

Item 1 Cover Page

Lockwood Advisors, Inc.

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Firm Brochure

Form ADV Part 2A

(as of September 8, 2017)

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

Additional information about Lockwood Advisors, Inc. is available on the SEC’s website at www.adviserinfo.sec.gov.

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

Item 2 Material Changes

Following is a summary of any material changes Lockwood has made to this this Firm Brochure (the “Brochure”) since the last annual update of this Brochure dated March 30, 2017:

The Brochure was updated with the addition of the Command Sponsor SMA Models Program and the Lockwood/American Funds Core Portfolios.

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Item 4 Advisory Business

A. About Lockwood

Lockwood was organized in 1995 and opened for business in the summer of 1996. It is registered with the SEC as an investment adviser. In 2002, The Bank of New York Company, Inc. acquired Lockwood. Lockwood is now an indirect, wholly-owned subsidiary of The Bank of New York Mellon Corporation (“BNY Mellon”), a publicly-owned company. Lockwood does not have any offices located outside of the United States.

1. Programs Sponsored by Lockwood

Lockwood, in general, offers its portfolio management services in various wrap programs. Lockwood serves as the sole wrap fee program sponsor (“Sponsor”) in its Managed Account Advisor (“MAA”), Lockwood Sponsored Program (“LSP”) and Managed360 offerings, each of which is described in a separate Form ADV, Part 2A, Appendix 1 Wrap Fee Brochure (“Wrap Fee Brochure”). For most of the accounts in these programs, the custodian is an affiliate of Lockwood, Pershing LLC (“Pershing”), which is a SEC registered broker-dealer and a member of the Financial Industry Regulatory Authority (“FINRA”), the Securities Investor Protection Corporation and the New York Stock Exchange. In addition, Lockwood works with certain third-party investment advisory firms that serve as a co-sponsor with Lockwood in a wrap fee program (the “Co-Sponsored Programs”), as described in a separate Lockwood Wrap Fee Brochure.

In each of these wrap fee programs (the “Lockwood Wrap Programs”), Lockwood provides services to financial planners, certified public accountants, broker-dealers, registered investment advisers, and other financial advisors (“Firms” or “Firm” in the singular) which, in turn, provide investment advice and consulting services to their clients (“Clients”). Information about Lockwood’s fees and services, including its portfolio management services that are available in the wrap fee programs is described in each applicable Wrap Fee Brochure.

2. Programs Sponsored by Third-Parties and Dual Contract Programs

Lockwood offers its portfolio management services on platforms where a third-party broker-dealer or investment adviser serves as the Sponsor of the wrap program. First, Lockwood offers portfolio management services through Lockwood’s Managed Account Command platform (“Command”). In Command, Lockwood provides administrative services to the Sponsors and certain Sponsors have selected Lockwood to provide portfolio management services to certain of their Clients. In Command, Pershing serves as the custodian. Client level advice is generally performed by an employee, agent, affiliate or other delegated persons of the Sponsor (collectively, “Consultants”). (Lockwood is not the Sponsor in Command.) Each third-party Sponsor’s wrap fee program is described in their Wrap Fee Brochure.

3. The Portfolio Management Services

This brochure (the “Brochure”) describes Lockwood’s discretionary portfolio management services (collectively, the “Products”) it provides to the clients of third-party Firms, where Lockwood does not also serve as a wrap sponsor. More information about the portfolio management services is in Item 8 of the Brochure. A brief description of each of the Products follows:

AdvisorFlex Portfolios (“AFP”) is a flexible mutual fund and exchange-traded fund (“ETF”) wrap account product available in Command.

Lockwood Investment Strategies (“LIS”) is a fixed unified managed account (“UMA”) product available in Command.

Lockwood’s WealthStart Portfolios (“WealthStart”) is a turnkey mutual fund and ETF wrap product with a low minimum account size;

Lockwood Asset Allocation Portfolios (“LAAP”) is a fixed mutual fund and ETF wrap account product available in Command.

The *Lockwood/American Funds Core Portfolios* are a mutual fund and ETF wrap product constructed using American Funds mutual funds.

In the *Third Party Model Providers* product, Lockwood provides you with access to asset allocation models (each a “Model”) generated by third party model providers (“Third Party Model Providers”). Third Party Model Providers are available in Command, although the availability of specific Third Party Model Providers may vary by program and Sponsor.

In Command, Lockwood may also serve as the overlay manager with respect to a Sponsor’s UMA program (“Command Sponsor UMA Program”) or as portfolio manager with respect to a Sponsor’s SMA program using model portfolios from third party money managers selected by the Sponsor (“Command Sponsor Model Based SMA Program”).

LIS, AFP, WealthStart, LAAP, the Lockwood/American Funds Core Portfolios and the Third Party Model Providers are also available in certain Lockwood Wrap Programs.

4. Institutional Advice

Lockwood provides investment advice to financial intermediaries, including research on mutual funds and exchange-traded funds.

5. FundVest 200

Lockwood provides investment advice to its affiliate, Pershing, relating to FundVest 200. FundVest 200 is a research-driven list of no-transaction fee (NTF) mutual funds available through Pershing. Lockwood does not provide advice to end investors using FundVest 200.

Certain mutual fund companies that comprise the universe of mutual funds considered for inclusion in FundVest 200, their investment advisers and/or sub-advisers, are affiliates of Lockwood. The relationship of the mutual fund company, investment adviser and/or sub-adviser with BNY Mellon is not a factor that Lockwood considers when selecting mutual funds for the FundVest 200 list.

Lockwood may make decisions regarding inclusion of funds in FundVest 200 that differ from decisions regarding funds included in other products or programs managed by Lockwood.

B. Lockwood Managed Client Account Customization

Your account is tailored to your specific individual investment goals and objectives. After your Consultant collects financial and personal information from you, you and your Consultant decide on an asset allocation strategy. Certain Consultants may use software and research provided by Lockwood to assist you in identifying your goals.

C. Requirements for Investment Restrictions

You may put reasonable restrictions on the types of securities to be bought and sold in your account. However, Lockwood may determine that it cannot accept your requested restriction, in its sole discretion.

D. Differences in Wrap and Non-Wrap Services

The Products are generally only offered under wrap fee programs and dual contract programs. In a wrap program, Lockwood's advisory fees are disclosed and Lockwood receives its proportion of the total fee. In a dual contract program, Lockwood enters into a contract with each client and Lockwood's fee is described in the contract.

E. Client Assets Under Management

As of December 31, 2016, Lockwood managed \$6.897 billion in client assets on a discretionary basis and \$0 in assets on a non-discretionary basis.

Item 5 Fees and Compensation

Your total fee will vary depending on the services you select. Typically, your total fee will include the Sponsor fee (if applicable), Lockwood advisory fee, Sub-Adviser fee (if applicable), the administrative fee, clearing and custody fee and Consultant fee, as described below. Fees are calculated as an annual percentage of assets based on the value of the account.

In evaluating a wrap program, Clients should consider a number of factors. A Client may be able to obtain some or all of the services available through a particular wrap fee program on an “unbundled” basis through the program sponsor or through other firms and, depending on the circumstances, the aggregate of any separately paid fees may be lower (or higher) than the single, all-inclusive fee charged in the wrap fee program. Payment of an asset-based fee may or may not produce accounting, bookkeeping or income tax results that differ from those resulting from the separate payment of (i) securities commissions and other execution costs on a trade-by-trade basis and (ii) advisory fees. Any securities or other assets used to establish a wrap fee program account may be sold, and the Client will be responsible for payment of any taxes due. Lockwood recommends that each Client consult with his or her tax adviser or accountant regarding the tax treatment of wrap fee program accounts.

Lockwood reserves the right, in its sole discretion, to negotiate or modify (either up or down) the basic fee schedules set forth herein for any Client due to a variety of factors, including but not limited to: the level of reporting and administrative operations required to service an account, the investment strategy or style, the number of portfolios or accounts involved, and/or the number and types of services provided to the Client. Because Lockwood’s fees are negotiable, the actual fee paid by any Client or group of Clients may be different from the fees reflected in Lockwood’s basic fee schedules set forth herein.

The Consultants set and charge fees independently and the fees charged by Consultants may vary accordingly.

In addition to the aforementioned, there may be other costs assessed which are not included in Lockwood’s fee, such as fees, expenses and charges levied by mutual funds, ETFs and money market funds. In addition, there are other fees charged by the custodian, as applicable, that are not included in Lockwood’s fee, such as costs associated with the purchase and sale of certain mutual funds and other similar securities held in your account, dealer mark-ups, mark-downs, odd-lot differentials, exchange or auction fees, transfer taxes, costs for transactions executed other than at the custodian, any fees imposed by the SEC, electronic fund and wire transfers, fees for client-initiated transfers, costs associated with temporary investment of your funds in a cash management account, trust services charges, annual IRA custodial fees, IRA termination fees, custodial fees for prototype pension and profit sharing plans and Keoghs, custodial fees associated with special circumstances or events, such as transfer on death, returned check fees, paper delivery surcharges for brokerage statements and trade confirmations, and other charges mandated by law. Further, interest will normally be charged on a negative balance in your account. If Pershing has custody of the assets, it will credit interest and dividends to the account. Please review your investment advisory agreement for further information on how your Sponsor charges and collects fees.

Lockwood does not charge or receive compensation in connection with the sale of securities, mutual funds or other investment products. However, certain of our affiliates may accept compensation (also referred to as “commissions”) for the sale of securities, mutual funds or other investment products. Accepting commissions for the sale of securities, mutual funds or other investment products gives rise to a conflict of interest in that it may give an incentive to recommend investment products based on the compensation our affiliates may receive, rather than solely on a Client’s needs. Lockwood addresses this conflict of interest by structuring the wrap fee products it manages so that fees are based on assets under management, rather than transactions.

The fees described above do not include transaction charges for execution other than at your custodian. Please refer to Item 12 for more information about the applicable brokerage practices.

A. AdvisorFlex

The AFP Command Program Fee is debited from your account quarterly in advance, subject to the following schedule:

<u>Account Level</u>	<u>AFP Command Program Fee</u>
First \$500,000	0.37%
Next \$500,000	0.33%
Over \$1,000,000	0.24%

A Sponsor may add an additional fee to the AFP Command Program Fee, subject to the applicable written agreement between the Sponsor or its Consultant and you.

The AFP Command Program Fee includes the Lockwood advisory fee, the administrative fee and a clearing and custody fee paid to Lockwood’s affiliate, Pershing. Additional expenses associated with the specific underlying, pooled investment vehicles (such as, mutual funds and ETFs), which include advisory fees and operational expenses such as transfer agent, distribution (12b-1), shareholder servicing, networking, recordkeeping fees and any transaction taxes associated with the underlying investments held. Your account will bear these fees and expenses as an investor in such pooled investment vehicles and, as a result, you may bear higher expenses than if you invested directly in the securities held by the pooled investment vehicle. Mutual funds used in AFP accounts may charge a redemption fee if shares are redeemed within a specified period of time. Clients may incur redemption fees in the event that an investment model is updated. Redemption fees vary by mutual fund and are described in each fund’s prospectus. Lockwood’s affiliate, Pershing, may be paid certain fees relating to these mutual funds, such as networking or 12b-1 fees, which could create a conflict of interest for Lockwood.

The AFP Command Program Fee may be negotiated, in Lockwood’s sole discretion.

B. LIS

The fees for LIS described below do not include fees or expenses which may be associated with the underlying, pooled investment vehicles (such as, mutual funds and ETFs), which include advisory fees and operational expenses such as transfer agent, distribution (12b-1), shareholder servicing, networking, recordkeeping fees and any transaction taxes associated with the underlying investments held. Your account will bear these fees and expenses as an investor in such pooled investment vehicles and, as a result, you may bear higher expenses than if you invested directly in the securities held by the pooled investment vehicle. Mutual funds used in LIS accounts may charge a redemption fee if shares are redeemed within a specified period of time. Clients may incur redemption fees in the event that an investment model is updated. Redemption fees vary by mutual fund and are described in each fund's prospectus. Lockwood's affiliate, Pershing, may be paid certain fees relating to these mutual funds, such as networking or 12b-1 fees, which could create a conflict of interest for Lockwood. The LIS Command Program Fee may be negotiated, in Lockwood's sole discretion.

1. Command

The LIS Command Program Fee is debited from your account quarterly in advance, subject to the following schedule:

<u>Account Size</u>	<u>LIS Command Program Fee</u>
First \$500,000	0.75%
Next \$500,000	0.55%
Next \$4,000,000	0.40%
Next \$5,000,000	0.35%
Over \$10,000,000	0.30%

The LIS Command Program Fee includes the Lockwood advisory fee, the Sub-Adviser fees, the administrative fee, and the clearing and custody fee paid to Pershing. In addition to the LIS Command Program Fee, the Consultant may add an advisory fee for his/her advisory services, subject to the applicable written agreement between the Sponsor or its Consultant and you.

The Sponsor may include an administrative fee, in addition to the LIS Command Program Fee. The Sponsor's administrative fee should be disclosed in the Sponsor's Form ADV Wrap Fee Brochure. In certain instances, Lockwood may share a portion of its fee with the Sponsor to cover administrative services associated with sponsor activities, subject to the following schedule:

<u>Account Size</u>	<u>Fee to Command Sponsor</u>
First \$500,000	0.08%
Next \$500,000	0.06%
Next \$4,000,000	0.05%
Next \$5,000,000	0.04%

Over \$10,000,000	0.02%
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2. Sub-Adviser Fees

Lockwood pays all of the Sub-Advisers, in the aggregate, the fee in the table below, which is based on the total assets in the LIS Program. Lockwood allocates a portion of this total fee to each Sub-Adviser based on the percentage of the total LIS portfolio attributable to each such Sub-Adviser.

Sub-Adviser Fee Schedule:

<u>Assets</u>	<u>Sub-Adviser Fee</u>
First \$500,000,000	0.11%
Next \$500,000,000	0.08%
Next \$1,000,000,000	0.06%
Next \$1,000,000,000	0.05%
Over \$3,000,000,000	0.04%

C. WealthStart

The WealthStart Command Program Fee is billed quarterly in advance, as follows

<u>Account(s) Size</u>	<u>WealthStart Command Program Fee</u>
First \$500,000	0.37%
Next \$500,000	0.33%
Over \$1,000,000	0.24%

Lockwood's fees are negotiable under certain circumstances, in Lockwood's sole discretion. You may pay more or less than other Clients depending on certain factors, including the type and size of the accounts, the historical or anticipated transaction activity, the range of services provided to you and your total relationship assets under management.

The WealthStart Command Program Fee includes Lockwood's advisory fee, the administrative fee, and Pershing's clearing and custody fee. Your Sponsor may add an additional fee to the Lockwood WealthStart Command Program Fee, subject to the applicable written agreement between the Sponsor or its Consultant and you.

The WealthStart Command Program Fee does not include fees or expenses that may be associated with the mutual funds and ETFs an account invests in, which include advisory fees and operational expenses such as transfer agent, distribution (12b-1), shareholder servicing, networking and recordkeeping fees and any transaction taxes associated with the underlying

investments held. Your account will bear these fees and expenses as an investor in such mutual funds and ETFs and, as a result, you may bear higher expenses than if you invested directly in the securities held by such funds and/or other internal expenses.

If you have multiple WealthStart accounts, Lockwood may combine your accounts for fee calculation purposes, subject to certain restrictions.

In addition to the WealthStart Command Program Fee, the Consultant may add a reasonable advisory fee, subject to the applicable written agreement between you and Consultant and/or the Sponsor. With respect to WealthStart accounts, the Consultant's fee will not be greater than 1.00%.

With respect to mutual funds that may be available through WealthStart in the future, the respective mutual funds may charge a redemption fee if shares are redeemed by Lockwood within a specified period of time. The amount of the redemption fee, as well as the minimum holding period, is disclosed in each of the respective mutual funds' prospectuses. For complete details, you should review each mutual fund's prospectus. The mutual funds that could be used in WealthStart are made available through Pershing.

In addition to a lower minimum account size, the services offered by Lockwood for WealthStart Portfolios may differ from the services offered in other Lockwood managed products, including LAAP. These differences may include, without limitation, fewer securities positions within individual models, a more limited number of securities types, more limited performance reporting, and fewer or different triggers for account rebalancing.

D. LAAP

The LAAP Program Fee is debited from your account quarterly in advance, subject to the following schedule, which applies to accounts opened on or after January 19, 2008:

<u>Account Size</u>	<u>LAAP Command Program Fee</u>
First \$500,000	0.40%
Next \$500,000	0.35%
Next \$4,000,000	0.30%
Next \$5,000,000	0.25%
Over \$10,000,000	0.20%

The LAAP Program Fee includes the Lockwood advisory fee, the administrative fee and the clearing and custody fee paid to Pershing. In addition to the LAAP Program Fee, the Consultant may add an advisory fee for his/her advisory services, subject to the applicable written agreement between the Sponsor and you. The LAAP Program Fee does not include fees or expenses which may be associated with the underlying, pooled investment vehicles (such as, mutual funds and ETFs), which include advisory fees and operational expenses such as transfer agent, distribution (12b-1), shareholder servicing, networking, recordkeeping fees and any transaction taxes associated with the underlying investments held. Your account will bear these

fees and expenses as an investor in such pooled investment vehicles and, as a result, you may bear higher expenses than if you invested directly in the securities held by the pooled investment vehicle. Lockwood's affiliate, Pershing, may be paid certain fees relating to these mutual funds, such as networking or 12b-1 fees, which could create a conflict of interest for Lockwood.

The Sponsor may include an administrative fee in addition to the above-referenced LAAP Program Fee. The Sponsor's administrative fee should be disclosed in the Sponsor's Wrap Fee Brochure. In certain instances, Lockwood may share a portion of its fee with the Sponsor to cover administrative services associated with sponsor activities, subject to the following schedule:

<u>Account Size</u>	<u>Fee to Sponsor</u>
First \$500,000	0.03%
Next \$500,000	0.02%
Next \$4,000,000	0.01%
Next \$5,000,000	0.01%
Over \$10,000,000	0.01%

The LAAP Program Fee may be negotiated, in Lockwood's sole discretion.

E. Lockwood/American Funds Core Portfolios

The Lockwood/American Funds Core Portfolios are a discretionary mutual fund and ETF wrap account product with a \$10,000 minimum account size. Lockwood, serving as the Portfolio Manager, allocates investor assets systematically across multiple asset classes and styles using American Funds mutual funds and other select ETFs in a single account. Lockwood determines the asset allocation strategy and selects investment vehicles for each investment style in the portfolio, based upon proprietary modeling strategies, economic outlook and investment research discipline. Lockwood is solely responsible for the fund selection and construction of the Lockwood/American Funds Core Portfolios and neither American Funds Distributors, Inc. nor its affiliates are involved in such activities, nor do American Funds Distributors, Inc. or its affiliates serve as investment adviser to Client accounts. The securities currently used in the Lockwood/American Funds Core Portfolios are subject to change at Lockwood's sole discretion. This process is described in more detail in Item 6 of this Brochure.

The Lockwood/American Funds Core Portfolio Command Program Fee is billed quarterly in advance, as follows:

<u>Account(s) Size</u>	<u>Lockwood/American Funds Core Portfolios Command Program Fee</u>
First \$500,000	0.37%
Next \$500,000	0.33%
Over \$1,000,000	0.24%

Lockwood's fees are negotiable under certain circumstances, in Lockwood's sole discretion. You may pay more or less than other Clients depending on certain factors, including the type and size of the accounts, the historical or anticipated transaction activity, the range of services provided to you and your total relationship assets under management.

