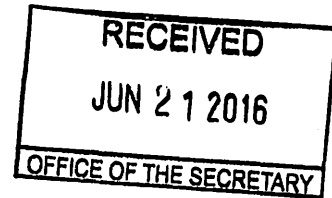


ADMINISTRATIVE
PROCEEDING File No. 3-16463

In the Matter of

AEGIS CAPITAL, LLC
CIRCLE ONE WEALTH
MANAGEMENT, LLC
DIANE W. LAMM
STRATEGIC
CONSULTING
ADVISORS, LLC and
DAVID I. OSUNKWO



Respondents.

**NOTICE OF FILING OF EXPERT REPORT BY RESPONDENTS
STRATEGIC CONSULTING ADVISORS, LLC AND DAVID I.
OSUNKWO**

PLEASE TAKE NOTICE that pursuant to the April 4, 2016 Scheduling Order in this matter, Respondents Strategic Consulting Advisors, LLC ("SC") and David I. Osunkwo ("Osunkwo") hereby submit the Expert Report and related Exhibits of Miriam Leftkowitz. Respondents Osunkwo and SC will provide the information pursuant to 17 CFR 201.222(b) as part of its other witness disclosures under the Scheduling Order.

Dated: June 20, 2016

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David I. Osunkwo", written over a horizontal line.

David I. Osunkwo

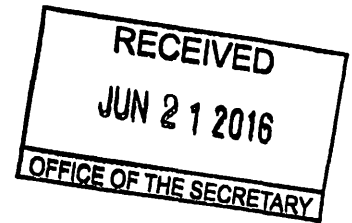
A handwritten signature in black ink, appearing to read "A. W. Hall", written over a horizontal line.

Strategic Consulting Advisors, LLC

ADMINISTRATIVE PROCEEDING
File No.3-16463

-----x
In the Matter of

AEGIS CAPITAL, LLC
CIRCLE ONE WEALTH
MANAGEMENT, LLC
DIANE W. LAMM
STRATEGIC CONSULTING
ADVISORS, LLC and
DAVID I. OSUNKWO



Respondents.

-----x
CERTIFICATE OF SERVICE

I, Sidney Wigfall, certify that on the 20th day of June 2016, I caused true and correct copies of the attached Notice of Filing of Expert Report by Respondents Strategic Consulting Advisors, L.LC and David I. Osunkwo to be filed and served on the following as follows:


Brent J. Fields
Office of the Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E. Mail Stop 20549
Washington, DC 20549
(Original and three copies by Email and Overnight Delivery)

The Honorable James Grimes
Administrative Law Judge
Securities and Exchange Commission
100 F Street, N.E. Washington,
D.C. 20549-2557 (By Email
and First Class Mail)

W. Shawn Mumahan, Esq.
M. Graham Loomis, Esq.
Atlanta Regional Office
Securities and Exchange Commission
950 East Paces Ferry Road
N.E. Atlanta, GA 30326

(By Email and First Class Mail)

Harlan Protass, Esq. Isabelle
Kirshner, Esq. Clayman &
Rosenberg LLP
305 Madison Avenue
New York, NY 10165
(Counsel for Respondent Diane M. Lamm)
(By Email and First Class Mail)



Sidney Wigfall

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

In the Matter Of :	ADMINISTRATIVE PROCEEDING
	File No. 3-16463
AEGIS CAPITAL, LLC, CIRCLE :	
ONE WEALTH MANAGEMENT, :	
LLC, DIANE W. LAMM, :	
STRATEGIC CONSULTING :	
ADVISORS, LLC, and DAVID I. :	
OSUNKWO, :	
Respondents. :	

EXPERT REPORT OF MIRIAM LEFKOWITZ

Table of Contents

A.	Nature of Assignment	2
B.	Summary of Expert Qualifications	2
C.	Prior Testimony and Compensation	3
D.	Materials Considered	3
E.	Summary	4
F.	Full Opinion	4

A. Nature of Assignment

1. I have been retained by counsel for Respondents Strategic Consulting Advisors, LLC, ("SC") and David I. Osunkwo ("Mr. Osunkwo") (collectively referred to as the "Compliance Consultants") to provide expert testimony in the administrative proceeding *In the Matter of Aegis Capital, LLC, Circle One Wealth Management, LLC, Diane W. Lamm, Strategic Consulting Advisors, LLC, and David I. Osunkwo*.
2. I have been asked to formulate and render opinions related to the Compliance Consultants' involvement in the filing of Circle One's Form ADV Part 1 filing in March and April 2011.

B. Summary of Expert Qualifications

3. I have more than 20 years of work experience in broker-dealer and investment adviser securities compliance. I have served as an in-house legal and compliance professional, an enforcement attorney at the SEC, private securities law defense counsel and as an independent compliance consultant.
4. Since 2002, I continuously served as General Counsel (or Chief Legal Officer) and the senior compliance and regulatory advisor to small and regional SEC-registered retail-focused investment advisers and broker dealers. Throughout this period of time, I have been actively involved in preparing the annual updates to Form ADV Part 1. At times I have signed such forms as the authorized party and other times I have prepared such forms for firm principals to sign.
5. Prior to going in-house, I served as Senior Counsel in the Enforcement Division of the Southeast Regional Office of the Securities & Exchange Commission. I started my legal career in private practice where I represented broker-dealers and investment advisers in regulatory matters, customer-initiated securities disputes, inter-broker controversies and employment cases.
6. I am a Member of the Board of Directors for the National Society of Compliance Professionals (NSCP), a leading industry organization dedicated to serving and advancing the needs of the financial services compliance professionals. I am the Chair of the Association of Corporate Counsel's (ACC) Financial Services Committee. In these capacities, and as a general member of both organizations, as well as other professional organizations, I frequently interact with senior compliance professionals at other firms and discuss industry trends and best practices.
7. I regularly speak on a broad range of securities and compliance issues, and conduct continuing legal education programs. Among the sponsors of such conferences and webinars are FINRA, NSCP, SIA (now SIFMA), IAA, NAIBD, ACC, BD Week and West LegalEd Center. Among other topics, I have presented on best practices for compliance programs at small and very small firms, where principals and employees routinely serve in multiple

capacities. For eight years, I also guest lectured at Seton Hall Law School regarding ethics, disclosure and compliance issues.

8. I have published compliance-related articles in NJ Lawyer Magazine, Ignites, Practical Compliance and NSCP Currents, and have been quoted in Compliance Reporter, Bankrate and ACC Docket.
9. I was graduated from Columbia Law School in 1995 and Columbia College in 1990. A summary of relevant work experience is attached as Exhibit 1 to this report.

C. Prior Testimony and Compensation

10. I have previously provided expert testimony on two prior occasions. I have been engaged through Miriam Lefkowitz, LLC. Absent certain circumstances, I have agreed to waive the right to collect my fee in connection with this engagement because of the financial condition of the Compliance Consultants and the gravity of these issues to the compliance community.

D. Materials Considered

11. In formulating opinions stated herein, I reviewed the Forms ADV Part 1A filed by Aegis Capital, LLC ("Aegis") in November 2009 and 2010 and Circle One Wealth Management, LLC, ("Circle One") in 2010 and New Circle One¹ in 2011; ADV II used by Aegis in 2009 and 2010, the ADV 2A and 2B² filed by New Circle One in 2011, the Investment Advisory Agreements utilized by Aegis both before and after the Compliance Consultants were retained, an Investment Planning and Consultation Agreement used by Circle One before it

¹ According to the emails I reviewed and my conversations with Mr. Osunkwo and Sidney Wigfall ("Mr. Wigfall"), a principal for SC, Capital L ("CL Group"), was a holding company that was in the business of, among other things, acquiring investment management firms, including broker dealers ("BDs") and registered investment advisers ("RIAs"). CL Group owned Aegis prior to their retention of the Compliance Consultants and acquired a number of RIAs during the period at issue in this administrative proceeding. Some of those businesses were integrated into Aegis, others were kept as separate entities under the CL Group umbrella. During the first quarter of 2011, CL Group acquired Circle One which had been a separate RIA, with the intent to consolidate Circle One and Aegis into a single RIA and operate under the Circle One name. Thus, for the remainder of this report, I use the term Aegis to refer to the RIA which engaged the Compliance Consultants throughout the period at issue, and the "New Circle One" to refer to the combined entity which filed a Form ADV on or about March 31, 2011, as detailed in paragraphs 4 and 14 of the Order instituting these proceedings.

² Since 1979 the SEC has required certain advisory firms to create and deliver, or offer to deliver, to clients a brochure. Until 2011, this brochure was called the ADV Part II. In Release No. IA-3060, *Amendments to Form ADV* ("IA 3060"), issued on July 28, 2010, the Commission adopted enhanced the disclosures in the brochure, renamed it the ADV Part 2A, and introduced an IA brochure supplement on the *individual* investment advisory representatives who advise retail clients. This document is call the ADV Part 2B. The ADVs 2A and 2B were required beginning in 2011 for firms with fiscal years that ended in December.

was acquired by CL Group; the 2010 and 2011 Engagement Letters between the Compliance Consultants and CL Group and Aegis (which included New Circle One, after Circle One was acquired and Aegis changed its name); selected email communications between the Compliance Consultants and various principals or employees or agents of Aegis and/or New Circle One; a deficiency letter from SEC examination staff to Aegis in July 2009, legal filings, professional literature, SEC and other published guidance on Form ADV Part 1 calculation of assets under management ("AUM") during 2010 and 2011; and other documents. I also reviewed excerpts from on-the-record ("OTR") testimonies taken in connection with this matter as well as some of the marked exhibits in the OTR testimonies. Finally, I also interviewed Mr. Osunkwo, Mr. Wigfall and Eric Blau ("Mr. Blau.") I was unable to review all of the emails among the parties about these issues as the SEC had not provided them to the respondents at the time of the preparation of this report. My opinions are based on the documents I have reviewed and the interviews I have conducted and may change if I see other documents or have the opportunity to speak to other witnesses.

E. Summary

12. Based upon my review and analysis of the process by which the Compliance Consultants sought the information upon which they filed New Circle One's³ Form ADV Part 1, SEC rules and guidance, together with my knowledge of the issues and the regulations governing SEC-registered investment advisers, as well as my more than 14 years working in-house at RIAs, serving on panels and committees with other experienced compliance professionals from other RIAs, attendance and participation at numerous industry conferences where such matters are addressed both formally and informally, and my counseling and consulting experience, I have reached the following opinion concerning the conduct by the Compliance Consultants in connection with New Circle One's 2011 annual update to its Form ADV Part 1:

- i. The Compliance Consultants' role, diligence and efforts to assist New Circle One make appropriate disclosures in its 2011 annual update to the ADV Part 1, including their reliance on information provided by a firm principal and Chief Investment Officer, were consistent with the SEC's requirements and manifested due care in connection with their responsibilities.

F. Full Opinion

13. RIAs are required to file timely and accurate Forms ADV Part 1. As the requirement belongs to the RIA itself, and the signatory must be an "authorized corporate officer" for corporations, the role of a CCO and compliance professionals, whether employed or outsourced, with respect to such filings can and does range significantly. In my experience, it is certainly a best practice for RIAs to request the assistance of CCOs in the preparation and filings of Forms ADV, but that does not transfer the responsibility.

³ As noted in note 1, I am using the term New Circle One to identify the CL Group-owned RIA which combined Aegis and Circle One, yet retained the name Circle One.

14. The enforcement staff has alleged that the Compliance Consultants failed to conduct themselves in accordance with their regulatory obligations and thereby violated the Investment Advisers Act of 1940 (the "40 Act") in connection with New Circle One's annual update to its ADV Part 1, filed on or about March 31, 2011. Because the laws and regulations governing the Form ADV, (including Parts 1, 2A and 2B) have evolved during the period of alleged misconduct, a brief review of the Congressional and SEC expectations is useful to understanding the acts or omissions committed, and not committed, by the Compliance Consultants.

Statutory and Regulatory Background on the Assets Under Management Disclosure on the ADV Part 1

15. In 1940, Congress passed the "40 Act" which defined "investment adviser" very broadly. By 1997 there were 23,350 investment advisers registered with the Commission.⁴

16. In 1954, the Commission began requiring RIAs to file Forms ADV (the predecessor to the current Form ADV Part 1.)

17. In 1996, Congress amended the 40 Act by adding Section 203A as part of the National Securities Markets Improvement Act of 1996 Pub. L. No. 104-290, 110 Stat. 3416 ("NSMIA"). No longer would all advisers be required or even permitted to register with the Commission; Congress determined that advisers with less than \$25,000,000 in "assets under regular and continuous supervisory or management" would be prohibited from registering with the SEC, absent certain other factors not at issue in this matter.⁵

⁴ Release No. IA-1633, *Rules Implementing Amendments to the Investment Advisers Act of 1940* (May 22, 1997) ("NSMIA Release").

⁵ The Commission has explained the purpose of the section. "Section 203A was designed to allow the Commission to better use its limited resources by concentrating its regulatory responsibilities on advisers with national businesses, and to reduce the burden to investment advisers of the overlapping and duplicative regulation (existing prior to the enactment of NSMIA) by preempting state investment adviser statutes, thus subjecting advisers with national businesses to a single regulatory program administered by the Commission." Note 5, *Final Rule: Exemption for Certain Investment Advisers Operating Through the Internet* (Release No. IA-2091) (December 12, 2002).

Section 202(a)(11) of the 40 Act defines "investment adviser" very expansively so it includes persons who advise on investing but do not actually direct or manage any securities, as well as persons who manage portfolios which include but are not limited to securities. Section 203A(a)(2) of the 40 Act provides "For purposes of this subsection, the term 'assets under management' means the securities portfolios with respect to which an investment adviser provides continuous and regular supervisory or management services." As this is a complex issue, the SEC provided detailed guidance in the NSMIA Release and included a lengthy instruction on how firms should determine whether advisory assets qualify as "assets under management" for purposes of Form ADV Part 1. Those instructions have evolved and are included as Instruction 5.b. on the current version of the *Form ADV: Instructions for Part 1A* and provides guidance on Item 5.F. of Form ADV. A copy of these Instructions is included in the Appendix.

18. On July 28, 2010, right in the middle of the period at issue in this matter, the Commission finally adopted amendments to the ADV Part 2A and 2B in Release No. IA-3060, *Amendments to Form ADV*, (“IA 3060”) which had been many years in the making. Although that release primarily introduced the revised Part 2A and new Part 2B of the ADV, the SEC reinforced its prior assertions that inclusion of AUM in Part 1 was solely to determine eligibility to be registered with the SEC. To that end, the SEC explained that “[t]he methodology for calculating assets required under Part 1A is designed for a particular purpose (*i.e.*, for making a determination as to whether an adviser should register with the Commission or with the states), rather than to convey meaningful information about the scope of the adviser’s business.”⁶ The Commission permits RIAs to use a different method of calculating its AUM for purposes of its ADV Part 2 and has acknowledged that doing so may provide a better picture of the services performed by the RIA to its clients, which is the primary audience for the ADV Part 2.
19. On May 20, 2015, two months after the enforcement staff initiated this action, the Commission issued a proposal to amend ADV Part 1. *Amendments to Form ADV and Investment Advisers Act Rules*, IA-4091.⁷ Among other things, the SEC reasserted its position that “the regulatory assets under management calculation for Part 1A is designed for a particular purpose (*i.e.*, for making a bright line determination about whether an adviser should register with the Commission or with the states).”

Regulatory Requirements of Investment Advisers’ Chief Compliance Officers

20. Until October 2004, the SEC did not require RIAs to designate chief compliance officers (“CCOs”) or even implement formal compliance programs. In adopting Rule 206(4)-7 (the “Compliance Rule”) in December 2003, the SEC explained that although the requirements for firms to adopt formal written policies, engage a CCO and conduct annual reviews were new, the substantive elements of being compliant with the 40 Act were not changing.⁸ *Final Rule: Compliance Programs of Investment Companies and Investment Advisers*, Release No. IA-2204 (“Compliance Rule Adopting Release”).
21. In the Compliance Rule Adopting Release, the SEC clearly noted that “Rule 206(4)-7 does not require advisers to . . . to memorialize every action that must be taken in order to remain in compliance with the Advisers Act. In some cases, it may be enough for the compliance

⁶ This threshold remained at \$25,000,000 until Congress enacted Section 410 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 124 Stat. 1376 (2010), which increased the threshold to \$100,000,000. The SEC addressed this in Release IA-3221, issued on July 22, 2011, and the higher threshold become effective in September 2011 – several months after the Form ADV Part 1 at issue was filed.

⁷ As of the date of this report, the Commission has not yet adopted these changes.

⁸ This was detailed more clearly in the SEC’s Proposing Release titled *Compliance Programs of Investment Companies and Investment Advisers*, Release No. IA-2107 (Feb. 5, 2003) (“Compliance Rule Proposing Release”).

policies and procedures to allocate responsibility within the organization for the timely performance of many obligations, such as the filing or updating of required forms.”

22. Contemporaneously with the adoption of the Compliance Rule, the SEC adopted Rule 204A-1, the IA Code of Ethics Rules, on July 2, 2004. Unlike the Compliance Rule, which does not specify specific responsibilities of a CCO other than to oversee the overall program, this rule does impose specific obligations on CCOs to review certain personal trades and violations of firm’s codes of ethics.
23. This is significant because the Commission did not obligate or implicate a CCO in connection with an RIA’s Form ADV as it did on other aspects of an adviser’s compliance program. It is a widely held principle that “ultimately the responsibility for a broker-dealer’s compliance resides with its chief executive officer and senior management.”⁹ The same is true for RIAs and other registered entities. As recently as April 2016, when the Commission adopted a new rule requiring CCOs for Security-Based Swap Dealers, which role was “designed to be generally consistent with the current compliance obligations applicable to CCOs of other Commission-regulated entities,” including RIAs,¹⁰ the Commission emphatically responded to industry concerns that the language in its proposing release could make COOs liable for compliance or supervisory failures. In reassuring the commenters that this is not the intent of the Commission at all, it repeated the following assertion three times. “[t]he Commission agrees with a commenter that it is the responsibility of the SBS Entity, not the CCO in his or her personal capacity, to establish and enforce required policies and procedures.”¹¹ The Commission further noted that “the CCO cannot be a guarantor of the SBS Entity’s conduct.”¹²

The CCO’s Role Within an Investment Advisory Firm

24. As the quote from the Compliance Rule Release above demonstrates, the Commission was quite deliberate in permitting RIAs to structure their own compliance programs in a manner they found most suited to their business models.

⁹ *Frequently Asked Questions about Liability of Compliance and Legal Personnel at Broker-Dealers under Sections 15(b)(4) and 15(b)(6) of the Exchange Act*, by the Division of Trading and Markets (September 30, 2013), quoting *Sheldon v. SEC*, 45 F.3d 1515, 1517 (11th Cir. 1995) (“The president of a corporate broker-dealer is responsible for compliance with all of the requirements imposed on his firm unless and until he reasonably delegates particular functions to another person in that firm, and neither knows nor has reason to know that such person’s performance is deficient.”), quoting *Universal Heritage Investments Corp.*, 47 S.E.C. 839, 845 (1982) (finding securities firm’s president had properly delegated duties).

¹⁰ *Business Conduct Standards for Security-Based Swap Dealers and Major Security-Based Swap Participants*, Final Rule, Rel. No. 34-77617 (April 14, 2016) (“Business Conduct Standards Release”), p. 391 and n. 1196.

¹¹ Business Conduct Standards Release, pp. 398, 400, 401.

¹² Business Conduct Standards Release, p 405.

25. The role of a CCO in small investment advisory firms can encompass many different things. I have spoken at a number of industry conferences on best practices for small advisers, especially where roles can get blurred, in order to be clear about where the regulatory responsibility lies. I have counseled that firms should draft job descriptions and procedures that clearly delineate the degree of accountability. This is designed to accomplish a number of objectives. In the first instance it can help a CCO obtain the resources he needs to carry out his responsibilities. But it also protects a firm's management, which would otherwise be directly culpable for failures if they were not clearly assigned to the CCO.

The Role of the Compliance Consultants Within an Investment Advisory Firm

26. The SEC has endorsed the practice of investment advisers utilizing compliance consultants. In both the Proposing Release and the Compliance Rule Adopting Release, the SEC expressly noted (using the same language) that they "anticipate that these [smaller] firms will turn to a variety of industry representatives, commentators, and organizations that have developed outlines and model programs that these firms can tailor to fit their own situations. If these firms need individualized outside assistance, we expect that the number of independent compliance experts will grow to fill this demand at competitive prices, as has been the case in comparable situations."

