are often used to hedge a long stock position. Options are wasting assets and expire (usually within nine months of issuance), and as a result can expose the investor to significant loss.

B.6. Technical Trading Models

Technical trading models are generally mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, generally attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance.

C. Security-Specific Material Risks

There is an inherent risk for clients who have their investment portfolios heavily weighted in one security, one industry or industry sector, one geographic location, one investment manager, one type of investment instrument (equities versus fixed income). Clients who have diversified portfolios, as a general rule, incur less volatility and therefore less fluctuation in portfolio value than those who have concentrated holdings. Concentrated holdings may offer the potential for higher gain, but also offer the potential for significant loss.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

There is nothing to report on this item.

B. Administrative Enforcement Proceedings

There is nothing to report on this item.

C. Self-Regulatory Organization Enforcement Proceedings

There is nothing to report on this item.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Representative Registration

Premier neither has an affiliate broker-dealer nor is in process of registering an affiliate as a broker-dealer.

B. Futures or Commodity Registration

Neither Premier nor its affiliates are registered as a commodity firm, futures commission merchant, commodity pool operator or commodity trading advisor and do not have an application to register pending.

C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Premier does not currently have any material relationships that create a conflict of interest.

D. Recommendation or Selection of Other Investment Advisors and Conflicts of Interest

Premier does not receive any non de-minimis remuneration from advisers, investment managers, or other service providers that it recommends to clients. Direct monetary compensation, in any amount, is considered non de-minimis.

Item 11: Code of Ethics

Premier Asset Management LLC Code of Ethics

A. General

The Code of Ethics is predicated on the principle that Premier Asset Management LLC ("Premier" or the "firm"), as well as all of the firm's officers, directors, employees, and independent contractors (hereinafter collectively referred to as "personnel"), owes a fiduciary duty to its clients. It is the responsibility of all personnel to ensure that the firm conducts its business with the highest level of ethical standards and in keeping with its fiduciary duties to its clients.

The firm and its personnel must avoid activities, interests, and relationships that run contrary to (or appear to run contrary to) the best interests of clients. At all times, personnel will be mindful to:

- **Place client interests ahead of the firm's.** As a fiduciary, the firm will serve in its clients' best interests. In other words, neither the firm nor its personnel may benefit at the expense of its clients.
- **Engage in personal investing that is in full compliance with the firm's Code of Ethics and Insider Trading Policies.** Personnel must review and abide by the firm's Code of Ethics and Insider Trading Policies, copies of which are provided to all applicable personnel at the commencement of their relationship with the firm and at least annually thereafter.
- **Avoid taking advantage of their position.** Personnel must not accept investment opportunities, gifts, or other gratuities from individuals seeking to conduct business with the firm or on behalf of an advisory client, unless in compliance with the firm's policies.
- **Maintain full compliance with federal securities laws.** Personnel must abide by the standards set forth in Rule 204A-1 under the Advisers Act and maintain full compliance with all other applicable federal securities laws.

Any questions with respect to the firm's Code of Ethics should be directed to the Chief Compliance Officer. As discussed in greater detail below, personnel must promptly report any violations of the Code of Ethics to the Chief Compliance Officer.

B. Risks

In developing this policy and the procedures related thereto, the firm considered the potential material risks that may give rise to a conflict of interest or a breach of its fiduciary duties. This analysis included an assessment of potential issues such as the following:

- Personnel engage in an abuse of access to non-public information (e.g., trading ahead of a client; passing information to others for their personal trading use).
- Personnel cherry pick clients' trades, systematically moving profitable trades to a personal account and leaving less profitable trades in client accounts.

- Personnel engage in an excessive volume of personal trading (as determined by the Chief Compliance Officer) that detracts from their ability to perform services for clients.
- Personnel take advantage of their position by accepting excessive gifts or other gratuities (including access to IPO investments) from individuals seeking to do business with the firm.
- Personnel engage in personal trading activity that does not comply with certain provisions of Rule 204A-1 under the Advisers Act.
- Personnel serve as a trustee and/or director of an outside organization(s) without prior review and approval of the Chief Compliance Officer. Non Profit organizations do not require prior approval.