The Lockwood/American Funds Core Portfolios Command Program Fee includes Lockwood's advisory fee, the administrative fee, and Pershing's clearing and custody fee. Your Sponsor may add an additional fee to the Lockwood/American Funds Core Portfolios Command Program Fee, subject to the applicable written agreement between the Sponsor or its Consultant and you.

The Lockwood/American Funds Core Portfolios Command Program Fee does not include fees or expenses that may be associated with the mutual funds and ETFs an account invests in, which include advisory fees and operational expenses such as transfer agent, distribution (12b-1), shareholder servicing, networking and recordkeeping fees and any transaction taxes associated with the underlying investments held. Your account will bear these fees and expenses as an investor in such mutual funds and ETFs and, as a result, you may bear higher expenses than if you invested directly in the securities held by such funds and/or other internal expenses.

In addition to the Lockwood/American Funds Core Portfolios Command Program Fee, the Consultant may add a reasonable advisory fee, subject to the applicable written agreement between you and Consultant and/or the Sponsor. With respect to for Lockwood/American Funds Core Portfolios accounts, the Consultant's fee will not be greater than 1.00%.

With respect to mutual funds that may be available through Lockwood/American Funds Core Portfolios, the respective mutual funds may charge a redemption fee if shares are redeemed by Lockwood within a specified period of time. The amount of the redemption fee, as well as the minimum holding period, is disclosed in each of the respective mutual funds' prospectuses. For complete details, you should review each mutual fund's prospectus. The mutual funds that could be used in Lockwood/American Funds Core Portfolios are made available through Pershing.

If you have multiple Lockwood/American Funds Core Portfolios accounts, Lockwood may combine your accounts for fee calculation purposes, subject to certain restrictions.

F. Third Party Model Providers

The Lockwood Third Party Model Provider Command Program Fee is debited from your account quarterly in advance, as follows:

<u>Account Size</u>	<u>Lockwood Third Party</u>
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	<u>Model Provider Command Program Fee</u>
First \$500,000	0.30%
Next \$500,000	0.25%
Over \$1,000,000	0.20%

The Lockwood Third Party Model Provider Command Program Fee may be negotiated, in Lockwood's sole discretion, and may vary from the above depending on your Sponsor's program. Your Sponsor may add an additional fee to the Lockwood Third Party Model Provider Command Program Fee, subject to the applicable written agreement between the Sponsor or its Consultant and you. In addition, certain Third Party Model Providers charge a fee (the "Model Provider Fee"). The Model Provider Fee varies by Model, and is shown in Exhibit A. Please note that all Models or Model Providers included in Exhibit A may not be available in every Sponsor's program. Please consult your Sponsor or Consultant for more information about the fee applicable to your account and the Third Party Model Providers available to you.

The Lockwood Third Party Model Provider Command Program Fee typically includes the Lockwood advisory fee, the administrative fee and a clearing and custody fee paid to Lockwood's affiliate, Pershing. However, in certain Sponsors' programs, the Lockwood fee may not include the clearing and custody fee, and your Sponsor will be responsible for paying ticket charges to Lockwood's affiliate, Pershing. Please consult your Sponsor or Consultant for more information about what is included in the Lockwood Third Party Model Provider Command Program Fee applicable to your Account.

The Lockwood Third Party Model Provider Command Program Fee does not include the Model Provider Fee, shown on Exhibit A, or fees or expenses associated with the specific underlying, pooled investment vehicles (such as, mutual funds and ETFs), which include advisory fees and operational expenses such as transfer agent, distribution (12b-1), shareholder servicing, networking, recordkeeping fees and any transaction taxes associated with the underlying investments held. Your account will bear these fees and expenses as an investor in such pooled investment vehicles and, as a result, you may bear higher expenses than if you invested directly in the securities held by the pooled investment vehicle.

With respect to mutual funds contained in the Third Party Model Provider Models, the respective mutual funds may charge a redemption fee if shares are redeemed within a specified period of time. The amount of the redemption fee, as well as the minimum holding period, is disclosed in each of the respective mutual funds' prospectuses. For complete details, you should review each mutual fund's prospectus. The mutual funds used in Third Party Model Provider Models are made available through Pershing. Lockwood's affiliate, Pershing, may be paid certain fees relating to these mutual funds, such as networking and 12b-1 fees, which could create a conflict of interest for Lockwood. In addition, the mutual funds and/or exchange-traded funds included within some Third Party Model Provider Models may be advised or otherwise affiliated with the Third Party Model Provider ("Third Party Model Provider Affiliated Funds"). As a result, the

Third Party Model Provider or its affiliates would receive fees from the Third Party Model Provider Affiliated Funds in addition to any applicable Third Party Model Provider Fee shown in Exhibit

G. Command Sponsor UMA

Lockwood's fees for Command Sponsor's UMA Programs ("Command UMA Lockwood Fee") may vary by client. Lockwood may be paid a maximum Command UMA Lockwood Fee of 0.23%. The Command UMA Lockwood Fee is a bundled fee and covers Lockwood's fee for overlay services, as well as Lockwood's provision of the platform and administrative services and the administrative fee and a clearing and custody fee paid to Lockwood's affiliate, Pershing. Examples of Lockwood's platform and administrative services include providing performance reports, periodic account billing, document processing and providing information systems. Please consult your Sponsor or your Consultant for more information about what is included in the Command UMA Lockwood Fee applicable to your account. The Command UMA Lockwood Fee may be negotiated, in Lockwood's sole discretion, and may vary from the above depending on your Sponsor's program. Your Sponsor may add an additional fee to the Command UMA Lockwood Fee, subject to the applicable written agreement between the Sponsor or its Consultant and you.

Certain model providers included in a Command Sponsor's UMA Program ("UMA Model Providers") charge a fee (the "Model Provider Fee"). The Model Provider Fee varies by UMA Model Provider and model. Please consult your Sponsor or Consultant for more information about the fee applicable to your account and the UMA Model Providers available to you. The Command UMA Lockwood Fee does not include the Model Provider Fee, if any. The fees charged by a UMA Model Provider in a Command Sponsor's UMA Program may be different from the UMA Model Provider's fee where there is no overlay management. Please refer to each UMA Model Provider's Form ADV, Part 2 or alternatively, if applicable, its disclosure brochure for more information about its fees. A Command Sponsor's UMA Program account with a balance close to the minimum investment may have limited Model Provider options available. Lockwood does not select, or provide any advice with respect to the selection of, any particular UMA Model Provider(s), or any particular number of UMA Model Provider(s), for your account.

In certain instances, the Third Party Model Providers and or another Product managed by Lockwood may be an investment option within a Command Sponsor's UMA Program. Depending on the arrangement with your Sponsor, you may not pay an additional fee for these investment options, except to the extent that a Third Party Model Provider charges a Model Provider fee as described above in Sub-Section F.

The Command UMA Lockwood Fee does not include any fees or expenses associated with the specific underlying, pooled investment vehicles (such as, mutual funds and ETFs) included in your account, which include advisory fees and operational expenses such as transfer agent, distribution (12b-1), shareholder servicing, networking, recordkeeping fees and any transaction taxes associated with the underlying investments held. Your account will bear these fees and expenses as an investor in such pooled investment vehicles and, as a result, you may bear higher expenses than if you invested directly in the securities held by the pooled investment vehicle.

With respect to mutual funds contained in your account, the respective mutual funds may charge a redemption fee if shares are redeemed within a specified period of time. The amount of the redemption fee, as well as the minimum holding period, is disclosed in each of the respective mutual funds' prospectuses. For complete details, you should review each mutual fund's prospectus. The mutual funds used in Command UMA Program are made available through Pershing. Lockwood's affiliate, Pershing, may be paid certain fees relating to these mutual funds, such as networking and 12b-1 fees, which could create a conflict of interest for Lockwood. In addition, the mutual funds and/or exchange-traded funds included within some model portfolios may be advised or otherwise affiliated with the UMA Model Provider ("UMA Model Provider Affiliated Funds"). As a result, the UMA Model Provider or its affiliates would receive fees from the UMA Model Provider Affiliated Funds in addition to any applicable Model Provider Fee.

H. Command Sponsor Model Based SMA

Lockwood's fees for its services as portfolio manager in a Command Sponsor's Model Based SMA Program ("Lockwood SMA Manager Fee") may vary by client. Presently, Lockwood may be paid a maximum Lockwood SMA Manager Fee of 0.19%. The Lockwood SMA Manager Fee is a bundled fee and covers Lockwood's fee for portfolio manager services, as well as Lockwood's provision of the platform and administrative services and the administrative fee and a clearing and custody fee paid to Lockwood's affiliate, Pershing. This fee may be charged directly to your Sponsor and included in the wrap fee you pay to the Command Sponsor. Examples of Lockwood's platform and administrative services include providing performance reports, periodic account billing, document processing and providing information systems. Please consult your Sponsor or your Consultant for more information about what is included in the Lockwood SMA Manager Fee applicable to your account. The Lockwood SMA Manager Fee may be negotiated, in Lockwood's sole discretion, and may vary from the above depending on your Sponsor's program. Your Sponsor may add an additional fee to the Lockwood SMA Manager Fee, subject to the applicable written agreement between the Sponsor or its Consultant and you.

Certain model providers included in a Command Sponsor's Model Based SMA Program ("SMA Model Providers") charge a fee (the "SMA Model Provider Fee"). Collectively, Third Party Model Providers, UMA Model Providers, and SMA Model Providers are referred to in this Brochure as "Model Providers." The SMA Model Provider Fee varies by SMA Model Provider and model. Please consult your Sponsor or Consultant for more information about the fee applicable to your account and the SMA Model Providers available to you. The Lockwood SMA Manager Fee does not include the SMA Model Provider Fee, if any. The fees charged by an SMA Model Provider in a Command Sponsor's Model Based SMA Program may be different from the SMA Model Provider's fee in other programs. Please refer to each SMA Model Provider's Form ADV, Part 2 or alternatively, if applicable, its disclosure brochure for more information about its fees. Lockwood does not select any particular SMA Model Provider or models for inclusion in a Command Sponsor's Model Based SMA Program or for your account.

The Lockwood SMA Manager Fee does not include any fees or expenses associated with the specific underlying, pooled investment vehicles (such as, mutual funds and ETFs) included in your account, which include advisory fees and operational expenses such as transfer agent,

distribution (12b-1), shareholder servicing, networking, recordkeeping fees and any transaction taxes associated with the underlying investments held. Your account will bear these fees and expenses as an investor in such pooled investment vehicles and, as a result, you may bear higher expenses than if you invested directly in the securities held by the pooled investment vehicle.

With respect to mutual funds contained in your account, if any, the respective mutual funds may charge a redemption fee if shares are redeemed within a specified period of time. The amount of the redemption fee, as well as the minimum holding period, is disclosed in each of the respective mutual fund's prospectuses. For complete details, you should review each mutual fund's prospectus. Any mutual funds used in a Command Sponsor's Model Based SMA Program are made available through Pershing. Lockwood's affiliate, Pershing, may be paid certain fees relating to these mutual funds, such as networking and 12b-1 fees, which could create a conflict of interest for Lockwood. In addition, the mutual funds and/or exchange-traded funds included within some model portfolios may be advised or otherwise affiliated with the SMA Model Provider ("Model Provider Affiliated Funds"). As a result, the SMA Model Provider or its affiliates would receive fees from the Model Provider Affiliated Funds in addition to any applicable SMA Model Provider Fee

I. Advisory Account Termination

If you terminate Lockwood as your portfolio manager or if Lockwood terminates its relationship with you, Lockwood will refund the unused portion of the quarterly fee to your brokerage account that was used for the Program account.

Lockwood will calculate your refund based on the fee you paid for that quarter and the number of days left in the current quarter as of the day you terminated your account.

J. Compensation for the Sale of Securities

Neither Lockwood nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

K. Investment of Cash

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

1. Command

You may choose from a selection of money market funds or other short-term cash vehicles ("Sweep Options") that are available through your Sponsor for non-IRA or non-ERISA accounts for investment of any cash held overnight in a brokerage account at your Sponsor. The universe of Sweep Options made available to you is in the sole discretion of your Sponsor. With respect to IRA and ERISA accounts in Command, funds are swept into an unaffiliated sweep vehicle. These money market funds are fully described in each fund's prospectus, which you should

review in detail. You will receive the prospectus for the money market fund when you open your account and it will contain a complete description of any relevant fees and/or expenses.

In utilizing money market or other funds, Pershing may receive a benefit from its possession and temporary investment of cash balances in your accounts prior to investment, whether in a sweep arrangement or otherwise. Pershing may be paid certain fees relating to these money market funds, such as networking or 12b-1 fees. Pershing does not receive any fees or compensation from the sweep vehicle(s) designated for IRA and ERISA accounts.

L. Billing for Contributions and Withdrawals

Every Sponsor may have different rules regarding whether your fee is adjusted to account for contributions to your account and/or withdrawals from your account made during the quarter and such rules may impact Lockwood's fee. Please contact your Consultant to determine your Sponsor's rules.

M. Fees Related to International Investments

Certain sub-advisers in LIS which offer international investment styles may purchase securities on foreign exchanges (known as "Ordinaries"), which may be held in your account as Ordinaries or may be converted to American Depositary Receipts ("ADRs") prior to being added to your account.

Portfolio managers may include exposure to both domestic and foreign stocks in order to achieve greater diversification and increase the likelihood that a portfolio's overall investment returns will have a smoother ride. The reason is because international investment returns sometimes move in a different direction than U.S. market returns. Even when international and U.S. investments move in the same direction the degree of change may be very different. Of course, you have to balance these considerations against the possibility of higher costs, sudden changes in value, and the special risks of international investing.

Like any other investment, you should learn as much as you can about any investment style before you invest. Research the political, economic, and social conditions that may impact the investment style that a sub-adviser may employ so you will understand better the factors that may affect the fees that may be associated with making such an investment. Prior to investing in an international investment style that may include ADRs, investors should ask their Consultants what fees are charged to them as an ADR investor, how those fees will be assessed and how the fees or related costs will be disclosed on your financial statement.

International investing in various products can be more expensive than investing in U.S. companies. For instance, in smaller markets you may have to pay a premium to purchase shares of popular companies and in some countries there may be unexpected taxes, such as withholding taxes on dividends. Transaction costs such as fees, brokers' commissions, and taxes often are higher than in the U.S. markets. Likewise, much like investing in specific ADRs, many mutual funds that invest abroad often have higher fees and expenses than funds that invest in U.S. stocks, in part because of the extra expense of trading in foreign markets.

These fees typically include, but are not limited to, brokerage expenses, local market execution fees and taxes, exchange-specific taxes/stamp fees, duties/levies, ADR conversion fees, and/or additional settlement and custody charges. Pershing may separately assess a fee for such transactions.

Certain non-U.S. jurisdictions may impose taxes on securities transactions. As an example, France has imposed a tax on transactions in eligible French equity securities, which includes Ordinaries and ADRs or similar securities representing French equity securities. As of December 1, 2012, the French tax rate was 0.2% of the market value of the trade. If you own an investment style containing any securities subject to such a tax, such as eligible French equity securities, your account will be assessed this tax, which will be remitted to the government of the applicable non-U.S. jurisdiction.

Pershing may use a third-party or an affiliated broker-dealer licensed in Canada, which entity may be paid certain execution fees.

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

Advisers are subject to certain fiduciary standards under federal law and owe clients an affirmative duty of utmost good faith to act solely in the best interests of the client and to make full and fair disclosure of all material facts, particularly where the adviser's interests may conflict with the client's best interest. Lockwood's fee schedule does not include performance-based fees whereby a party is compensated based on a share of capital gains upon, or capital appreciation of, funds or any portion of funds or other investments in your account. Nor does Lockwood contract with any Model Provider or Sub-Adviser to pay any performance-based compensation.

Conflicts of Interest Relating to the Management of Multiple Client Accounts

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

Conflicts of Interest Relating to "Proprietary Accounts"

We, our affiliates, and our existing and future employees may from time to time manage and/or invest in products managed by the Firm ("Proprietary Accounts"). Investment by the Firm, our affiliates, or our employees in Proprietary Accounts may create conflicts of interest. We have an incentive to favor these Proprietary Accounts by, for example, directing our best investment ideas to these accounts or allocating, aggregating or sequencing trades in favor of such accounts, to the disadvantage of other accounts. We also have an incentive to dedicate more time and attention to our Proprietary Accounts and to give them better execution and brokerage commissions than our other client accounts.

Other Conflicts of Interest

As noted previously, we and our affiliates manage numerous accounts with a variety of interests. This necessarily creates potential conflicts of interest for us. For example, we or an affiliate may cause multiple accounts to invest in the same investment. Such accounts may have conflicting interests and objectives in connection with such investment, including differing views on the operations or activities of the portfolio company, the targeted returns for the transaction and the timeframe for and method of exiting the investment. Conflicts may also arise in cases where multiple Firm and/or affiliate client accounts are invested in different parts of an issuer's capital structure.

Item 7 Types of Clients

A. Client Description

Lockwood's clients may include institutions such as financial services firms, investment management firms, insurance companies, other registered investment advisers, broker-dealers, and banks whose investor clients may consist of individuals, banks or thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations and corporations or business entities. Lockwood may accept certain non-U.S. clients, in its sole discretion, in accordance with all applicable laws.

B. General Requirements

1. Sponsor/Consultant Requirement

As described in Item 4, Lockwood's portfolio management services are generally offered to investors only through programs where the Consultant of a third-party Firm or Sponsor provides advice to you. Consultants are not employees of Lockwood, but are independent or employed by Sponsors and Firms typically not affiliated with Lockwood.

2. Client Process and Document Requirements

Generally, you should have a written agreement with your Sponsor and/or Consultant. The Consultant collects financial and background information from you, and assists you in identifying your investment objectives. The Consultant recommends strategies that are designed to meet those objectives. Your Consultant is your primary contact and he or she will report to you regularly.

Consultants may utilize software and marketing and sales material and other documentation provided by Lockwood to assist you in selecting first the product and second the investment style or model, which is suitable for you, both initially and on an on-going basis. The Consultant: 1) collects financial and personal information from you; 2) transmits such information to Lockwood; and 3) assists you in establishing investment objectives.

The Consultant provides you with account opening paperwork, brokerage agreement(s), along with a copy of the Sponsor's Wrap Fee Brochure (if applicable) and Lockwood's Form ADV Part 2A, Firm Brochure. The Consultant submits the financial information, investment objectives and account forms to Lockwood, your custodian and/or any other broker-dealer, as applicable. Lockwood reviews the information provided by you and once approved, opens an account for your managed account assets.

Lockwood also reviews the account opening paperwork or Client profile information provided by the Sponsor or your Consultant to determine whether the selected strategy is suitable for you. At any time, Lockwood may request additional information to verify the information provided by you. After Lockwood reviews and approves the account for trading, Lockwood is granted investment discretion by you and exercises such discretion in the day-to-day management of the account.

3. Requirements for Investment Restrictions

You may put reasonable restrictions on the types of securities to be bought and sold in your account. However, Lockwood may determine that it cannot accept your requested restriction, in its sole discretion.