The Specific Responsibilities of SC and Mr. Osunkwo

27. Since there are no regulatory obligations imposing a duty on them, the degree to which Mr. Osunkwo and/or SC were responsible for the content of Circle One's Form ADV at issue is determined by the facts and circumstances. The SEC alleges in its Order instituting these proceedings that Mr. Osunkwo was responsible for "preparing, reviewing, and filing" Circle One's Forms ADV (paragraphs 2 and 13) and that SC "was contractually obligated to provide compliance services to Registrants, including preparing, reviewing, and filing Forms ADV" (paragraph 8). That is not reflected in the contracts between the Compliance Consultants and the Aegis or New Circle One nor is it in the firm's written policies and procedures, however.

28. Since the responsibilities of a CCO should be detailed in the firm's written policies (as noted in the Adopting Release), an examination of the CCO's assigned role there is instructive. The Compliance Manual¹³ in effect at the time did provide detailed guidance on the role and responsibilities of the CCO. Since there is scarcely a reference to any other person in the Compliance Manual, those tasks not expressly delegated to the CCO remain with the firm's management.

29. Section 1.1 of the Compliance Manual clearly establishes the responsibilities for the CCO with respect to the overall compliance program of the firm. It states that:

specific duties of the CCO shall include, but are not limited to the following

¹³ Since Aegis was the RIA that had retained the Compliance Consultants, it was the Aegis Compliance Manual that is relevant here.

- **Maintain, update and implement** this Compliance Manual to ensure adherence to federal and state securities laws. . . .
- **Ensure** proper documentation of requirements contained in compliance policies
- **Conduct** compliance training for new and existing employees. (Emphases added.)

30. These are active responsibilities. In contrast, that same section provides, with respect to filing the Form ADV, merely that the CCO

- Consistently **monitor** changes required on the Form ADV and related schedules. . . .
- **Update** the IARD/CRD electronic registration system relating to the Form ADV, annual renewals, notice filings, disclosure reporting pages and U-4/U-5 forms.” (Emphases added.)

31. Section 3 of the Compliance Manual designates the CCO as being responsible for the administrative aspects of filing the Form ADV Part 1 but reserved to the “Advisor” the responsibility for the content relating to its asset under management.

The Advisor must file an annual updating amendment via the IARD within ninety (90) days after its fiscal year-end. This amendment to the Advisor’s Form ADV Part I confirms the Advisor is still eligible to be registered with the SEC (i.e. at least \$25 million in AUM) and provides an opportunity to update information which is no longer accurate. It is the responsibility of the CCO to file or cause the filing of the annual updating amendment.

32. Under the Compliance Manual, Mr. Osunkwo was responsible for staying abreast of regulatory and business changes that would require Aegis to update its Form ADV, and for ensuring that an updated Form ADV was filed. He was not tasked with “preparing and reviewing” it nor was he required to “verify” the content of it.

33. In addition to the Compliance Manual, there were Letter Engagement Agreements (“Agreements”) between Aegis and the Compliance Consultants.¹⁴ Those Agreements mirrored the Compliance Manual in designating the CCO as broadly having “primary responsibilities for developing, administering, reviewing and updating the compliance program of the currently SEC registered investment adviser of CL Group. It is understood that in handling these responsibilities, the CCO will periodically interact and confer with the management and staff of the CL Group as appropriate to the matter being handled.”

34. In contrast to these references to the overall compliance program, the delegation of responsibilities relating to the Form ADV Part 1 filing to the CCO were much more general. In listing the topics on which the Compliance Consultants would be involved, there is a general reference to having them “develop, design & administer . . . SEC/CFTC Firm

¹⁴ The first engagement letter was dated March 10, 2010 and signed by Diane Lamm as Chief Operating Officer. The following year, Mr. Blau signed the engagement letter on March 22, 2011 as “Principal and Chief Investment Officer.” The engagement letters are included in the Appendix.

Registration & Disclosure Documents including disclosures set forth in existing Fund PPMs, Operating and Subscription Agreements . . . Periodic Regulatory and Client Reports/Filings.”

35. Together, the Agreements and Compliance Manual establish that the role of Mr. Osunkwo as “gatherer” of information for the Forms ADV, not an ensurer of it. This is not only common in the industry, it was expressly contemplated by the SEC. While the CCO is overtly and expressly charged with an active role on the adopting and implementing the procedures (as required by 2004 release), the language clearly differs with respect to the Form ADV.
36. In my experience – this type of division not only makes sense, it is a best practice for firms to assign the person/persons with better access to the information with the responsibility for its accuracy. In my role as CCO or general counsel I have often been the point person within an RIA to coordinate the collection of required information but I have always had to rely on the source from which I received the information.

Osunkwo and SC’s Performance of their Responsibilities Relating to the Form ADV

37. As detailed in the Compliance Manual, Mr. Osunkwo was responsible for monitoring the regulatory disclosure requirements, which he did. Moreover, with respect to his role as CCO, he followed the SEC guidance in the Compliance Rule Adopting Release which directed firms to focus their compliance reviews on “significant compliance events, changes in business arrangements, and regulatory developments.” *Compliance Rule Adopting Release*, Section II.B.1. Although the Release specifically addressed these three factors in an RIA’s review of its compliance program, it is a best practice for firms to incorporate these factors when allocating time, resources and attention in all areas of their compliance programs.
38. The record demonstrates that the Compliance Consultants considered each of these three items in connection with their assistance in filing the Forms ADV from the very outset of their engagement as well. The SEC examination staff had issued a deficiency letter to Aegis in July 2009 and then referred to SEC Enforcement staff in October 2009, shortly before Aegis retained the Compliance Consultants.¹⁵ The Compliance Consultants received and reviewed the SEC deficiency letter and promptly ensured that Aegis had already remedied the three (3) specific deficiencies attributed to Aegis’s ADV Part 1, none of which related to its AUM. Consequently, there were no “significant compliance events” relating to Aegis’s AUM that should have put the Compliance Consultants on notice of misconduct at the time at issue in this administrative proceeding.
39. In contrast, the latter two items, changes to business practices and regulatory developments, were highly relevant and received considerable attention by the Compliance Consultants. Capital L was busy acquiring a BD and RIAs. For each acquisition, the Compliance Consultants considered what impact there was on the Form ADV, as evidenced by the communications. Further, there were numerous regulatory developments relating to Form ADV during 2010 and 2011, as discussed in footnotes 2 and 6.

¹⁵ The SEC Enforcement staff determined not to initiate an enforcement action based on those deficiencies and the referral, as evidenced by the “no further action” letter sent to Aegis on March 29, 2011.

40. The Compliance Consultants actively worked to assist Aegis and New Circle One in preparing accurate AUM figures for their Forms ADV Part 1. These efforts are demonstrated by a series of actions they commenced immediately after being retained and continued throughout the period. (Excerpts of various email communications are included in the text of this report but the full exchanges of emails referenced or quoted herein are included in the Appendix.)

- Within the first few weeks after being engaged in March 2010, both Mr. Wigfall and Mr. Osunkwo exerted efforts to educate Aegis principals about the impact of business combinations on the calculation of AUM for purposes of the Form ADV. In the course of ongoing communications with Ms. Lamm, some of which were oral, others by email, Mr. Wigfall sent Ms. Lamm the complete excerpt from Instruction 5.b. from the SEC's Instructions on how AUM must be calculated for purposes of the Item 5(f) of Form ADV Part 1.¹⁶ See March 12, 2010 from Mr. Wigfall to Ms. Lamm, cc'ing Mr. Osunkwo in the Appendix.
- A few days later, in connection with a pending acquisition for which Aegis was eager to demonstrate how high Aegis's AUM had grown, on March 14, 2010, Mr. Osunkwo urged Ms. Lamm and Brian Church, another executive officer of Aegis, to exercise caution rather than a submit a hasty ADV filing which would include the assets managed by Harmony, an RIA which Capital L had only recently acquired.

From: "David I. Osunkwo, Esq." <dosunkwo@capital.com>
Date: Sun, 14 Mar 2010 21:35:46 -0400
To: Brian Church<bchurch@capital.com>; Diane Lamm<dlamm@capital.com>
Cc: Sidney G. Wigfall, Esq.<sidney.scadvisors@comcast.net>; Lawrence Vincent, Esq.<lawrence.scadvisors@comcast.net>
Subject: Re: ADV
Brian:

Being that this would be the first filing following a series of major changes in the firm, I would like to exercise utmost caution in taking this step which represents our primary means of making disclosures to the regulators, our clients, counterparties and other audiences. I would strongly caution against rushing this process but instead we need to ensure that we have all the information in the new ADV as up-to-date as possible in order to fit into the new regulatory commitment Capital L is now projecting.

- As they got closer to the March 31, 2010 deadline to file Aegis's Form ADV, Mr. Osunkwo refused to yield to repeated requests for Aegis to include Harmony's assets if all the required steps had been met.

¹⁶ See discussion in footnote 5.

—Original Message—

From: David Osunkwo
Sent: Wednesday, March 31, 2010 11:58 AM
To: Diane Lamm
Subject: RE: Call

Hi, Diane:

One of the things I wanted to speak to you about yesterday is the Aegis Capital, LLC Form ADV filing - could you please confirm the assets under management that we are using: prior to the Harmony closing, I had \$164,994,972.00. Although I have previously heard that Harmony was bringing over excess of \$60 million AUM, their 2/01/2010 ADV has \$56,819,238.00. I want to be sure we have a number that has been verified and can be supported. Could you please provide me with the final AUM to be reported for our ADV.

From: Diane Lamm
Sent: Wednesday, March 31, 2010 1:24 PM
To: David Osunkwo
Subject: RE: Call

For the AUM, please use the number on the Harmony ADV. I have circled back and located the evidence and it shows the same number you got from his Form ADV. Please add to the \$165 million number I gave you for our AUM prior to his acquisition. Just as an FYI, part of yesterday's meetings were about the AUM numbers (among others) and my expectations of access to them as well as reconciliation. I will show you the new process and share my reorg efforts with you when we meet.

I am anxious to hear about your compliance plans and will merge them with mine.

-----Original Message-----

From: David Osunkwo <dosunkwo@capital.com>
Date: Wed, 31 Mar 2010 16:12:00
To: Diane Lamm<DLamm@capital.com>
Subject: RE: Call

Hi, Diane:

Thanks for your response; I will get back to you on those items a little later, if you don't mind. I want the ADV filed in the next hour or so.

I understand from Doug Turner that the required client written approvals that would permit Aegis to include Harmony-advised assets in Aegis's AUM number, is currently being obtained and has yet to complete. In light of that, the ADV Rules would not allow Aegis to claim management of those assets pending the approval of the clients, and therefore, I am afraid, we can't yet report the additional assets in our ADV.

However, once the client written approvals, or a portion of those, are received, I will very simply update the ADV to reflect those additional assets. Now, often in many RIA acquisitions, there may be some holdovers or outright refusals, but Doug believes his client base is very loyal and we may get a 100% approval.

Since this is the last item I need to file the ADV, could you please reply and let me know if you are OK with the above or need to discuss further; once you are fine with the apprx. \$65 million 17 AUM, I will go ahead and process the filing.

- Throughout these communications, Mr. Osunkwo demonstrated that he was knowledgeable about the Form ADV requirements. Moreover, he refused to relax the requirements to support the business goals of his new employer.
- Although Ms. Lamm had provided the "\$165 million" AUM number for Aegis, Mr. Osunkwo did not simply rest on her assertion as he was new to Aegis and was learning what controls they had in place. During a visit to the Charlotte office in March 2010, he also viewed the methodology Aegis used in calculating its AUM. He reviewed a spreadsheet titled "CapitalL-AegisCapital- -Master AUM_31010" that identified each client, the client name, account number, custodian and/or fund where the assets were held. The spreadsheet is included in the Appendix. Even though Ms. Lamm and Mr. Church indicated some confusion regarding when the newly acquired Harmony's assets could be aggregated with Aegis', the spreadsheet provided reasonable assurance that Aegis had back up to support the calculation of the \$165 million in AUM.

41. Shortly after the March 2010 Form ADV was filed and during the 2nd quarter of 2010, Ms. Lamm became involved in other projects and told the Compliance Consultants they should utilize Mr. Blau if she was unavailable. Even though Mr. Blau had previously focused on the funds part of CL Group, in mid-2010 he had begun taking a larger operational, supervisory

¹⁷ Mr. Osunkwo has advised me that the \$65 million was a typo, which is consistent with the rest of the communications and the actual Form ADV Part 1 that was filed at that time.

and executive role within CL Group. For example, Mr. Osunkwo told me that Mr. Blau was involved in the negotiations of CL Group's acquisition of TAG Securities, Inc. ("TAG"), a BD acquired by CL Group in 2010. By January 2011, Mr. Blau was executing documents as President of TAG (as evidenced by a subclearing agreement, included in the Appendix.) And on or about March 10, 2011, Mr. Osunkwo accompanied Mr. Blau (who attended as President and CEO of TAG) and Abel Garcia (who was the CCO of TAG) to FINRA's Dallas office for the Membership Meeting (a formal part of FINRA's regulatory approval process.)

42. The emails between Mr. Osunkwo and Mr. Blau in August and September 2010 demonstrate regular communications about compliance and disclosure issues relating to different aspects of CL Group's business – including Mr. Blau's expressed acknowledgement that the Compliance Consultants were putting in long hours in their efforts on behalf of CL Group and its affiliates.¹⁸ This is consistent with what both Mr. Osunkwo and Mr. Blau told me – that they were in very regular contact.
43. Of particular significance with respect to the issues in this administrative proceeding, Mr. Blau was involved in the operational and regulatory aspects of CL Group's integration of Circle One as early as September 2010. In an email exchange between John Lakian, CEO of CL Group ("Mr. Lakian"), and Mr. Blau on September 7, 2010 regarding combining the compliance and operations of Circle One and Aegis, Mr. Blau assumed responsibility for getting involved with the public disclosures. Then, from January 18 – 20 there was a series of emails between Mr. Osunkwo and Mr. Blau discussing Mr. Lakian's expectation that Mr. Blau would be involved in the regulatory filings connected to the Circle One acquisition – the very filings at issue in this administrative proceeding.¹⁹

From: Eric Blau
Sent: Tuesday, January 18, 2011 3:41 PM
To: David Osunkwo
Subject: call on Aegis Capital

David – are you available tomorrow for a brief call to discuss the entity Aegis Capital, LLC with John and me? Would like to get your thoughts on keeping it registered vs. deregistering, renaming it, and some other questions. Would expect it to be a 15 minute call at the most.

¹⁸ It is unclear why some of the reported times on the emails appear to be out of order. Messrs. Osunkwo and Wigfall believe that there was likely a time stamp issue on Mr. Osunkwo's computer which may be why the times on some emails involving Mr. Osunkwo appear out of order from the flow of the communication.

¹⁹ As explained to me by the Compliance Consultants, CL Group management was considering deregistering Aegis after its operations were combined with Circle One because "Aegis Capital"/Capital L had already received a cease-&-desist letter threat from a NY-based BD called Aegis Capital Corp. This concerned them and they also wanted to avoid brand confusion in the marketplace. These emails, which refer to deregistering Aegis are in connection with combining the operations of Aegis and Circle One into New Circle One.

From: David Osunkwo [dosunkwo@capital.com]
Sent: Tuesday, January 18, 2011 2:55 PM
To: Eric Blau
Cc: Sidney Wigfall At Comcast
Subject: RE: call on Aegis Capital

Eric;

Absolutely - I am available any time tomorrow except 12noon to 1 PM. I think this is a good time to discuss this subject so that whatever status is decided - status quo, name change, de-registration, merger - may be incorporated in the new ADV which I am starting to work on.

Please let me know what time works for John and you.

David

44. Mr. Blau's involvement with the Compliance Consultants to coordinate the Form ADV filing escalated as the March 31 deadline approached. The following emails were exchanged in early March while he was negotiating with the Compliance Consultants to renew their engagement for another year. Both parties expressed commitment to working together to achieve the goal of filing an accurate Form ADV.

----- Original Message -----

From: "Eric Blau" <EBlau@capital.com>
To: "Sidney Wigfall At Comcast" [REDACTED]
Cc: "DavidO-CorpCounsel-SCA-SBF" [REDACTED]
Sent: Tuesday, March 1, 2011 7:13:22 PM
Subject: RE: Capital L Group-SC Advisors / Current Engagement-Proposed Extension & New Engagement Preparation

[cid:image001.gif@01CBD847.C524C4F0]

Does the \$18k cover the drafting/submission of the Form ADV and the deregistration of Aegis Capital, LLC?

From: David Osunkwo, Esq. [REDACTED]
Sent: Tuesday, March 01, 2011 7:33 PM
To: Eric Blau
Cc: Sidney Wigfall [REDACTED]
Subject: Re: Capital L Group-SC Advisors / Current Engagement-Proposed Extension & New Engagement Preparation

Eric:

In the spirit of our long-term relationship, we will be willing to have the fee cover the filing of Form ADV for the advisor, Circle One, and deregistering Aegis Capital, LLC, a transaction that will involve a fair amount of work, including regulatory filing.

David

-----Original Message-----

From: Eric Blau [mailto:EBlau@capital.com]

Sent: Tuesday, March 01, 2011 6:35 PM

To: David Osunkwo, Esq.

Cc: Sidney Wigfall [REDACTED]

Subject: RE: Capital L Group-SC Advisors / Current Engagement-Proposed Extension & New Engagement Preparation

And I pledge to help you get it all done quickly and accurately! Thank you. I will call you tomorrow to keep the ball rolling toward extension. Knock on wood - there is no way tomorrow will be as busy as today was for us!

Mr. Blau also told others at CL Group and New Circle One that he was actively working on the Form ADV to meet the March 31 deadline.

From: Eric Blau

Subject: Circle One operating agreement

Date: March 23, 2011 at 7:06:24 PM EDT

To: roe@circleonewealth.com <roe@circleonewealth.com>, Les Robertson <LRobertson@capital.com>

Cc: David Osunkwo <dosunkwo@capital.com>

Pete or Les - can one of you send us the Circle One operating agreement? David and I are working on the Form ADV and we'll need this to move forward. Appreciate the help. - Eric

Eric Blau

Chief Investment Officer

Capital L Group

(704) 895-6133, ext. 1101

(704) 372-2366 fax



1355 Greenwood Cliff, Suite 250

Charlotte, NC 28204

www.capital.com

From: Eric Blau

Subject: RE: ADV Deadline

Date: March 24, 2011 at 4:46:19 PM EDT

To: Peter Roe <roe@circleonewealth.com>

Cc: David Osunkwo <dosunkwo@capital.com>

Pete - I want to be sure you are aware of the master plan - please call me if you aren't (I have been working on assumption that John has discussed this with you). Company is merging Aegis RIA with Circle One RIA to create a single RIA under the Circle One name. We are planning to do this with David's help in conjunction with the 3/31 ADV filing.

45. Despite repeated requests for the accurate AUM, and the assistance Mr. Blau, the Compliance Consultants did not get the information regarding the firm's AUM until late in the evening on March 31, 2011, when Mr. Blau sent the following email:

From: Eric Blau
Sent: Thursday, March 31, 2011 10:28 PM
To: David Osunkwo
Subject: AUM 12/31

David – Without Harmony, I believe AUM was as follows on 12/31

Funds: \$36,800,000
Schwab/Fidelity: \$96,092,701 (1,179 accounts)(not sure how many customers)
Circle One: probably higher than \$50m, but hopefully Frank told you a number today

Total is in the \$182.89m range and does not include Harmony

Eric Blau
Chief Investment Officer
Capital L Group
(704) 895-6133, ext. 1101
(704) 372-2366 fax

46. Although Mr. Blau was non-committal on the value of the Circle One and Harmony²⁰ assets, the Compliance Consultants had two options: they could not file the Form ADV, which would constitute a violation by Circle One (as the combined Aegis-Circle One entity was called) of Rule 204-1 under the 40 Act. Or they could use a conservative number. Since the SEC had repeatedly (and as recently as July 2010) stated that the importance of the AUM on the Form ADV was a threshold issue – whether the AUM was above or below \$25 million - the Compliance Consultants filed the ADV using Mr. Blau's numbers, as the AUM was comfortably above the threshold of \$25 million. (Of note, even in its Order Instituting Proceedings, the Enforcement staff alleged as the actual AUM of Circle One was \$62 million which is well above the threshold at that time.)
47. The following day, Mr. Blau and Mr. Wigfall exchanged a number of emails in which Mr. Blau following day to determine if New Circle One's Form ADV had been properly filed.