The firm has established the following guidelines as an attempt to mitigate these risks.

C. Guiding Principles & Standards of Conduct

All personnel will act with competence, dignity, integrity, and in an ethical manner when dealing with clients, the public, prospects, and third-party service providers. The following set of principles frames the professional and ethical conduct that the firm expects from its personnel:

- Place the integrity of the investment profession, the interests of clients, and the interests of the firm above one's own personal interests.
- Adhere to the fundamental standard that one should not take inappropriate advantage of one's position.
- Avoid any actual or potential material conflict of interest.
- Conduct all personal securities transactions and activities in a manner consistent with this policy.
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.
- Practice and encourage others to practice in a professional and ethical manner that will reflect favorably on them and the profession.
- Promote the integrity of and uphold the rules governing capital markets.
- Maintain and improve one's professional competence and strive to maintain and improve the competence of other investment professionals.
- Comply with applicable provisions of federal and state securities laws and any related regulations.

D. Personal Security Transaction Policy

Rule 204A-1 under the Advisers Act requires all Access Persons to report, and the firm's Chief Compliance Officer or designee to review, their personal securities transactions and holdings periodically as provided below. Rule 204A-1 under the Advisers Act defines an "Access Person" as any supervised person:

- who has access to nonpublic information regarding any client's purchase or sale of securities, or nonpublic information regarding the portfolio holdings of any "Reportable Fund," as defined below; or
- who is involved in making securities recommendations to clients; or
- who has access to such recommendations that are nonpublic; and
- the firm's directors and officers.

A "Reportable Fund" is any fund (i) for which the firm serves as an investment adviser as defined in Section 2(a)(20) of the Investment Company Act of 1940; or (ii) whose investment adviser or principal underwriter controls the firm, is controlled by the firm, or is under common control with the firm. For these purposes, "control" has the same meaning as it does in Section 2(a)(9) of the Investment Company Act of 1940.

Access Persons are subject to the firm's Personal Securities Transaction Policy and related procedures. Access Persons may not purchase or sell any security in which they have a beneficial interest unless the transaction complies with the Personal Securities Transaction Policy as set forth below. Access Persons are identified on Exhibit 1 to this Code of Ethics Policy.

D.1. Trade Pre-Clearance Procedures

Access Persons shall not be required to obtain prior approval from the manager or designee for any personal trading activity except the following: 1. Any transactions of publicly traded companies where amount of shares represent greater than 1% of the 30 day average volume.

2. Any participation in limited offerings and initial public offerings ("IPOs"). All pre-clearance requests must be submitted to the manager or designee in writing or via electronic mail for review and approval. The Access Person cannot effect a securities transaction subject to the trade pre-clearance until approval has been granted by the manager or designee.

D.2. Reportable Securities

The firm requires its Access Persons to provide periodic reports (see the Reporting section under this Codes of Ethics) regarding transactions and holdings in any security, except that Access Persons are not required to report the following exempted securities:

- Direct obligations of the government of the United States
- Bankers' acceptances, bank certificates of deposit, commercial paper, and high-quality short-term debt instruments, including repurchase agreements
- Shares issued by money market funds
- Shares issued by open-end mutual funds other than reportable funds
- Shares issued by unit investment trusts that are invested exclusively in one or more open-end fund, none of which are reportable funds.
- Interests in limited partnerships such as Hedge Funds and Private Equity.

Note: This exemption does not apply to shares of open-end mutual funds that are advised by the firm (or an affiliate) or are otherwise affiliated with the firm (or an affiliate). Access Persons must report any personal transaction in a reportable fund.

D.3. Duplicate Copies

To best address the reporting requirements described below, Access Persons should arrange for their brokers/custodians to furnish the firm's Chief Compliance Officer with duplicate account statements and/or brokerage confirmations. Access persons are not required to submit statements or holdings reports if their security accounts are held at a custodian where the firm has viewership rights via their master account.