4. Unfunded Account Termination - Command

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

5. Collateral Accounts

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

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

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

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

C. Account Minimum Requirements

The account size minimums for the products Lockwood manages are shown below.

<u>Program Name</u>	<u>Account Opening Minimum</u>	<u>Subsequent Contribution Minimum</u>
LIS	\$250,000	\$2,500
WealthStart	\$10,000	\$1,000
LAAP	\$50,000*	\$1,000
AFP	\$50,000	\$1,000
Lockwood/American Funds Core Portfolios	\$10,000	\$1,000

*On January 19, 2008, the account opening minimum for LAAP was increased from \$25,000 to \$50,000.

For the Third Party Model Provider Models, each Model has its own account minimum. Please refer to Exhibit A to view the individual account minimum for each Model. Lockwood reserves the right to waive its minimum initial investment requirements, in its sole discretion. Lockwood may terminate your account should your account fail to meet the account minimum during the life of your account.

The minimum account size for the Command Sponsor UMA Program is determined by the Command Sponsor. Each Model Provider in the Command Sponsor UMA Program may have a different investment minimum. Therefore, the size of your account may impact the number of Model Providers that may be included within your Command Sponsor UMA account.

The minimum account size for the Command Sponsor Models Based SMA Program is determined by the Command Sponsor in conjunction with Lockwood. Please consult your Sponsor or Consultant for more information about the minimum account size applicable to your account in the Command Sponsor Models Based SMA Program. You may fund your accounts with cash equivalents or shares of investment selections included within the applicable program. In the case of LIS, you may be able to fund your account with some shares of investment selections not included within the LIS program, at Lockwood's sole discretion.

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

A. Lockwood as Sponsor

BNY Mellon has established a Manager Research Group, which provides manager research across the BNY Mellon enterprise and will be the primary manager research provider to Lockwood. The Manager Research Group will apply the criteria described below and will provide manager and investment vehicle research to Lockwood. Lockwood will retain decision-making responsibility regarding managers and investment vehicles included in this program.

Generally, as the sponsor or co-sponsor of a variety of managed account programs, Lockwood evaluates Portfolio Managers and Model Managers for inclusion in various managed account programs. Depending upon the particular program, Lockwood's review process may differ, as described below. Lockwood may work with the Manager Research Group of its affiliate, BNY Mellon, to review and research Portfolio Managers and Model Managers. Portfolio Managers and Model Managers are approved by Lockwood's Investment Committee prior to inclusion in the Program.

In certain managed account programs (Managed Account Advisor and co-sponsored programs), Lockwood provides its clients with a list of covered Portfolio Managers and Model Managers ("Covered Managers"). In determining which Portfolio Managers are selected for coverage, Lockwood, through the Manager Research Group, utilizes a preliminary screening process involving a variety of criteria, such as, but not limited to, a review of assets under management, personnel, registration, disclosures and regulatory history of each Portfolio Manager offered in the program, as well as conducting on-going reviews. Covered Managers undergo an additional analysis, typically conducted by the BNY Mellon Manager Research Group, which includes a review of a range of quantitative criteria (relating to performance and portfolio reviews) and qualitative criteria (relating to such items as the investment team, philosophy, process and implementation). The criteria employed for each Covered Manager may not be identical and instead, is typically based on the nature of the Portfolio Manager's portfolios and investment philosophy.

Lockwood may, as an accommodation, permit certain Portfolio Managers which are not covered ("Non-Covered Managers,") to be accessible to Clients. Lockwood is not responsible for conducting initial or ongoing due diligence or determining the suitability of these Portfolio Managers, rather, the Client and the Client's financial adviser assume these responsibilities. Lockwood may, in its sole discretion, conduct initial and on-going due diligence on a Non-Covered Manager.

In addition to the programs referenced above, Lockwood offers open architecture separately managed account programs (Lockwood Sponsored Program and Managed360 Program) which allow the Client and the Client's financial consultant to select the Portfolio Managers which they believe are appropriate for the Client. In those programs, Lockwood, as sponsor, conducts an initial baseline due diligence involving a variety of criteria, such as, but not limited to, reviews of assets under management, personnel, registration, disclosures and regulatory history of each Portfolio Manager offered in the program and as well as conducting on-going review. Portfolio Managers are approved by Lockwood's Investment Committee prior to inclusion in the Program. In these programs, Lockwood makes no representation as to whether Portfolio Managers are suitable for you. The Client and the Client's Consultant and Firm are responsible for determining the Client's asset allocation, investment objectives, risk tolerance and time horizon. Lockwood may also provide the list of Covered Managers described above.

In all cases, the Portfolio Manager selected has discretion over the Client's assets Lockwood reserves the right to terminate any Portfolio Manager or Model Manager, at any time in Lockwood's sole discretion.

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

B. Lockwood as Money Manager

In Lockwood's role as the money manager for its proprietary products (LIS, WealthStart, LAAP, AFP, Lockwood/American Funds Core Portfolios and the Third Party Model Provider portfolios, as each is described herein) and for other products offered in co-sponsored programs (mutual fund wrap, UMA), Lockwood, through BNY Mellon Manager Research Group, evaluates Portfolio Managers as subadvisors in a UMA; pooled investment vehicles such as mutual funds and ETFs and other investment vehicles for inclusion in these Products. Lockwood works with its affiliate, BNY Mellon, to identify, evaluate and implement these products, as well as in the on-going maintenance of these products.

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

In each case, the inclusion of these various investment vehicles in a managed product is reviewed and approved by Lockwood's Investment Committee. Similarly, Lockwood may replace any of these investment vehicles, at its discretion, at any time.

C. Potential Conflicts of Interest Relating to Lockwood Managed Accounts

Lockwood's use of the BNY Mellon Manager Research Group creates a potential conflict of interest, particularly as it relates to Portfolio Managers owned by BNY Mellon. There may be instances where Lockwood and the BNY Mellon Manager Research Group provide different advice depending upon the types of clients involved, the type of product involved and/or other factors, which may lead to different results. As a subsidiary of BNY Mellon, Lockwood has a substantial number of investment advisory affiliates. Sub-Advisers that are investment management affiliates of BNY Mellon and/or investment vehicles that are managed by investment management affiliates of BNY Mellon may be used in the construction of the Products' portfolios. When Lockwood serves as Portfolio Manager, Lockwood does not purchase securities issued by BNY Mellon.

Lockwood's broker affiliates, including Pershing and Pershing Advisor Solutions ("Pershing Advisor Solutions"), may receive fees from certain mutual fund families whose funds are used in proprietary managed programs. In addition, one or more Lockwood affiliates may be a service provider, such as a trustee or administrator to a mutual fund or ETF used in a Product, and they may receive a fee from the mutual fund or ETF for performing such service.

Certain employees of Lockwood or its affiliates may be invested in a Product. Lockwood monitors security ownership by its employees according to a personal trading policy, which is

incorporated in the Lockwood Compliance Manual and Code of Ethics, which are described in Item 11.

Lockwood and its affiliates perform investment advisory services for various Clients. Lockwood may give advice and take action in the performance of its duties with respect to any of its other Clients, which may differ from the advice given, or the timing or nature of action taken, with respect to another Client. Lockwood has no obligation to purchase or sell for a Client any security or other property, which it purchases or sells for its own account or for the account of any other Client, if it is undesirable or impractical to take such action. Lockwood may give advice or take action in the performance of its duties with respect to any of its Clients, which may differ from the advice given, or the timing or nature of action taken by our affiliates on behalf of its Clients. In addition, Lockwood or an affiliate may cause multiple accounts to invest in the same investment. Such accounts may have conflicting interests and objectives in connection with such investment, including differing views on the operations or activities of the portfolio company, the targeted returns for the transaction and the timeframe for and method of exiting the investment. Conflicts may also arise in cases where multiple Lockwood and/or affiliate client accounts are invested in different parts of an issuer's capital structure. For example, one of Lockwood's Client accounts could acquire debt obligations of a company while an affiliate's client account acquires an equity investment. In negotiating the terms and conditions of any such investments, Lockwood may find that the interests of the debt-holding client accounts and the equity holding client accounts may conflict. If that issuer encounters financial problems, decisions over the terms of the workout could raise conflicts of interest (including, for example, conflicts over proposed waivers and amendments to debt covenants). For example, debt holding accounts may be better served by a liquidation of an issuer in which it could be paid in full, while equity holding accounts might prefer a reorganization of the issuer that would have the potential to retain value for the equity holders. As another example, holders of an issuer's senior securities may be able to act to direct cash flows away from junior security holders, and both the junior and senior security holders may be Lockwood Client accounts. If Lockwood becomes aware of a situation involving any of the foregoing conflicts of interest, it will be discussed and resolved on a case-by-case basis by the Lockwood Investment Committee. Any such discussions will factor in the interests of the relevant parties and applicable laws.

Please refer to Item 10, *Other Financial Industry Activities and Affiliations* for more information about potential conflicts of interest.

D. Lockwood as Portfolio Manager: Methods of Analysis, Investment Strategies and Risk of Loss

1. Asset Classes

A description of each asset class used in the Products is provided below. It is important to remember that there are risks inherent in any investment, including the loss of principal, which you should be prepared to bear. There is no assurance that any asset class or index, or a diversified mix of assets will provide positive performance over time. Asset classes and/or other investment strategies not included in the Products may exhibit similar or superior characteristics and performance than those that are included. The risks associated with certain investment vehicles, which may be used in the Products are described in Exhibit B.

a. Fixed Income Securities

U.S. short-term fixed income: Seeks to provide a more conservative duration positioning relative to the broad U.S. fixed income market.

U.S. inflation-protected securities: Seeks to provide exposure to U.S. Treasury Inflation-Protected Securities (TIPS). This allocation is intended to provide a hedge against U.S. inflation.

U.S. intermediate-term fixed income: Seeks to provide exposure to intermediate-term government, corporate and mortgage- and asset-backed fixed income securities. This allocation is intended to provide diversification of income through a broad exposure to the U.S. fixed income universe.

U.S. long-term fixed income: Seeks to provide exposure to long-term government and corporate fixed income securities. This allocation is intended to capture incremental yield due to a term premium.

U.S. high-yield fixed income: Seeks to provide exposure to U.S. high-yield or non-investment-grade fixed income. This allocation is intended to generate income through investments in U.S. high-yield bonds, while also serving as a substitute for U.S. small-cap equities.

Global/international fixed income: Seeks to provide exposure to and diversification through non-U.S. yield curves and currencies.

Floating rate income: Seeks to provide exposure to privately structured senior-secured corporate debt obligations with adjustable interest rates. This allocation is intended to generate incremental yield, hedge against rising U.S. interest rates and provide selective credit opportunities.

Opportunistic Bond: Seeks to provide exposure to active managers focused on less traditional segments of fixed income markets, generally in a less constrained manner. This allocation is intended to provide diversification of income through a broad exposure to the U.S. fixed income universe.

b. Equity Securities

U.S. large-cap equity: Seeks to provide exposure to the equities of U.S. large capitalization companies. This allocation focuses on strategies that seek to generate income through investing primarily in U.S. companies that have historically provided above average dividend yields.

International equity: Seeks to provide exposure to the equities of non-U.S. developed market companies. This allocation focuses on investments that seek to generate income through investing primarily in non-U.S. companies that have historically provided above-average dividend yields.

U.S. mid-cap equity: Seeks to provide to the equities of U.S. mid-capitalization companies. This allocation is used for its above-average long-term cumulative risk/return potential.

U.S. small-cap equity: Seeks to provide exposure to the equities of U.S. small capitalization companies. This allocation is used for its above-average long-term cumulative risk/return potential.

U.S. large-cap non-traditional: Seeks to reduce the volatility typically associated with equities of U.S. large capitalization companies under certain market conditions, as well as to provide income through call option premiums. This allocation is intended to provide a partial hedge through the sale of call options on the underlying stock holdings, and the purchase of index put options.

U.S. micro-cap equity: Seeks to provide exposure to the equities of U.S. micro capitalization companies. This allocation is used for its above-average, long-term cumulative risk/return potential.

International small-cap equity: Seeks to provide exposure to the equities of non-U.S. developed market small-cap companies. This allocation is intended to provide long-term capital appreciation, as well as diversification through investments in companies outside of the United States.

Emerging markets: Seeks to provide exposure to the equities of non-U.S. emerging markets companies. This allocation is used for its above-average long-term cumulative risk/return potential.

Global thematic: Seeks to provide exposure to equities of global companies that concentrate on specific themes. This allocation seeks to take advantage of investment opportunities as a result of macro-economic developments.

Real Estate Investment Trusts (“REITs”): Lockwood may have an allocation to REITs and if so, it generally employs a passive approach in its allocation to REITs. The asset class is represented by the NAREIT-Equity Index, which has had a low correlation to the stock and bond markets. Lockwood may make an allocation to REITs in an effort to lessen overall portfolio volatility and provide income via its dividend yield.

Commodities: Seeks to provide exposure to commodities, including agricultural, energy and metals. This allocation is used to provide diversification, as well as a potential hedge against future inflation.

Global defensive sectors: Seeks to provide exposure to U.S. and non-U.S. economic sectors. Sector allocations may be used for the defensive nature of certain economic sectors, such as Consumer Staples, Health Care and Utilities. These sectors, at times, have historically experienced lower declines than the overall market. This allocation may include vehicles that invest in U.S. companies, as well as abroad.

Alternatives: Seeks to provide exposure to strategies used primarily for their low correlation to more traditional equity and fixed income asset classes, and thus seeks to reduce overall volatility.

The underlying holdings may include managed futures, currency carry, merger arbitrage, convertible arbitrage, long /short equity, fixed income and commodities, and multi-strategy funds.

2. Lockwood AdvisorFlex Portfolios

The AFP product includes three, objectives-based strategies (Appreciation, Income and Preservation), with multiple Models within each strategy, as described below. Until April 3, 2009, AFP consisted of eight (8) models/asset allocation strategies (“Models”). Effective April 3, 2009, the number of Models expanded to a total of sixteen (16) Models. Accounts opened prior to April 3, 2009, in one of the eight Models were mapped to the comparable Model within sixteen (16) new Models. A description of each asset class used in one or more of each of the Models is provided below.

a. Appreciation Strategy

Lockwood designed the Appreciation Strategy to seek to provide:

- the long-term level of returns associated with equity and fixed income asset classes; and
- above average, risk-adjusted levels of appreciation.

There are six (6) Appreciation Strategy models, each representing various levels of expected risk and return. Model I is the most conservative model and Model VI is the most aggressive. In each underlying Appreciation Strategy model, Lockwood seeks to achieve its objective through tilts toward asset classes with above-average cumulative return potential, as well as asset classes that pay a premium to investors with a long-term time horizon.

The six (6) Appreciation Strategy models hold investment vehicles, including mutual funds, ETFs and/or ETNs, which offer exposure to broad asset classes, such as stocks and bonds. Each asset class is intended to contribute to the overall investment objective of the respective models.

Although Lockwood designed the Appreciation Strategy to seek to provide risk-adjusted levels of appreciation, there is no guarantee that the value of your investment will appreciate.

The asset mix of the respective models may include:

- U.S. short-term fixed income
- U.S. inflation-protected securities
- U.S. intermediate-term fixed income
- Global/international fixed income
- Floating rate income
- U.S. large-cap equity
- U.S. mid-cap equity
- U.S. small-cap equity
- U.S. micro-cap equity
- International equity
- International small-cap equity.

- Emerging markets equity
- Global thematic
- Alternative Investments

b. Income Strategy

Lockwood designed the Income Strategy to seek to provide:

- a risk-managed, diversified portfolio; and
- select opportunities for above-average level of yield.

There are five (5) Income Strategy models, each representing various levels of risk and return. Model I is the most conservative and Model V is the most aggressive. In each underlying Income Strategy model, Lockwood seeks to achieve its objective through the use of some or all of the following: dividend paying stocks, real estate investment trusts, master limited partnerships, closed-end funds, and preferred securities.

The five (5) Income Strategy models hold investment vehicles, including mutual funds, ETFs and/or ETNs, which offer exposure to broad asset classes, such as stocks and bonds. Each asset class is intended to contribute to the overall investment objective of the respective models.

Although Lockwood designed the Income Strategy to seek to provide an above-average level of yield, there is no guarantee that income will be consistently generated from your investment.

The asset mix of the respective models may include:

- U.S. short-term fixed income
- U.S. inflation-protected securities
- U.S. intermediate-term fixed income
- U.S. long-term fixed income
- U.S. high-yield fixed income
- Global/international fixed income
- Floating rate income
- U.S. large-cap equity
- International equity

c. Preservation Strategy

Lockwood designed the Preservation Strategy to seek to provide:

- the long-term level of returns typically associated with equity and fixed income asset classes;
- a degree of downside protection; and
- a similar level of long-term volatility, when compared to standard capitalization-weighted indices.

There are five (5) Preservation Strategy Models, representing various levels of risk and return. Model I is the most conservative and Model V is the most aggressive. In each underlying Preservation Strategy model, Lockwood seeks to achieve its objective through tilts toward non-cyclical economic sectors, higher quality securities, and alternative strategies that may alter risk characteristics of the portfolio.

The five (5) Preservation Strategy models hold investment vehicles, including mutual funds, ETFs and/or ETNs, which offer exposure to broad asset classes, such as stocks and bonds. Each asset class is intended to contribute to the overall investment objective of the respective models.

Although Lockwood designed the Preservation Strategy to seek to provide downside protection, there is no guarantee that the value of your investment will be preserved.

The asset mix of the respective models may include:

- U.S. short-term fixed income
- U.S. intermediate-term fixed income
- U.S. long-term fixed income
- U.S. inflation-protected securities
- Global/international fixed income
- Floating rate income
- U.S. large-cap non-traditional
- U.S. large-cap equity
- International equity
- Global defensive sectors
- Alternatives

Lockwood designed the Models to seek to align with the different phases of the investor life cycle, from wealth accumulation, to transition into retirement and ultimately, the management and distribution of income. Each of the Models contains specific investment selections. Disclosures relating to the specific investment selections are contained in Exhibit A and you should review them in detail. You and your Consultant are responsible for selecting the appropriate Model for you.

After account opening, you or your Consultant may determine to move up or down one Model level from the originally selected Model, in your and your Consultant's sole discretion.

Lockwood makes available research reports relating to the investment selections within the Models and prepared by Morningstar, Inc. ("Morningstar").

For each investment selection within a Model, Lockwood identifies several options from which you and your Consultant may choose. Within each Model, there will be primary investment selections ("Primary Selections") and alternate investment selections ("Alternate Selections") from which you and your Consultant may choose.

Lockwood will implement certain updates and changes to the Models ("Model Updates") throughout the life of your AFP account. You have given Lockwood the limited discretion to

make trades in your account for Model Updates. You and your Consultant are responsible for reviewing all such Model Updates. When Lockwood performs a Model Update, Lockwood may replace one investment vehicle with another and/or change the asset allocation of the Model.

At any time and in Lockwood's sole discretion, Lockwood may reclassify a Primary Selection as an Alternate Selection. Accounts with certain Firms may choose to designate the Lockwood default model during account opening. For these accounts that have designated the default Model at account opening, when Lockwood reclassifies a Primary Selection as an Alternate Selection, the accounts holding the Primary Selection would be traded into the new Primary Selection. Other accounts holding the Primary Selection may keep the existing selection or decide to change to the new Primary Selection. In each instance, Lockwood will notify your Consultant. In the event that a Primary Selection is eliminated from a Model altogether, all accounts in the Model will default to the new Primary Selection. In the event that Lockwood removes one of the Alternate Selections, affected accounts will default to either the Primary Selection or another, available Alternate Selection, as determined by Lockwood.