My Opinion

48. I considered the following in forming my opinion:
49. A CCO is obligated to be sufficiently educated about his responsibilities and must endeavor to discharge his duties conscientiously.

²⁰ The Harmony assets are not at issue in this matter. Harmony, although owned by Capital L, was not included on the Circle One ADV. The Compliance Consultants looked to a principal of Harmony to provide the data in connection with the Harmony ADV and included its assets on its own Form ADV Part 1.

50. The record I have reviewed supports the conclusion that Mr. Osunkwo and Mr. Wigfall were both knowledgeable about the 40 Act. Further, they demonstrated persistence and diligence in their efforts to carry out their responsibilities.
51. As a general matter, compliance professionals can rely on information provided to them by their contacts within the firm – especially, as in this case, if the information is provided by a member of senior management. Of course, blind, unquestioning reliance will undermine that premise, as the Commission recently explained that “[w]hen the facts known to a person place him on notice of a risk of fraud, he cannot ignore the facts and plead ignorance of the risk.”²¹
52. On the record I have reviewed, the Compliance Consultants’ reliance on Mr. Blau’s provision of New Circle One’s AUM were at the opposite extreme of those evidenced in the *Young* case. There was no notice of risk of fraud (and, indeed, the SEC has not alleged that there was any fraud with respect to Aegis or New Circle One’s clients.)
53. By the time the Compliance Consultants filed the New Circle One ADV on or about March 31, 2011, they had
- educated Aegis management about how AUM should be calculated and even provided the firm’s COO with the SEC instructions on point;
 - developed confidence that Aegis had a reasonable methodology for calculating its AUM;
 - reviewed both Aegis and Circle One’s prior ADVs (parts 1 and II) – both of which described retail-focused businesses which were consistent with a large number of smallish accounts that were being reported on the Form ADV;
 - reviewed the Investment Advisory Agreement for Aegis that existed before they joined, which clearly supported the type of business Aegis purported to have (by expressly noting that Aegis had discretion or met the definition of “regular and continuous supervisory or management” which would warrant inclusion on the firm’s Form ADV.) In fact, that Investment Management Agreement, as well as the revised version that the Compliance Consultants drafted in early 2010, utilized a best practice of providing a space to separately identify assets for which some advisory services were being provided but which did not rise to the level of “regular and continuous supervisory or management” and would therefore not be included in the ADV Part 1 (although they could still be included in Part 2A).

²¹ Opinion of the Commission, *In the Matter of Bernard E. Young*, IA Release No. 4358 (March 23, 2016) (the *Young* case). In the *Young* case, the CCO also served as a Due Diligence Officer. In that role he failed to conduct an adequate inquiry even though the firm principals “repeatedly and consistently told him that he was ‘never going to see the portfolio’ that purportedly produced remarkable returns [which] is precisely the kind of unusual circumstance that requires thorough and independent investigation because the ‘darkness and ignorance of commercial secrecy are the conditions upon which predatory practices best thrive.’ Rather than investigating, Young relied on vague references to unspecified Antiguan laws.” (internal citations omitted) (*Young* case). The Commission then reviewed the myriad of reasons why Young’s reliance was unreasonable (the vague and suspicious assertions were repeated for years; he was aware that regulators had challenged those same assertions), why his efforts to validate the assertions were inadequate (because they were at best perfunctory), among several other reasons.

- reviewed the Investment Planning and Consultation Agreement used by Circle One prior to its acquisition by CL Group, which also provided that the services to be provided were of the nature which would support the number of clients and AUM on the reported ADV;
- reviewed the SEC deficiency letter and enforcement referral which identified some errors on Aegis' Form ADV but none that related to its AUM. While the absence of a deficiency is not indicative that the matter is necessarily in full compliance with the SEC's rules, it certainly is not a red flag or a "significant compliance event" warranting heightened attention. As recently as March 2016, the SEC has reinforced that "green flags" do not warrant the same scrutiny as "red flags".²²
- developed a level of confidence that Mr. Blau was the most reliable member of firm management, who was conscientious and committed to assisting them to identify appropriate persons from whom such information could be obtained. Contrary to the implication in paragraph 15 of the Order instituting these proceedings that Mr. Osunkwo waited until the 11th hour to seek the information to include on New Circle One's Form ADV, the emails I reviewed demonstrate that Mr. Osunkwo and Mr. Blau began working together with Mr. Lakian as early as January in a concerted effort to work out all details in sufficient time to meet the March 31 filing deadline.
- Finally, the Compliance Consultants had encountered no red flags at all in connection with Aegis or its AUM. Although Ms. Lamm and Mr. Church had misunderstood whether Harmony assets could be aggregated with Aegis' in 2010, that was in no way suggestive of misconduct or cause for alarm. Rather, that is an everyday occurrence at RIAs, indeed most businesses, where marketing efforts bump-up against regulatory concerns. Indeed, that is why compliance is its own field – because the regulations can be complicated, and specialized knowledge is needed. Moreover, Ms. Lamm's inaccessibility was not a red flag she instructed them to rely on another member of senior management to assist them with obtaining information and communicating with others to facilitate the role of compliance within New Circle One. Turnovers in formal and informal reporting chains are quite common.

54. Although they did not have perfect information when the deadline to file New Circle One's ADV arrived, the Compliance Consultants exercised significant efforts to obtain good information, demonstrated good judgment by using a conservative estimate where there was uncertainty, and had no reason at that time to suspect that the assets over which Mr. Blau did not express hesitation were also erroneous. Unlike other instances in which CCOs idly stand by in the face of red flags that are strongly suggestive of misconduct, the Compliance Consultants were knowledgeable, proactive, conscientious and acted with due care and diligence in connection with the filing of New Circle One's Form ADV.



 Miriam Lefkowitz



 Date

²²

See *Young* case.

APPENDIX OF EXHIBITS

Exhibit No.	Date (if identified)	Document / Event
1	3/10/2010	Strategic Consulting Advisors, LLC 2010 Engagement Letter
2	3/22/2011	Strategic Consulting Advisors, LLC 2011 Engagement Letter
3		Form ADV: Instructions for Part 1A
4	1/31/2011	Agreement Regarding Sub-Clearing Arrangement dated 1/31/2011 between Prospera Financial Services, Inc. and TAG Securities, Inc.
5	March 2010	CapitalL – AegisCapital – Master AUM Spreadsheet_031010
6	3/12/2010	Email(s) between S. Wigfall, D. Lamm and D. Osunkwo
7	3/14/2010	Email(s) between D. Osunkwo, B. Church, D. Lamm and J. Lakian
8	3/26/2010	Email(s) between D. Lamm and D. Osunkwo
9	3/31/2010	Email(s) between D. Lamm and D. Osunkwo
10	8/12/2010	Email(s) between E. Blau and D. Osunkwo
11	9/1/2010	Email(s) between E. Blau, D. Osunkwo, L. Robertson and D. Lamm
12	9/7/2010	Email(s) between E. Blau, J. Lakian, D. Lamm, L. Robertson, D. Osunkwo, D. Turner and B. Church
13	1/18/2011	Email(s) between D. Osunkwo, E. Blau and S. Wigfall
14	1/20/2011	Email(s) between B. Crittenden, E. Blau and D. Osunkwo
15	3/1/2011	Email(s) between D. Osunkwo and E. Blau
16	3/24/2011	Email(s) between E. Blau, P. Roe and D. Osunkwo
17	3/31/2011	Email(s) between E. Blau and D. Osunkwo
18	4/1/2011	Email(s) between E. Blau, S. Wigfall and D. Osunkwo

EXHIBIT 1

STRATEGIC CONSULTING ADVISORS, LLC
SCADVISORS-SBF CORPORATE COUNSEL GROUP
SC ▲ DVISORS

March 10, 2010

John Lakian, Chairman
Diane Lamm, Chief Operating Officer
Capital L Financial Group, LLC
Aegis Capital, LLC & Aegis Funds Management, LLC
1310 South Tryon St., Suite 105
Charlotte, NC 28203
-And-
350 Madison Ave., 8th Floor
New York, NY 10017

Re: Letter Engagement Agreement for Corporate/Compliance Counsel Services, Chief Compliance Officer (CCO) Services, and Related Compliance Support Services

To: The Management of Capital L Financial Group, LLC, Aegis Capital, LLC, Aegis Funds Management, LLC, and All Affiliate Entities (collectively, "CL Group"), which consists of an SEC-registered investment adviser, a non-registered adviser, private, non-registered investment funds/pools, and also an exempt, non-CFTC registered commodity trading adviser/CTA and commodity pool operator/CPO.

Strategic Consulting Advisors, LLC and SBF Corporate Counsel Group (together referred to as "SC Advisors", "We", or "Our") appreciates the opportunity to provide CL Group with a proposal and letter agreement for corporate/compliance counsel services, chief compliance officer ("CCO") services and related compliance support services covering all CL Group advisory, fund management, and private investment fund entities and affiliates. Our primary function is to advise, assist, and support CL Group in its management and administration of its investment adviser and corporate compliance program and activities consistent with applicable SEC and CFTC-NFA regulatory requirements.

Accordingly, SC Advisors will make available a managing/senior principal of its firm, to be appointed and serve as CCO of CL Group's currently SEC-registered investment adviser for the agreed-upon term set forth below. In this capacity, such designated CCO will report to the Chairman and Chief Operating Officer of CL Group. In addition, as part of its related general compliance/regulatory support services and corporate/compliance counsel services, SC Advisors will designate and make

PAGE 1 OF 10

STRATEGIC CONSULTING ADVISORS, LLC
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available to all CL Group entities two (2) additional managing/senior principals and senior corporate counsels of its firm for the agreed-upon term set forth below.

SUMMARY OF GENERAL APPROACH

The keys to any compliance system are a competent CCO who has the authority, knowledge and resources necessary to fully review matters within the firm, and develop and maintain a meaningful, comprehensive, and tailored system of compliance and internal controls. The SEC and CFTC-NFA rules customarily require registered firms to adhere to certain regulatory/compliance and supervision standards.

Also, the CCO should periodically review the firm's compliance/supervision manual and system of internal control procedures and evaluate how effective each system is in ensuring adherence to compliance/supervision policies and procedures and regulatory requirements. The evaluation and review of the compliance system of a registered firm should generally take place on a rolling, periodic basis and more frequently as necessary. After such periodic reviews, we will be able to rely on the effectiveness and integrity of the compliance controls and the related representations and disclosures made in disclosure documents and filings with regulatory authorities and prospective/existing clients. As a matter of sound practices, all compliance programs or internal control systems should provide for a periodic internal review of the extent to which actual activities or practices are in compliance with established policies and procedures.

CORPORATE-COMPLIANCE COUNSEL SERVICES & CCO/COMPLIANCE SERVICES

Compliance Counsel Services and Related Compliance Support Services. SC Advisors, through one or more designated corporate counsel on its staff, shall provide CL Group with compliance counsel services regarding CL Group's investment advisory and investment funds business and related corporate affairs and matters under this Agreement. SC Advisors or any of its staff shall not undertake or handle any litigation or court matters or administrative, regulatory, or other adjudicatory proceedings before any governmental agency, authority, or body involving CL Group, and all such matters shall be handled and managed by external or outside legal counsel separately retained and engaged directly by CL Group as needed.

SC Advisors will provide the compliance counsel services that, in our professional judgment, are appropriate for these compliance matters of CL Group and its affiliated entities and in accordance with our counsel ethical standards pursuant to New York law and/or other applicable law as the case may be. Also in accordance with applicable New York counsel ethical rules, our compliance counsel engagement is based upon, a combination of factors, including the amount of time that we expect to devote to CL Group's compliance affairs, the experience and expertise of the

PAGE 2 OF 10

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professionals who perform such counsel services, the complexity, novelty and difficulty of the issues expected to be involved the Firm's compliance matters, the magnitude of the matter, and/or any other special requests presented. As agreed, all corporate/compliance counsel services will be handled on a fixed-fee basis as incorporated into total fees and monthly payments set forth on Schedule A. In addition to such counsel fees, we will include in our monthly invoices all corporate/compliance counsel expenditures or expenses which we reasonably incur for CL Group or on CL Group's behalf in connection with this engagement. These may include computer-based legal research costs, the costs of reproducing documents, long distance telephone charges, parking/travel/lodging costs, expenses which we incur while away from our respective offices on CL Group's business, and other similar expenditures.

CCO Coverage (Onsite/Offsite). The CCO will serve in this capacity through a combination of onsite and offsite work in accordance with the CCO's compliance management workplan (see Schedule A attached). Onsite work will be periodically conducted at CL Group's Charlotte, NC headquarters office and may also be conducted from its branch/affiliate offices. Offsite work will also occur as reasonably necessary to ensure fulfillment of the CCO's responsibilities. Such offsite work will be handled and completed through various communications means (e.g., secure computer-link to CL Group's intranet or internal computer network, emails, teleconferencing/videoconferencing) as appropriate to the matter or item being handled, as determined in the reasonable discretion of the CCO in consultation with CL Group management.

CCO-Compliance Services and Responsibilities. The CCO will have primary responsibility for developing, administering, reviewing and updating the compliance program of the currently SEC-registered investment adviser of CL Group. It is understood that in handling these responsibilities, the CCO will periodically interact and confer with the management and staff of the CL Group as appropriate to the matter being handled. The CCO will also have primary responsibility for periodically reviewing the compliance manual/system during an annual operating period.

Effective Date & Term/Termination. The effective date of this Agreement shall be the date of execution, and the CCO's appointment shall be effective as of that date or as otherwise may be specified by the parties in writing. This Agreement shall have an aggregate term through one year from its effective date. This Agreement term, including a CCO appointment, is subject to negotiation and renewal or extension for another one-year or multiple-year term as agreed between the parties.

FEES & EXPENSES

CL Group, or a designated affiliate entity, shall pay SC Advisors total annual fees as set forth on the attached Schedule A fee schedule for the compliance counsel, CCO and compliance support services and deliverables described in this Agreement. Payment of such fees shall be made in

PAGE 3 OF 10

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monthly payments upon prior invoicing, and are due and payable in advance at the start of each month covered by this Agreement, except as otherwise set forth on Schedule A. Any subsequent fee changes or modifications will be subject to negotiation and mutual written agreement.

Travel and related expenses reasonably incurred by SC Advisors staff with respect to fulfilling the CCO and corporate/compliance counsel engagements under this Agreement shall be reimbursed monthly by CL Group based upon SC Advisors monthly invoice.

INDEPENDENT CONTRACTOR & OTHER ACTIVITIES/NON-EXCLUSIVITY

SC Advisors and its principals and staff, in performing this Agreement are acting in the capacity of independent contractors and not as employees of CL Group. This Agreement in no way limits or restricts SC Advisors and its principals and staff from entering into or performing any other corporate/compliance counsel, compliance officer or compliance consultant engagement for any other firm or company.

INSURANCE

The CCO shall be covered by CL Group directors & officers, errors & omissions, and other related insurance policies (the "Insurance Coverage"), and CL Group will use reasonable efforts to ensure that CCO's Insurance Coverage be (a) reinstated should such insurance be cancelled or terminated; (b) continued after the CCO ceases to serve as CCO on substantially the same terms as such coverage is provided for CL Group's managers, officers, and directors after such persons are no longer managers, officers or directors of CL Group; or (c) continued in the event CL Group merges or terminates, on substantially the same terms as such coverage is provided for CL Group's managers, officers, and directors. CL Group will provide CCO and/or SC Advisors with copies of all current coverages and policies, and will promptly notify CCO should the Insurance Coverage be cancelled or terminated.

INDEMNITIES

SC Advisors shall defend, indemnify and hold CL Group, its officers, managers, agents, employees, representatives or affiliates harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees) or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the grossly negligent, reckless or intentional acts or omissions of SC Advisors, its officers, managers, agents, employees, representatives or affiliates.

PAGE 4 OF 10

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SC ADVISORS

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CL Group shall defend, indemnify and hold SC Advisors, its officers, managers, agents, employees, representatives or affiliates harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees) or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss expense, attorneys' fees, or claims for injury or damages are caused by or result from the grossly negligent, reckless or intentional acts or omissions of CL Group, its officers, managers, agents, employees, representatives or affiliates.

CONFIDENTIALITY

It is understood that all information received regarding CL Group and its business and operations pursuant to this Agreement will be treated as confidential.

In the event SC Advisors is requested, pursuant to subpoena or other legal process, to provide testimony or produce its documents relating to this engagement in judicial or administrative proceedings to which SC Advisors is not a party, SC Advisors shall (i) assert all applicable and appropriate legal privileges, including but not limited to the attorney-client privilege; and (ii) promptly notify management of CL Group so as to provide CL Group with an opportunity to seek a protective order against such disclosure. In the event a final determination, judicial or otherwise, is made requiring SC Advisors to provide testimony or produce its documents relating to this engagement, the parties shall agree upon a reasonable reimbursement rate to cover the actual expenses of such response.

COOPERATION

In furtherance of this engagement and its intended results, SC Advisors will be relying upon the meaningful and timely cooperation of CL Group, its officers, directors, managers, agents, employees, representatives and/or affiliates, fund sub-advisers or sub-managers (if any), and other service providers, collectively (the "Agents"). CL Group agrees to instruct its Agents to provide such cooperation as may reasonably be requested by SC Advisors in a timely manner.

MISCELLANEOUS

The insurance, indemnities, and confidentiality provisions of this Agreement shall survive the termination of this Agreement.

This Agreement and the rights and duties under this Agreement otherwise shall not be assignable by either party except by the specific written consent of the other party. All terms and provisions of

PAGE 5 OF 10

STRATEGIC CONSULTING ADVISORS, LLC
SC ADVISORS-SBF CORPORATE COUNSEL GROUP
3108 S. ROUTE 59, SUITE 124-306
NAPERVILLE IL 60564
CHICAGO ♦ NEW YORK ♦ ATLANTA ♦ SAN FRANCISCO
SC ADVISORS

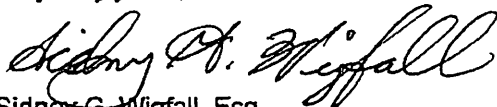
this Agreement shall be binding upon, inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto.

This Agreement will be governed by and interpreted in accordance with New York law without regard to principles of conflicts of laws. For purposes of any dispute resolution proceedings, the parties hereby irrevocably and unconditionally consent to the exclusive jurisdiction of a mutually-agreed upon commercial arbitration forum, including but not limited to the American Arbitration Association (AAA), having a location in Chicago, Illinois, for any action, suit or proceeding arising out of or relating to this Agreement, and agree not to commence any action, suit or proceeding related thereto except through such arbitration forum. The parties further hereby irrevocably and unconditionally waive any objection to the laying of venue and the conducting of any proceedings in such arbitration forum within Chicago, Illinois as part of any action, suit or proceeding relating to this Agreement.

This Agreement may be executed in counterparts, each of which will be an original but all of which, taken together, will constitute one and the same Agreement.

We look forward to commencing promptly the activities described herein.
Please execute and return an executed copy of this Letter Engagement Agreement via facsimile.

Very truly yours,



Sidney G. Wigfall, Esq.
Managing Partner/Corporate Counsel
Strategic Consulting Advisors, LLC
SBF Corporate Counsel Group

AGREED & ACCEPTED:



Diane Lamm
Chief Operating Officer
Capital L Financial Group, LLC,
Aegis Capital, LLC & Aegis Funds Management, LLC

CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE COUNSEL/SERVICES LETTER ENGAGEMENT & AGREEMENT

SCHEDULE A
COMPLIANCE & CCO SERVICES
FEES & WORKPLAN

FEES & PAYMENT SCHEDULE

CL Group shall pay SC Advisors total annual fees of \$170,000 for providing ongoing compliance consulting/counsel services, related compliance support services, and CCO services for the one-year term of this Agreement. Fee payments shall be payable monthly in advance according to the following schedule:

- A. For the first six (6) months period Mar.-Aug.2010: (1) \$20,000-March month only;
Payable Promptly Upon Execution
(2) \$18,000 monthly for 5 months thereafter
- B. For the next six (6) months period Sep.2010-Feb.2011: \$10,000 monthly

CCO WORKPLAN (PROJECTED)

Develop, Design & Administer the following aspects of a compliance management program, system, and controls:

- SEC/CFTC Firm Registration & Disclosure Documents including disclosure set forth in existing Fund PPMs, Operating and Subscription Agreements
- Firm-Fund Compliance Program & Manual
- Code of Ethics, Training and Personal Trading
- Advisory Contracts, Service Provider Agreements & Investor Agreements
- Firm-Fund Supervision System/Manual
- Trade Execution & Brokerage Selection

PAGE 7 OF 10

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CAPITAL GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE COUNSEL/SERVICES LETTER ENGAGEMENT & AGREEMENT

- Portfolio Management & Fiduciary Duties
- Firm-Fund Annual Compliance Review & Risk Assessment
- Marketing/Advertising Materials
- Trading Policies/Practices & Prohibited Transactions
- Anti-Money Laundering Controls
- Periodic Regulatory & Client Reports/Filings
- Conflicts of Interest regarding Fiduciary Duties
- Company/Staff Regulatory Registration
- Pricing/Valuation of Fund Investments
- Disaster Recovery & Business Continuity Plan
- Errors/Omissions & Fidelity Insurance
- General Books/Records & related Systems

COMPLIANCE/CORPORATE COUNSEL WORKPLAN (PROJECTED)

Advise, counsel and support the following registered and non-registered/exempt CL Group investment/fund advisers, and private investment funds in managing and administering their respective investment advisory or general corporate compliance programs, including certain counsel services as noted below, as follows:

1. **Group 1:** SEC-registered Aegis Capital, LLC and any of its managed funds that are subject to SEC regulation and oversight.
 - Including counsel review and revision of all advisory services-related marketing/distribution and producer agreements/arrangements
 - Including counsel review/advice as to a) initial drafts of PPMs prior to being sent to regular external fund counsel law firm; and b) review and comment on adviser and fund service provider agreements (administration, accounting, custody, etc.)