D.4. Reporting

To maintain compliance with Rule 204A-1 under the Advisers Act, the firm must collect the following three reports from its Access Persons that include transaction and holding information regarding the personal trading activities of the Access Persons.

D.4.a. Quarterly Transaction Reports

Access Persons shall be required to report all securities transactions that they have made in securities accounts during the quarter, as well as any new securities accounts that they have opened during the quarter. In order to fulfill this reporting requirement, Access Persons may instruct their broker-dealers, banks, and/or investment companies to send to the Chief Compliance Officer duplicate trade confirmations and/or account statements not later than 30 days after the end of each calendar quarter.

Transaction reports must include the following information:

- The date of the transaction, the title, and as applicable the exchange ticker symbol or CUSIP number, interest rate and maturity date, number of shares, and principal amount of each reportable security involved;
- The nature of the transaction (i.e., purchase, sale, or any other type of acquisition or disposition);
- The price of the security at which the transaction was effected;
- The name of the broker, dealer or bank with or through which the transaction was effected; and
- The date the access person submits the report.

Note: Access Persons are reminded that they must also report transactions and accounts of members of their immediate family, including spouse, children, and other members of the household, in accounts over which the Access Person has direct or indirect influence or control.

D.4.b. Initial and Annual Holdings Reports

New Access Persons are required to report all of their securities and securities accounts not later than 10 days after becoming an employee of the firm. All holdings reports must contain information that is current as of a date not more than 45 days prior to the date the person becomes an employee. Upon opening any new personal securities accounts, employees must complete the notification form. Employees must also either make arrangements to send duplicate statements to the firm or complete the quarterly and annual holdings reports.

Access Persons are required to provide the Chief Compliance Officer with a complete list of securities and securities accounts on an annual basis, or on or before February 14 of each year. The report shall be current as of December 31.

Access Persons are required to submit their brokerage/custodial statements to the Chief Compliance Officer in order to fulfill the initial and annual holding requirements. However, Access Persons must be certain that their brokerage/custodial statements include at a minimum:

- The title and type of security;
- As applicable depending on the type of security, the exchange ticker symbol or CUSIP number, number of shares, and principal amount of each security;
- The name of any broker, dealer, investment company, or bank with which the Access Person maintains an account in which any security is held for the Access Person's direct or indirect benefit; and
- The date in which the Access Person submits the report.

Note: Access Persons must report their beneficial interest in any securities accounts, that holds covered securities. The Chief Compliance Officer must be made aware of all applicable securities accounts owned by Access Persons.

D.4.c. Exceptions from Reporting Requirements

There are limited exceptions from certain of the three reporting requirements noted above. Specifically, Access Persons are not required to comply with the following:

- Quarterly transaction reporting for any transactions effected pursuant to an automatic investment plan.
- Any of the three reporting requirements with respect to securities held in securities accounts over which applicable Access Persons had no direct or indirect influence or control. Note, however, that the Chief Compliance Officer may request that the Access Person provide documentation to substantiate that such Access Person had no direct or indirect influence or control over the securities account (e.g., investment advisory agreement, etc.).

The Chief Compliance Officer will determine on a case-by-case basis whether an account qualifies for either of the aforementioned exceptions.

E. Trading and Review

The firm's Personal Securities Transaction Policy is designed to not only ensure its technical compliance with Rule 204A-1, but also to mitigate any potential material conflicts of interest associated with Access Persons' personal trading activities. Accordingly, the firm will monitor Access Persons' investment patterns to detect abuses, which may include but is not limited to trading in companies included on the Restricted and Watch Lists.

The firm strictly forbids "front-running" client accounts, which is a practice generally understood to be Access Persons personally trading ahead of client accounts. If the firm discovers that one of its Access Persons is personally trading contrary to the policies set forth above, the Access

Person shall meet with the Chief Compliance Officer to review the facts surrounding the transactions.