If you select both Primary Selections and Alternate Selections to complete a Model, the mixture of Primary Selections and Alternate Selections may result in changes to the weightings within an asset allocation.

Certain asset classes may contain only Primary Selections. Alternate Selections will not be made available in those cases, in Lockwood's sole discretion.

You may grant limited discretion to your Consultant to make changes to Primary Selections and Alternate Selections in your AFP account and to make other decisions relating to the AFP account on your behalf. Please refer to your agreement with your Firm and/or Consultant for more information regarding the discretion you grant to your Consultant.

3. Lockwood Investment Strategies

LIS is a discretionary, multi-discipline managed account product contained in a single portfolio. There are five (5) core models, which span the risk/return spectrum from current income to growth. You may also choose from four (4) additional models, which include exposure to non-traditional asset classes, as described more fully below. Lockwood, serving as the portfolio manager, determines the Sub-Advisers and specific investment vehicles based on its proprietary modeling strategies, and its economic outlook.

Lockwood selects Sub-Advisers and/or investment vehicles, such as ETFs or mutual funds, for each investment style. Each Sub-Adviser electronically provides Lockwood with its model portfolio buy list. As the overall portfolio manager, Lockwood combines each of the model portfolios into one LIS portfolio designed to perform and act similar to a defined target benchmark. Lockwood uses software to find ways to minimize tax implications and create better tracking to the target benchmark. This portfolio management process is sometimes referred to as "overlay management." The Sub-Advisers currently employed in LIS portfolios are Chartwell Investment Partners and Riverbridge Partners; and are subject to change at Lockwood's sole discretion.

When Lockwood selects investment vehicles in each of the portfolios, a number of factors are evaluated. Not only must the vehicle stand on its own investment merits, but it also must fit within the overall strategy. The amount allocated to an investment style may determine which type of vehicle may be used to manage that portion of the portfolio. A vehicle such as a mutual fund or ETF may be utilized to allow broad market exposure for lower dollar values. Lockwood may substitute an ETF for a mutual fund held in the model portfolio if a mutual fund is not available. Individual securities supplied by a Sub-Adviser may be used for allocations where Lockwood seeks active securities selection. Lockwood reviews Sub-Adviser and investment vehicle combinations to determine the most effective combination of investments to satisfy the goals of the portfolio. Lockwood also pays considerable attention to mutual fund and ETF fees, liquidity, investment minimums, and operational issues to determine whether they affect the implementation of specific vehicles and Sub-Advisers in the portfolios.

When a Sub-Adviser makes model portfolio changes, the Sub-Adviser may notify Lockwood after the Sub-Adviser has bought and sold securities in its other clients' accounts. Once a particular Sub-Adviser notifies Lockwood of model portfolio changes, Lockwood may make corresponding changes to your account. Lockwood reserves the right to not accept a particular Sub-Adviser recommendation. For example, if a security is subject to a reasonable restriction you imposed, Lockwood will not purchase that security for your account. As a result of the timing of model change notifications and Lockwood's processes, however, Sub-Adviser may effect trades on behalf of their other clients' accounts before Lockwood effects corresponding trades in LIS accounts. Therefore, in connection with model portfolio changes, due to the potential for the markets to react to the trades effected by the Sub-Adviser, you may be at a disadvantage when compared to Sub-Advisers' other clients with respect to the timing of the trades.

LIS includes a series of strategies limited to traditional asset classes only (Traditional) and a series of strategies that include traditional and non-traditional investment asset classes (Alternative).

d. Traditional Strategies

Lockwood offers five (5) LIS diversified, discretionary investment portfolios that generally include allocations to Traditional asset classes. Model I is the most conservative model, with the majority of the model allocated to fixed income and the balance to equities; Model V is the most aggressive model, with an allocation focused on equities.

The Traditional Strategies models, representing various levels of expected risk and return, offered within LIS are:

Model I:	Current Income
Model II:	Growth & Income
Model III:	Conservative Growth
Model IV:	Moderate Growth
Model V:	Growth

Model I is the most conservative model, with the majority of the model allocated to fixed income and the balance to equities; Model V is the most aggressive model, with an allocation focused on equities.

Lockwood may use both active and passive vehicles in any of its asset classes as market conditions or the availability of investment vehicles warrant.

Using a long-term, strategic approach to its asset allocation methodology, Lockwood shifts its models from time to time based on economic models and changing investment fundamentals. Lockwood generally seeks to make relatively small adjustments within its allocation models, rather than making significant shifts between asset classes, in an effort to reduce the volatility of the portfolios. The decision to increase or reduce exposure to an asset class is driven by secular changes to key economic and market-related factors, which may include shifts in valuations, expected earnings growth, or the impact of changing interest rates.

e. Alternative Strategies

Lockwood also offers four (4) diversified, discretionary, investment portfolios that include allocations to the non-traditional investment asset class, with the expectation of offering comparable returns with less volatility than the Traditional Strategies.

Lockwood may invest in the following non-traditional asset classes, or others as it deems appropriate, in its sole discretion:

- convertible arbitrage,
- distressed securities,
- equity hedge,
- equity market neutral,
- event-driven,
- fund-of-funds,
- long-short,
- merger arbitrage,
- macro strategies, and
- commodities.

Lockwood employs fundamental valuations and employs its own models to evaluate expected returns, risk and correlation for the traditional asset classes it includes in its investment strategies. A similar approach is employed to determine risks and correlations, and set return requirements for the alternative asset classes. The following issues are among those considered for non-traditional assets:

- expected compensation for potential illiquidity,
- transparency and pricing of underlying securities,
- implementation costs and fees, and
- the use of leverage.

The core asset allocation models offered within the LIS Alternative Strategies are:

Alternative Model II:	Growth & Income
Alternative Model III:	Conservative Growth
Alternative Model IV:	Moderate Growth
Alternative Model V:	Growth

f. Tax Considerations

For taxable portfolios in LIS, Lockwood will consider tax implications when implementing changes in the portfolios when motivated by investment reasons. Lockwood will, from time to time, use various strategies, when appropriate, to seek to lessen the potential tax impact on taxable LIS portfolios when transactions are triggered for investment reasons, such as changes in asset class forecasts, Sub-Adviser changes, investment vehicle changes, and market drift. For example, Lockwood may seek to use losses to offset gains where desirable.

Lockwood may retain an investment vehicle that is not included in the applicable model portfolio for tax reasons. In this instance, Lockwood may change the allocation of the other investment vehicles in the portfolio to offset exposure to the retained vehicle.

Please consult your tax advisor regarding the tax implications of the investments in your LIS account.

4. Lockwood WealthStart Portfolios

WealthStart is a discretionary mutual fund and ETF wrap account product with a \$10,000 minimum account size that seeks to assist emerging and mass-affluent investors grow their wealth. Lockwood, serving as the portfolio manager, allocates investor assets systematically across multiple asset classes and styles using mutual funds and/or ETFs in a single account. Lockwood determines the asset allocation strategy and selects investment vehicles for each investment style in the portfolio, based upon proprietary modeling strategies, economic outlook and investment research discipline. Lockwood uses the same analysis described above to evaluate vehicles for use in WealthStart.

The twelve (12) WealthStart model portfolios are:

Model I: Current Income	Tax Aware Model I: Current Income
Model II: Growth & Income	Tax Aware Model II: Growth & Income
Model III: Conservative Growth	Tax Aware Model III: Conservative Growth
Model IV: Moderate Growth	Tax Aware Model IV: Moderate Growth
Model V: Growth	Tax Aware Model V: Growth
Model VI: Aggressive Growth	Tax Aware Model VI: Aggressive Growth

Model I is the most conservative model, with the majority of the model allocated to fixed income and the balance to equities; Model VI is the most aggressive model, with an allocation focused on equities. The tax aware portfolios contain municipal bond funds in the fixed income asset classes.

At the time of this Brochure, the WealthStart portfolios consist solely of exchange-traded funds. However, these portfolios may consist of open and closed end mutual funds, exchange-traded funds and other types of securities, as determined by Lockwood, in its sole discretion.

5. Lockwood Asset Allocation Portfolios

LAAP is a discretionary, multi-discipline managed account product contained in a single portfolio. Lockwood, serving as the portfolio manager, determines the asset allocation strategy and selects investment vehicles in the portfolio, based upon proprietary modeling strategies, economic outlook and investment research discipline. Lockwood uses the same analysis described above to evaluate vehicles for use in LAAP.

The five (5) LAAP model portfolios are:

Model I:	Current Income
Model II:	Growth & Income
Model III:	Conservative Growth
Model IV:	Moderate Growth
Model V:	Growth

Model I is the most conservative model, with the majority of the model allocated to fixed income and the balance to equities; Model V is the most aggressive model, with an allocation focused on equities.

These portfolios may consist of open and closed end mutual funds, exchange-traded funds and other types of securities, as determined by Lockwood, in its sole discretion.

6. Lockwood/American Funds Core Portfolios

The Lockwood/American Funds Core Portfolios are a discretionary mutual fund and ETF wrap account product with a \$10,000 minimum account size. Lockwood, serving as the Portfolio Manager, allocates investor assets systematically across multiple asset classes and styles using American Funds mutual funds and other select ETFs in a single account. Lockwood determines the asset allocation strategy and selects investment vehicles for each investment style in the portfolio, based upon proprietary modeling strategies, economic outlook and investment research discipline. Lockwood is solely responsible for the fund selection and construction of the Lockwood/American Funds Core Portfolios and neither American Funds Distributors, Inc. nor its affiliates are involved in such activities, nor do American Funds Distributors, Inc. or its affiliates serve as investment adviser to Client accounts. Lockwood uses the same analysis described above to evaluate vehicles for use in the Lockwood/American Funds Core Portfolios.

The Lockwood/American Funds Core Portfolios consist of the following three models designed to align with key stages of the investor lifecycle, which may consist of open and closed-end mutual funds, exchange-traded funds and other types of securities, as determined by Lockwood in its sole discretion:

Appreciation

Balanced

Conservative Growth

The Conservative Growth portfolio is the most conservative model, and the Appreciation portfolio is the most aggressive model, with an allocation mostly focused on equities.

7. Third Party Model Providers

Lockwood provides you with access to Models generated by Third Party Model Providers. Lockwood performs due diligence on various Third Party Model Providers and contracts with those Third Party Model Providers to provide the Models for the Third Party Model Providers portfolios. Lockwood continues to monitor contracted Third Party Model Providers and the Models on an on-going basis. Lockwood makes profile information about the Third Party Model Providers and the Models available to your Consultant.

Lockwood has assembled a series of Models from Third Party Model Providers, listed in Exhibit A, comprised of different asset classes. Because each Model consists of a unique asset class mix, each Model has a distinctive risk profile associated with it. Your assets are invested in accordance with the investment objective and level of risk you and your Consultant determine suits your risk tolerance and financial objectives. If you have selected a Third Party Model Provider Model, your account is invested in a combination of some or all of the following investment products, pursuant to the Model you have selected:

- Equity or fixed income securities;
- ETFs; and
- mutual funds.

For more information regarding the risks associated with some of these investment products, see section D(1) of this Item 8.

Third Party Model Providers design each Model for a certain level of risk tolerance and investment objective and select mutual funds, ETFs, and or equity securities that it believes are appropriate for each Model.

Lockwood is granted limited discretionary trading authority with respect to assets in your Third Party Model Providers Model account(s). Either you or your Consultant retains final authority for the Third Party Model Providers and Model selections. Pursuant to its discretionary trading authority, Lockwood will invest the assets in your account according to the Model you have selected. Lockwood will also periodically buy and sell securities in your account so that the assets you own are in line with the Model without receiving prior approval from you. This process is known as “rebalancing.” Asset allocations will differ depending on the Model you have selected.

Once a particular Third Party Model Provider notifies Lockwood of model portfolio changes, Lockwood will make corresponding changes to your account. Lockwood reserves the right to not accept a particular change to a Model. For example, if a security is subject to a reasonable restriction you imposed, Lockwood will not purchase that security for your account.

When a Third Party Model Provider makes model portfolio changes, the Third Party Model Providers may notify Lockwood after the Third Party Model Providers has bought and sold securities in its other clients’ accounts. As a result of the timing of Model change notifications and Lockwood’s processes, Third Party Model Providers may effect trades on behalf of their other clients’ accounts before Lockwood effects corresponding trades in your account. Therefore, in connection with model portfolio changes, due to the potential for the markets to react to the trades effected by a Third Party Model Provider, you may be at a disadvantage when compared to the Third Party Model Provider’s other clients with respect to the timing of the trades.

Third Party Model Providers do not receive information regarding your identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status or financial needs or goals. Third Party Model Providers have no obligation for the provision of advice specifically to you. Third Party Model Providers are not responsible for determining the appropriateness or suitability of investment model(s), or of any of the securities included from time to time in the investment model(s) for you specifically. Notwithstanding the foregoing, you and your Consultant may wish to review each Third Party Model Provider’s ADV Part 2A or alternative disclosure document for more information regarding a Third Party Model Provider.

E. Lockwood Overlay Services for Command Sponsor's UMA Programs.

In Command, Lockwood may provide overlay services with respect to a Sponsor's UMA program ("Command Sponsor UMA Program"). Currently, NEXT Financial Group, Inc. is the sole Command Sponsor utilizing the Command Sponsor UMA Program. A sponsor's Command Sponsor UMA Program is described in their Wrap Fee Brochure. If you have selected a Command Sponsor UMA Program, your assets are invested in accordance with the investment objective and level of risk you and your Consultant determine suits your risk tolerance and financial objectives. Your Command Sponsor UMA Program account is invested in a combination of some or all of the following investment products: equity security model portfolios designed reviewed and updated by one or more UMA Model Providers ("UMA Models"), ETFs, mutual funds, or other securities. In addition, upon request by a Sponsor, Lockwood may agree to make available Models from Third Party Model Providers (as described above) or other Products managed by Lockwood as UMA Model options within a Command Sponsor UMA Program.

Each Sponsor, and not Lockwood, determines the UMA Models, ETFs, mutual funds, or other securities included in their Command Sponsor UMA Program and, therefore, the investment choices may differ by Sponsor. In doing so, the Sponsor is not relying on Lockwood's expertise, due diligence or other research with respect to the evaluation and selection of UMA Models, ETFs, mutual funds, or other securities included in its Command Sponsor UMA Program. Your Consultant is responsible for recommending UMA Models, ETFs, mutual funds, or other securities from those made available by the Sponsor.

Lockwood is granted limited discretionary trading authority with respect to assets in your Command Sponsor UMA Program account which includes the authority to allocate assets across the selected UMA Models, ETFs, mutual funds and other securities; to implement in its discretion model changes received from Model Providers; and to rebalance the Account in accordance with target allocations and program trading parameters established by the Sponsor. Lockwood will allocate assets across the investments available in the Command Sponsor UMA Program, in a manner consistent with Sponsor's instruction, without regard to Lockwood's own assessment of the Model Providers, UMA Models, ETFs, mutual funds or other securities in other contexts or circumstances where Lockwood has the authority to recommend or select such strategies or investment advisers. Lockwood may be in possession of confidential, nonpublic or other information concerning such investment options which it has no obligation to share with Sponsor or any client. **No asset allocation to a particular UMA Model Provider, UMA Model, ETF, mutual fund or other security should be considered an approval or endorsement by Lockwood of such Model Provider, UMA Model, ETF, mutual fund or other security. Either you or your Consultant and/or the Sponsor retains final authority for the asset allocation decisions and the selection of individual investment choices to fill the selected asset allocation.**

Lockwood retains the authority to terminate or change Model Providers or UMA Models in its discretion. Assets from a removed UMA Model may be automatically reallocated to the other investments currently held within the Command Sponsor UMA Program account in accordance with the account's asset allocation. Additionally, Lockwood may, in its discretion, at any time remove an ETF, mutual fund or other security from the list of available ETFs, mutual funds and

securities. Proceeds from the removed ETF, mutual fund or other security may be allocated to cash unless Lockwood is otherwise directed by your Consultant. This replacement process will be subject to the usual and customary settlement procedures and may have tax consequences. Lockwood notifies the applicable Sponsors and Consultants about the termination and replacement of UMA Model Providers, ETFs, mutual funds and other securities, and the Consultants, in turn, are responsible for advising you about these changes to the Program.

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

UMA Model Providers do not receive information regarding your identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status or financial needs or goals. UMA Model Providers have no obligation for the provision of advice specifically to you. UMA Model Providers are not responsible for determining the appropriateness or suitability of investment model(s), or of any of the securities included from time to time in the investment model(s) for you specifically. Notwithstanding the foregoing, you and your Consultant may wish to review each UMA Model Provider's ADV Part 2A or alternative disclosure document for more information regarding a UMA Model Provider.

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

F. Lockwood Portfolio Manager Services for Command Sponsor's Model Based SMA Programs.

Lockwood may provide portfolio manager services with respect to a Command Sponsor Model Based SMA Program as noted above. Each Sponsor's wrap fee brochure describes their Command Sponsor Model Based SMA Program in more detail. If you have selected a Command Sponsor Model Based SMA Program, your assets are invested in accordance with the

designated model portfolio (a “SMA Model”) selected by you and your Consultant based on your risk tolerance and financial objectives. Your Consultant is responsible for recommending SMA Models from those made available by the Sponsor. **Either you or your Consultant and/or the Sponsor retains final authority for the selection of individual SMA Models for your account.**

Each Sponsor, and not Lockwood, determines the SMA Models available in their program and, therefore, the investment choices may differ by Sponsor. In doing so, the Sponsor is not relying on Lockwood’s expertise or due diligence with respect to the evaluation and selection of SMA Models. Lockwood may be in possession of confidential, nonpublic or other information concerning such investment options which it has no obligation to share with Sponsor or any client.

Lockwood is granted limited discretionary trading authority with respect to assets in your Command Sponsor Model Based SMA Program account which includes the authority to implement in its discretion model changes received from SMA Model Providers and to rebalance the Account in accordance with target allocations and program trading parameters established by the Sponsor. Lockwood retains the authority to terminate or change SMA Model Providers or SMA Models in its discretion. Lockwood notifies the applicable Sponsors and Consultants about the termination and replacement of SMA Model Providers or SMA Models, and the Consultants, in turn, are responsible for advising you about these changes to the Program.

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

SMA Model Providers do not receive information regarding your identity, circumstances, financial condition, portfolio holdings, tax situation, regulatory status or financial needs or goals. SMA Model Providers have no obligation for the provision of advice specifically to you. SMA Model Providers are not responsible for determining the appropriateness or suitability of investment model(s), or of any of the securities included from time to time in the investment model(s) for you specifically. Notwithstanding the foregoing, you and your Consultant may wish to review each SMA Model Provider’s ADV Part 2A or alternative disclosure document for more information regarding an SMA Model Provider.

Information about the risks associated with specific investment selections are contained in Exhibit B and you should review them in detail. It is important to remember that there are risks inherent in any investment, including the loss of principal, which you must be prepared to bear. There is no assurance that any asset class or index, or a diversified mix of assets will provide positive performance over time. Asset classes and/or other investment strategies not included in a Command Sponsor Model Based SMA Program may exhibit similar superior characteristics and performance than those that are included.