PAGE 8 OF 10

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SC ADVISORS

CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE COUNSEL/SERVICES LETTER ENGAGEMENT & AGREEMENT

- Including counsel review/advice as to all investment advisory compliance and related business matters and also covering only those B-D matters related to Capital L and its advisory services/products, including

- A. Advisor Firm/Representative Registration, Renewal and Form ADV-Part 1 & Form ADV-Part 2 Maintenance & Updating Services, including serving as Capital L's liaison with the SEC and/or state securities regulators regarding any questions associated with your firm's application/registration and correct any deficiencies identified by the SEC and/or state securities regulators.
- B. Annual Investment Adviser Compliance Program, including SEC-mandated Annual Review
- C. Client Brochures and other disclosure materials
- D. Wrap Fee Program and similar bundled investment advisor programs
- E. Solicitor Agreements and other IA marketing relationships
- F. Code of Ethics, Compliance Policies & Supervisory Procedures
- G. Privacy Policy & Procedures
- H. Sections 13(d), 13(g) & 13(f) Filing Services
- I. Marketing Materials and Advertising Review, including Firm Website Disclosures
- J. Compliance Training for Capital L Staff
- K. Coordinating Mock Regulatory Exams including potential usage of affiliate Barge Consulting as third-party reviewer (scheduled by SC Advisors based on agreed upon timetable and Capital L consent).

- ***Does not include: counsel services/representation in any enforcement/administrative or litigation-related matter or proceeding***

2. **Group 2:** Private Fund Manager & Private Investment Funds, Aegis Funds Management, Aegis Capital Fund, and Aegis Diversified Real Estate Fund. All currently subject to SEC limited or partial regulation/oversight.

- Including counsel review and revision of all advisory services-related marketing/distribution and producer agreements/arrangements

- Including compliance counsel services as "informal compliance officer" to Aegis Funds Management and its currently 2 affiliated funds and providing compliance oversight support re due diligence and monitoring of investments, fund sub-managers/sub-advisers, and fund service providers. Please be advised that Aegis Funds Management will have to designate a Second Formal CCO as part of its adviser registration with SEC once such registration

PAGE 9 OF 10

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CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE COUNSEL/SERVICES LETTER ENGAGEMENT & AGREEMENT

requirement becomes effective, which is likely to occur sometime in 2010 for private/hedge fund investment advisers.

- Including counsel review/advice as to a) initial drafts of PPMs prior to being sent to regular external fund counsel law firm; and b) review and comment on adviser and fund service provider agreements (administration, accounting, custody, etc.)

- ***Does not include: counsel services/representation in any enforcement/administrative or litigation-related matter or proceeding***

3. **Group 3:** Futures Manager & Futures Fund/Pool, Aegis Funds Management, Aegis Futures Partners, and Aegis Managed Futures Fund, which are subject to CFTC-NFA registration/exemptions and regulation/oversight.

- Including counsel review and revision of all advisory services-related marketing/distribution and producer agreements/arrangements

- Including counsel review/advice as to initial drafts of PPMs prior to being sent to regular external fund counsel law firm

- ***Does not include: counsel services/representation in any enforcement/administrative or litigation-related matter or proceeding***

EXHIBIT 2

STRATEGIC CONSULTING ADVISORS, LLC
SCADVISORS-SBF CORPORATE COUNSEL GROUP
SCADVISORS

March 22, 2011

John Lakian, Chairman
Diane Lamm, Chief Operating Officer
Eric Blau, Principal & Chief Investment Officer
Capital L Group, LLC
Aegis Capital, LLC & Aegis Funds Management, LLC
1355 Greenwood Cliffs, Suite 250
Charlotte, NC 28204
-And-
350 Madison Ave., 8th Floor
New York, NY 10017

***Re: Letter Engagement Agreement for Consulting Services, Compliance-CCO Services,
Corporate-Compliance Counsel Services, and Related Compliance Support Services***

To: The Management of Capital L Group, LLC, Aegis Capital, LLC, Aegis Funds Management, LLC, and Certain Affiliate Entities (collectively, "CL Group"), which consists of SEC-registered investment advisers, non-registered advisers, private, non-registered investment funds/pools, and also an exempt, non-CFTC registered commodity trading adviser/CTA and commodity pool operator/CPO.

Strategic Consulting Advisors, LLC (hereinafter referred to as "SC Advisors", "We", or "Our") appreciates the opportunity to provide CL Group with a proposal and letter agreement for corporate/compliance counsel services, chief compliance officer ("CCO") services and related compliance support services covering certain CL Group advisory, fund management, and private investment fund entities and affiliates. Our primary function is to advise, assist, and support CL Group in its management and administration of its investment adviser and corporate compliance program and activities consistent with applicable SEC, FINRA and CFTC-NFA regulatory requirements.

Accordingly, SC Advisors will make available a managing/senior principal of its firm, to be appointed and serve as CCO of CL Group's currently SEC-registered investment adviser for the agreed-upon term set forth below. In this capacity, such designated CCO will report to the Chairman and Chief Operating Officer of CL Group. In addition, as part of its related general compliance/regulatory support services and corporate/compliance counsel services, SC Advisors will designate and make available to all CL Group entities two (2) additional managing/senior principals and senior corporate counsels of its firm for the agreed-upon term set forth below.

PAGE 1 OF 10

STRATEGIC CONSULTING ADVISORS, LLC
SC ADVISORS-SBF CORPORATE COUNSEL GROUP
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NAPERVILLE IL 60564
SCADVISORS

CAPITAL GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE CONSULTING/COUNSEL SERVICES ENGAGEMENT AGREEMENT

SUMMARY OF GENERAL APPROACH

The keys to any compliance system are a competent CCO who has the authority, knowledge and resources necessary to fully review matters within the firm, and develop and maintain a meaningful, comprehensive, and tailored system of compliance and internal controls. The SEC, FINRA and CFTC-NFA rules customarily require registered firms to adhere to certain regulatory/compliance and supervision standards.

Also, the CCO should periodically review the firm's compliance/supervision manual and system of internal control procedures and evaluate how effective each system is in ensuring adherence to compliance/supervision policies and procedures and regulatory requirements. The evaluation and review of the compliance system of a registered firm should generally take place on a rolling, periodic basis and more frequently as necessary. After such periodic reviews, we will be able to rely on the effectiveness and integrity of the compliance controls and the related representations and disclosures made in disclosure documents and filings with regulatory authorities and prospective/existing clients. As a matter of sound practices, all compliance programs or internal control systems should provide for a periodic internal review of the extent to which actual activities or practices are in compliance with established policies and procedures.

CORPORATE-COMPLIANCE CONSULTING/COUNSEL SERVICES & CCO/COMPLIANCE SERVICES

Compliance Consulting/Counsel Services and Related Compliance Support Services. SC Advisors, through one or more designated corporate counsel on its staff, shall provide CL Group with compliance consulting/counsel services regarding CL Group's investment advisory, broker-dealer and investment funds business and related corporate affairs and matters under this Agreement. SC Advisors or any of its staff shall not undertake or handle any litigation or court matters or administrative, regulatory, or other adjudicatory proceedings before any governmental agency, authority, or body involving CL Group, and all such matters shall be handled and managed by external or outside legal counsel separately retained and engaged directly by CL Group as needed.

SC Advisors will provide the compliance counsel services that, in our professional judgment, are appropriate for these compliance matters of CL Group and its affiliated entities and in accordance with our counsel ethical standards pursuant to New York law and/or other applicable law as the case may be. Also in accordance with applicable New York counsel ethical rules, our compliance counsel engagement is based upon, a combination of factors, including the amount of time that we expect to devote to CL Group's compliance affairs, the experience and expertise of the professionals who perform such counsel services, the complexity, novelty and difficulty of the issues expected to be involved the Firm's compliance matters, the magnitude of the matter, and/or

PAGE 2 OF 10

CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE CONSULTING/COUNSEL SERVICES ENGAGEMENT AGREEMENT

any other special requests presented. As agreed, all corporate/compliance counsel services will be handled on a fixed-fee basis as incorporated into total fees and monthly payments set forth on Schedule A. In addition to such counsel fees, we will include in our monthly invoices all corporate/compliance counsel expenditures or expenses which we reasonably incur for CL Group or on CL Group's behalf in connection with this engagement. These may include computer-based legal research costs, the costs of reproducing documents, long distance telephone charges, parking/travel/lodging costs, expenses which we incur while away from our respective offices on CL Group's business, and other similar expenditures.

CCO Coverage (Onsite/Offsite). The CCO will serve in this capacity through a combination of onsite and offsite work in accordance with the CCO's compliance management workplan (see Schedule A attached). Onsite work will be periodically conducted at CL Group's Charlotte, NC headquarters office and may also be conducted from its branch/affiliate offices. Offsite work will also occur as reasonably necessary to ensure fulfillment of the CCO's responsibilities. Such offsite work will be handled and completed through various communications means (e.g., secure computer-link to CL Group's intranet or internal computer network, emails, teleconferencing/videoconferencing) as appropriate to the matter or item being handled, as determined in the reasonable discretion of the CCO in consultation with CL Group management.

CCO-Compliance Services and Responsibilities. The CCO will have primary responsibility for developing, administering, reviewing and updating the compliance program of the currently SEC-registered investment adviser of CL Group. It is understood that in handling these responsibilities, the CCO will periodically interact and confer with the management and staff of the CL Group as appropriate to the matter being handled. The CCO will also have primary responsibility for periodically reviewing the compliance manual/system during an annual operating period.

Deputy CCO Compliance Services and Responsibilities. The Deputy CCO will assist the CCO of Capital L's affiliated broker-dealer, TAG Securities, Inc. ("TAG Securities") in all responsibilities in the area of regulatory compliance with a view to ensuring that the broker-dealer remains in compliance with applicable laws and regulatory rules. The Deputy CCO shall also provide "shadow" oversight of the CCO and other compliance staff of Capital L's affiliated broker-dealer, Capital Guardian, LLC ("Capital Guardian"). Such oversight responsibilities shall include consultation, advice and assistance with respect to any issues brought to our attention by the in-house compliance staff of Capital Guardian.

Effective Date & Term/Termination. The effective date of this Agreement shall be the date of execution, and the CCO's appointment shall be effective as of that date or as otherwise may be specified by the parties in writing. This Agreement shall have an aggregate term through one year

PAGE 3 OF 10

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SC ADVISORS

CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE CONSULTING/COUNSEL SERVICES ENGAGEMENT AGREEMENT

from its effective date. This Agreement term, including a CCO appointment, is subject to negotiation and renewal or extension for another one-year or multiple-year term as agreed between the parties.

FEES & EXPENSES

CL Group, or a designated affiliate entity, shall pay SC Advisors total annual fees as set forth on the attached Schedule A fee schedule for the compliance counsel, CCO and compliance support services and deliverables described in this Agreement. Payment of such fees shall be made in monthly payments upon prior invoicing, and are due and payable in advance at the start of each month covered by this Agreement, except as otherwise set forth on Schedule A. Any subsequent fee changes or modifications will be subject to negotiation and mutual written agreement.

Travel and related expenses reasonably incurred by SC Advisors staff with respect to fulfilling the CCO and corporate/compliance counsel engagements under this Agreement shall be reimbursed monthly by CL Group based upon SC Advisors monthly invoice.

INDEPENDENT CONTRACTOR & OTHER ACTIVITIES/NON-EXCLUSIVITY

SC Advisors and its principals and staff, in performing this Agreement are acting in the capacity of independent contractors and not as employees of CL Group. This Agreement in no way limits or restricts SC Advisors and its principals and staff from entering into or performing any other corporate/compliance counsel, compliance officer or compliance consultant engagement for any other firm or company.

INSURANCE

The CCO shall be covered by CL Group directors & officers, errors & omissions, general liability, fidelity bond and other related insurance policies (the "Insurance Coverage"), and CL Group will use reasonable efforts to ensure that CCO's Insurance Coverage be (a) reinstated should such insurance be cancelled or terminated; (b) continued after the CCO ceases to serve as CCO on substantially the same terms as such coverage is provided for CL Group's managers, officers, and directors after such persons are no longer managers, officers or directors of CL Group; or (c) continued in the event CL Group merges or terminates, on substantially the same terms as such coverage is provided for CL Group's managers, officers, and directors. CL Group will provide CCO and/or SC Advisors with copies of all current coverages and policies, and will promptly notify CCO should the Insurance Coverage be cancelled or terminated.

PAGE 4 OF 10

CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE CONSULTING/COUNSEL SERVICES ENGAGEMENT AGREEMENT

INDEMNITIES

SC Advisors shall defend, indemnify and hold CL Group, its officers, managers, agents, employees, representatives or affiliates harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees) or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the grossly negligent, reckless or intentional acts or omissions of SC Advisors, its officers, managers, agents, employees, representatives or affiliates.

CL Group shall defend, indemnify and hold SC Advisors, its officers, managers, agents, employees, representatives or affiliates harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees) or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss expense, attorneys' fees, or claims for injury or damages are caused by or result from the grossly negligent, reckless or intentional acts or omissions of CL Group, its officers, managers, agents, employees, representatives or affiliates.

CONFIDENTIALITY

It is understood that all information received regarding CL Group and its business and operations pursuant to this Agreement will be treated as confidential.

In the event SC Advisors is requested, pursuant to subpoena or other legal process, to provide testimony or produce its documents relating to this engagement in judicial or administrative proceedings to which SC Advisors is not a party, SC Advisors shall (i) assert all applicable and appropriate legal privileges, including but not limited to the attorney-client privilege; and (ii) promptly notify management of CL Group so as to provide CL Group with an opportunity to seek a protective order against such disclosure. In the event a final determination, judicial or otherwise, is made requiring SC Advisors to provide testimony or produce its documents relating to this engagement, the parties shall agree upon a reasonable reimbursement rate to cover the actual expenses of such response.

COOPERATION

In furtherance of this engagement and its intended results, SC Advisors will be relying upon the meaningful and timely cooperation of CL Group, its officers, directors, managers, agents, employees, representatives and/or affiliates, fund sub-advisers or sub-managers (if any), and other

PAGE 5 OF 10

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SC ADVISORS

CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE CONSULTING/COUNSEL SERVICES ENGAGEMENT AGREEMENT

service providers, collectively (the "Agents"). CL Group agrees to instruct its Agents to provide such cooperation as may reasonably be requested by SC Advisors in a timely manner.

MISCELLANEOUS

The insurance, indemnities, and confidentiality provisions of this Agreement shall survive the termination of this Agreement.

This Agreement and the rights and duties under this Agreement otherwise shall not be assignable by either party except by the specific written consent of the other party. All terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto.

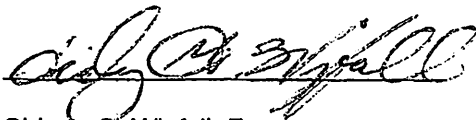
This Agreement will be governed by and interpreted in accordance with New York law without regard to principles of conflicts of laws. For purposes of any dispute resolution proceedings, the parties hereby irrevocably and unconditionally consent to the exclusive jurisdiction of a mutually-agreed upon commercial arbitration forum, including but not limited to the American Arbitration Association (AAA), having a location in Chicago, Illinois, for any action, suit or proceeding arising out of or relating to this Agreement, and agree not to commence any action, suit or proceeding related thereto except through such arbitration forum. The parties further hereby irrevocably and unconditionally waive any objection to the laying of venue and the conducting of any proceedings in such arbitration forum within Chicago, Illinois as part of any action, suit or proceeding relating to this Agreement.

This Agreement may be executed in counterparts, each of which will be an original but all of which, taken together, will constitute one and the same Agreement.

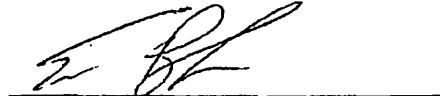
We look forward to commencing promptly the activities described herein.
Please execute and return an executed copy of this Letter Engagement Agreement via facsimile.

Very truly yours,

AGREED & ACCEPTED:



Sidney G. Wigfall, Esq.
Managing Partner/Consultant-Counsel
Strategic Consulting Advisors, LLC
SBF Corporate Counsel Group



Eric Blau
Principal & Chief Investment Officer
Capital L Group, LLC
Aegis Capital & Aegis Funds Management

PAGE 6 OF 10

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COMPLIANCE CONSULTING/COUNSEL SERVICES ENGAGEMENT AGREEMENT

SCHEDULE A
COMPLIANCE CONSULTING & CCO SERVICES
FEES & WORKPLAN

FEES & PAYMENT SCHEDULE

CL Group shall pay SC Advisors total annual fees of \$216,000 for providing ongoing compliance consulting/counsel services, related compliance support services, and CCO services for the one-year term of this Agreement. Fee payments shall be payable monthly in advance according to the following schedule:

A. For the twelve (12) months period April 2011 – March 2012: \$18,000 monthly.

CCO WORKPLAN (PROJECTED)

Develop, Design & Administer the following aspects of a compliance management program, system, and controls:

- SEC/CFTC/FINRA Firm Registration & Disclosure Documents including disclosure set forth in existing Fund PPMs, Operating and Subscription Agreements
- Firm-Fund Compliance Program & Manual
- Advisory Contracts, Service Provider Agreements & Investor Agreements
- Firm-Fund Supervision System/Manual

PAGE 7 OF 10

CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE CONSULTING/COUNSEL SERVICES ENGAGEMENT AGREEMENT

- Code of Ethics, Training and Personal Trading
- Portfolio Management & Fiduciary Duties
- Firm-Fund Annual Compliance Review & Risk Assessment
- Marketing/Advertising Materials
- Trading Policies/Practices & Prohibited Transactions
- Anti-Money Laundering Controls
- Periodic Regulatory & Client Reports/Filings
- Trade Execution & Brokerage Selection
- Conflicts of Interest regarding Fiduciary Duties
- Company/Staff Regulatory Registration
- Pricing/Valuation of Fund Investments
- Disaster Recovery & Business Continuity Plan
- Errors/Omissions & Fidelity Insurance
- General Books/Records & related Systems

COMPLIANCE/CORPORATE COUNSEL WORKPLAN (PROJECTED)

Advise, counsel and support the following registered and non-registered/exempt CL Group investment/fund advisers, and private investment funds in managing and administering their respective investment advisory or general corporate compliance programs, including certain counsel services as noted below, as follows:

Group 1: SEC-registered Aegis Capital, LLC, Circle One Wealth Management, LLC and any of their managed funds that are subject to SEC regulation and oversight.

- Including counsel review and revision of all advisory services-related marketing/distribution and producer agreements/arrangements
- Including counsel review/advice as to a) initial drafts of PPMs prior to being sent to regular external fund counsel law firm; and b) review and comment on adviser and fund service provider agreements (administration, accounting, custody, etc.)