F. Reporting Violations and Remedial Actions

The firm takes the potential for conflicts of interest caused by personal investing very seriously. As such, the firm requires its Access Persons to promptly report any violations of the Code of Ethics to the Chief Compliance Officer. The Chief Compliance Officer is aware of the potential matters that may arise as a result of this requirement and shall take action against any Access Person that seeks retaliation against another for reporting violations of the Code of Ethics.

If any violation of the firm's Personal Securities Transaction Policy is determined to have occurred, the Chief Compliance Officer may impose sanctions and take such other actions including, without limitation, the following:

- Requiring that the trades in question be reversed
- Requiring the disgorgement of profits or gifts
- Issuing a letter of caution or warning
- Issuing a suspension of personal trading rights or suspension of employment (with or without compensation)
- Imposing a fine
- Making a civil referral to the SEC
- Making a criminal referral
- Terminating employment for cause
- Any combination of the foregoing

All sanctions and other actions taken shall be in accordance with applicable employment laws and regulations. Any profits or gifts forfeited shall be paid to the applicable client(s), if any, or given to a charity, as the Chief Compliance Officer shall determine is appropriate.

G. Confidentiality

Access Persons are prohibited from revealing information relating to the investment intentions, activities, or portfolios of advisory clients except to persons whose responsibilities require knowledge of the information.

H. Privacy of Client Information

Neither the firm nor any of its personnel should disclose any nonpublic personal information about a client to any nonaffiliated third party unless the client expressly gives permission to the firm to do so. All investment advisory agreements, if applicable, should include express permission to the firm to share certain nonpublic information with nonaffiliated third parties for purposes of performing the firm's services and assisting in the implementation of a client's financial plan.

I. Firm Opportunities

Personnel may not take personal advantage of any opportunity properly belonging to any advisory client or the firm. This includes, but is not limited to, acquiring reportable securities for one's own account that would otherwise be acquired for an advisory client.

J. Undue Influence

Access Persons shall not cause or attempt to cause any advisory client to purchase, sell, or hold any security in a manner calculated to create any personal benefit to such Access Person. If an Access Person stands to benefit from an investment decision for an advisory client that the Access Person is recommending or participating in, the Access Person must disclose to those persons with authority to make investment decisions for the advisory client the full nature of the beneficial interest that the Access Person has in that security, any derivative security of that security or the security issuer, where the decision could create a material benefit to the Access Person or the appearance of impropriety. The person to whom the Access Person reports the interest, in consultation with the Chief Compliance Officer, must determine whether or not the Access Person will be restricted in making investment decisions with respect to the subject security.

Item 12: Brokerage Practices

A. Factors Used to Select Broker-Dealers for Client Transactions

A.1. Custodian Recommendations

Premier may suggest that clients establish brokerage accounts with a variety of custodians, depending on client needs, to maintain custody of clients' assets and to effect trades for their accounts. Although Premier may assist clients in determining the positive and negative attributes of certain custodians, it is the client's sole decision to custody assets with the custodian. Premier is independently owned and operated and not affiliated with any custodian.

For Premier clients' accounts, the custodian may or may not charge separately for custody services, but may be compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the custodian or that settle into the custodian's accounts.

In certain instances and subject to approval by Premier, Premier will recommend to clients certain broker-dealers and/or custodians based on the needs of the individual client, taking into consideration the nature of the services required, the experience of the broker-dealer or custodian, the cost and quality of the services, and the reputation of the broker-dealer or custodian. The final determination to engage a broker-dealer or custodian suggested by Premier will be made by and in the sole discretion of the client. The client recognizes that broker-dealers and/or custodians have different cost and fee structures and trade execution capabilities. As a result, there may be disparities with respect to the cost of services and/or the transaction prices for securities transactions executed on behalf of the client. Clients are responsible for assessing the commissions and other costs charged by broker-dealers and/or custodians.

A.1.a. Soft Dollar Arrangements

Premier may receive research and services provided by broker-dealers from third-party vendors or by requesting that a broker-dealer step-out client trades or pay research credits to or invoices from broker-dealers or vendors who produce research products or services.