G. Composite Performance - LIS, LAAP, WealthStart and Lockwood/American Funds Core Portfolios

For LIS, LAAP, WealthStart and the Lockwood/American Funds Core Portfolios, a composite is created after five accounts have been managed in that style for a specified time period. Lockwood calculates performance each time there is an asset or cash flow of 10% or greater and at each month end. Lockwood calculates performance on a total return basis, which includes realized gains, unrealized gains, and interest and dividend income. Cash is included in the calculation. Accrual accounting is used to recognize interest and dividend income. Cash flows are accounted for by the date they are received, and portfolios are revalued if assets change by more than 10%. Individual account returns are time-weighted. Lockwood annualizes returns for periods greater than one year.

H. Model Performance – AFP

The performance data provided in AFP is based on the performance of a model portfolio. Model performance has inherent limitations and does not represent the results of actual trading of your assets. Returns are based upon the primary investment selections for each model and assume the portfolio is rebalanced monthly. Performance is calculated using a time-weighted rate of return, and returns for periods of one year or longer are annualized.

The model performance represents historical gross performance with no deduction for advisory fees (which include program fees, consultant fees and other applicable fees); assumes reinvestment of dividends, capital gains, and any other earnings, and is net of transaction costs. Returns of the underlying funds within each model are based on changes in net asset value and are net of fund expenses, including management fees and any transaction costs incurred by the fund.

It is important to note that the performance of your portfolio will not necessarily match the performance of the model portfolio due to differences in the weightings of the individual holdings, security substitutions, and the effects of periodic rebalancing. In addition, these model results do not take into account timing differences between the model selections and the purchases or sales that were or would have been made based on those selections by you. Due to the range of investment vehicle selections in AFP, your account's performance may differ substantially from AFP's model performance.

I. Performance –Third Party Model Providers

Lockwood does not calculate performance of the Third Party Model Provider Models. However, Lockwood may make available to your Consultant fact sheets from the Third Party Model

Providers that contain performance information provided by the Third Party Model Provider. This performance calculated by the Third Party Model Provider may be based on the performance of a composite or a model portfolio.

8. Cybersecurity Risk

In addition to the risks described above and in Exhibit B that primarily relate to the value of investments, there are various operational, systems, information security and related risks involved in investing, including but not limited to “cybersecurity” risk. Cybersecurity attacks include electronic and non-electronic attacks that include but are not limited to gaining unauthorized access to digital systems to obtain client and financial information, compromising the integrity of systems and client data (e.g., misappropriation of assets or sensitive information), or causing operational disruption through taking systems off-line (e.g., denial of service attacks). As the use of technology has become more prevalent, Lockwood and the client accounts Lockwood manages have become potentially more susceptible to operational risks through cybersecurity attacks. These attacks in turn could cause Lockwood and client accounts Lockwood manages to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures, and/or financial loss. Similar adverse consequences could result from cybersecurity incidents affecting issuers of securities in which Lockwood invests, counterparties with which Lockwood engages in transactions, third party service providers, governmental or other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers and other financial institutions and other parties. While cybersecurity risk management systems and business continuity plans have been developed and are designed to reduce risks associated with these attacks, there are inherent limitations in any cybersecurity risk management system or business continuity plan, including the possibility that certain risks have not been identified. Accordingly, there is no guarantee that such efforts will succeed, especially since we do not directly control the cybersecurity systems of issuers or third party service providers.

Item 9 Disciplinary Information

From time to time, Lockwood and/or BNY Mellon may be involved in regulatory examinations or litigation that arise in the ordinary course of business. At this time, Lockwood is not aware of any regulatory matters or litigation that Lockwood believes would be material to an evaluation of our advisory business or integrity of our management.

Item 10 Other Financial Industry Activities and Affiliations

A. Other Financial Industry Activities

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

B. Financial Industry Affiliations

Affiliated Broker-Dealers and Investment Advisers

Lockwood is affiliated with a large number of investment advisers and broker-dealers within the BNY Mellon family of companies. Please see Form ADV, Part 1A-Schedule D, Section 7.A. for a list of investment advisers and broker-dealers affiliated with Lockwood. Several of our investment adviser affiliates have, collectively, a significant number of investment-related private funds for which a related person serves as sponsor, general partners or managing member (or equivalent), respectively. Please refer to the Form ADV, Part 1A – Schedule D, Section 7.B for each of our affiliated investment advisers for information regarding such firm's private funds (if applicable) and such firm's Form ADV, Part 1A – Schedule D, Section 7.A for information regarding related persons that serve in a sponsor, general partners or managing member capacity (if applicable).

Clients of Lockwood, may also be clients of affiliated investment advisers and such relationships and related transactions may occur without Lockwood's knowledge.

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

Lockwood may enter into transactions with unaffiliated counterparties or third-party service providers who then use affiliates of ours to execute such transactions. Additionally, Lockwood may effect transactions in American Depositary Receipts ("ADRs") or other securities and the involved issuers or their service providers may use affiliates of Lockwood for support services. Services provided by Lockwood's affiliates to such unaffiliated counterparties, third party service providers and/or issuers may include, for example, clearance of trades, purchases or sales of securities, serving as depositary banks to issuers of ADRs, providing foreign exchange services in connection with dividends and other distributions from foreign issuers to owners of ADRs, or other transactions not contemplated by Lockwood. Although the affiliate may receive compensation for engaging in these transactions and/or providing services, the decision to use or not use an affiliate of Lockwood is made by the unaffiliated counterparty, third-party service

provider or issuer. Further, Lockwood will likely be unaware that the affiliate is being used to enter in such transaction or service.

BNY Mellon and/or its other affiliates may gather data from us about our business operations, including information about holdings within client portfolios, which is required for regulatory filings to be made by us or BNY Mellon or other affiliates (e.g., reporting beneficial ownership of equity securities) or for other compliance, financial, legal or risk management purposes, pursuant to policies and procedures of Lockwood, BNY Mellon or other affiliates. This data is deemed confidential and procedures are followed to ensure that any information is utilized solely for the purposes intended.

Sub-Advisers that are investment management affiliates of BNY Mellon and/or investment vehicles that are managed by investment management affiliates of BNY Mellon may be used in the construction of its AFP, LIS, WealthStart, LAAP and Lockwood/American Funds Core portfolios.

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

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

Affiliates of Lockwood may refer Consultants, Co-Sponsors, or Sub-Advisers to Lockwood. Affiliates of Lockwood may also have business arrangements with Consultants, Co-Sponsors, or Sub-Advisers that may indirectly benefit from such entities business with Lockwood. This may create a potential conflict of interest, therefore, Lockwood shall make an independent determination as to whether to do business with such entities.

Certain mutual fund families whose funds are selected by Lockwood provide fees to Lockwood's affiliates, Pershing and Pershing Advisor Solutions. Lockwood is not incented or rebated any fees or compensation as a result of a related party's receipt of fees. Although Lockwood is not incented or rebated any fees or compensation, the payment to Lockwood's affiliates may create a potential conflict of interest, therefore, Lockwood does not consider fees paid to affiliates in its selection and retention of mutual funds. Affiliates of Lockwood may be a service provider, such as a trustee or administrator to a mutual fund or ETF, used in the Products, and may receive a fee from the mutual fund or ETF for performing such service. Lockwood does not receive any portion of these fees and does not consider trustee or administrator fees received by an affiliate in its selection and retention of investment vehicles. In the event that a Third Party Model Provider provides Lockwood with a Model that contains a mutual fund or ETF that is advised or sub-

advised by an affiliate of Lockwood (a “Proprietary Fund”), Lockwood will work with that Third Party Model Provider to determine a replacement mutual fund or ETF that is not a Proprietary Fund. In the event that no replacement can be found for the Proprietary Fund, that Model will not be available to accounts subject to ERISA.

Lockwood’s affiliate Lockwood Solutions, Inc., for a fee, provides certain asset management firms with back office support services related to their participation in wrap fee programs. This may create a potential conflict of interest giving Lockwood an incentive to recommend Portfolio Managers that pay a fee from Lockwood Solutions, Inc. As of the date of this Brochure, one of the model providers in a unified managed account co-sponsored by Lockwood was a client of Lockwood Solutions, Inc.; none of the Sub-Advisers used in LIS or Third Party Model Providers in the Third Party Model Provider portfolios were clients of Lockwood Solutions, Inc. Lockwood manages this potential conflict of interest by applying the same due diligence criteria to Portfolio Managers and Third Party Model Providers using the services of its affiliate that it does to other Portfolio Managers or Third Party Model Providers.

One or more of the Sub-Advisers for LIS or Third Party Model Providers may also have a contract with Lockwood to serve as a separate account portfolio manager in one or more of the Lockwood Wrap Products.

Pershing, a registered broker-dealer and Lockwood’s affiliate, provides clearing and custody services for the Command platform. Trading is performed on an agency basis through Pershing. Lockwood may delegate certain functions, including administration of trading, to its affiliate, the Managed Investments division of Pershing (“Managed Investments”). Managed Investments does not have discretion to trade other than upon instructions of Lockwood.

As of December 31, 2016, the following firms were each one of the top ten institutional owners of the common stock of BNY Mellon and have a relationship with Lockwood, relating to programs covered in this Brochure and not covered in this Brochure as described below:

- BlackRock Fund Advisors (affiliate of BlackRock Investment Management LLC, a Portfolio Manager and/or Third Party Model Provider in certain managed account programs, and various related mutual funds held in certain Lockwood managed account programs);
- Davis Selected Advisers, L.P. (Portfolio Manager in certain managed account programs);
- Dodge-& Cox (mutual fund(s) held in products managed by Lockwood);
- MFS Investment Management (investment adviser to mutual fund(s) held in products managed by Lockwood);
- T. Rowe Price Associates, Inc. (mutual fund(s) held in products managed by Lockwood); and
- Vanguard Group, Inc. (mutual fund(s) and ETFs held in products managed by Lockwood and parent company of Vanguard Advisers, Inc., a Third Party Model Provider in certain managed account programs).

These relationships with BNY Mellon may create a potential conflict of interest, however, it did not and does not affect Lockwood's decision to include these firms in a managed account program and these Portfolio Managers and investment vehicles are subject to Lockwood's due diligence criteria.

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

Effective as of the date of the Transaction, Lockwood became an affiliate of BNY Mellon Distributors Inc. ("BNYMDI"), BNY Mellon Investment Servicing (US) Inc. ("BNYMIS") and BNY Mellon Investment Servicing Trust Company ("BNYMTC") (formerly, PFPC Trust Company), each, a BNY Mellon Company. The mutual funds and ETFs in which you invest may be serviced by BNYMDI, BNYMIS, BNYMTC and/or other Lockwood affiliates and for which such affiliates receive fees. When selecting a mutual fund and/or ETF for inclusion in, or removal from a Program, Lockwood does not take into consideration whether the fund is serviced by an affiliate of Lockwood. BNY Mellon sold BNYMDI to a third party during 2012 and, therefore, BNYMDI is no longer affiliated with Lockwood. For more detailed information regarding a mutual fund, including fees and expenses, please refer to that fund's prospectus.

When Lockwood serves as portfolio manager, Lockwood does not purchase securities issued by BNY Mellon.

Lockwood and certain of its affiliates sponsor other wrap fee programs, which may have fees, custodians, portfolio managers and/or available products that are different from those in the program described in this Brochure.

BNY Mellon's Status as a Bank Holding Company

BNY Mellon and its direct and indirect subsidiaries, including Lockwood, are subject to certain U.S. banking laws, including the Bank Holding Company Act of 1956, as amended (the "BHCA"), to regulation and supervision by the Board of Governors of the Federal Reserve System (the "Federal Reserve"), and to the provisions of, and regulations under, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"). The BHCA and the Dodd-Frank Act (and other applicable banking laws, and their interpretation and administration by the appropriate regulatory agencies, including but not limited to the Federal Reserve) may restrict the transactions and relationships among BNY Mellon, its affiliates (including us) and our clients, and may restrict our investments, transactions and operations. For example, the BHCA regulations applicable to BNY Mellon and us may, among other things, restrict our ability to make certain investments or the size of certain investments, impose a maximum

holding period on some or all of our investments, and restrict our ability to participate in the management and operations of the companies in which we invest. In addition, certain BHCA regulations may require aggregation of the positions owned, held or controlled by related entities. Thus, in certain circumstances, positions held by BNY Mellon and its affiliates (including us) for client and proprietary accounts may need to be aggregated and may be subject to a limitation on the amount of a position that may be held. These limitations may have an adverse effect on Lockwood's ability to manage client investment portfolios. For example, depending on the percentage of a company, Lockwood and its affiliates (in the aggregate) control at any given time, the limits may: (1) restrict Lockwood's ability to invest in that company for certain Clients and/or (2) require us to sell certain Client holdings of that company at a time when it may be undesirable to take such action. Additionally, BNY Mellon may in the future, in its sole discretion and without notice, engage in activities impacting us in order to comply with the BHCA, Dodd-Frank Act or other legal requirements applicable to (or reduce or eliminate the impact or applicability of any bank regulatory or other restrictions on) us and accounts managed by us and our affiliates.

The Volcker Rule.

The Dodd-Frank Act includes provisions that have become known as the "Volcker Rule," which restrict bank holding companies, such as BNY Mellon and its subsidiaries (including us) from (i) sponsoring or investing in a private equity fund, hedge fund or otherwise "covered fund," with the exception, in some instances, of maintaining a de minimis investment, subject to certain other conditions and/or exceptions, (ii) engaging in proprietary trading, and (iii) entering into certain transactions involving conflicts of interest (e.g., extensions of credit). The final Volcker Rule was jointly adopted by a group of U.S. federal financial regulators in December 2013 and generally must be implemented by BNY Mellon no later than July 21, 2017.

The Volcker Rule generally prohibits certain transactions involving an extension of credit between BNY Mellon and its affiliates, on the one hand, and "covered funds" managed by BNY Mellon and/or its affiliates (including us), on the other hand. BNY Mellon affiliates provide securities clearance and settlement services to broker-dealers on a global basis. The operational mechanics of the securities clearance and settlement process can result in an unintended intraday extension of credit between the securities clearance firm and a "covered fund." As a result, we may be restricted in executing transactions for certain funds through broker-dealers that utilize a BNY Mellon affiliate as their securities clearance firm. Such restriction could prevent us from executing transactions through broker-dealers we would otherwise use in fulfilling our duty to seek best execution.

Affiliated Banking Institutions

BNY Mellon engages in trust and investment business through various banking institutions, including the Bank and BNY Mellon, National Association. These affiliated banking institutions may provide certain services to us, such as recordkeeping, accounting, marketing services, and referrals of clients. We may provide the affiliated banking institutions with sales and marketing materials relating to our investment management services that may be distributed under the name of certain marketing "umbrella designations" such as BNY Mellon, BNY Mellon Wealth Management, BNY IM, and BNY EMEA.

C. Other Relationships

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

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

BNY Mellon maintains a Code of Conduct that addresses these types of relationships and the potential conflicts of interest they may present, including the provision and receipt of gifts and entertainment.

BNY Mellon, among several other leading investment management firms, has a minority equity interest in Luminex Trading and Analytics, LLC (“Luminex”), a registered broker-dealer under the Exchange Act, which was formed for the purpose of establishing and operating a “buy-side” owned and controlled electronic execution utility for trading securities (the “Alternative Trading System”). Transactions for clients for which we serve as adviser may be executed through the Alternative Trading System. We and BNY Mellon disclaim that either is an affiliate of Luminex.

D. Marketing Activities

Certain Portfolio Managers or Model Providers (or their affiliates) available in Lockwood Wrap Programs and other non-advisory platforms have served as sponsor of certain Lockwood conferences or other events. During 2015 and 2016, Lockwood received sponsorship fees from the following Money Managers and Model Providers:

BlackRock
Federated
INVESCO
JP Morgan Asset Management

Legg Mason
Lord Abbett
Nuveen
RNC Genter

Russell
Schafer Cullen

Vanguard Financial Advisor Services
William Blair

These sponsorships may create a potential conflict of interest, however, it did not and does not affect Lockwood's decision to include these firms in a managed account.

Correspondingly, during 2015 and 2016, Lockwood paid sponsorships fees for certain, specific marketing activities engaged in by the financial institutions and organizations listed below. This list includes Firms that participate or participated in Lockwood's MAL Program, MAA Program, LSP, Managed360, certain co-sponsored programs, Command and other non-advisory platforms during 2015 and 2016.

American Portfolios

Premier Resource Group

Cantella & Co.

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

E*TRADE Capital Management, LLC

Securian Advisors/Securian Financial
Services

First Heartland Capital

GWB Securities

Securities America

Key Investment Services LLC

Waddell and Reed Inc.

Lincoln Financial

Money Concepts

Affiliates of Lockwood, including Pershing, may have also paid or received sponsorship fees for certain marketing activities of firms that do business with Lockwood. By accepting sponsorship payments from Portfolio Managers and Third Party Model Providers, it appears that a potential conflict of interest may exist in Lockwood's objective ability to provide clients with disinterested advice could be placed above the interests of its clients. Lockwood manages this potential conflict of interest by applying the same selection criteria to Portfolio Managers, Third Party Model Providers, Sub-advisers, ETFs and mutual funds, regardless of whether Lockwood, Pershing or any other affiliate of Lockwood receives sponsorship fees.

Lockwood or its affiliates may pay certain expenses, such as lodging, meals and entertainment for certain attendees at conferences sponsored by Lockwood or its affiliates. This indirect compensation provided to Consultants who recommend Lockwood's products may create a conflict of interest.

E. Other Wrap Products and Services

Lockwood acts as Sponsor and/or portfolio manager in programs that may be similar to the Products described in this Brochure and priced differently. Lockwood acts as portfolio manager in programs where Lockwood acts as Sponsor and also in programs where it does not also act as Sponsor. **In**

addition, Lockwood’s management of the investments in these other programs not described in this Brochure may differ from the way Lockwood manages the investments in the Products described in this Brochure, for accounts with the same or similar investment objectives, similar risk structure and similar size. For the Products described in this Brochure and the programs not described in this Brochure, where Lockwood acts as portfolio manager, Lockwood may make different decisions regarding the same security in different programs, taking into consideration all facts and circumstances, on or about the same time. Lockwood personnel enter trade orders for each program independently from the other programs due to different trading technology platforms. As a result, the trades from one program may be entered before the trades of another program.

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

Lockwood may also provide investment advice to other financial intermediaries. These financial intermediaries may also participate in one or more Lockwood programs. Lockwood may provide advice to certain co-sponsors of other Lockwood wrap fee programs prior to initiating investment changes in Client accounts.

Lockwood, through its affiliation with Pershing Securities Singapore Pte Ltd., could provide certain fund management services to accredited institutional investors in Singapore, subject to its registration in Singapore. In addition, Lockwood may provide mutual fund selection services in connection with mutual fund wrap programs that are not sponsored by Lockwood to BNYMTC and its clients may consist of individuals and institutions.

Lockwood may, for a fee, provide third-party financial services firms with its list of the investment vehicles used in AFP and such firm will offer a product similar to AFP to its Clients.