PAGE 8 OF 10

CAPITAL L GROUP—CONFIDENTIAL & PRIVILEGED
COMPLIANCE CONSULTING/COUNSEL SERVICES ENGAGEMENT AGREEMENT

- Including counsel review/advice as to all investment advisory compliance and related business matters and also covering only those B-D matters related to Capital L and its advisory services/products, including

- A. Advisor Firm/Representative Registration, Renewal and Form ADV-Part 1 & Form ADV-Part 2 Maintenance & Updating Services, including serving as Capital L's liaison with the SEC and/or state securities regulators regarding any questions associated with your firm's application/registration and correct any deficiencies identified by the SEC and/or state securities regulators.
- B. Annual Investment Adviser Compliance Program, including SEC-mandated Annual Review
- C. Client Brochures and other disclosure materials
- D. Wrap Fee Program and similar bundled investment advisor programs
- E. Solicitor Agreements and other IA marketing relationships
- F. Code of Ethics, Compliance Policies & Supervisory Procedures
- G. Privacy Policy & Procedures
- H. Sections 13(d), 13(g) & 13(f) Filing Services
- I. Marketing Materials and Advertising Review, including Firm Website Disclosures
- J. Compliance Training for Capital L Staff
- K. Coordinating Mock Regulatory Exams including potential usage of affiliate Barge Consulting as third-party reviewer (scheduled by SC Advisors based on agreed upon timetable and Capital L consent).

- ***Does not include: counsel services/representation in any enforcement/administrative or litigation-related matter or proceeding or use of our name as fund, product or entity counsel.***

Group 2: Private Fund Manager & Private Investment Funds only currently in existence and new funds formed in 2010, including Aegis Funds Management, Aegis Capital Fund, and Aegis Diversified Real Estate Fund. All currently subject to SEC limited or partial regulation/oversight.

- Including counsel review and revision of all advisory services-related marketing/distribution and producer agreements/arrangements

- Including compliance counsel services as "shadow compliance officer" to Aegis Funds Management and its currently 2 affiliated funds and providing compliance oversight support re due diligence and monitoring of investments, fund sub-managers/sub-advisers, and fund service providers. Please be advised that Aegis Funds Management will have to designate a

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Second Formal CCO as part of its adviser registration with SEC once such registration requirement becomes effective, which is likely to occur sometime in 2010 for private/hedge fund investment advisers.

- Including counsel review/advice as to a) initial drafts of PPMs prior to being sent to regular external fund counsel law firm; and b) review and comment on adviser and fund service provider agreements (administration, accounting, custody, etc.).

- ***Does not include: counsel services/representation in any enforcement/administrative or litigation-related matter or proceeding or use of our name as fund, product or entity counsel. Does not cover the formation or launching of new private or hedge funds which shall only be undertaken pursuant to a separate, mutually-agreed written engagement agreement.***

Group 3: Futures Manager & Futures Fund/Pool, Aegis Funds Management, Aegis Futures Partners, and Aegis Managed Futures Fund, which are subject to CFTC-NFA registration/exemptions and regulation/oversight.

- Including counsel review and revision of all advisory services-related marketing/distribution and producer agreements/arrangements

- Including counsel review/advice as to initial drafts of PPMs prior to being sent to regular external fund counsel law firm

- ***Does not include: counsel services/representation in any enforcement/administrative or litigation-related matter or proceeding or use of our name as fund, product or entity counsel.***

Group 4: Affiliated Brokers-Dealers, TAG Securities and Capital Guardian, which are subject to SEC-FINRA registration/exemptions and regulation/oversight.

- Coverage of Deputy CCO role for TAG & related compliance consulting

- Coverage of Capital Guardian as compliance consultant and "shadow CCO" to existing CCOs & Compliance Dept

PAGE 10 OF 10

EXHIBIT 3

FORM ADV (Paper Version)

- UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION
AND
- REPORT BY EXEMPT REPORTING ADVISERS

Form ADV: Instructions for Part 1A

These instructions explain how to complete certain items in Part 1A of Form ADV.

1. Item 1: Identifying Information

- a. **Separately Identifiable Department or Division of a Bank.** If you are a “separately identifiable department or division” (SID) of a bank, answer Item 1.A. with the full legal name of your bank, and answer Item 1.B. with your own name (the name of the department or division) and all names under which you conduct your advisory business. In addition, your *principal office and place of business* in Item 1.F. should be the principal office at which you conduct your advisory business. In response to Item 1.I., the website addresses you list on Schedule D should be sites that provide information about your own activities, rather than general information about your bank.
- b. **Item 1.O.: Assets.** For purposes of Item 1.O. only, “assets” refers to your total assets, rather than the assets you manage on behalf of clients. Determine your total assets using the total assets shown on the balance sheet for your most recent fiscal year end.

2. Item 2: SEC Registration and SEC Report by *Exempt Reporting Advisers*

If you are registered or applying for registration with the SEC, you must indicate in Item 2.A. why you are eligible to register with the SEC by checking at least one of the boxes.

- a. **Item 2.A.(1): Adviser with Regulatory Assets Under Management of \$100 Million or More.** You may check box 1 only if your response to Item 5.F.(2)(c) is \$100 million or more, or you are filing an *annual updating amendment* with the SEC and your response to Item 5.F.(2)(c) is \$90 million or more. While you may register with the SEC if your regulatory assets under management are at least \$100 million but less than \$110 million, you must register with the SEC if your regulatory assets under management are \$110 million or more. If you are a SEC-registered adviser, you may remain registered with the SEC if your regulatory assets under management are \$90 million or more. See SEC rule 203A-1(a). Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management.

If you are a state-registered adviser and you report on your *annual updating amendment* that your regulatory assets under management increased to \$100 million or more, you may register with the SEC. If your regulatory assets under management increased to \$110 million or more, you must register with the SEC within 90 days after you file that *annual updating amendment*. See SEC rule 203A-1(b)(1) and Form ADV General Instruction 11.

- b. **Item 2.A.(2): Mid-Sized Adviser.** You may check box 2 only if your response to Item 5.F(2)(c) is \$25 million or more but less than \$100 million, and you satisfy one of the requirements below. Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management.

You must register with the SEC if you meet at least one of the following requirements:

- You are not required to be registered as an investment adviser with the *state securities authority* of the state where you maintain your *principal office and place of business* pursuant to that state's investment adviser laws. If you are exempt from registration with that state or are excluded from the definition of investment adviser in that state, you must register with the SEC. You should consult the investment adviser laws or the *state securities authority* for the particular state in which you maintain your *principal office and place of business* to determine if you are required to register in that state. See General Instruction 1.
- You are not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*. To determine whether such *state securities authority* does not conduct such examinations, see: <http://www.sec.gov/divisions/investment/midsizedadviserinfo.htm>.

See section 203A(a)(2) of the Advisers Act.

- c. **Item 2.A.(5): Adviser to an Investment Company.** You may check box 5 only if you currently provide advisory services under an investment advisory contract to an investment company registered under the Investment Company Act of 1940 and the investment company is operational (i.e., has assets and shareholders, other than just the organizing shareholders). See sections 203A(a)(1)(B) and 203A(a)(2)(A) of the Advisers Act. Advising investors about the merits of investing in mutual funds or recommending **particular mutual funds does not make you eligible to check this box.**
- d. **Item 2.A.(6): Adviser to a Business Development Company.** You may check box 6 only if your response to Item 5.F(2)(c) is \$25 million or more of regulatory assets under management, and you currently provide advisory services under an investment advisory contract to a company that has elected to be a business development company pursuant to section 54 of the Investment Company Act of 1940, that has not withdrawn the election, and that is operational (i.e., has assets and shareholders, other than just the organizing shareholders). See section 203A(a)(2)(A) of the Advisers Act. Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management.
- e. **Item 2.A.(7): Pension Consultant.** You may check box 7 only if you are eligible for the pension consultant exemption from the prohibition on SEC registration.
- You are eligible for this exemption if you provided investment advice to employee benefit plans, governmental plans, or church plans with respect to assets having an aggregate value of \$200 million or more during the 12-month period that ended

within 90 days of filing this Form ADV. You are not eligible for this exemption if you only advise plan participants on allocating their investments within their pension plans. See SEC rule 203A-2(a).

- To calculate the value of assets for purposes of this exemption, aggregate the assets of the plans for which you provided advisory services at the end of the 12-month period. If you provided advisory services to other plans during the 12-month period, but your employment or contract terminated before the end of the 12-month period, you also may include the value of those assets.
- f. **Item 2.A.(8): Related Adviser.** You may check box 8 only if you are eligible for the related adviser exemption from the prohibition on SEC registration. See SEC rule 203A-2(b). You are eligible for this exemption if you *control*, are *controlled* by, or are under common *control* with an investment adviser that is registered with the SEC, and you have the same *principal office and place of business* as that other investment adviser. Note that you may not rely on the SEC registration of an Internet adviser under rule 203A-2(e) in establishing eligibility for this exemption. See SEC rule 203A-2(e)(1)(iii). If you check box 8, you also must complete Section 2.A.(8) of Schedule D.
- g. **Item 2.A.(9): Newly-Formed Adviser.** You may check box 9 only if you are eligible for the newly-formed-adviser exemption from the prohibition on SEC registration. See SEC rule 203A-2(c). You are eligible for this exemption if:
- immediately before you file your application for registration with the SEC, you were not registered or required to be registered with the SEC or a *state securities authority*; and
 - at the time of your formation, you have a reasonable expectation that within 120 days of registration you will be eligible for SEC registration.

If you check box 9, you also must complete Section 2.A.(9) of Schedule D.

You must file an amendment to Part 1A of your Form ADV that updates your response to Item 2.A. within 120 days after the SEC declares your registration effective. You may not check box 9 on your amendment; since this exemption is available only if you are not registered, you may not “re-rely” on this exemption. If you indicate on that amendment (by checking box 13) that you are not eligible to register with the SEC, you also must file a Form ADV-W to withdraw your SEC registration no later than 120 days after your registration was declared effective. You should contact the appropriate *state securities authority* to determine how long it may take to become state-registered sufficiently in advance of when you are required to file Form ADV-W to withdraw from SEC registration.

Note: If you expect to be eligible for SEC registration because of the amount of your regulatory assets under management, that amount must be \$100 million or more no later than 120 days after your registration is declared effective.

- h. **Item 2.A.(10): Multi-State Adviser.** You may check box 10 only if you are eligible for the multi-state adviser exemption from the prohibition on SEC registration. See SEC rule 203A-2(d). You are eligible for this exemption if you are required to register as an investment adviser with the *state securities authorities* of 15 or more states. If you check box 10, you must complete Section 2.A.(10) of Schedule D. You must complete Section 2.A.(10) of Schedule D in each *annual updating amendment* you submit.

If you check box 10, you also must:

- create and maintain a list of the *states* in which, but for this exemption, you would be required to register;
- update this list each time you submit an *annual updating amendment* in which you continue to represent that you are eligible for this exemption; and
- maintain the list in an easily accessible place for a period of not less than five years from each date on which you indicate that you are eligible for the exemption.

If, at the time you file your *annual updating amendment*, you are required to register in less than 15 *states* and you are not otherwise eligible to register with the SEC, you must check box 13 in Item 2.A. You also must file a Form ADV-W to withdraw your SEC registration. See Part 1A Instruction 2.j.

- i. **Item 2.A.(11): Internet Adviser.** You may check box 11 only if you are eligible for the Internet adviser exemption from the prohibition on SEC registration. See SEC rule 203A-2(e). You are eligible for this exemption if:

- you provide investment advice to your *clients* through an interactive website. An interactive website means a website in which computer software-based models or applications provide investment advice based on personal information each *client* submits through the website. Other forms of online or Internet investment advice do not qualify for this exemption;
- you provide investment advice to all of your *clients* exclusively through the interactive website, except that you may provide investment advice to fewer than 15 *clients* through other means during the previous 12 months; and
- you maintain a record demonstrating that you provide investment advice to your *clients* exclusively through an interactive website in accordance with these limits.

- j. **Item 2.A.(13): Adviser No Longer Eligible to Remain Registered with the SEC.** You must check box 13 if:

- you are registered with the SEC;
- you are filing an *annual updating amendment* to Form ADV in which you indicate in response to Item 5.F.(2)(c) that you have regulatory assets under management of less than \$90 million; and

- you are not eligible to check any other box (other than box 13) in Item 2.A. (and are therefore no longer eligible to remain registered with the SEC).

You must withdraw from SEC registration within 180 days after the end of your fiscal year by filing Form ADV-W. Until you file your Form ADV-W, you will remain subject to SEC regulation, and you also will be subject to regulation in the *states* in which you register. See SEC rule 203A-1(b)(2).

- k. **Item 2.B.: Reporting by Exempt Reporting Advisers.** You may check box 2.B.(1) only if you qualify for the exemption from SEC registration as an adviser solely to one or more venture capital funds. See SEC rule 203(l)-1. You may check box 2.B.(2) only if you qualify for the exemption from SEC registration because you act solely as an adviser to *private funds* and have assets under management in the United States of less than \$150 million. See SEC rule 203(m)-1. You may check both boxes to indicate that you qualify for both exemptions. You should check box 2.B.(3) if you act solely as an adviser to *private funds* but you are no longer eligible to check box 2.B.(2) because you have assets under management in the United States of \$150 million or more. If you check box 2.B.(2) or (3), you also must complete Section 2.B. of Schedule D.

3. Item 3: Form of Organization

If you are a "separately identifiable department or division" (SID) of a bank, answer Item 3.A. by checking "other." In the space provided, specify that you are a "SID of" and indicate the form of organization of your bank. Answer Items 3.B. and 3.C. with information about your bank.

4. Item 4: Successions

- a. **Succession of an SEC-Registered Adviser.** If you (1) have taken over the business of an investment adviser or (2) have changed your structure or legal status (e.g., form of organization or state of incorporation), a new organization has been created, which has registration obligations under the Advisers Act. There are different ways to fulfill these obligations. You may rely on the registration provisions discussed in the General Instructions, or you may be able to rely on special registration provisions for "successors" to SEC-registered advisers, which may ease the transition to the successor adviser's registration.

To determine if you may rely on these provisions, review "Registration of Successors to Broker-Dealers and Investment Advisers," Investment Advisers Act Release No. 1357 (Dec. 28, 1992). If you have taken over an adviser, follow Part 1A Instruction 4.a(1), Succession by Application. If you have changed your structure or legal status, follow Part 1A Instruction 4.a(2), Succession by Amendment. If either (1) you are a "separately identifiable department or division" (SID) of a bank that is currently registered as an investment adviser, and you are taking over your bank's advisory business; or (2) you are a SID currently registered as an investment adviser, and your bank is taking over your advisory business, then follow Part 1A Instruction 4.a(1), Succession by Application.

- (1) **Succession by Application.** If you are not registered with the SEC as an adviser, and you are acquiring or assuming substantially all of the assets and liabilities of the advisory business of an SEC-registered adviser, file a new application for registration on Form ADV. You will receive new registration numbers. You must file the new application within 30 days after the succession. On the application, make sure you check “yes” to Item 4.A., enter the date of the succession in Item 4.B., and complete Section 4 of Schedule D.

Until the SEC declares your new registration effective, you may rely on the registration of the adviser you are acquiring, but only if the adviser you are acquiring is no longer conducting advisory activities. Once your new registration is effective, a Form ADV-W must be filed with the SEC to withdraw the registration of the acquired adviser.

- (2) **Succession by Amendment.** If you are a new investment adviser formed solely as a result of a change in form of organization, a reorganization, or a change in the composition of a partnership, and there has been no practical change in *control* or management, you may amend the registration of the registered investment adviser to reflect these changes rather than file a new application. You will keep the same registration numbers, and you should not file a Form ADV-W. On the amendment, make sure you check “yes” to Item 4.A., enter the date of the succession in Item 4.B., and complete Section 4 of Schedule D. You must submit the amendment within 30 days after the change or reorganization.

- b. **Succession of a State-Registered Adviser.** If you (1) have taken over the business of an investment adviser or (2) have changed your structure or legal status (e.g., form of organization or state of incorporation), a new organization has been created, which has registration obligations under state investment adviser laws. There may be different ways to fulfill these obligations. You should contact each state in which you are registered to determine that state’s requirements for successor registration. See Form ADV General Instruction 1.

5. Item 5: Information About Your Advisory Business

- a. **Newly-Formed Advisers:** Several questions in Item 5 that ask about your advisory business assume that you have been operating your advisory business for some time. Your response to these questions should reflect your current advisory business (i.e., at the time you file your Form ADV), with the following exceptions:
- base your response to Item 5.E. on the types of compensation you expect to accept;
 - base your response to Item 5.G. and Item 5.J. on the types of advisory services you expect to provide during the next year; and
 - skip Item 5.H.
- b. **Item 5.F: Calculating Your Regulatory Assets Under Management.** In determining the amount of your regulatory assets under management, include the securities portfolios

for which you provide continuous and regular supervisory or management services as of the date of filing this Form ADV.

- (1) **Securities Portfolios.** An account is a securities portfolio if at least 50% of the total value of the account consists of securities. For purposes of this 50% test, you may treat cash and cash equivalents (i.e., bank deposits, certificates of deposit, bankers acceptances, and similar bank instruments) as securities. You must include securities portfolios that are:

- (a) your family or proprietary accounts;
- (b) accounts for which you receive no compensation for your services; and
- (c) accounts of *clients* who are not *United States persons*.

For purposes of this definition, treat all of the assets of a *private fund* as a securities portfolio, regardless of the nature of such assets. For accounts of *private funds*, moreover, include in the securities portfolio any uncalled commitment pursuant to which a *person* is obligated to acquire an interest in, or make a capital contribution to, the *private fund*.

- (2) **Value of Portfolio.** Include the entire value of each securities portfolio for which you provide continuous and regular supervisory or management services. If you provide continuous and regular supervisory or management services for only a portion of a securities portfolio, include as regulatory assets under management only that portion of the securities portfolio for which you provide such services. Exclude, for example, the portion of an account:

- (a) under management by another *person*; or
- (b) that consists of real estate or businesses whose operations you “manage” on behalf of a *client* but not as an investment.

Do not deduct any outstanding indebtedness or other accrued but unpaid liabilities.

- (3) **Continuous and Regular Supervisory or Management Services.**

General Criteria. You provide continuous and regular supervisory or management services with respect to an account if:

- (a) you have *discretionary authority* over and provide ongoing supervisory or management services with respect to the account; or
- (b) you do not have *discretionary authority* over the account, but you have ongoing responsibility to select or make recommendations, based upon the needs of the *client*, as to specific securities or other investments the account may purchase or sell

and, if such recommendations are accepted by the *client*, you are responsible for arranging or effecting the purchase or sale.

Factors. You should consider the following factors in evaluating whether you provide continuous and regular supervisory or management services to an account.

- (a) **Terms of the advisory contract.** If you agree in an advisory contract to provide ongoing management services, this suggests that you provide these services for the account. Other provisions in the contract, or your actual management practices, however, may suggest otherwise.
- (b) **Form of compensation.** If you are compensated based on the average value of the *client's* assets you manage over a specified period of time, that suggests that you provide continuous and regular supervisory or management services for the account. If you receive compensation in a manner similar to either of the following, that suggests you do not provide continuous and regular supervisory or management services for the account --
 - (i) you are compensated based upon the time spent with a *client* during a *client* visit; or
 - (ii) you are paid a retainer based on a percentage of assets covered by a financial plan.
- (c) **Management practices.** The extent to which you actively manage assets or provide advice bears on whether the services you provide are continuous and regular supervisory or management services. The fact that you make infrequent trades (e.g., based on a “buy and hold” strategy) does not mean your services are not “continuous and regular.”

Examples. You may provide continuous and regular supervisory or management services for an account if you:

- (a) have *discretionary authority* to allocate *client* assets among various mutual funds;
- (b) do not have *discretionary authority*, but provide the same allocation services, and satisfy the criteria set forth in Instruction 5.b.(3);
- (c) allocate assets among other managers (a “manager of managers”), but only if you have *discretionary authority* to hire and fire managers and reallocate assets among them; or
- (d) you are a broker-dealer and treat the account as a brokerage account, but only if you have *discretionary authority* over the account.

You do not provide continuous and regular supervisory or management services for an account if you:

- (a) provide market timing recommendations (i.e., to buy or sell), but have no ongoing management responsibilities;

- (b) provide only *impersonal investment advice* (e.g., market newsletters);
- (c) make an initial asset allocation, without continuous and regular monitoring and reallocation; or
- (d) provide advice on an intermittent or periodic basis (such as upon *client* request, in response to a market event, or on a specific date (e.g., the account is reviewed and adjusted quarterly)).

- (4) **Value of Regulatory Assets Under Management.** Determine your regulatory assets under management based on the current market value of the assets as determined within 90 days prior to the date of filing this Form ADV. Determine market value using the same method you used to report account values to *clients* or to calculate fees for investment advisory services.

In the case of a *private fund*, determine the current market value (or fair value) of the *private fund's* assets and the contractual amount of any uncalled commitment pursuant to which a person is obligated to acquire an interest in, or make a capital contribution to, the *private fund*.