Premier may also trade directly with a broker-dealer who produces research or brokerage services. Selection of these broker-dealers is not made pursuant to an agreement; however, Premier generally utilizes an internal allocation procedure to identify those brokers or dealers who produce research or services that are provided to Premier and endeavors to direct sufficient research credits generated by its clients' accounts to such brokers or dealers to ensure the continued receipt of the research and services that Premier believes are valuable. While Premier does incur direct expenses for research, to the extent Premier utilizes client transactions to obtain information Premier might otherwise acquire at its own expense, Premier may have an incentive to place a greater volume of transactions or pay higher commissions.

The research and brokerage services provided to Premier may be proprietary or produced by third parties. The research and brokerage services are used by Premier in making investment

decisions or trading for client accounts and constitute advice, either directly or through publications or writings, as to the value of securities, the advisability of investing, purchasing, or selling securities, and the availability of securities or purchasers and sellers of securities. They include analysis and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategies, and meetings where corporate executives are present to provide information on the performance of their companies. They may also include statistical analysis, data and data services, software and computer programs utilized for research and portfolio analysis, trade analytics, market research, and brokerage services relating to execution, clearing, and settlement of transactions. In some cases, products and services may be provided to Premier that constitute both (i) research and brokerage services and (ii) services used for administrative or other functions not related to the investment decision-making or brokerage processes. In such cases, the allocation will generally be made on the basis of the percentage of time devoted to Premier's use of the product for research vs. non-research applications, or such other appropriate measure of the value of the product for each use as the Compliance Officer determines to be appropriate, both initially and upon subsequent periodic review.

Research products or services provided by brokers may be used in servicing any or all of the clients of Premier, and such research products or services may not necessarily be used by Premier in connection with the accounts that paid commissions to the brokers providing such products or services. For various reasons, including differing investment strategies and directed brokerage arrangements, products and services may benefit clients that do not execute transactions generating research or brokerage credits. Brokerage for a related party account and the firm's capital account is directed to a broker providing custody for the accounts; these accounts do not generate research or brokerage credits. Clients that direct brokerage may establish commission recapture programs where services are received directly by the client account in return for brokerage generated by that account.

As indicated above, individual clients may direct Premier (subject to certain conditions which may from time to time be imposed by Premier) to effect portfolio transactions through specific brokers or dealers. A client who chooses to direct the use of a particular broker or dealer should consider whether such a direction may result in certain costs or disadvantages to the client, either because the client may pay higher commissions on some transactions than might otherwise be obtainable by Premier, or may receive less favorable executions on some transactions, or both. The ability of Premier to negotiate commission rates with directed brokers will be limited. A client who directs brokerage may also be subject to the disadvantages discussed in Item 12.B.3 below regarding aggregation of orders. In determining whether to instruct Premier to utilize a particular broker or dealer, the client may wish to compare the possible costs or disadvantages of such an arrangement with the value of the services provided.

A.1.b. Institutional Trading and Custody Services

Custodians may provide Premier with access to their institutional trading and custody services, which are typically not available to the custodians' retail investors. These services are generally available to independent investment advisors on an unsolicited basis, at no charge to them so

long as a certain minimum amount of the advisor's clients' assets are maintained in accounts at the custodian. Custodians' brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or that would require a significantly higher minimum initial investment.

A.1.c. Other Products and Services

Custodians also make available to Premier other products and services that benefit Premier but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Premier's accounts, including accounts not maintained at the custodian. Custodians may also make available to Premier software and other technology that

- provide access to client account data (such as trade confirmations and account statements)
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- provide research, pricing and other market data
- facilitate payment of Premier's fees from its clients' accounts
- assist with back-office functions, recordkeeping and client reporting

Custodians may also offer other services intended to help Premier manage and further develop its business enterprise. These services may include

- compliance, legal and business consulting
- publications and conferences on practice management and business succession
- access to employee benefits providers, human capital consultants and insurance providers

Custodians may also provide other benefits such as educational events or occasional business entertainment of Premier personnel. In evaluating whether to recommend that clients custody their assets at the custodian, Premier may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers, and not solely the nature, cost or quality of custody and brokerage services provided by the custodian, which may create a potential conflict of interest.