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

F. Compensation from Sub-Advisers

Lockwood does not receive compensation directly or indirectly from the Sub-Advisers Lockwood selects for LIS.

G. BNY Mellon Incentive Compensation Plan

BNY Mellon has adopted an incentive compensation program (“IC Program”), which seeks to financially reward eligible employees who offer a business lead that results in a sale of certain affiliated products or services to existing clients and prospects. These rewards may be paid to

Lockwood and its employees for referring business (services or products) to its affiliates, and Lockwood's affiliates and their employees may receive rewards for referring business to Lockwood. The rewards may be based on the number of referrals made. These rewards may create conflicts of interest for Lockwood and our employees because we have an incentive to encourage our clients to engage in transactions with our affiliates, based on the compensation that we will receive for these referrals.

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

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. Compliance Plan

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

Adherence to Investment Objectives and Restrictions	Late Trading and Market Timing-Mutual Funds
Advertisements	Material Compliance Event
Adviser’s Compliance Program	Oversight of Portfolio Managers, Investment Vehicles and Buy List Providers
Adviser as Sponsor	Performance Advertising
Adviser as Portfolio Manager	Personal Securities Transactions & Records
Advisory Agreements	Principal Trading
Agency Cross Transactions	Prohibited Business Practices for Investment Advisers and their Associated Persons
Anti-Money Laundering	Proxy Voting
Best Execution	Regulation S-P- Privacy of Client Financial Information and Safeguarding Information
Books and Records	Security Pricing and Account Valuations
Business Continuity and Disaster Recovery	Soft Dollars
Client Accounts	Solicitor Arrangements
Complaints	Trade Errors
Conflicts of Interest	Trading
Continuing Education	Political Contributions by Investment Advisers
Custody	
Dealings with Regulators, Government Agencies, Outside Attorneys and Duty to Escalate	
Directed Brokerage	
Due Diligence – Third Party Firms	
Due Diligence-Selection of Portfolio Managers	
Due Diligence-Selection of Investment Vehicles and Third-party List Providers	
Electronic Communications	
ERISA	
Exchange Act Filings	
Fees	
Form ADV	
Gifts, Entertainment and Other Payments	
Government Contracts	
Insider Trading and Pre-Clearance	
Investment Adviser Representative Registration	

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

B. Code of Ethics and Personal Trading

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

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

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

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

Activities that are strictly prohibited include:

- Having a personal interest in any Client transaction;
- Getting any personal benefit from a Client transaction;
- Using knowledge of Client transactions for personal gain; and
- Allowing anything to influence or impact an independent unbiased judgment with respect to Client communications.

Lockwood Compliance personnel monitor personal securities trading by employees and the members of the employee’s household. Employees who have direct contact with certain Client account information are required to get approval in advance of any securities transactions they wish to make. Employee personal trading reports are reviewed by Compliance personnel to verify the employees are complying with the Code. Lockwood may impose penalties and sanctions on employees who have violated provisions of the Code, including the personal trading policy. Employees must file transaction reports with Compliance at least quarterly. Compliance personnel review employee transaction reports.

To the extent the Code is silent on a matter; Lockwood shall default to the BNY Mellon Code of Conduct and Interpretive Guidance (the “BNY Mellon Code”). The BNY Mellon Code provides to employees the framework and sets the expectations for business conduct. In addition, it clarifies our responsibilities to clients, suppliers, government officials, competitors and the communities we serve and outlines important legal and ethical issues.

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

C. Participation or Interest in Client Transactions

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

D. Privacy Policy

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

E. Business Continuity

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

F. Error Correction

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

G. Risk Committee

Representatives from Lockwood participate in a Managed Investments Risk Operating Committee, which has been established to provide oversight of operational policies and procedures.

Item 12 Brokerage Practices

A. Soft Dollars

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

B. Trade Aggregation

Lockwood delegates certain operational functions to Managed Investments, including trade order entry with respect to the Products. Due to different trading technology platforms, the timing of trading among the different Products may, and often does, differ.

Lockwood maintains “average price accounts” at Pershing for the trades in accounts managed by Lockwood. Generally, trades made within the same Product are aggregated in the same trading block so that all accounts within that trading block will receive the same price for execution based on the average price for the block. Typically, for each Product, trades for new accounts, style changes and previous day contributions are aggregated in one trade block. For example, if the same security is being purchased in both AFP and LAAP at the same time, there would be separate trading blocks for each of the AFP and LAAP trades. For large ETF orders, however, Lockwood may combine a trade across the Products.

Throughout the day, at various times, Lockwood may receive requests from Clients that require Lockwood to make a trade. For example, you may ask your Consultant to raise cash for an upcoming withdrawal, liquidate a security or change the selected model portfolio. Managed Investments will process the request and enter an order for a trade block as each request is received. If Managed Investments receives multiple requests within a reasonable time (typically a 15 minute window), generally, Managed Investments will aggregate those trades into a single trading block.

C. Trade Rotation Policy

Lockwood has adopted a trade rotation policy to define the sequence in which Lockwood communicates trades and model portfolio advice (the “Lockwood Trade Rotation”). Lockwood utilizes the Lockwood Trade Rotation, as necessary, when placing trades for client accounts in which Lockwood has investment discretion as Portfolio Manager (“Lockwood Discretionary Accounts”) and in communicating model changes to third parties that receive Lockwood created model Portfolios (“Lockwood Model Recipients”) for which Lockwood does not exercise trading discretion.

When Lockwood has trades execute in the Lockwood Discretionary Accounts and communicate to one or more Lockwood Model Recipients, Lockwood will do so on a rotational basis. A rotation schedule will be maintained that includes Lockwood Discretionary Accounts and each Lockwood Model Recipient (the “Rotation Schedule”). Lockwood’s trade execution and

communication will follow the Rotation Schedule, which will rotate each day that trades are executed and communicated (i.e., the Lockwood Discretionary Accounts or each Lockwood Model Recipient that was previously first will move to the end of the Rotation Schedule).

Lockwood will trade the Lockwood Discretionary Accounts in accordance with the following trade rotation policy which is applicable to the Products on the Command platform. Lockwood uses the Fiserv APL trading system (“APL”) to allocate the trades made in the Products. Lockwood utilizes the pro-rata method within APL in the event of a partial fill, whereby Lockwood allocates shares to accounts on a pro-rata basis governed by a series of tax-lot and trade criteria until all shares are allocated.

Lockwood’s receipt of a model portfolio from a Model Provider or Sub-Adviser is subject to the trade rotation policy of such Model Provider or Sub-Adviser (a “Model Trade Rotation Policy”), which allocates the distribution of model portfolio updates across multiple program SMA and model products in which the Model Provider or Sub-Adviser, as applicable, participates. In some cases, Lockwood may not receive the model portfolio until after such Model Provider or Sub-Adviser has already executed trades in its own discretionary accounts. As a result of the Model Trade Rotation Policy, your account may be disadvantaged based on the order in which Lockwood receives updates to the model portfolio. Please refer to the Model Provider’s or Sub-Adviser’s Form ADV Part 2A for more information regarding the trade rotation policies of that Model Provider or Sub-Adviser, as applicable.

D. Rebalancing

Lockwood may change the style allocation, Sub-Advisers or investment vehicles used to manage a portion of the portfolio without receiving instructions signed by you in each case. In the event of an asset allocation change, Lockwood rebalances the portfolio accordingly (a “Global Rebalance”). During the life of the portfolio, Lockwood may change the investment vehicles used within the portfolio to attempt to achieve more effective tracking to a benchmark, or make an allocation to a specific sector or characteristic, such as International Small-Cap or fixed income duration.

Accounts are systematically reviewed periodically to determine if they fall outside of the drift parameters. If the account has drifted away from the model allocation such that it falls outside of the established parameters, it will be rebalanced back to the selected investment model. If the account is within the drift parameters, the account will not be rebalanced. Lockwood retains discretion to determine if a rebalance is appropriate at any time during the life of the account.

When you request a cash withdrawal from your account, Lockwood must first sell some of the securities in your account to raise the cash you requested. After an equity security is sold, it may take up to three (3) business days before the trade settles and the cash proceeds are in your account. In some cases, Lockwood may be able to request a “short settlement” and have the trade settled in one (1) business day. Please note, however, that you will incur additional brokerage costs to have a short settlement effected. In addition, certain mutual funds do not permit next day settlement requests even though most open-ended mutual fund trades settle in one (1) business day.

During a Global Rebalance, if there is a cash balance in the portfolio, the cash may not be available to be withdrawn. Lockwood performs its trading analysis based on trade date, not settlement date, so cash may appear to be available to you when it is not available during such a Global Rebalance.

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

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

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

E. Best Execution

Lockwood has adopted a Best Execution Policy pursuant to which Lockwood reviews exception reports containing samples of trades to monitor for best execution. Pursuant to its best execution policy, Lockwood has established a best execution committee which meets quarterly to review compliance and to monitor compliance with applicable regulations.

In Command, Lockwood may send trade orders to Lockwood’s affiliate, Pershing. All such trades are affected on an agency basis, unless prior Client approval is obtained for a principal trade, in accordance with the Advisers Act. Lockwood may trade away from Pershing in order to achieve best execution. When selecting other broker-dealers, Lockwood does not consider whether Lockwood or an affiliate receives client referrals from that broker-dealer. Lockwood may delegate certain functions, including administration of trading to Managed Investments.

F. Fiserv Security APL

Lockwood employs Fiserv’s Security APL (“APL”) system as its primary portfolio accounting system. APL has a process whereby a security or securities may not be purchased if there is inadequate cash in the account to purchase such security. APL will prorate the available cash among the securities and APL will not purchase a security to a weight not specified in the platform.

Item 13 Review of Accounts

Lockwood employs a number of reports to monitor an account's holdings with respect to the Products. Periodically, Lockwood personnel employ a variety of reports to review accounts for such items as cash level, style drift and investment performance. As a result of these reviews, Lockwood, in its sole discretion, may rebalance your account in such instances as it believes are in your best interests.

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

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

Your Consultant and your Sponsor will ask you, at least annually, to inform them of any changes in your financial condition or of any changes to investment restrictions which you wish to impose. While there are no restrictions on your ability to contact and consult Lockwood personnel, it is generally preferred that you do so through, or together with your Consultant.

Lockwood may provide your Consultant with written investment performance reports.

Item 14 Client Referrals and Other Compensation

As of the date of this Brochure, Lockwood does not have any solicitor arrangements. Lockwood may enter into agreements with third parties who will solicit investor Clients for Lockwood and receive compensation from Lockwood for their solicitation efforts. In such instances, Lockwood will give the third-party solicitor either a percentage of or a set fee from the Lockwood advisory fee charged to the Client. The Lockwood advisory fee charged to the Client is not affected by the use of a third-party solicitor in connection with the Client's account(s), and the Client will not be assessed any additional charges because of that referral fee paid by Lockwood. If the services of a third-party solicitor are used in connection with the Client's account, the structure of the arrangement and the compensation paid to the third-party solicitor will be fully disclosed to the Client pursuant to Rule 206(4) of the Advisers Act.

Item 15 Custody

Rule 206(4)-2 under the Advisers Act (the "Custody Rule") defines "custody" to include a situation in which an adviser or a related person holds, directly or indirectly, client funds or securities or has any authority to obtain possession of them, in connection with advisory services provided by the adviser. We do not have "custody" of client assets for purposes of the Custody Rule.

You will receive custodial account statements about portfolio holdings directly from the custodian that maintains your funds and securities. You are encouraged to carefully review the custodial account statements you receive from the custodian and compare the information on

those statements to any report on an account that you receive from Lockwood. If you require additional information about the content of a Lockwood report, you should contact the Service Desk at 1-800-200-3033, Option #3.

Accounts may be custodied at Pershing, an affiliate of Lockwood or elsewhere. In addition to custodial brokerage statements provided by the custodian, Lockwood may make regular investment performance and evaluation reports available to your Consultant, so you can measure your progress toward your financial goals.

Because Lockwood is affiliated with Pershing, Lockwood engaged an independent public accountant to perform a surprise examination of Lockwood pursuant to Rule 206(4)-2 under the Advisers Act. The most recent independent public accountant's report dated October 26, 2015, is filed with the SEC and is available at the SEC's website www.adviserinfo.sec.gov. (Click on the link for "Investment Adviser Search", select "Firm," type in "Lockwood Advisors", and then select "Form ADV-E, Accountant Surprise Examination Report.")

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

Item 16 Investment Discretion

If you have an AFP account, you have given Lockwood and your Consultant certain discretion in your investment advisory agreement with your Sponsor. As previously described in Items 8 and 12, you have given Lockwood the limited discretion to make trades in your account for Model Updates. Lockwood, in its sole discretion, may rebalance your account in such instances as it believes are generally beneficial and in accordance with the Model selected by you and your Consultant. You may grant limited discretion to your Consultant to make changes to Primary Selections and Alternative Selections in your AFP account and to make other decisions relating to the AFP account on your behalf. Please refer to your agreement with your Firm and/or Consultant for more information regarding the discretion you grant to your Consultant.

If you have an LIS, WealthStart, LAAP, Third Party Model Provider, Command Sponsor UMA account or Command Sponsor Models Based SMA account, you have given Lockwood certain discretion in your investment advisory agreement with your Sponsor. As described in Items 8 and 12, you have given Lockwood full discretionary authority to select securities for your account, to make trades in your account and to rebalance your account in such instances as it believes are in your best interests and in accordance with the model selected by you and your Consultant.

Item 17 Voting Client Securities

If you opt to have Lockwood vote proxies for you, your custodian will send reorganization notices and proxy materials to Lockwood. If your account is a tax-qualified retirement plan subject to ERISA, unless you opt to do it yourself, Lockwood will vote your proxies. If your account is not an ERISA account, you may either retain the right to vote proxies or delegate such authority to Lockwood. If you opt to vote your own proxies, you will receive proxies as described in your brokerage agreement with the Sponsor. Clients should contact their Consultant if they have any questions about any proxies or other solicitations they receive.

As part of the contractual relationship between us and our clients, typically through an investment advisory agreement, a client may delegate to us its right to exercise voting authority in connection with the securities we manage for that client. Voting rights are most commonly exercised by casting votes by proxy at shareholder meetings on matters that have been submitted to shareholders for approval. Consistent with applicable rules under the Advisers Act, we have adopted and implemented written proxy voting policies and procedures that are reasonably designed: (1) to vote proxies, consistent with our fiduciary obligations, in the best interests of clients; and (2) to prevent conflicts of interest from influencing proxy voting decisions made on behalf of clients. We provide these proxy voting services as part of our investment management service to client accounts and do not separately charge a fee for this service.

Clients that have granted us with voting authority are not permitted to direct us on how to vote in a particular solicitation. We do not provide proxy voting recommendations to clients who have not granted us voting authority over their securities.

Committee Structure

Lockwood participates in BNY Mellon's Proxy Voting and Governance Committee (the "Committee") and we exercise the voting rights delegated to us by clients with the guidance assistance of Committee. The Committee consists of representatives from our firm and certain other fiduciary business units (each, a "Member Firm") affiliated with BNY Mellon. We (along with the other Member Firms) have adopted the Committee's Proxy Voting Policy, related procedures, and voting guidelines (the "Proxy Policies"). The Committee seeks to make proxy voting decisions that are in the best interest of the client and has adopted detailed, pre-determined, written proxy voting guidelines for specific types of proposals and matters commonly submitted to shareholders by U.S. and non-U.S. companies (collectively, the "Voting Guidelines"), which are included in the Proxy Policies. These Voting Guidelines are designed to assist with voting decisions, which over time seek to maximize the economic value of the securities of companies held in Client accounts (viewed collectively and not individually) as determined in the discretion of the Committee. Lockwood believes that this approach is consistent with its fiduciary obligations and with the published positions of applicable regulators with an interest in such matters (e.g., the U.S. Securities and Exchange Commission and the U.S. Department of Labor), and we have adopted the Proxy Policies, including the Voting Guidelines, and agreed that we will vote proxies through the Committee. Lockwood does not permit Clients to direct Lockwood on how to vote in a particular solicitation. However, if a client of ours chooses to retain proxy voting authority or delegate proxy voting authority to an entity other than a Member Firm (whether such retention or delegation applies to all or only a portion of the

securities within the client's account), either the client's or such other entity's chosen proxy voting guidelines (and not the Committee's) will apply to those securities.

Voting Philosophy

Lockwood recognizes that the responsibility for the daily management of a company's operations and strategic planning is entrusted to the company's management team, subject to oversight by the company's board of directors. As a general matter, Lockwood invests in companies believed to be led by competent management, as set forth in the Voting Guidelines, and Lockwood customarily votes in support of management proposals and consistent with management's recommendations. However, in Lockwood's role as a fiduciary, Lockwood believes that it must express its view on the performance of the directors and officers of the companies in which Clients are invested and how these Clients' interests as shareholders are being represented. Accordingly, as set forth in the Voting Guidelines, Lockwood will vote against those proposals that Lockwood believes would negatively impact the economic value of Clients' investments – even if those proposals are supported or recommended by company management.

Lockwood seeks to vote on proxies of non-U.S. companies through application of the Voting Guidelines. However, corporate governance practices, disclosure requirements and voting operations vary significantly among the various non-U.S. markets in which our clients may invest. In these markets, we may face regulatory, compliance, legal or logistical limits with respect to voting securities held in client accounts which can affect our ability to vote such proxies, as well as the desirability of voting such proxies. Non-U.S. regulatory restrictions or company specific ownership limits, as well as legal matters related to consolidated groups, may restrict the total percentage of an issuer's voting securities that we can hold for clients and the nature of our voting in such securities. Our ability to vote proxies may also be affected by, among other things: (1) late receipt of meeting notices; (2) requirements to vote proxies in person; (3) restrictions on a foreigner's ability to exercise votes; (4) potential difficulties in translating the proxy; (5) requirements to provide local agents with unrestricted powers of attorney to facilitate voting instructions; and (6) requirements that investors who exercise their voting rights surrender the right to dispose of their holdings for some specified period in proximity to the shareholder meeting. Absent an issue that is likely to impact Clients' economic interest in a company, Lockwood generally will not subject Clients to the costs (which may include a loss of liquidity) that could be imposed by these requirements. In these markets, Lockwood will weigh the associative costs against the benefit of voting, and may refrain from voting certain non-U.S. securities in instances where the items presented are not likely to have a material impact on shareholder value.

Process

The Committee has retained the services of two independent proxy advisors ("Proxy Advisors") to provide comprehensive research, analysis, and voting recommendations. These services are used most frequently in connection with proposals or matters that may be controversial or require a case-by-case analysis by the Committee in accordance with its Voting Guidelines. The Committee has engaged one of its Proxy Advisors as its proxy voting agent (the "Proxy Agent") to administer the mechanical, non-discretionary elements of proxy voting and reporting for clients. The Committee has directed the Proxy Agent, in that administrative role, to follow the

specified Voting Guideline and apply it to each applicable proxy proposal or matter where a shareholder vote is sought. Accordingly, proxy items that can be appropriately categorized and matched either will be voted in accordance with the applicable Voting Guideline or will be referred to the Committee if the Voting Guideline so requires. The Voting Guidelines require referral to the Committee for discussion and vote of all proxy proposals or shareholder voting matters for which the Committee has not yet established a specific Voting Guideline, and generally for those proxy proposals or shareholder voting matters that are contested or similarly controversial (as determined by the Committee in its discretion).