- (5) **Example.** This is an example of the method of determining whether an account of a *client* other than a *private fund* may be included as regulatory assets under management.

The *client's* portfolio consists of the following:

\$ 6,000,000	stocks and bonds
\$ 1,000,000	cash and cash equivalents
<u>\$ 3,000,000</u>	non-securities (collectibles, commodities, real estate, etc.)
<u>\$10,000,000</u>	Total Assets

First, is the account a securities portfolio? The account is a securities portfolio because securities as well as cash and cash equivalents (which you have chosen to include as securities) (\$6,000,000 + \$1,000,000 = \$7,000,000) comprise at least 50% of the value of the account (here, 70%). (See Instruction 5.b(1)).

Second, does the account receive continuous and regular supervisory or management services? The entire account is managed on a *discretionary* basis and is provided ongoing supervisory and management services, and therefore receives continuous and regular supervisory or management services. (See Instruction 5.b.(3)).

Third, what is the entire value of the account? The entire value of the account (\$10,000,000) is included in the calculation of the adviser's total regulatory assets under management.

6. Item 7: Financial Industry Affiliations and Private Fund Reporting

Item 7.B. and Section 7.B. of Schedule D ask questions about the *private funds* that you advise. You are required to complete a Section 7.B.(1) of Schedule D for each *private fund* that you advise, except in certain circumstances described under Item 7.B. and below.

- a. If your *principal office and place of business* is outside the United States, for purposes of Item 7 and Section 7.B. of Schedule D you may disregard any *private fund* that, during your last fiscal year, was not a *United States person*, was not offered in the United States, and was not beneficially owned by any *United States person*.
- b. When filing Section 7.B.(1) of Schedule D for a *private fund*, you must acquire an identification number for the fund by logging onto the IARD website and using the private fund identification number generator. You must continue to use the same identification number whenever you amend Section 7.B.(1) for that fund. If you file a Section 7.B.(1) for a *private fund* for which an identification number has already been acquired by another adviser, you must not acquire a new identification number, but must instead utilize the existing number. If you choose to complete a single Section 7.B.(1) for a master-feeder arrangement under instruction 6.d. below, you must acquire an identification number also for each feeder fund.
- c. If any *private fund* has issued two or more series (or classes) of equity interests whose values are determined with respect to separate portfolios of securities and other assets, then each such series (or class) should be regarded as a separate *private fund*. In Section 7.B.(1) and 7.B.(2) of Schedule D, next to the name of the *private fund*, list the name and identification number of the specific series (or class) for which you are filing the sections. This only applies with respect to series (or classes) that you manage as if they were separate funds and not a fund's side pockets or similar arrangements.
- d. In the case of a master-feeder arrangement (see questions 6-7 of Section 7.B.(1) of Schedule D), instead of completing a Section 7.B.(1) for each of the master fund and each feeder fund, you may complete a single Section 7.B.(1) for the master-feeder arrangement under the name of the master fund if the answers to questions 8, 10, 21 and 23 through 28 are the same for all of the feeder funds (or, in the case of questions 24 and 25, if the feeder funds do not use a prime broker or custodian). If you choose to complete a single Section 7.B.(1), you should disregard the feeder funds, except for the following:
 - (1) **Question 11:** State the gross assets for the master-feeder arrangement as a whole.
 - (2) **Question 12:** List the lowest minimum investment commitment applicable to any of the master fund and the feeder funds.
 - (3) **Questions 13-16:** Answer by aggregating all investors in the master-feeder arrangement (but do not count the feeder funds themselves as investors).
 - (4) **Questions 19-20:** For purposes of these questions, the *private fund* means any of the master fund or the feeder funds. In answering the questions, moreover, disregard the feeder funds' investment in the master fund.

- (5) **Question 22:** List all of the Form D SEC file numbers of any of the master fund and feeder funds.

e. Additional Instructions:

- (1) **Question 9: Investment in Registered Investment Companies:** For purposes of this question, disregard any open-end management investment company regulated as a money market fund under rule 2a-7 under the Investment Company Act if the *private fund* invests in such a company in reliance on rule 12d1-1 under the same Act.
- (2) **Question 10: Type of *Private Fund*:** For purposes of this question, the following definitions apply:

“Hedge fund” means any *private fund* (other than a securitized asset fund):

- (a) with respect to which one or more investment advisers (or *related persons* of investment advisers) may be paid a performance fee or allocation calculated by taking into account unrealized gains (other than a fee or allocation the calculation of which may take into account unrealized gains solely for the purpose of reducing such fee or allocation to reflect net unrealized losses);
- (b) that may borrow an amount in excess of one-half of its net asset value (including any committed capital) or may have gross notional exposure in excess of twice its net asset value (including any committed capital); or
- (c) that may sell securities or other assets short or enter into similar transactions (other than for the purpose of hedging currency exposure or managing duration).

A commodity pool is categorized as a hedge fund solely for purposes of this question. For purposes of this definition, do not net long and short positions. Include any borrowings or notional exposure of another person that are guaranteed by the *private fund* or that the *private fund* may otherwise be obligated to satisfy.

“Liquidity fund” means any *private fund* that seeks to generate income by investing in a portfolio of short-term obligations in order to maintain a stable net asset value per unit or minimize principal volatility for investors.

“Private equity fund” means any *private fund* that is not a hedge fund, liquidity fund, real estate fund, securitized asset fund, or venture capital fund and does not provide investors with redemption rights in the ordinary course.

“Real estate fund” means any *private fund* that is not a hedge fund, that does not provide investors with redemption rights in the ordinary course, and that invests primarily in real estate and real estate related assets.

“Securitized asset fund” means any *private fund* whose primary purpose is to issue asset backed securities and whose investors are primarily debt-holders.

“Venture capital fund” means any *private fund* meeting the definition of venture capital fund in rule 203(l)-1 under the Advisers Act.

“*Other private fund*” means any *private fund* that is not a hedge fund, liquidity fund, private equity fund, real estate fund, securitized asset fund, or venture capital fund.

- (3) **Question 11: Gross Assets.** Report the assets of the *private fund* that you would include in calculating your regulatory assets under management according to instruction 5.b above.
- (4) **Questions 19-20: Other clients’ investments:** For purposes of these questions, disregard any feeder fund’s investment in its master fund. (See questions 6-7 for the definition of “master fund” and “feeder fund.”)

7. Item 10: *Control Persons*

If you are a “separately identifiable department or division” (SID) of a bank, identify on Schedule A your bank’s executive officers who are directly engaged in managing, directing, or supervising your investment advisory activities, and list any other *persons* designated by your bank’s board of directors as responsible for the day-to-day conduct of your investment advisory activities, including supervising *employees* performing investment advisory activities.

8. Additional Information.

If you believe your response to an item in Form ADV Part 1A requires further explanation, or if you wish to provide additional information, you may do so on Schedule D, in the Miscellaneous section. Completion of this section is optional.

EXHIBIT 4

AGREEMENT REGARDING SUB-CLEARING ARRANGEMENT

This Agreement is made this 31st day of January, 2011 (the "Agreement") between Prospera Financial Services, Inc. ("Prospera"), a Texas Corporation, and TAG Securities, Inc. ("TAG").

PRELIMINARY STATEMENTS

A. Prospera entered into an agreement with First Clearing Corp. (FCC), ("the Primary Clearing Firm") dated September 6, 2000, as may be amended from time to time (the "Primary Clearing Agreement") pursuant to which, among other things, the Primary Clearing Firm and Prospera specifically identified and allocated their respective functions and responsibilities in connection with the Primary Clearing Firm's provision of clearing services to Prospera. The Primary Clearing Agreement is attached to this Agreement as Exhibit "A" and incorporated herein by reference.

B. The Primary Clearing Firm, Prospera and TAG entered into that certain Secondary Clearing Agreement dated April 30, 2002, attached hereto as Exhibit "B", by the terms of which the Primary Clearing Firm's clearing, execution and other services provided under the Primary Clearing Agreement are extended to TAG through Prospera in a sub-clearing or "piggyback" arrangement.

C. Prospera and TAG desire to apportion certain of the functions and responsibilities with respect to accounts introduced to the Primary Clearing Firm through the courtesy of Prospera, by TAG, pursuant to the Secondary Clearing Agreement as required by New York Stock Exchange Rule 382, and to set forth the agreements of Prospera and TAG with respect to other matters related to the clearing arrangement.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto covenant and agree as follows:

I.

THE CLEARING ARRANGEMENT

1.1 Preliminary Statements. The above and foregoing Preliminary Statements are true and correct.

1.2 Nature of the Arrangement. It is the intention of the parties hereto that TAG shall introduce its customer accounts through Prospera to the Primary Clearing Firm, as provided in the Secondary Clearing Agreement.

1.3 **Exclusive Relationship.** TAG will use exclusively the services of Prospera for purposes of processing all of TAG's securities transactions, including, without limitation, all of TAG's investment advisory, mutual fund and general securities transactions, as well as all of TAG's trading activities to the extent, and only to the extent, such transactions and activities require the services of a clearing firm, but not otherwise. TAG will not enter into any other clearing agreements without the prior written consent of Prospera for as long as this Agreement remains in effect.

1.4 **Relationship with Primary Clearing Firm.** This Agreement represents a relationship between Prospera and TAG. References to other business entities (e.g., Prospera and the Primary Clearing Firm) are included within this Agreement only for the purpose of clarity. Primary clearing firms are used by Prospera at its convenience, and may be changed from time to time by Prospera in its sole discretion, without prior notification to TAG. However, in such event, Prospera will arrange to continue for TAG to enter into a Secondary Clearing Agreement with such new primary clearing firm at TAG's discretion. Any acknowledgment on the part of the Primary Clearing Firm of its role as clearing agent for the processing of securities transactions submitted through Prospera on behalf of TAG is not intended to create exposure of any kind that the Primary Clearing Firm and/or Prospera has not expressly accepted as set forth in the Primary Clearing Agreement or Secondary Clearing Agreement.

1.5 **Relationship with Customers.** For purposes of the financial responsibility rules of Securities Exchange Commission ("SEC") Rule 15c3-1 promulgated under the Securities Exchange Act of 1934, as amended, and the Securities Investor Protection Act, customers of TAG will be considered customers of the Primary Clearing Firm. However, nothing in this Agreement will cause customers of TAG to be construed or interpreted as customers of the Primary Clearing Firm or Prospera for any other purpose or to negate the intent of any other provision of this Agreement. Nothing in the Agreement will cause the customers of Prospera to be construed or interpreted as customers of TAG for any purpose or to negate the intent of any other provision of this Agreement.

1.6 **Responsibilities to Customers.** It is the intention of the parties that this Agreement will not under any circumstances create any fiduciary responsibilities for either Prospera or the Primary Clearing Firm with regard to TAG's customers. It is further the intention of the parties hereto that this Agreement will not under any circumstances create any fiduciary responsibilities for TAG with regard to Prospera's customers. Nothing in this Agreement is intended to cause TAG to become liable to any third party, including the customers of Prospera. Nothing in this Agreement is intended to cause either Prospera or the Primary Clearing Firm, by virtue of accepting and/or processing transactions, to become liable to any third party, including the customers of TAG.

II.

GOVERNING RULES

2.1 Adoption of Clearing Agreement. As to TAG's introduced accounts, TAG agrees to be bound by all of the provisions, representations and warranties (other than the provisions relating to fees payable by Prospera to the Primary Clearing Firm) contained in the Primary Clearing Agreement in the same manner and to the same extent as if it were Prospera. As to TAG's introduced accounts, Prospera agrees to be bound by all of the provisions, representations and warranties contained in the Primary Clearing Agreement in the same manner and to the same extent as if it were the Primary Clearing Firm.

2.2 Fees and our Commissions. Prospera will receive fees and commissions for its sub-clearing services in accordance with the schedule attached as Exhibit "C" to this Agreement. The parties acknowledge and agree that such fees and commissions will be paid to Prospera by the Primary Clearing Firm out of the fees and commissions TAG pays to the Primary Clearing Firm, and that TAG shall not be obligated to make any other separate payment to Prospera. Prospera may provide other services outside of Clearing Arrangement for which TAG will pay Prospera directly, in accordance with the agreement of the parties regarding such services.

2.3 Opening of Accounts. At the opening of each account introduced by TAG, TAG will (1) obtain all essential facts relevant to each customer and account, (2) furnish the Primary Clearing Firm with all customary information concerning the customer which the Primary Clearing Firm requests, and make such information available to Prospera upon request.

2.4 Right to Reject Accounts and Transactions. Prospera and the Primary Clearing Firm each have the right to reject any account and/or transaction in accordance with the terms and provisions of the Primary Clearing Agreement. In making this determination, Prospera shall apply the same standards and criteria to the opening of TAG accounts as it applies to the opening of its own customer accounts.

2.5 Maintaining Accounts. As to TAG's introduced accounts, but not otherwise, TAG will retain sole responsibility for (1) making any required suitability determinations, (2) determining the authenticity of all orders, signatures and endorsements, and (3) performing any required surveillance of its customers' conduct and transactions. TAG is in no way responsible for Prospera's introduced accounts, including discretionary accounts, if any, including any requirements with regards to AML and privacy issues.

2.6 Transactions. All transactions will be governed by applicable federal and state law, and rules and regulations of the SEC, the Board of Governors of the Federal Reserve, and other regulatory and self-regulatory organizations, as well as the rules and policies of Prospera and the Primary Clearing Firm, as may be amended from time to time.

2.7 Discretionary Accounts. As to TAG's introduced accounts, but not otherwise, TAG will procure appropriate discretionary paperwork in each case where TAG and a customer have authorized a registered representative of TAG to exercise discretion in an account.

2.8 Margin Accounts. All accounts will be subject to the margin policies of Prospera and the Primary Clearing Firm. Prospera shall apply the same margin standards and criteria to TAG margin accounts as it applies to its own customer margin accounts. Accounts that are under-margined or in deficit positions may have some or all positions liquidated at the sole discretion of Prospera or the Primary Clearing Firm in accordance with the terms and provisions of the Primary Clearing Agreement.

2.9 Supervision by TAG. With respect to accounts introduced by TAG, TAG shall maintain an organized program of supervision and compliance, consistent with the rules and regulations of the SEC, the National Association of Securities Dealers Regulation, Inc. ("NASD"), if applicable, and any applicable national securities exchanges. Such program shall include, but not be necessarily limited to, the following types of procedures:

(a) inquiry review, verification and approval of all new accounts for the purpose of establishing the identity, capacity to contract, reputability, financial condition, creditworthiness, investment objectives and needs of each prospective client for whom it is proposed to open such introduced account (and, if applicable, essential information concerning any agent);

(b) Review and approval of the basis for suitability of all stock, bond or option recommendations;

(c) Establish and implement procedures for the transmission and execution of orders received by TAG from its customers or initiated by TAG pursuant to discretionary authority or power of attorney;

(d) Screen all orders transmitted and all transactions reported by TAG to Prospera prior to execution and all transactions prior to settlement;

(e) Review all daily transactions and monthly account statements on a timely basis;

(f) Review and approve all restricted or insider securities transactions, with prior notification of such transactions;

(g) Review and approve all discretionary account trading authorizations and all discretionary transactions;

(h) Review and approve new and secondary, issues;

(i) Registration of TAG as a broker/dealer and of its sales personnel in all states in which TAG conducts business and such registration is required; and

(j) Registration of securities for sale and or offer for sale in all of such jurisdictions as TAG may conduct such sales and or offers.

2.10 Reporting. TAG and Prospera will have a continuous obligation to cooperate with any commercially reasonable requests for information and or documents from the other, the Primary Clearing Firm or any regulatory body. Specifically, the parties agree to:

(a) Provide Prospera with a quarterly Statement of Financial Condition contained in a Financial and Operational Combined Uniform Single ("FOCUS") Report filed by the party with the SEC, and any other applicable regulatory authority simultaneous with the filing thereof; and

(b) Immediately notify both the other party and the Primary Clearing Firm of any complaints and regulatory inquiries received relating to any account introduced by TAG;

(c) Provide any other documents, letters and/or agreements which may be reasonably requested in connection with the opening, operating or maintaining of any account introduced by TAG.

2.11 Advertising. Neither party will hold itself out as an agent of the other party or the Primary Clearing Firm nor any subsidiary or company controlled directly or indirectly by or affiliated with the other party or the Primary Clearing Firm. Except for any written notification required by law, regulation or exchange rule, neither party may, without the prior written consent of the other party and the Primary Clearing Firm, publish any advertisement nor circulate marketing materials if such advertisement or marketing material makes reference in any manner to the other party or the Primary Clearing Firm.

2.12 Insurance. TAG will maintain throughout the term of this Agreement fidelity insurance coverage and errors and omissions insurance coverage in such amounts as reasonably set by Prospera according to standards customary in the parties' business and will obtain an endorsement to its fidelity insurance naming Prospera as an additional named insured. TAG will deliver to Prospera a copy of its policy or bond of fidelity insurance, all endorsements thereto and all changes to such policy or endorsements thereto as they are made. The fidelity insurance will include coverage for any claims discovered or made within six (6) years following the termination of this Agreement. Notwithstanding the foregoing Prospera reserves the right to require that TAG maintain additional fidelity insurance coverage according to its reasonable determination and discretion.

2.13 Clearing Deposit. TAG agrees to maintain an initial \$10,000 clearing deposit to be held by the Primary Clearing Firm in accordance with the Secondary Clearing Agreement and take such steps as necessary to amend the Secondary Clearing Agreement to reflect such deposit, which will remain throughout the terms of the Secondary Clearing Agreement and this Agreement. This initial \$10,000 clearing deposit shall be paid prior to any TAG Customer account being opened. Additional security deposit funds may be requested by Prospera in the event additional security is required by the Primary Clearing Firm of Prospera on account of TAG's customer account maintenance, or by Prospera. The amount of this deposit will be based on the amount of business conducted, and will be at least \$25,000 no later than twelve (12) months from the execution date of this Agreement.

2.14 Relationship with Registered Representatives. Neither Prospera nor TAG shall hire as an employee, contractor, or consultant a registered representative ("representative") of the other without the prior express written approval of a senior executive officer of the party that is losing the representative.

(a) for the purposes of this section, the term "Representative" shall have the same meaning given to it in Part III of Schedule C of the By-Laws of the Financial Industry Regulatory Authority, Inc., provided however, that for purposes of this section, "Representative" shall also include individuals who are registered with, or licensed by any other securities self-regulatory organization, national securities exchange, state securities administrator, or state department of insurance.

III.

EXCULPATION AND INDEMNIFICATION

3.1 Non-liability of Prospera and the Primary Clearing Firm. Prospera and the Primary Clearing Firm will have no responsibility or liability to any of TAG's customers for any loss suffered by any customer. Further, it is understood that Prospera and/or the Primary Clearing Firm may prepare or retain reports designed for the protection of their own business interests. However, the preparation and retention of surveillance records or any new account data by either Prospera or its Primary Clearing Firm will not (1) obligate a review of such material, (2) make Prospera or the Primary Clearing Firm responsible for its contents, or (3) in any manner create any responsibilities on the part of Prospera or the Primary Clearing Firm to TAG's customers. Use of such surveillance records is subject to the restrictions set forth in Section 5.1. TAG will have no responsibility or liability to any of Prospera's customers for any loss suffered by any customer.

3.2 Indemnification by TAG. As to TAG's introduced accounts, TAG agrees to indemnify, defend and hold harmless Prospera and/or the Primary Clearing Firm, as further set forth in the Secondary Clearing Agreement, their respective directors, officers,

employees, agents and each person who controls Prospera and the Primary Clearing Firm within the meaning of Section 20(a) of the Securities Exchange Act of 1934, as amended, from and against all claims, counterclaims, demands, proceedings, arbitrations, suits and actions made or brought against them and all of their liabilities, losses, damages, interest expense, other expenses, attorneys' fees, investigative costs and all other costs arising out of one or more of the following (collectively, "Claims"):

(a) Failure of TAG or its customers to make payment, when due, for securities purchased or to deliver in negotiable form, when due, securities sold for the account of TAG or its customers;

(b) Failure of TAG or its customers to meet any initial margin call or maintenance margin call;

(c) Failure of TAG to perform its duties, obligations and responsibilities with respect to customer accounts;

(d) The failure of TAG or any of its officers to perform the supervision provided for in this Agreement;

(e) Any dishonest, fraudulent, negligent or criminal act or omission on the part of brokers, TAG's officers, partners, employees, contractors, agents or customers;

(f) Any adverse claims with respect to any customer securities delivered or cleared by Prospera. It is understood that Prospera is the sub-clearing firm between TAG and its customers and makes no warranties;

(g) A default by any third-party broker with whom TAG executes a transaction directly for itself or with itself for a customer;

(h) The breach by TAG of any of its warranties or representations in this Agreement; or

(i) The failure of TAG's customers to fulfill their obligations to TAG or the Primary Clearing Firm, regardless of whether such failure was in TAG's control, or

(j) The investigation and/or regulatory action by any self-regulatory, governmental or oversight agency.