A.1.d. Independent Third Parties

Custodians may make available, arrange, and/or pay third-party vendors for the types of services rendered to Premier. Custodians may discount or waive fees it would otherwise charge for some of these services or all or a part of the fees of a third party providing these services to Premier.

A.2. Brokerage for Client Referrals

Premier does not intentionally engage in the practice of directing brokerage commissions in exchange for the referral of advisory clients.

A.3. Directed Brokerage

A.3.a. Premier Recommendations

Premier, if requested by a client, may recommend a variety of custodians for client's funds and securities and to execute securities transactions depending on the needs of the client.

A.3.b. Client-Directed Brokerage

Occasionally, clients may direct Premier to use a particular broker-dealer to execute portfolio transactions for their accounts or request that certain types of securities not be purchased for their accounts. Clients who designate the use of a particular broker-dealer should be aware that they will lose any possible advantage Premier derives from aggregating transactions. Premier loses the ability to aggregate trades with other Premier advisory clients, potentially subjecting the client to inferior trade execution prices as well as higher commissions.

B. Aggregating Securities Transactions for Client Accounts

B.1. Best Execution

As an investment advisor, the firm has a fiduciary relationship to its clients. One of the specific duties that flow from this relationship is a duty to seek the best execution of client securities transactions when the advisor is in a position to direct brokerage transactions. While not defined by statute or regulation, "best execution" generally means the execution of client trades at the best net price considering all relevant circumstances. It is the firm's policy to always seek best execution for client securities transactions. To the extent the firm trades with various executing broker-dealers, please note the following:

B.1.a. Selection of Broker-Dealers

The following factors will generally be considered when selecting broker-dealers that may execute advisory trades (the "approved broker-dealers"):

- Input from portfolio managers, traders, and others
- Establishing an acceptable commission range for trades
- Information about the commissions paid over the previous quarters, including to the extent whether the commissions exceeded the acceptable, pre-established range and the circumstances that caused the deviation
- Statistical and other information from consultants and vendors on the execution capabilities of broker-dealers

B.1.b. Factors Considered When Placing a Trade

The portfolio manager or trader customarily seeks the following when placing a trade with a particular broker-dealer:

- *Speed of execution:* The trader will exercise reasonable discretion in attempting to achieve the best execution.

- *Price improvement*: Select broker-dealers that generally route orders of OTC and listed securities to market makers and/or market centers where opportunities for price improvement exist.
- *Size improvement*: Select broker-dealers that generally execute trades in markets that provide the greatest liquidity and thus potential for execution of orders larger than the size quoted in the NBBO.
- *Commissions and fees*: Select broker-dealers that generally charge competitive commissions. The Firm will also take into account 'trade away' fees charged by a client's custodian.
- *Research and soft dollars*: Consider broker-dealers that generally provide research and brokerage services pursuant to soft dollar arrangements, provided such arrangements comply with procedures set forth in this brochure.
- *Quality of overall execution services*: Select broker-dealers that generally execute trades in an accurate and professional manner, including providing prompt and accurate oral, hard copy, or electronic reports of execution. Number of incomplete trades the broker-dealer has made in the past will be considered.
- *Expertise*: Generally select one broker-dealer over another qualified broker-dealer if the former broker-dealer has special expertise in executing trades for a particular type of security.
- *Financial condition*: Generally select broker-dealers only if they are in sound financial condition and can maintain and commit adequate capital when necessary to complete trades. In addition, the broker-dealer's ability and overall commitment to technology will be considered.
- *Skill*: Generally select highly skilled broker-dealers based on such factors as the broker-dealer's ability to search for and obtain liquidity to minimize market impact, accommodate unusual market conditions, complete trades, execute unique trading strategies, execute and settle difficult trades, and maintain the anonymity of the firm.
- *Conflicts of interest*: When selecting broker-dealers to execute fund trades, the firm will be sensitive to the following conflicts of interest and where necessary shall address such conflicts by disclosure or other appropriate action:
 - Receiving soft dollars from a broker-dealer