In addition, the Committee has directed the Proxy Agent to refer to it for discussion and vote all proxy proposals of those issuers: (1) where the percentage of their outstanding voting securities held in the aggregate in accounts actively managed by the Member Firms is deemed significant or (2) that are at or above a certain specified market capitalization size (each, as determined by the Committee at its discretion). Generally, when a matter is referred to the Committee, the decision of the Committee will be applied to all accounts for which the Member Firms exercise proxy voting authority, whether the account is actively managed or managed pursuant to quantitative, index or index-like strategies (“Index Strategies”), unless Lockwood or another Member Firm determine that the economic interests of a particular account differ and require that a vote be cast differently from the collective vote in order to act in the best interests of such account’s beneficial owners. In all cases, for those clients that have given Lockwood authority to vote proxies, the ultimate voting decision and responsibility rests with us.

For items referred to it, the Committee may determine to accept or reject any recommendation based on the Voting Guidelines, research and analysis provided by its Proxy Advisors or on any independent research and analysis obtained or generated by Member Firm portfolio managers and analysts or the Committee’s Research Group. Because accounts following index strategies are passively managed accounts, research from portfolio managers and/or analysts related to an issuer with securities held in these accounts may not be available to the Committee.

Clients may receive a copy of the Voting Guidelines, as well as the Proxy Voting Policy, upon request. Clients may also receive information on the proxy voting history for their managed accounts upon request. Please contact Lockwood for more information.

Managing Conflicts

It is the policy of the Committee to make proxy voting decisions that are solely in the best long-term economic interests of clients. The Committee is aware that, from time to time, voting on a particular proposal or with regard to a particular issuer may present a potential for conflict of interest for its Member Firms. For example, potential conflicts of interest may arise when: (1) a public company or a proponent of a proxy proposal has a business relationship with a BNY Mellon affiliated company; and/or (2) an employee, officer or director of BNY Mellon or one of its affiliated companies has a personal interest in the outcome of a particular proxy proposal.

Aware of the potential for conflicts to influence the voting process, the Committee consciously developed the Voting Guidelines and structured the Committee and its practices with several layers of controls that are designed to ensure that the Committee’s voting decisions are not influenced by interests other than those of its Member Firms’ fiduciary clients. For example, the

Committee developed its Voting Guidelines with the assistance of internal and external research and recommendations provided by third party vendors but without consideration of any BNY Mellon client relationship factors. The Committee has directed the Proxy Agent to apply the Voting Guidelines to individual proxy items in an objective and consistent manner across client accounts and similarly has directed the Proxy Agent to administer proxy voting for Member Firm clients. When proxies are voted in accordance with these pre-determined Voting Guidelines, it is the Committee's view that these votes do not present the potential for a material conflict of interest and no additional safeguards are needed.

For those proposals that are referred for discussion and vote to the Committee in accordance with the Voting Guidelines or Committee direction, the Committee votes based upon its principle of seeking to maximize the economic value of the securities held in client accounts. In this context the Committee seeks to address the potential for conflicts presented by such "referred" items through deliberately structuring its membership. The representatives of the Member Firms on the Committee do not include individuals whose primary duties relate to sales, marketing or client services. Rather the Committee consists of senior officers and investment professionals from its Member Firms, and is supported by members of BNY Mellon's Compliance, Legal and Risk Management Departments, as necessary.

With respect to the potential for personal conflicts of interest, BNY Mellon's Code of Conduct requires that all employees make business decisions free from conflicting outside influences. Under this Code, BNY Mellon employees' business decisions are to be based on their duty to BNY Mellon and to their clients, and not driven by any personal interest or gain. All employees are to be alert to any potential for conflict and to identify and mitigate or eliminate any such conflict. Accordingly, members of the Committee with a personal conflict of interest regarding a particular public company or proposal that is being voted upon must recuse themselves from participation in the discussion and decision-making process with respect to that matter.

Additionally, there are certain instances where the Committee an independent fiduciary will be engaged to vote proxies as a further safeguard to avoid any potential conflicts of interest or as otherwise required by applicable law. These instances are considered to be "Primary Conflicted Proxies" and they typically arise due to relationships between proxy issuers or companies and BNY Mellon, a BNY Mellon affiliate, a BNY Mellon executive, or a member of BNY Mellon's Board of Directors.

We are also subject to the policies and decisions of BNY Mellon's Proxy Conflicts Committee (the "PCC"). If a situation arises that is not identified as a Primary Conflicted Proxy, but may present an actual, potential or perceived material conflict of interest, or if there is ambiguity as to whether a Primary Conflicted Proxy exists, the PCC shall review the matter, and (in the case of identified conflicts) determine how best to resolve the conflict. If the PCC determines that a conflict exists, possible resolutions may include: (1) voting in accordance with the guidance of an independent fiduciary; (2) voting in proportion to other shareholders ("mirror voting"); (3) erecting informational barriers around, or recusal from the vote decision making process by, the person or persons making voting decisions; and (4) voting in other ways that are consistent with our obligation to vote in our clients' best interest.

When an independent fiduciary is engaged, the fiduciary either will vote the involved proxy, or provide us with instructions as to how to vote such proxy. In the latter case, we will vote the proxy in accordance with the independent fiduciary's determination.

Item 18 Financial Information

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

EXHIBIT A

Schedule of Available Third Party Model Providers and Models

as of March 31, 2017

Models	Minimum Investment	Model Provider Fee
<u>AlphaSimplex Group LLC</u> <ul style="list-style-type: none"> ASG Risk-Efficient Conservative Model ASG Risk-Efficient Moderate Model ASG Risk-Efficient Growth Model 	\$25,000	25 bps
<u>Blackrock Investment Management, LLC</u> <ul style="list-style-type: none"> Target Income – Moderate Income Active/Index Target Income – Core Income Active/Index Target Income – High Income Active/Index Target Income – Aggressive Income Active/Index 	\$25,000	10 bps
<u>BlackRock Investment Management, LLC</u> <ul style="list-style-type: none"> Long Horizon Allocation Portfolios – Capital Preservation Long Horizon Allocation Portfolios – Moderate Growth Long Horizon Allocation Portfolios – Accumulation Long Horizon Allocation Portfolios – Aggressive Growth Long Horizon Allocation Portfolios - Income 	\$10,000	0 bps
<u>Calvert Investments, Inc.</u> <ul style="list-style-type: none"> Calvert Responsible Conservative Portfolio Calvert Responsible Moderate Portfolio Calvert Responsible Growth Portfolio 	\$25,000	0 bps
<u>LWI Financial, Inc.*</u> <ul style="list-style-type: none"> Loring Ward Global Defensive DFA Model Loring Ward Global Conservative DFA Model 	\$25,000	25 bps

Models	Minimum Investment	Model Provider Fee
<ul style="list-style-type: none"> Loring Ward Global Moderate DFA Model Loring Ward Global Moderate Growth DFA Model Loring Ward Global Capital Appreciation DFA Model Loring Ward Global Equity DFA Model <p>*Loring Ward models are only available to Clients of Firms that have entered into an agreement with LWI Financial, Inc.</p>		
<u>Morningstar Investment Services, Inc.</u> <ul style="list-style-type: none"> Retirement Income Long Range Retirement Income Mid Range Retirement Income Short Range, Retirement Income Ultra-Short Range 	\$50,000	25 bps
<u>Russell Investments</u> <ul style="list-style-type: none"> Conservative Model Strategy Moderate Model Strategy Balanced Model Strategy Growth Model Strategy Equity Growth Model Strategy Tax-Managed Conservative Model Strategy Tax-Managed Moderate Model Strategy Tax-Managed Balanced Model Strategy Tax-Managed Growth Model Strategy Tax-Managed Equity Growth Model Strategy 	\$10,000	0 bps
<u>Vanguard Advisers, Inc.</u> <ul style="list-style-type: none"> 100% Fixed Income 10% Equity/90% Fixed Income 20% Equity/ 80% Fixed Income 	\$10,000	0 bps

Models	Minimum Investment	Model Provider Fee
<ul style="list-style-type: none"> • 30% Equity/ 70% Fixed Income • 40% Equity/ 60% Fixed Income • 50% Equity/ 50% Fixed Income • 60% Equity/ 40% Fixed Income • 70% Equity/ 30% Fixed Income • 80% Equity/ 20% Fixed Income • 90% Equity/ 10% Fixed Income • 100% Equity 		

EXHIBIT B

Risks Associated with Certain Investments

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

Absolute Return Strategies

Absolute return strategies use a variety of investment strategies, including long and short positions, in an effort to produce absolute (positive) returns regardless of general market conditions. Absolute return strategies may be invested in a variety of traditional and alternative asset classes. Absolute return strategies generally do not attempt to keep the portfolio structure or the fund's performance consistent with any designated stock, bond or market index, and during times of market rallies, absolute strategy funds may not perform as well as other funds that seek to outperform an index return. Because a significant portion of an absolute strategy fund's assets may be invested in a particular geographic region or country, the value of the fund's assets may fluctuate more than a fund with less exposure to such areas.

Alternative Investments, Derivatives, and the Use of Leverage

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

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

The use of derivative instruments may involve leverage. Leverage is the risk associated with securities or practices that multiply small index, market or asset price movements into larger changes in value. Leverage may cause the fund to be more volatile than if it had not been leveraged, as certain types of leverage may exaggerate the effect of any increase or decrease in

the value of the fund's portfolio securities. The loss on leveraged transactions may substantially exceed the initial investment.

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

Closed-End Funds

Portfolios that invest in closed-end funds are subject to general market risk and, depending on the investment policy of a particular fund and the types of securities in which a fund invests, may also be subject to issuer, credit, interest rate, prepayment, inflation, liquidity, political, currency, and leverage risk. Shares of closed-end funds trade in the stock market based on investor demand; therefore, shares may trade at a price higher or lower than the market value of a fund's total net assets. For a complete discussion of the risks for a particular closed-end fund, investors should refer to the fund's prospectus.

Commodities

Commodities are assets that have tangible properties, such as oil, metals and agricultural products. Funds that invest in commodities and commodity-linked securities may be affected by overall market movements, changes in interest rates and other factors, such as weather, disease, embargoes, and international economic and political developments, as well as the trading activity of speculators and arbitrageurs in the underlying commodities. Funds that invest in commodities or commodity-linked securities may not be suitable for all investors. The potential for a commodity-linked security to use derivative instruments, such as futures, options and swap agreements, to achieve its investment objective may create additional risks that would not be present in the underlying securities themselves, thus raising the potential for greater investment loss.

Concentration Risk

Where a pooled vehicle's underlying index or portfolio is concentrated in the securities of a particular market, country, industry, sector or asset class, the vehicle may be adversely affected by the performance of those securities, subject to increased price volatility and may be more susceptible to adverse economic, market, political or regulatory occurrences affecting that particular market, country, industry, sector or asset class.

Convertible Arbitrage Strategies

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

investments. Short selling involves significant risk, as an increase in the value of borrowed securities between the date of the short sale and date the borrowed security is replaced may expose the fund to unlimited loss.

Convertible Securities

Investments in convertible securities are subject to price fluctuation and may gain or lose value if sold prior to maturity. A majority of convertible securities trade on the over-the-counter market, which may make them more illiquid than other securities.

Corporate Fixed Income

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

Covered Calls

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

Currency Carry Strategies

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

Emerging Markets

Emerging markets tend to be more volatile and less liquid than the markets of more mature economies, and generally have less diverse and less mature economic structures and less stable political systems than those of developed countries. The securities of issuers located or doing substantial business in emerging markets are often subject to rapid and large changes in price. In particular, emerging markets may have relatively unstable governments, present the risk of sudden adverse government or regulatory action and even nationalization of businesses restrictions on foreign ownership on prohibitions of repatriation of assets, and may have less protection of property rights than more developed countries. The economies of emerging market countries may be based predominantly on only a few industries and may be highly vulnerable to changes in local or global trade conditions, and may suffer from extreme debt burdens or volatile inflation rates. Local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of substantial holdings difficult. Transaction settlement and dividend collection procedures also may be less reliable in emerging markets than in developed markets.

Equity Securities

Equity securities (*i.e.*, stocks), as well as portfolios that invest in equity securities, are subject to several general risks, including the risk that the financial condition of the issuer may become impaired or the general condition of the stock market may deteriorate, either of which may cause a decrease in the value of the issuer's securities. Equity securities are susceptible to general stock market fluctuations and to sudden, significant and prolonged increases and decreases in value as market confidence in and perceptions of the security's issuer change. These perceptions are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies, inflation and interest rates, economic expansion or contraction, and global or regional political, economic, and banking crises. There can be no assurance that an issuer will pay dividends on outstanding shares of its common stock, as the payment of dividends will generally depend upon various factors, including the financial condition of the issuer and general economic conditions. Holders of common stocks of any given issuer will generally incur more risk than holders of preferred stocks and debt obligations of the same issuer because common stockholders, as owners of the issuer, generally have subordinated rights to receive payments from such issuer in comparison with the rights of creditors or holders of the issuer's debt obligations or preferred stocks. The existence of a liquid trading market for certain equity securities may depend on whether dealers will make a market in such securities. There can be no assurance that a market will be made for any securities, that any market for the securities will be maintained, or that any such market will be or remain liquid. The price at which an equity security may be sold will be adversely affected if trading markets for the security are limited or absent.

Exchange-Traded Products

Exchange-Traded Products ("ETPs") are pooled vehicles that derive their value from instruments such as stocks, bonds, commodities, or currencies, and trade intra-day on a national securities exchange. Generally, ETPs are established as either Exchange-Traded Funds ("ETFs") or

Exchange-Traded Notes (“ETNs”); for more information about the structure and features of securities themselves, please see their respective descriptions in this section.

In addition to the risks borne by all pooled vehicles such as management risk, concentration risk and non-diversification risk, there are special risks associated with ETPs, such as:

- **Costs of Buying and Selling ETP Shares.** When buying and selling ETP shares through a broker, an investor will incur brokerage commissions or other charges imposed by the broker. An investor also will incur the cost of the “spread” between the bid and ask prices of the ETP shares. Frequent trading in ETP shares may, therefore, adversely affect the investment performance of an ETP investment through these costs. Such costs also may make regular small investments in ETP shares inadvisable.

The Program Fees for the Managed Products do not include fees or expenses that may be associated with individual ETPs, including, but not limited to, the ETP sponsor fee, the trustee fee, ETP custodian’s fee, stock exchange listing fees, SEC registration fees, printing and mailing costs, audit fees, legal fees, licensing fees, marketing expenses and other operating expenses. For more information on these expenses, refer to the ETP’s prospectus.

- **Derivatives Risk.** As stated previously, derivative investments are often more volatile than other investments and may magnify an ETP’s gains and losses. An ETP that invests a portion of its assets in derivatives, such as futures and options contracts, is subject to additional risks that it would not be subject to if it invested directly in the securities underlying those derivatives. The risks associated with an ETP’s use of futures and options contracts include:
 - losses that exceed those experienced by funds that do not use futures contracts and options;
 - changes in the market value of the securities held by the ETP that are uncorrelated to the prices of futures and options on futures;
 - secondary market illiquidity, which may prevent the ETP from closing out its futures contracts at a time which is advantageous;
 - trading restrictions or limitations imposed by an exchange or other market and government regulations; and
 - speculative risk because option premiums paid or received by the ETP are small in relation to the market value of the investments underlying the options.

Where the price of an options or futures contract declines more than the trading limits established by an exchange, trading on that exchange is halted on that instrument. If a trading halt occurs, the ETP may be temporarily unable to purchase or sell those options or futures contracts. If a trading halt occurs near the time the ETP prices its shares, it could limit the ETP’s ability to employ leverage and thereby prevent the ETP from

achieving its investment objective. In such cases, the ETP also may be required to use a “fair value” method to price its outstanding contracts.

Depending on the specific ETP’s investment objective and strategy, certain ETPs may invest a significant portion of their assets in derivatives.

- **ETP Risk.** By investing in ETPs, the owner does not have certain rights that investors in the underlying index or the underlying index components may have, such as stock voting rights. Upon sale or redemption of the ETP shares, the owner will be paid cash, and will have no right to receive delivery of any of the underlying index components or commodities or other assets underlying the index components.
- **Leverage Risk.** As stated previously, the more an ETP invests in leveraged derivative instruments, the more this leverage will exaggerate the effect of any increase or decrease in the value of those investments. For leveraged index-based ETPs, the value of the ETP’s shares will often increase or decrease more than the value of any increase or decrease in its underlying index. Leverage will also magnify tracking error risk (see below).
- **Liquidity Risk.** In certain circumstances, it may be difficult for an ETP to purchase and sell particular investments within a reasonable time at a fair price, which may reduce the ETP’s returns. To the extent that there is not an established retail market for instruments in which the ETP may invest, trading in such instruments may be relatively inactive. In addition, during periods of reduced market liquidity or in the absence of readily available market quotations for particular investments in the ETP’s portfolio, the ability of the ETP to assign an accurate daily value to these investments may be difficult and the investment advisor may be required to fair value the investments. Alternative and Specialty ETPs or ETPs that seek exposure to small-capitalization companies may be subject to liquidity risk to a greater extent than other ETPs.
- **Market Risk.** An ETP is exposed to the economic, political, currency, legal and other risks of a specific sector, industry, region or market related to the underlying securities and/or index that the ETP is tracking.
- **Tracking Error Risk.** This refers to the disparity between the performance of the ETP (as measured by its NAV) and the performance of the underlying index on either a daily or aggregate basis. Tracking error may arise due to:

- failure of the ETP's tracking strategy,
- the impact of fees and expenses,
- foreign exchange differences between the base currency or trading currency of an ETP and the currencies of the underlying investments, or
- corporate actions such as rights and bonus issues by the issuers of the ETP 's underlying securities.

Mathematical compounding may prevent leveraged and inverse ETPs that seek to track the performance of their underlying indices or benchmarks on a daily basis from correlating with the monthly, quarterly, annual or other period performance of their benchmarks. Factors such as ETP expenses, imperfect correlation between the ETP's investments and those of its underlying index, rounding of share prices, changes to the composition of the underlying index, regulatory policies, high portfolio turnover rate, and the use of leverage all contribute to tracking error. Investing in ETPs is not equivalent to a direct investment in an index or index components. Depending on its particular strategy, an ETP may not hold all the constituent securities of an underlying index in the same weightings as the constituent securities of the index, or may hold securities other than the constituent securities of the underlying index. Therefore, the performance of the securities underlying the ETP as measured by its NAV may outperform or underperform the index, perhaps significantly.

- **Trading at Prices Other than NAV.** ETP shares may trade below or above their NAV. The NAV of ETP shares will fluctuate with changes in the market value of the ETP's portfolio holdings. The trading prices of ETP shares will fluctuate in accordance with changes in NAV as well as market supply and demand. The trading price of ETPs may deviate significantly from NAV during periods of market volatility. The investment manager cannot predict whether ETPs will trade below, at, or above their NAV. Price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for ETPs will be closely related to, but not identical to, the same forces influencing the prices of the securities held by an ETP.
- **Trading Risk.** Although an ETP's shares are listed on a national securities exchange, there can be no assurance that an active or liquid trading market for the ETP's shares will develop or be maintained. Trading in ETPs on an Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in ETPs inadvisable. Trading in ETPs on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to the Exchange "circuit breaker" rules. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of the ETF will continue to be met or will remain unchanged.