3.3 Indemnification by Prospera. As to Prospera's introduced accounts, Prospera agrees to indemnify, defend and hold harmless TAG, its directors, officers, employees, agents and each person who contracts with TAG within the meaning of Section 20(a) of the Securities Exchange Act of 1934, as amended, from and against all claims, counterclaims, demands, proceedings, arbitrations, suits and actions made or

brought against them and all of their liabilities, losses, damages, interest expense, other expenses, attorneys' fees, investigative costs and all other costs arising out of one or more of the following Claims:

(a) Any dishonest, fraudulent, negligent or criminal act or omission on the part of Prospera's officers, partners, employees, contractors, agents or customers; or

(b) The breach by Prospera of any of its warranties or representations in this Agreement.

3.4 Indemnification: Customer Claims. The existence of any duties, other than those expressly set forth in this Agreement, between (1) a party to this Agreement and/or the Primary Clearing Firm and (2) customers of the other party to this Agreement is expressly disavowed. Each party hereto agrees that it will indemnify the parties indemnified in Sections 3.2 and 3.3 from and against all Claims alleging the existence of any duties on the part of the other party and/or the Primary Clearing Firm other than those expressly provided for in this Agreement.

3.5 Defense and Settlement. In the event that by reason of any claim, Prospera deems it advisable to settle the claim, TAG will, jointly and severally, indemnify and hold harmless from any loss, liability, damage, cost or expense (including but not limited to reasonable fees and expenses of legal counsel) which it may incur or sustain in connection therewith or any settlement thereof.

3.6 Lien and Security Interest. TAG agrees that Prospera will have a lien upon and security interest in all of its assets on deposit at the Primary Clearing Firm, including but not limited to, securities, contracts, commercial paper, monies, monthly settlements, any after acquired property held by it in its investment or commission accounts, clearing deposits as referenced in paragraph 2.13, or any settlement payable, as security for repayment for any obligations and liabilities to Prospera arising out of this Agreement. TAG further agrees that Prospera may debit any cash balance in its accounts or offset any settlement due in any amount necessary to satisfy such obligations. This provision will survive the termination of this Agreement, thereby extending the right to any lien and security interest for the duration of any account conversion period and until such time as, in the sole discretion of Prospera, security for repayment of any obligations is no longer required. This lien is intended to be consistent with the lien provided to the Primary Clearing Firm by Prospera, and is not intended to grant any broader discretion than that granted the Primary Clearing Firm by Prospera.

IV.

REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of TAG. TAG represents and warrants as follows:

(a) TAG is an entity duly organized, validly existing and in good standing under the laws of the State of Texas. The execution, delivery and performance of this Agreement by TAG has been duly authorized by all necessary action on the part of TAG, and does not and will not conflict with any charter document, contract, agreement, law, consent decree or regulation to which TAG is a party or by which it is bound. Upon execution and delivery hereof, this Agreement shall constitute a valid and binding obligation of TAG, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally.

(b) TAG is and during the term of this Agreement will remain duly registered or licensed and in good standing as a broker/dealer under all applicable federal and state laws, rules and regulations, as well as under the constitutions, rules and regulations of all applicable self-regulatory organizations.

(c) TAG is a member in good standing of the Financial Industry Regulatory Authority, Inc. (FINRA) and is not prohibited by any regulatory or self-regulatory rules or regulations from performing its obligations under this Agreement. TAG will promptly notify the Clearing Firm and Prospera of any changes in its exchange or association memberships or affiliations.

(d) TAG is in compliance, and during the term of this Agreement will remain in compliance, with (1) the capital requirements of the SEC, FINRA, if applicable, and all applicable exchanges and (2) the capital requirements of every state in which TAG is licensed as a broker/dealer.

(e) TAG will immediately notify, the Primary Clearing Firm and Prospera in writing should it be in violation of the net capital rules and regulations of any regulatory or self-regulatory organization to whose jurisdiction TAG is subject.

(f) TAG represents that one or more of its officers has been designated as having supervisory responsibility for all of the accounts introduced by TAG and that TAG has established, and will implement, on a continuous basis, written supervisory procedures to assure that all transactions cleared by the Primary Clearing Firm for accounts introduced by TAG are in compliance with applicable federal and state securities laws and the rules and regulations of FINRA and applicable exchanges.

(g) All information provided by TAG, whether directly or indirectly to Prospera, the Primary Clearing Firm or to any customer pertaining to this clearing arrangement is or will be true and correct in all material respects to the greatest extent commercially possible.

(h) There is no action, suit or proceeding before any court or governmental agency or body now pending, or, to the best knowledge of TAG, threatened against TAG which might result in any adverse change in the financial condition or business of TAG or which might adversely affect its business properties or assets.

(i) At any time and from time to time during the term of this Agreement, TAG shall execute and deliver such additional documents or instruments, provide Prospera with such additional information and take such other actions as may be reasonably requested by Prospera to carry out the intent and purposes of this Agreement and in accordance with such similar requirements of Prospera in the Primary Clearing Agreement.

4.2 Representations and Warranties of Prospera. Prospera represents and warrants as follows:

(a) Prospera is an entity duly organized, validly existing and in good standing under the laws of the State of Texas. The execution, delivery and performance of this Agreement by Prospera has been duly authorized by all necessary action on the part of Prospera, and does not and will not conflict with any charter document, contract, agreement, law, consent decree or regulation to which Prospera is a party or by which it is bound. Upon execution and delivery hereof, this Agreement shall constitute a valid and binding obligation of Prospera, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or other laws affecting the enforcement of creditors' rights generally.

(b) Prospera is and during the term of this Agreement will remain duly registered or licensed and in good standing as a broker/dealer under all applicable federal and state laws, rules and regulations, as well as under the constitutions, rules and regulations of all applicable self-regulatory organizations.

(c) Prospera is a member in good standing of FINRA and is not prohibited by any regulatory or self-regulatory rules or regulations from performing its obligations under this Agreement. Prospera will promptly notify the Primary Clearing Firm and TAG of any changes in its exchange or association memberships or affiliations.

(c)

(d) All information provided by Prospera, whether directly or indirectly, to TAG, the Primary Clearing Firm or to any customer pertaining to this clearing arrangement is or will be true and correct in all material respects to the greatest extent commercially possible.

(e) There is no action, suit or proceeding before any court or governmental agency or body now pending, or, to the best knowledge of Prospera, threatened

against Prospera which might result in any adverse change in the financial condition or business of Prospera or which might adversely affect its business properties or assets.

(f) The Primary Clearing Agreement and Secondary Clearing Agreement are in full force and effect and are valid and enforceable agreements on which TAG can rely. Prospera agrees to fully comply with its obligations under the Primary Clearing Agreement and Secondary Clearing Agreement and to notify TAG immediately of any facts which could give rise to an event of default under the Primary Clearing Agreement or Secondary Clearing Agreement by the Primary Clearing Firm, and of any claim of such a default by the Primary Clearing Firm. A default by Prospera under the Primary Clearing Agreement or Secondary Clearing Agreement shall be a default hereunder.

V.

CONFIDENTIALITY

5.1 Restrictions. In addition to the confidentiality provisions set forth in the Secondary Clearing Agreement, which provisions are expressly incorporated herein, Prospera agrees that all data regarding TAG and TAG's customers (in addition to name and address) will be kept strictly confidential and may only be accessed by employees, agents, officers, representatives or contractors of Prospera on an "as needed" basis in connection with the provision of sub-clearing services by Prospera hereunder. Such data may only be disclosed to the extent required by applicable law, regulation or exchange rule. Prospera shall immediately notify TAG in writing of any disclosure of such data permitted hereunder. In the event a TAG account or customer is transferred to Prospera, Prospera agrees to provide any and all information requested by TAG so that TAG can determine whether or not such transfer was accomplished with information obtained pursuant to this clearing arrangement in violation of this Agreement.

VI.

TERMINATION/DEFAULT

6.1 Termination Period. This Agreement may be terminated by either party hereto at any time upon ~~ninety (90)~~ days written notice to the other party.

sixty (60) ECB 1/31/11

6.2 Termination Events. This Agreement, however, may be terminated immediately by a party hereto upon the occurrence of any of the following events:

(a) The non-terminating party fails to perform or observe any term, covenant or condition to be performed or observed by it hereunder;

(b) Any representation or warranty made by the non-terminating party herein shall prove to be incorrect at any time in any material respect;

(c) A proceeding is instituted by or against the non-terminating party under any provision of the Federal Bankruptcy Act or any similar statute;

(d) The non-terminating party admits in writing its inability to pay its debts as they mature;

(e) The non-terminating party makes an assignment for the benefit of creditor's; or

(f) A trustee or receiver of the non-terminating party or of any substantial part of the non-terminating party's assets is appointed by any court and is not removed or discharged within sixty (60) days.

6.3 Liability Upon Termination. Termination of the Agreement, however caused, will not release the non-terminating party from any liability or responsibility to the other party with respect to transactions effected prior to the effective date of such termination.

VII.

GENERAL PROVISIONS

7.1 Regulatory Approval. If necessary, this Agreement may be submitted for approval to a national securities exchange or regulatory or self-regulatory body having authority to approve this Agreement, and will become effective only upon the granting of such approval.

7.2 Arbitration. TAG and Prospera agree that this Agreement and all controversies which may arise between Prospera and TAG, including, but not limited to, those involving any customer of TAG, whether occurring prior, on or subsequent to the date of this Agreement, shall be determined by arbitration. TAG understands that:

(a) Arbitration is final and binding on the parties.

(b) The parties are waiving their right to seek remedies in court, including the right to a jury trial.

(c) Pre-arbitration discovery is generally more limited than and different from court proceedings.

(d) The arbitrators' award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification or rulings

by the arbitrators is strictly limited. Any arbitration under this Agreement shall be held before an arbitration panel, appointed by FINRA, at its offices or such other place located in Dallas, Texas and the parties hereto submit to such jurisdiction and hereby waive any objection they may have to such jurisdiction as an inconvenient forum. The award of the arbitrators, or of the majority of them, shall be final, and judgments upon the award may be entered in any court, state or federal, having jurisdiction. TAG hereby submits itself and its personal representatives to the jurisdiction of any state or federal court for the purpose of confirming such arbitration and entering such judgment. Any forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

7.3 Remedies Cumulative. The enumeration of specific remedies in this Agreement is not meant to exclude any other remedies. Any delay or failure by any party to this Agreement to exercise any right, power, remedy or privilege now or hereafter existing under any applicable statute or law will not be construed to be a waiver of such right, power, remedy or privilege or to limit the exercise of such right, power, remedy or privilege.

7.4 Assignment. Any assignment of this Agreement may be subject to the requisite review and/or approval of any regulatory or self-regulatory agency or body whose review and/or approval must be obtained prior to the effectiveness and validity of such assignment. No assignment of this Agreement shall be valid unless the non-assigning parties consent to such an assignment in writing.

7.5 Independent Contractors. Neither this Agreement nor any operation hereunder is intended to be, shall not be deemed to be, and shall not be treated as a general or limited partnership, association or joint venture or agency relationship between Prospera and TAG.

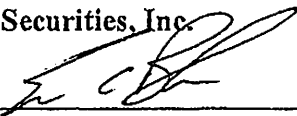
7.6 Governing Law. The construction and effect of every provision of this Agreement, the rights of the parties hereunder and any questions arising out of the Agreement shall be subject to the statutory and common law of the State of Texas without consideration of its conflict of law principals.

7.7 Captions. The headings preceding the text and paragraphs hereof have been inserted for convenience and reference only and shall not be construed to affect the meaning, construction or effect of this Agreement.

7.8 Severance. If any provision or condition of this Agreement shall be invalid or unenforceable by any court, or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained herein.

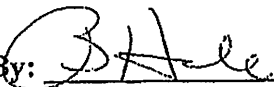
IN WITNESS WHEREOF, the parties, through their duly authorized representatives, have executed this Agreement as of the date first written above.

TAG Securities, Inc.

By: 

Its: President

Prospera Financial Services, Inc.

By: 

Its: DIRECTOR OF OPERATIONS

EXHIBIT 5

Advisor/Program		AUM
Steve Norton (Schwab)	\$	21,859,678.00
Steve Norton	\$	23,000,000.00
Marty Cass (Schwab)	\$	8,900,817.58
Paul Taylor (Schwab)	\$	6,889,586.55
True North (Schwab)	\$	3,590,561.78
Pangea (Schwab)	\$	425,915.24
Trident (Schwab)	\$	417,146.45
Karen Zaramba (Fidelity)	\$	61,680,812.97
Aegis Capital Fund (ACF)	\$	28,394,996.47
Aegis Div R/E Fund (ADREF)	\$	1,379,700.65
Aegis Futures Fund (AMFF)	\$	2,039,929.51
McVean Trading & Investment	\$	1,799,247.70
Wells REIT II & Piedmont	\$	3,174,054.97
AIG	\$	1,025,237.56
Prudential	\$	417,287.30
American Funds	\$	549,575.63
Total	\$	165,544,548.36

Balances Summary for Schwab Master Account 0 [REDACTED]

Total Value of All Brokerage Accounts
 \$12,719,704.64

Account Number	Account Name	Portfolio Value
[REDACTED]	RONNIE JAMES DUNCAN CHA	\$ 10,766.83
[REDACTED]	DEANE H WOLFE TTEE DEAN	\$ 253.61
[REDACTED]	LORRAINE SEELINGER 2409 I	\$ 161,618.67
[REDACTED]	MARY ELIZABETH BISHOP PC	\$ 27,296.05
[REDACTED]	MARY JO BARRETT CHARLES	\$ 6,334.76
[REDACTED]	PETRONELLA WIDLER CUST F	\$ 12,539.19
[REDACTED]	HAROLD BARRETT TTEE HC I	\$ 149,108.49
[REDACTED]	PETRONELLA WIDLER CUST F	\$ 10,545.69
[REDACTED]	DENISE CHAPPELL CHARLES	\$ 27,246.03
[REDACTED]	ELLEN FOUNTAIN 6346 WEST	\$ 20,374.77
[REDACTED]	RUTH GREENE FUNDING ACC	\$ 56,410.17
[REDACTED]	W HARRIS GREENE CUST FOF	\$ 73,127.12
[REDACTED]	MIGUEL H LOAYZA FBO ALEX	\$ 15,817.73
[REDACTED]	SUSAN EASTMAN TILSCH 571	\$ 50,525.10
[REDACTED]	DIANE M SPARKS CHARLES S	\$ 92,956.94
[REDACTED]	LYNNE PARKS DUNCAN CHAI	\$ 12,648.86
[REDACTED]	SADYE JOYNER MILTON 402 I	\$ 136,807.40
[REDACTED]	JOHN MERRITT 217 S PARK A	\$ 0.78
[REDACTED]	CLAIRE A IANNINI CHARLES S	\$ 4,807.69
[REDACTED]	SUSAN EASTMAN TILSCH TTE	\$ 235,882.01
[REDACTED]	DANIEL B CEDERQUIST & LEE	\$ 12,584.92
[REDACTED]	J WIDLER & P WIDLER TTEE T	\$ 18,709.86
[REDACTED]	JOHN L BLACK IRA ROLL CHA	\$ 120,739.84
[REDACTED]	TONITA L GREENE CHARLES	\$ 112,113.24
[REDACTED]	FRED ROBERT IANNINI & CLA	\$ 65,380.63
[REDACTED]	V BOARDMAN & R BOARDMAN	\$ 125.25
[REDACTED]	LEE M CEDERQUIST CHARLE	\$ 46,227.14
[REDACTED]	JO ANN DARBY CUST FOR AL	\$ 366.81
[REDACTED]	STEFAN L SCHWIMMER CHAF	\$ 45,576.47
[REDACTED]	JON GREGORY TILSCH CHAF	\$ 308,606.54
[REDACTED]	PETRONELLA WIDLER IRA ROI	\$ 1,709.32
[REDACTED]	VERONIQUE AIMEE ELLIS CH	\$ 15,017.55
[REDACTED]	BETTY C LEAZER TTEE WILLIA	\$ 27,294.61
[REDACTED]	HELEN VISSER IRA CONTRIBU	\$ 20,794.56
[REDACTED]	DANIEL B CEDERQUIST CHAF	\$ 126,575.19
[REDACTED]	DAVID LEE JACKSON TTEE N	\$ 7,115.53
[REDACTED]	ROBERT B RATLIFF JR CHAR	\$ 173,100.17
[REDACTED]	W. DAVID WHITE, PA PO BOX	\$ 865.87
[REDACTED]	ANN R DICKINSON CHARLES	\$ 1,123,707.20
[REDACTED]	LORRAINE DUFFY FUNDING /	\$ 290,447.73
[REDACTED]	BOBBY R FAULKNER 4410 RC	\$ 639.79
[REDACTED]	AEGIS DIVERSIFIED REAL EST	\$ 169.69
[REDACTED]	W DAVID WHITE CHARLES SC	\$ 539,975.90
[REDACTED]	BRICE KENNEDY CHARLES S	\$ 77,174.74
[REDACTED]	FREYA S HORSTMAN THOMAS	\$ 13,686.73

3 M LEASURE IRA CONTRIBUTO	\$	398.34
S CHILDERS IRA CONTRIBUTC	\$	23,544.67
JIMMY D GODWIN JR CUST FO	\$	51,680.68
W HARRIS GREENE & TONIT	\$	42.70
ANN R DICKINSON FUNDING	\$	2,066.02
W HARRIS GREENE TTEE W	\$	54,412.67
MIGUEL H LOAYZA FBO COLE	\$	15,649.06
JAMES TAYLOR YORK CHARL	\$	9,763.62
BRANDY PALMER 609 WEEKS	\$	0.03
ADRIAN ORDOQUI CHARLES	\$	6,220.47
GLENN W BRINSON IRA ROLL	\$	239,134.71
RONALD T EUDY & MARION E	\$	424,725.88
BOBBY R FAULKNER IRA ROLL	\$	102,873.27
MARK LEAZER & KIM LEAZER	\$	67,989.30
TAMMY L LOAYZA CHARLES :	\$	27,204.45
SALLIE E VAUGHN FUNDING ,	\$	126,161.87
MIGUEL H LOAYZA CHARLES	\$	3,299.70
KELLY MERRITT 217 S PARK .	\$	0.52
BRANDY PALMER CUST FOR	\$	3,762.89
SUSAN EASTMAN TILSCH CH	\$	13,486.71
MIGUEL H LOAYZA CHARLES	\$	165,366.79
SUSAN EASTMAN TILSCH CH	\$	3,791.93
S JONES & D JONES TTEE JO	\$	302,302.53
SHANNON SYKES CUST FOR	\$	325.80
CHERYL ANN TORDONATO C	\$	31,401.47
W HARRIS GREENE CUST FOF	\$	91,554.77
FRANKIE LOCKEY IRA ROLLO\	\$	258,990.74
FRED R IANNINI CHARLES SC	\$	3,979.24
JIMMY D GODWIN JR & CHRIS	\$	32,123.15
JAMES WIDLER IRA ROLLOVEI	\$	830,743.78
GLEND A B WHITE CHARLES :	\$	122,958.14
TAMMY L LOAYZA CHARLES :	\$	5,565.97
DENISE CHAPPELL CUST FOR	\$	7,970.45
MR MIKE T OBRIEN CHARLES	\$	424,340.70
ROBERT CLINTON DARBY SR	\$	73,853.48
ROBERT E DE HART II & NANI	\$	106,550.99
LOUIS TORDONATO CHARLE:	\$	175,156.58
W HARRIS GREENE CUST FOF	\$	89,571.36
TONITA L GREENE TTEE TON	\$	114,633.90
JEFFERY RICHARD SMITH 69.	\$	0.83
E ALLEN CHILDERS IRA CONT	\$	282,796.77
ROBERT E DEHART II TRUSTE	\$	36.39
AEGIS CAPITAL FUND LLC 13	\$	2,150,903.44
CLAIRE A IANNINI CHARLES :	\$	3,979.20
JIMMY D GODWIN JR CUST FO	\$	51,814.28
NANCY D GROOVER CHARLE	\$	64,863.79
CHARLES W VAUGHN CHARL	\$	102,604.86
W DAVID WHITE & GLENDA B	\$	975.61
DAVID LEE JACKSON TTEE N	\$	7,313.34
DAVID LEE JACKSON TTEE N	\$	8,183.05
JAMES RAYMOND DEVINEY C	\$	109,990.81