B.2. Security Allocation

Since Premier may be managing accounts with similar investment objectives, the firm may aggregate orders for securities for such accounts. In such event, allocation of the securities so purchased or sold, as well as expenses incurred in the transaction, is made by Premier in the manner it considers to be the most equitable and consistent with its fiduciary obligations to such accounts. Such aggregate orders may include transactions for accounts for employee benefit plans and private investment vehicles, such as limited partnerships or limited liability companies, in which Premier, its affiliates, principals or employees are among the investors.

Premier's allocation procedures generally seek to allocate investment opportunities among clients in the fairest possible way, taking into account clients' best interests. Premier will follow procedures to ensure that allocations do not involve a practice of favoring or discriminating against any client or group of clients. One such procedure ensures that a single "strategy" trade executed across multiple brokers are placed with those brokers in a sequence determined by a random number generator. Account performance is not a factor in trade allocations.

Premier's advice to certain clients and entities and the action of the firm for those and other clients are frequently premised not only on the merits of a particular investment, but also on the suitability of that investment for the particular client in light of his or her applicable investment objective, guidelines, and circumstances. Thus, any action of Premier with respect to a particular investment may, for a particular client, differ or be opposed to the recommendation, advice, or actions of the firm to or on behalf of other clients.

B.3. Order Aggregation

Orders for the same security entered on behalf of more than one client will generally be aggregated (i.e., blocked or bunched) at each custodian and/or broker, subject to the aggregation being in the best interests of all participating clients. Subsequent orders for the same security entered during the same trading day may be aggregated with any previously unfilled orders. Subsequent orders may also be aggregated with filled orders if the market price for the security has not materially changed. All clients participating in each aggregated order will receive the average price at each executing broker. Minimum ticket charges or commission rates may vary by account size and/or executing broker.

To minimize performance dispersion, "strategy" trades should generally be aggregated and average priced at each executing broker. There will be times when a particular trade meets the objective of only one account. In such instances the order will not be aggregated with other accounts. This is true even if Premier believes that a larger size block trade would lead to best overall price for the security being transacted.

B.4. Allocation of Trades

All equity allocations will customarily be made prior to the close of business on the trade date. Bond allocations will be completed by trade date +1 and will not use account performance as a factor in the allocation. In the event an order is "partially filled," the allocation will be made in the best interests of all the clients in the order, taking into account all relevant factors including, but not limited to, the size of each client's allocation, trading expenses, clients' liquidity needs, and previous allocations. When allocating a partially filled order, it is generally assumed that the unfinished portion will subsequently be filled. Therefore, our intent is then to (i) limit client trading expenses, and (ii) fill orders on a pro rata basis. This policy also applies if an order is "over-filled." The firm, however, generally does not participate in new issues or IPO transactions.

Item 13: Review of Accounts

A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Portfolio managers conduct portfolio reviews on an annual basis, or more often based on the nature of the investment strategy.

B. Review of Client Accounts on Non-Periodic Basis

Premier may perform ad hoc reviews on an as-needed basis if there have been material changes in the client's investment objectives or risk tolerance, or a material change in how Premier formulates investment advice.

C. Content of Client-Provided Reports and Frequency

The client's independent custodian provides regular account statements directly to the client. The custodian's statement is the official record of the client's account and supersedes any statements or reports created on behalf of the client by Premier.