Exchange-Traded Funds

Exchange-Traded Funds ("ETFs") are ETPs that derive their value from instruments such as stocks, bonds, commodities, or currencies, and trade intra-day on a national securities exchange.

Generally, these are established as either open-end investment companies or unit investment trusts (“UITs”). For risks related to ETPs, please see above.

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

Exchange-Traded Notes

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

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

For additional risks related to ETPs, please see above.

Fixed Income

Portfolios that invest in fixed income securities are subject to several general risks, including interest rate risk, credit risk, the risk of issuer default, liquidity risk and market risk. These risks can affect a security’s price and yield to varying degrees, depending upon the nature of the instrument, and may occur from fluctuations in interest rates, a change to an issuer’s individual situation or industry, or events in the financial markets. In general, a bond’s yield is inversely related to its price. Bonds can lose their value as interest rates rise and an investor can lose principal. If sold prior to maturity, fixed income securities are subject to gains/losses based on the level of interest rates, market conditions and the credit quality of the issuer.

Floating Rate Loans

Investment vehicles may include mutual funds and/or ETFs that invest in floating rate loans, which are subject to risks similar to those of below investment grade securities. The value of the collateral securing the loan may decline, causing a loan to be substantially unsecured. In addition, the sale and purchase of a bank loan are subject to the requirements of the underlying

credit agreement governing such bank loan. These requirements may limit the eligible pool of potential bank loan holders by placing conditions or restriction on sales and purchases of bank loans. Bank loans are not traded on an exchange and purchasers and sellers of bank loans rely on market makers, usually the administrative agent for a particular bank loan, to trade bank loans. These factors, in addition to overall market volatility, may negatively impact the liquidity of loans. Difficulty in selling a floating rate loan may result in a loss. Borrowers may pay back principal before the scheduled due date when interest rates decline, which may require the mutual fund or ETF to replace a particular loan with a lower-yielding security. There may be less public information available with respect to loans than for rated, registered or exchange listed securities. The mutual fund or ETF may assume the credit risk of the administrative agent in addition to the borrower, and investments in loan assignments may involve the risks of being a lender.

Foreign Investments

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

GNMA Securities

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

Gold

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

Government Agency Securities

Investments in U.S. government agency securities involve fluctuation due to changing interest rates or other market conditions. Investors may experience a gain or loss due to prepayment of obligations and may receive back part of their investment before redemption.

Health Sciences

Portfolios may include mutual funds and/or ETFs that invest in health sciences companies, which are subject to a number of risks, including the adverse impact of legislative actions and government regulations. These actions and regulations can affect the approval process for patents, medical devices and drugs, the funding of research and medical care programs, and the operation and licensing of facilities and personnel. The goods and services of health sciences

companies are subject to risks of rapid technological change and obsolescence, product liability litigation, and intense price and other competitive pressures.

High Yield Bonds

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

Inflation-Indexed Bonds

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

Infrastructure Securities

Portfolios that invest in infrastructure-related companies may be more susceptible to developments affecting countries’ infrastructure than a more broadly diversified fund would be and may perform poorly during a downturn in one or more industries related to infrastructure. Infrastructure-related companies can be negatively affected by adverse economic and political developments, as well as changes in regulations, environmental problems, casualty losses and increases in interest rates.

Intermediate- and Long-Term Fixed Income

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

International Equity Small-Cap

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

Liquidity Risk

Liquidity risk increases when particular investments are difficult to purchase or sell. Some assets held in a portfolio may be impossible or difficult to sell, particularly during times of market turmoil. A lack of liquidity also may cause the value of investments to decline. Illiquid investments may be harder to value, especially in changing markets. Typically liquid investments may become illiquid, particularly during periods of market turmoil. When illiquid assets must be sold in such market conditions (to meet redemption requests or other cash needs for example), it may be necessary to sell such assets at a loss.

Long Short Positions

The use of long and short positions, may involve risks different from those normally associated with other types of investment vehicles, such as mutual funds. It is possible that the fund's long positions will decline in value at the same time that the value of the securities sold short increases, thus raising the potential for greater investment loss. Market neutral investing, in using long and short positions, provides no guarantee that it will be successful in limiting the fund's exposure to domestic stock market movements, capitalization, sector swings or other risk factors. Investment in a strategy involved in long and short selling may have higher portfolio turnover rates, which may result in additional tax consequences. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions.

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

Management Risk.

Management risk is the risk that the investment adviser's investment strategies are not successful in achieving a pooled vehicle's investment objective.

Market Neutral Strategies

Funds that employ market neutral or arbitrage strategies (including merger arbitrage, convertible arbitrage, credit arbitrage, dual class arbitrage, as well as other arbitrage strategies), in using long and short positions, provide no guarantee that they will be successful in limiting a portfolio's exposure to domestic stock and/or fixed income market movements, capitalization, sector swings or other risk factors. Investment in a strategy involving long and short selling may have higher portfolio turnover rates, which may result in additional tax consequences. Short selling involves certain risks, including additional costs associated with covering short positions and a possibility of unlimited loss on certain short sale positions. Funds within the portfolios may employ the use of long and short positions, which may involve risks different from those normally associated with a long-only strategy. It is possible that a fund's long positions will decline in value at the same time that the value of the securities sold short increases, thus raising the potential for greater investment loss. Funds classified within this category may also at times participate in "price pressure" trades, credit or distressed investments (short-term debt, distressed securities, bonds and corporate loans), SPACs (Special Purpose Acquisition Corporations), PIPEs (Private Investments in Public Equities), IPOs (Initial Public Offerings), SEOs (Seasoned Equity Offerings), warrants and spin-offs. Each strategy carries its own unique risks, which are more fully explained in the applicable product prospectus. Please read the prospectus carefully before investing.

Merger Arbitrage Strategies

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

Master Limited Partnerships

Master Limited Partnerships ("MLPs") are subject to certain risks, including limited control and limited rights to vote on matters affecting the partnership. In addition, conflicts may exist between common unit holders, subordinated unit holders, and the general partner of an MLP, including conflicts arising as a result of incentive distribution payments. Unit holders in MLPs will receive an Internal Revenue Service ("IRS") Schedule K-1 from the MLP, and information

about the MLP will not be included in any Form 1099 received from the custodian. In addition, investors may need to file with the IRS for an extension to file their tax returns due to the timing of the issuance and mailing of the Schedule K-1 by the MLP. Unit holders of MLPs may be subject to complex tax requirements and such tax features may not be suitable for certain investors. Investors should consult with their tax advisors prior to investing in MLPs.

Micro-Cap Securities

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

Mortgage-and Asset-Backed Securities

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

Municipal Bonds

An investment in any municipal portfolio should be made with an understanding of the risks involved in investing in municipal bonds, such as interest rate risk, credit risk and market risk, including the possible loss of principal. Please contact your tax advisor regarding the impact of tax-exempt investments in your portfolio. If sold prior to maturity, municipal securities are subject to gains/losses based on the level of interest rates, market conditions and the credit quality of the issuer.

Mutual Funds

The Program Fees do not include fees or expenses, which may be associated with individual mutual funds, including, but not limited to, redemption fees, 12b-1 fees, other fund expenses or other applicable regulatory fees. Lockwood's affiliates, including Pershing and Pershing Advisor Solutions, may receive fees from the mutual funds are held in your account. Please refer to each mutual fund's prospectus for more information about the specific investment risks associated with each mutual fund.

Non-Diversification Risk

Pooled vehicles, such as ETPs and mutual funds, may be diversified or non-diversified depending on their investment objectives and portfolio holdings. Pooled vehicles that are non-diversified may invest in the securities of a limited number of issuers. To the extent that a pooled vehicle invests a significant percentage of its assets in a limited number of issuers, the vehicle is subject to the risks of investing in those few issuers, and may be more susceptible to a single adverse economic or regulatory occurrence. As a result, changes in the market value of a single security could cause greater fluctuations in the value of the pooled vehicle's shares than would occur in a diversified pooled vehicle.

Non-U.S. Fixed Income

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

Preferred Securities

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

Real Estate Investment Trusts

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

Short-term Fixed Income Securities

Short-term fixed income securities are susceptible to fluctuations in interest rates. If interest rates rise, bond prices will decline, despite the lack of change in both coupon and maturity. Price volatility typically increases with the length of the maturity and decreases as the size of the coupon decreases.

Small- and/or Mid-Cap Portfolios

Small and midsize companies carry additional risks because the operating histories of these companies tend to be more limited, their earnings and revenues less predictable (and some companies may be experiencing significant losses), and their share prices more volatile than those of larger, more established companies. The shares of smaller companies tend to trade less frequently than those of larger, more established companies, which can adversely affect the pricing of these securities and the strategy's ability to sell these securities. These companies may have limited product lines, markets or financial resources, or may depend on a limited

management group. Some of the strategy's investments will rise and fall based on investor perception rather than economic factors. Other investments are made in anticipation of future products, services or events whose delay or cancellation could cause the stock price to drop.

Treasury Inflation Protected Securities

Investments in Treasury Inflation Protected Securities ("TIPS") involve liquidity risk and are subject to specific taxation obligations. TIPS typically set a coupon rate equal to a broad-based inflation index, such as the Consumer Price Index for all Urban Consumers, calculated by the Bureau of Labor Statistics. Unlike other securities, TIPS are generally quoted in the market in terms of real (net of inflation) yields.

Treasury Securities

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

Utility Securities

Portfolios that invest in the utilities sector can be very volatile because of supply and/or demand for services or fuel, financing costs, conservation efforts, the negative impact of regulation, and other factors. In addition, the value of energy companies may be affected by the levels of volatility of global energy prices, energy supply and demand, capital expenditures on explorations and production, energy conservation efforts, exchange rates and technological advances. Securities issued by utility companies have been historically sensitive to interest rate changes. When interest rates fall, utility securities prices, and thus a utilities fund's share price, tend to rise; when interest rates rise, their prices generally fall.

EXHIBIT C

Lockwood Privacy Policy

(BEGINS ON NEXT PAGE)

FACTS

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

Why?

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

Please read this notice carefully to understand what we do.

What?

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

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

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

How?

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

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

Questions?

**Call Lockwood Compliance at 1-800-200-3033,
extension 8839**

Who we are

Who is providing this notice?

Lockwood Advisors, Inc. ("Lockwood")

What we do

How does Lockwood protect my personal information?

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

How does Lockwood collect my personal information?

We collect your personal information for example, when you

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

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

Why can't I limit all sharing?

Federal law gives you the right to limit only

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

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

Definitions

Affiliates

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

Non-affiliates

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

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

Joint marketing

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

- Lockwood doesn't jointly market.

Other important information

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

EXHIBIT D

Lockwood ERISA 408(b)(2) Disclosure

Lockwood Advisors, Inc.

**760 Moore Road
King of Prussia, PA 19406
(800) 200-3033, Option 3**

**Lockwood Investment Strategies
Lockwood WealthStart Portfolios
Lockwood Asset Allocation Portfolios
AdvisorFlex Portfolios
Third Party Model Providers
Overlay Manager**

Service Provider Compensation Disclosure Statement and Guide to Services and Compensation

This guide and the materials attached to or included by reference in the guide are being provided in accordance with the United States Department of Labor final regulation under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974 (“ERISA”). The following is a guide to important information that you should consider in connection with the services to be provided by Lockwood Advisors, Inc. (“Lockwood”) to your employee benefit plan that is a “covered plan” under Section 408(b)(2) of ERISA (the “Plan”). The regulation requires Lockwood to disclose information regarding direct and indirect compensation that Lockwood reasonably anticipates receiving in connection with its services and to include disclosure if such services are provided as a fiduciary to the Plan. If you are not the responsible Plan fiduciary, please forward this notice to the appropriate person.

Lockwood and Pershing LLC (“Pershing”) each provide services to the Plan. Lockwood and Pershing are affiliated companies, each of which is indirectly owned by The Bank of New York Mellon Corporation.

Required Information	Disclosure/Location
Description of the services that Lockwood provides to the Plan.	<p>Lockwood provides investment management services as manager to the Plan through the Managed Account Command platform, where an investment adviser serves as sponsor (“Program Sponsor”) of the wrap program. Lockwood’s investment management services are provided to the Plan pursuant to an agreement between the Plan and the Program Sponsor and are described in further detail in Lockwood’s Firm Brochure, Form ADV Part 2A (the “Lockwood Brochure”). The Program Sponsor’s wrap fee program is described in the Program Sponsor’s separate Form ADV, Part 2A, Appendix 1 Wrap Fee Brochure. On the Managed Account Command platform, Lockwood’s affiliate, Pershing, serves as the custodian and clearing firm.</p> <p>As described in the Lockwood Brochure, Lockwood may delegate certain functions and responsibilities, including trade administration, to its affiliate, the Managed Investments (“Managed Investments”) division of Pershing LLC and may compensate Managed Investments for such services.</p>
A statement concerning the services that Lockwood provides as an ERISA fiduciary and/or registered investment adviser.	<p>Lockwood is both an ERISA fiduciary and investment adviser registered under the Investment Advisers Act of 1940, as amended, with regard to the Plan’s account. It should be noted Lockwood only manages a portion of the Plan’s assets and is not an ERISA fiduciary with respect to other Plan assets outside of the Plan’s account.</p>

Compensation Lockwood will receive from the Plan.	<p>The fees Lockwood receives in connection with its investment management services to the Plan are described in Item 5 of the Lockwood Brochure. This fee includes fees paid to Lockwood's affiliate, Pershing, for clearing and custody. Lockwood may pay a portion of the fees it receives to Managed Investments for any Lockwood services it has delegated to Managed Investments.</p> <p>Lockwood's affiliate, Pershing, may receive other fees not included in the asset based fee or program fee, described in Item 4 of the Lockwood Brochure. More information on these fees paid to Pershing is available from the Plan's investment advisory representative and will be disclosed on the Plan's custodial account statement.</p>
Compensation Lockwood will receive from other parties that are not related to Lockwood ("indirect" compensation).	<p>Lockwood does not receive soft dollar research and brokerage services.</p> <p>Lockwood discloses any sponsorship fees paid or received to or from third parties in Item 10 of the Lockwood Brochure.</p> <p>Indirect compensation that Lockwood's affiliate, Pershing, may receive is further described in Exhibit A hereto.</p>
Compensation Lockwood will receive if the Plan terminates the agreement.	Item 5 of the Lockwood Brochure describes fees charged and/or rebated upon the termination of the Plan's account.

EXHIBIT A
Compensation Paid to Pershing by Third Parties

Pershing earns additional compensation from certain third parties in connection with providing services to the Plan.

Mutual Fund Fees. Pershing has entered into agreements with certain mutual fund companies that pay Pershing for performing certain services for the mutual fund. Pursuant to these agreements, Pershing receives fees for operational services from mutual funds in the form of networking or omnibus processing fees. The reimbursements are remitted to Pershing for its work on behalf of the funds. This work may include, but is not limited to, subaccounting services, dividend calculation and posting, accounting, reconciliation, client confirmation and statement preparation and mailing and tax statement preparation and mailing. These reimbursements are based either on (a) a flat fee ranging from \$0 to \$20 per holding or (b) a percentage of assets that can range from 0 to 15 basis points for domestic funds and 0 to 30 basis points for offshore funds. Mutual funds that are available in Pershing's FundVest no-transaction fee mutual fund program may pay Pershing servicing fees in exchange for being offered in Pershing's FundVest Program. These payments are based on a percentage of assets and can range from 7 to 40 basis points. Your financial organization may share in these fees. For additional details about Pershing's mutual fund no-transaction-fee program, or a listing of funds that pay Pershing networking or omnibus fees, please refer to www.pershing.com/mutual_fund.htm. The mutual funds listed on this website are listed in order from highest to lowest paying mutual funds based on gross payments made to Pershing.

Money Fund and FDIC Insured Bank Product Fees. Pershing has entered into agreements with money market fund companies and FDIC-insured bank deposit products service providers. Pershing receives fees from money fund companies and service providers for making available money market funds and FDIC-insured bank deposit programs. A portion of Pershing's fees is applied against costs associated with providing services on behalf of the fund companies and service providers, which may include maintaining cash sweep systems, sub-accounting services, dividend and interest calculation and posting, accounting, reconciliation, client statement preparation and mailing, tax statement preparation and mailing, marketing and distribution related support, and other services. These fees are paid in accordance with an asset-based formula that can range from 0 to 100 basis points annually. Your financial organization may share in these fees. For a listing of money funds and FDIC-insured bank products that pay Pershing these fees, please refer to www.pershing.com/money_fund.htm.

Annuity Fees. Pershing has entered into arrangements with insurance companies through which Pershing may receive servicing fees from certain insurance companies that participate in Pershing's annuity program. These one-time fees typically amount to between \$10 and \$17 per annuity contract. In addition, Pershing receives operational reimbursement fees from certain insurance companies for the services it provides, which may include, but are not limited to, posting, accounting reconciliation and client statement preparation and mailing. These fees typically amount to \$6 per year for annuity contracts. Your financial organization may share in these fees. For a listing of the insurers that pay Pershing these fees, please refer to www.pershing.com/annuity_fees.htm.

Alternative Investment Network Fees. Pershing has entered into arrangements through which it may receive servicing fees from managed futures funds, hedge funds, real estate investment trusts (REITs), direct participation programs and fund-of-funds (collectively "alternative investments") that participate in Pershing's Alternative Investment Network no-fee program in lieu of transaction fees and special product fee charges to your firm. These fees are calculated in accordance with an asset-based formula that can range from 10 to 50 basis points annually. Pershing also receives set-up fees from alternative investment providers or broker-dealers in the form of a one-time fee to add an alternative investment to the Alternative Investment Network. The fee is a flat fee ranging from \$100 to \$300 per fund and is remitted to Pershing for its work to set up the alternative investment on Pershing's systems. For additional details regarding Pershing's Alternative Investment Network no-fee program or a listing of entities that pay fees to Pershing, please refer to www.pershing.com/alternative_investment_network_fees.html.

Sponsorship Fees. Mutual fund companies, annuity companies, exchange-traded fund (ETF) providers, money market providers and other providers offering investment, business and technology products and services offer marketing support in the form of sponsorship fee payments to Pershing (or third parties at Pershing's direction) in connection with educational conferences, events, seminars, and workshops that Pershing offers to its broker-dealer or investment professional customers. These payments are made through arrangements with investment providers and may be for the

expenses of educational materials or other conference-related expenses. Generally, the smallest level of sponsorship is \$5,000, and the level of sponsorship can increase depending on the opportunity. For a listing of companies that pay sponsorship fees to Pershing for events, please refer to www.pershing.com/event.

Payments for Order Flow. Pershing may receive compensation in connection with routing orders to the marketplace for execution, subject to its obligations to seek best execution. Such compensation may be received from unaffiliated broker-dealers or from securities exchanges. In all cases, Pershing seeks best execution in routing orders. For a description of the compensation earned by Pershing in connection with routing orders, and Pershing's procedures in routing orders, please refer to Pershing's disclosure at www.orderroutingdisclosure.com/orderrouting/HOME.

Float. Pershing may obtain a financial benefit attributable to cash balances of ERISA plan accounts that are held by Pershing in connection with cash awaiting investment or cash pending distribution. For a more detailed description of this compensation, refer to www.pershing.com/business_continuity.htm#float_disclosure.