Item 14: Client Referrals and Other Compensation

A. Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

Premier receives research-related products and services from the broker-dealers and third-party execution firms it recommends. As such, Premier receives research-related products services for which it receives a benefit it may not directly pay for. This includes both proprietary and third-party research from Yardeni Research, Louise Yamada Technical Research Advisors, 13D Asset Allocation & Investment Research, William Blair, Strategas, Vermillion Technical Research, Ned Davis Research, Birinyi Associates Newsletter, Charles Schwab CyberTrader Pro Institutional, William O'Neil's Wonda: Datagraphs for Global Markets, Renmac, and ISI Macro & Fundamental Research.

Specifically, Premier has received research products and services related to economic analysis, market timing, fundamental and technical securities analysis, and manager due diligence. As a result, Premier may have an incentive to select or recommend a broker-dealer or third party providing them. In some cases, the commission clients pay is higher than the commission charged by other broker-dealers or third-party execution firms. Not all investment advisers require clients to direct brokerage. Premier applies the benefits of any independent or proprietary research it receives to all clients regardless of assets under management and does not seek to allocate benefits proportionately. Therefore, some clients may benefit disproportionately from these practices.

B. Advisory Firm Payments for Client Referrals

Premier does not make payment for client referrals.

Item 15: Custody

Clients will receive at least quarterly account statements directly from their custodian containing a description of all activity, cash balances and portfolio holdings in the client's account. Premier urges its clients to compare the account balance(s) shown on any materials prepared by Premier to the information shown on the client's custodian's statement. The custodian's statement is the official record of the account.

Item 16: Investment Discretion

Clients may grant a limited power of attorney to Premier with respect to trading activity in their accounts by signing the appropriate custodian limited power of attorney form. In those cases, Premier may exercise full discretion as to the nature and type of securities to be purchased and sold, the amount of securities for such transactions, the amount of commissions to be paid, and the executing broker to be used. Investment limitations may be designated by the client as outlined in the investment advisory agreement.

Item 17: Voting Client Securities

Premier, as an SEC-registered investment adviser, often has voting power with respect to securities in client accounts. When Premier has proxy voting power with respect to securities in a client's account, it owes certain fiduciary duties with respect to the voting of proxies. These fiduciary duties include (i) the duty of care, which requires Premier to monitor corporate events and to vote the proxies; and (ii) the duty of loyalty, which requires Premier to vote proxies in a manner consistent with the best interests of the client and to put the client's interests before Premier's own interests.

In keeping with its fiduciary duties, Premier has adopted a Proxy Voting Policy, which sets forth the firm's policies and procedures designed to ensure that it votes each client's securities in the best interest of the client. Premier will be authorized to take action and render any advice with respect to the voting of proxies for securities held in the client's account. Premier will make an independent valuation for each applicable company held in the client's account in accordance with its fiduciary obligations as detailed in this policy. Clients may contact Premier for information about how the firm voted with respect to any of the securities held in their accounts.

Except as required by applicable law, Premier will not be obligated to render advice or take any action on behalf of clients with respect to assets presently or formerly held in their accounts that become the subject of any legal proceedings, including bankruptcies. From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. Premier has no obligation to determine if securities held by the client are subject to a pending or resolved class action lawsuit. Premier also has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, Premier has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients. Where Premier receives written or electronic notice of a class action lawsuit, settlement, or verdict affecting securities owned by a client, it will forward all notices, proof of claim forms, and other materials to the client. Electronic mail is acceptable where appropriate and where the client has authorized contact in this manner.

As a general rule, Premier will vote all proxies relating to a particular proposal the same way for all client accounts holding the security in accordance with Premier's Proxy Voting Policy, unless a client specifically instructs Premier in writing to vote such client's securities otherwise. When making proxy voting decisions, Premier may seek advice or assistance from third-party consultants, such as proxy voting services or legal counsel.

A copy of Premier Proxy Voting Policy will be provided upon receipt of a written request.

Item 18: Financial Information

A. Balance Sheet

Premier does not require the prepayment of fees of \$1,200 or more, six months or more in advance, and as such is not required to file a balance sheet.

B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Premier does not have any financial issues that would impair its ability to provide services to clients.

C. Bankruptcy Petitions During the Past Ten Years

There is nothing to report on this item.