BETTY S FAULKNER IRA ROLL	\$	70,640.67
JO ELLEN DENNIS FUNDING	\$	113.70
DAVID LEE JACKSON TTEE N	\$	8,054.34
MELINDA L. LEASURE FUNDI	\$	204,683.86
MIGUEL H LOAYZA & TAMMY	\$	6,154.08
KAREN ADAMS EATON CHAR	\$	162,616.98
DEANE H WOLFE CHARLES S	\$	98,676.13
DAVID LEE JACKSON TTEE N	\$	6,338.86
AEGIS ASSET BACKED FUND L	\$	0.85
PETRONELLA WIDLER CUST F	\$	20,408.77
BRIDGET L FABIAN INH IRA B	\$	167,438.15
PHILIP IRWIN EATON CHARLE	\$	75,100.12
DAVID KINGSLAND & CHERYL	\$	99.67
FRANK M HALLBERG CHARLE	\$	56,372.21
JEFFERY RICHARD SMITH IRA	\$	36,889.63
ROBERT ELWOOD DE HART II	\$	201,036.99
WENDY CAUDLE CHARLES S	\$	3.10
KELLY MERRITT 217 S PARK	\$	0.13
EARLE P BLACK IRA ROLL CH	\$	45,824.04
BRANDY PALMER CUST FOR	\$	1,382.50
PETRONELLA WIDLER CUST F	\$	12,734.18
LORRAINE G RODRIGUEZ CH	\$	11,740.51
AEGIS CAPITAL LLC 1310 S TI	\$	9.91
BARBARA A SCHWIMMER CH	\$	10,990.38
HAROLD BARRETT CHARLES	\$	6,635.48
RAY KENT BOARDMAN & MAF	\$	681.54
ROBERT B RATLIFF JR TTEE	\$	59,721.73
JO ANN DARBY CUST FOR TF	\$	340.18
DENISE CHAPPELL CUST FOR	\$	7,676.73
BOBBY R FAULKNER & BETT	\$	87.00
RAUL SEBASTIAN RODRIGUEZ	\$	0.16
STEPHANIE R EDWARDS CH/	\$	667.42
RONNIE JAMES DUNCAN CH/	\$	8,156.45
AEGIS SPECIAL OPPORTUNITI	\$	92.30
BOBBY R FAULKNER FUNDIN	\$	2.02
6 CHARLOTTE M ROBERTS TTEI	\$	32,628.61
SUSAN S FLUDGATE 1417 W/	\$	22,650.72
JEFFERY RICHARD SMITH TTE	\$	268,487.82
RAYMOND KENT BOARDMAN	\$	0.63
RONALD T EUDY CHARLES S	\$	13,112.73
CHERYL KINGSLAND IRA CON	\$	102.71
ROBERT E DE HART II & NAN	\$	327.69
NANCY D GROOVER 7523 RE	\$	20,478.87
BOBBY R FAULKNER & BETT	\$	751.83
BARBARA A SCHWIMMER CH	\$	23,119.43
STEVEN D HOFFMAN TTEE H	\$	76.66
LYNNE P DUNCAN CHARLES	\$	377.73
JOHN B THOMAS III CHARLES	\$	4,501.90
BETTY S FAULKNER FUNDIN	\$	37.61
BETTY S FAULKNER 4410 RO	\$	824.81
DAVID KINGSLAND IRA CONTF	\$	15.54

FRANKIE LOCKEY FUNDING A	\$	3.72
JOHN B THOMAS III CHARLES	\$	-
EARLE P BLACK IRA ROLL CH	\$	-
DAVID ERIK SPARKS 8400 ST	\$	-
JIMMY GODWIN & DIANE G G	\$	-
LORRAINE DUFFY 17 WILLOW	\$	-
ANN R DICKINSON 2400 HUN	\$	-
GLENN W BRINSON & ANN SE	\$	-
JOHN K COLLINS & BOBBIE J	\$	-
BOBBIE J COLLINS CHARLES	\$	-
BARBARA DERRICK-ENGLERT	\$	-
BETTY C LYERLY WILLIS TTEE	\$	-
TAMRA SUE WILLIAMS 48 HUI	\$	-
BOBBY R FAULKNER IRA ROLL	\$	-
CHARLES W VAUGHN TTEE L	\$	-
DAVID ORR TTEE REAL ESTAT	\$	-
EGON ENGLERT CHARLES S	\$	-
ANN BRINSON IRA CONTRIBU	\$	-
JARED BARRETT FUNDING A	\$	-
CHARLOTTE M ROBERTS PO	\$	-
BETTY C LEAZER TTEE WILLI	\$	-
RICHARD A LUISE IRA ROLLOV	\$	-
VADA N BOARDMAN 3526 CO	\$	-
NANCY D GROOVER 7523 RE	\$	-
NANCY D GROOVER CHARLE	\$	-
DAVID KINGSLAND & CHERYL	\$	-
HELEN VISSER FUNDING ACC	\$	-
DIANNE L KOCH 147 BEECHT	\$	-
BERNEL J DEGRACE IRA ROLL	\$	-
STEVEN D HOFFMAN TTEE H	\$	-
LINDA C FOY TTEE LINDA C F	\$	-
LINDA C FOY TTEE LINDA C F	\$	-
TAMMY S WILLIAMS CHARLE	\$	-
PHILIP IRWIN EATON 16628 B	\$	-
W HARRIS GREENE CHARLES	\$	-
FREYA S HORSTMAN THOMAS	\$	-
HELEN VISSER 7907 ANTIQUE	\$	-
ANN BRINSON IRA CONTRIBU	\$	-
GLENN W BRINSON IRA ROLL	\$	-
TAMRA SUE WILLIAMS CHARI	\$	-
JASON PATRICK PRITCHETT	\$	-
JASON PATRICK PRITCHETT	\$	-
JASON PATRICK PRITCHETT	\$	-
HERBERT E ELIAS JR CHARLI	\$	-
ROBERT D NULTON 150 TRAV	\$	-
RONNIE JAMES DUNCAN CUS	\$	-
WENDY CAUDLE IRA ROLLOVE	\$	-
BETTY C LYERLY 125 TAYLOF	\$	-
HAROLD BARRETT & MARY J	\$	-
JOHN K COLLINS & BOBBIE J	\$	-
JARED BARRETT 3638 QUAIL	\$	-

EDWARD C FOY TTEE EDWAI	\$	-
GLENN W BRINSON CHARLES	\$	-
C CHERI IHDE CHARLES SCH	\$	-
JIMMY GODWIN & DIANE G G	\$	-
BETTY C LEAZER 745 TREVEI	\$	-
DAVID KINGSLAND IRA CONF	\$	-
CHERYL KINGSLAND IRA CON	\$	-
WILLIAM E WOODARD CHARL	\$	-
ROBERT D NULTON IRA ROLL	\$	-
CHARLOTTE M ROBERTS CH	\$	-
GEORGE LEE RAINEY CHARL	\$	-
JO ANN DARBY CHARLES SC	\$	-
TAMMY S WILLIAMS CHARLE	\$	-
PHILIP IRWIN EATON & KARE	\$	-
JOHN L BLACK IRA ROLL CHA	\$	-
THOMAS C KOCH IRA ROLLOV	\$	-
DAVID MARK LEAZER & KIM L	\$	-
BETTY C LEAZER FUNDING A	\$	-
BARBARA JANICE DERRICK-E	\$	-
GLENN W BRINSON & ANN SE	\$	-
RONNIE JAMES DUNCAN 841	\$	-
RONNIE JAMES DUNCAN CUS	\$	-
SUSAN W PARKER CHARLES	\$	-
HOPE SODEN CHARLES SCH	\$	-
CYNTHIA K ELIAS CHARLES S	\$	-
HOPE SODEN IRA ROLLOVER	\$	-
BARBARA DERRICK-ENGLERT	\$	-
HELEN VISSER CHARLES SCI	\$	-
BOBBIE J COLLINS CHARLES	\$	-
BETTY S FAULKNER IRA ROLL	\$	-
SADYE JOYNER MILTON CHA	\$	-
Total	\$	12,719,704.64

Balances Summary for Schwab Master Account [REDACTED]

Total Value of All Brokerage Accounts
 \$1,690,034.66

Account	Account Name 1	Total Acct Value
[REDACTED]	FAYE MARIE DARBY	\$ -
[REDACTED]	CAROL L SRDAR	\$ -
[REDACTED]	A CHRISTINE MALLETTE	\$ -
[REDACTED]	MAXINE B ADLER TTEE	\$ -
[REDACTED]	HERB E ELIAS &	\$ -
[REDACTED]	ROBERT D NULTON	\$ 100.21
[REDACTED]	ROBERT D NULTON	\$ 3,023.33
[REDACTED]	SHANNON LEE SYKES	\$ 21,643.94
[REDACTED]	TAMRA SUE WILLIAMS	\$ -
[REDACTED]	CHARLOTTE M ROBERTS	\$ 9,618.87
[REDACTED]	DANIEL F HELLAMS &	\$ 227,939.02
[REDACTED]	CAROL L SRDAR	\$ -
[REDACTED]	TRAVIS M STEWART TTEE	\$ 947.16
[REDACTED]	TRAVIS M STEWART TTEE	\$ 110,532.58
[REDACTED]	ALLEN M DARBY	\$ -
[REDACTED]	DAVID ORR TTEE REAL ES	\$ -
[REDACTED]	BERNEL J DEGRACE IRA R	\$ 17,558.17
[REDACTED]	TRAVIS M STEWART TTEE	\$ 212.30
[REDACTED]	VADA N BOARDMAN	\$ 7,974.75
[REDACTED]	RAYMOND KENT BOARDM	\$ -
[REDACTED]	JO ANN DARBY	\$ 73.21
[REDACTED]	SUSAN S FLUDGATE	\$ 338,882.21
[REDACTED]	DAVID P JOHNSON &	\$ 7.90
[REDACTED]	TRAVIS STEWART NULTON	\$ 730.07
[REDACTED]	CHARLOTTE M ROBERTS	\$ 258,873.66
[REDACTED]	TRAVIS M STEWART TTEE	\$ 2.86
[REDACTED]	DAVID P JOHNSON	\$ 3,456.07
[REDACTED]	ELIZABETH R MCGEE	\$ 5,267.10
[REDACTED]	HOWARD S LEVY	\$ 70,966.34
[REDACTED]	RAYMOND KENT BOARDM	\$ 159.14
[REDACTED]	SHANNON L SYKES	\$ 53,098.80
[REDACTED]	V BOARDMAN & R BOARDM	\$ -
[REDACTED]	RENE C HELLAMS	\$ 56,181.69
[REDACTED]	DAVID ERIK SPARKS	\$ 70,968.40
[REDACTED]	KATHRYN HELLAMS	\$ 19.72
[REDACTED]	CLAIRE F MERRITT	\$ -
[REDACTED]	JEFFERY RICHARD SMITH	\$ -
[REDACTED]	ANNETTE OLIVER SMITH	\$ 70.71
[REDACTED]	JASON PATRICK PRITCHEL	\$ -
[REDACTED]	T2 INVESTMENTS LLC	\$ 5,221.08
[REDACTED]	RICHARD A LUISE ROTH C	\$ -
[REDACTED]	CHARLOTTE M ROBERTS 1	\$ 83.97
[REDACTED]	EUGENE D JACKSON	\$ 91,630.45
[REDACTED]	WILLIAM E WOODARD IRA	\$ -
[REDACTED]	RONALD S MULHAUSER	\$ -

██████████	DANIEL F HELLAMS	\$	334,787.59
██████████	ANN R DICKINSON IRA ROI	\$	3.36
██████████	TAMRA SUE WILLIAMS	\$	-
	Total	\$	1,690,034.66

Balances Summary for Schwab Master Account [REDACTED]

Total Value of All Brokerage Accounts
 \$7,449,939.88

Account	Account Name 1	Total Acct Value
[REDACTED]	ANNE W POUCHAK	\$ 71,236.63
[REDACTED]	MILDRED J GRUBB	\$ -
[REDACTED]	MILDRED J GRUBB	\$ 178,455.99
[REDACTED]	EDITH F BRIDGES	\$ -
[REDACTED]	CONNIE A ALLISON CUST FOR	\$ 14,201.50
[REDACTED]	DONALD J DEAL &	\$ 7,522.84
[REDACTED]	GEORGE L HATCH	\$ 7,142.65
[REDACTED]	ALBERT DUANE MCINTYRE	\$ -
[REDACTED]	PAUL R SHELBY &	\$ 4,962.57
[REDACTED]	BARBARA DELLINGER	\$ 38,577.20
[REDACTED]	LUCINDA M CHREITZBERG	\$ 73,039.82
[REDACTED]	CHRISTINE M SHELBY	\$ 49,143.71
[REDACTED]	DALE A HOLLIFIELD	\$ 169,948.56
[REDACTED]	PAUL R SHELBY	\$ 53,280.60
[REDACTED]	ROBERT A BRIDGES	\$ 267,946.54
[REDACTED]	CHARLOTTE R FOBELL	\$ 35,459.10
[REDACTED]	WILLIAM G POTEAT	\$ 183.27
[REDACTED]	ARLIN E WILSON	\$ -
[REDACTED]	AMY LYN NORTON	\$ 3,579.71
[REDACTED]	ADRIA PANGALOS	\$ 28,915.13
[REDACTED]	CHRISTOS PANGALOS	\$ -
[REDACTED]	MARY JANE STIMSON CUST FOI	\$ 2,046.39
[REDACTED]	BETTY P PATTERSON	\$ -
[REDACTED]	TERESA D WILLIAMS	\$ 10,174.73
[REDACTED]	LINDA E JESTER	\$ 32,667.75
[REDACTED]	GLENN C SMITH	\$ 232,926.53
[REDACTED]	ROBERT H BRYANT	\$ 50,035.14
[REDACTED]	BRYAN H MILLER	\$ -
[REDACTED]	WILSON S LEECH III	\$ 1,352.69
[REDACTED]	JOHN R STIMSON &	\$ 19.38
[REDACTED]	PAULETTE P KAYLOR	\$ -
[REDACTED]	DALE A HOLLIFIELD &	\$ 156,897.88
[REDACTED]	KATHERINE B LYNSKEY	\$ -
[REDACTED]	MARK G SMITH	\$ -
[REDACTED]	D HOLLIFIELD & T HOLLIFIELD T	\$ 0.07
[REDACTED]	DELORIS M RHEA	\$ -
[REDACTED]	PAUL E HENDRICKS TTEE	\$ -
[REDACTED]	DAVID C BEAM	\$ 151,599.13
[REDACTED]	BETTY JEANNE BEAM	\$ 25,712.99
[REDACTED]	BARRY M BROGDON	\$ 448,980.79
[REDACTED]	FIRST BAPTIST CHURCH OF KIN	\$ 0.15
[REDACTED]	DONALD J STARNES	\$ 2,169.77
[REDACTED]	MARY JEAN DETCHEMENDY	\$ 23,293.77
[REDACTED]	RACHEL P GLADDEN EX	\$ 87,400.87
[REDACTED]	BOBBY A AYSCUE	\$ -

[REDACTED]	JACQUELINE E HOLLIFIELD &	\$	27,153.22
[REDACTED]	DALE A HOLLIFIELD	\$	86,487.67
[REDACTED]	FRANCES B SINCOX	\$	-
[REDACTED]	BRUCE W KING	\$	-
[REDACTED]	CURTIS R MOSS	\$	1,830.29
[REDACTED]	JOSEPH N FALCO JR	\$	41,463.78
[REDACTED]	WILLIAM D FOBELL &	\$	83,745.84
[REDACTED]	DALE A HOLLIFIELD CUST FOR	\$	8,351.42
[REDACTED]	DALE A HOLLIFIELD CUST FOR	\$	8,251.14
[REDACTED]	ANNIE JANE HARDIN	\$	-
[REDACTED]	JOSEPH C BRIDGES	\$	-
[REDACTED]	CONNIE A ALLISON CUST FOR	\$	16,880.98
[REDACTED]	M JAY RHODES	\$	83,112.51
[REDACTED]	REGAL VENTURES, INC	\$	-
[REDACTED]	JAMES E RHEA &	\$	25,018.31
[REDACTED]	GLENN C SMITH &	\$	-
[REDACTED]	TERRY M MASON	\$	-
[REDACTED]	M JAY RHODES	\$	231,032.70
[REDACTED]	KATHRYN A KIMREY	\$	-
[REDACTED]	BETTY H JORDAN	\$	5,915.85
[REDACTED]	MYRA D MCGINNIS CUST FOR	\$	2,339.78
[REDACTED]	CLAUDIA L GRISSOM	\$	0.96
[REDACTED]	ROBERT H BRYANT &	\$	19,668.81
[REDACTED]	GARY L BEATTY	\$	15,073.11
[REDACTED]	LOIS F BROWN	\$	26,917.65
[REDACTED]	BETTY JEANNE BEAM	\$	142.68
[REDACTED]	JAMES E RHEA	\$	-
[REDACTED]	MYRA D MCGINNIS	\$	-
[REDACTED]	GARY L BEATTY &	\$	11,104.10
[REDACTED]	M JAY RHODES &	\$	12,225.25
[REDACTED]	JAMES E RHEA CUST FOR	\$	535.61
[REDACTED]	J FORREST & K GOFORTH TTEE	\$	-
[REDACTED]	ERIC ANDREW CALDWELL	\$	6,413.93
[REDACTED]	JEFFREY SCOTT BUCKMAN	\$	1,636.34
[REDACTED]	LESLIE H HAYES	\$	94,580.13
[REDACTED]	KATHRYN A KIMREY	\$	41,569.01
[REDACTED]	I CREOLA BARNETT	\$	242,676.36
[REDACTED]	JOHN R STIMSON	\$	297,216.07
[REDACTED]	CONNIE A ALLISON CUST FOR	\$	14,284.27
[REDACTED]	DALE A HOLLIFIELD CUST FOR	\$	8,328.03
[REDACTED]	MARY JANE STIMSON	\$	1,037.36
[REDACTED]	PAUL R SHELBY	\$	19,714.55
[REDACTED]	JACQUELINE E HOLLIFIELD	\$	18,477.72
[REDACTED]	JANET M MARCELLINO CUST FC	\$	-
[REDACTED]	ALBERT A PETTY	\$	191,972.47
[REDACTED]	MARY JANE STIMSON CUST FOI	\$	2,125.22
[REDACTED]	RYAN C RICH	\$	1,911.76
[REDACTED]	EDWIN H TURNER	\$	-
[REDACTED]	MAX GENE BOLIN	\$	-
[REDACTED]	CLAUDIA L GRISSOM TRUSTEE	\$	2.08
[REDACTED]	LINDA E JESTER	\$	59,890.58

██████████	ROBERT F BRADSHAW	\$	16,740.54
██████████	THOMAS R HOLLIFIELD	\$	12,175.26
██████████	THOMAS R HOLLIFIELD	\$	5,176.45
██████████	MICHAEL A HOLLIFIELD	\$	16,705.77
██████████	ROBERT F BRADSHAW &	\$	0.21
██████████	LINDA E JESTER	\$	21,115.56
██████████	P HENDRICKS TT P E HENDRICK	\$	466,095.53
██████████	LINDA M MCPHERSON	\$	24,021.23
██████████	TODD D POLDERMAN &	\$	-
██████████	LOIS F BROWN	\$	-
██████████	GEORGE L HATCH	\$	29,020.03
██████████	WILLIAM D FOBELL	\$	397,843.42
██████████	ROBERT A BRIDGES	\$	-
██████████	RUTH M RISTAINO	\$	39,858.46
██████████	WILLIAM E LOVELACE	\$	-
██████████	LARRY J CHAPPELL	\$	33,369.89
██████████	JOSEPH N FALCO JR	\$	13,861.71
██████████	SANDRA P BUMGARDNER	\$	23,869.11
██████████	BARBARA DELLINGER	\$	3,258.40
██████████	SUZANNE KROMMENHOEK	\$	-
██████████	DONALD F LYNSKEY JR &	\$	-
██████████	EDWARD L RISTAINO	\$	22,318.19
██████████	SYLVIA J SMITH	\$	-
██████████	P HENDRICKS & S SINAL TTEES	\$	275,447.05
██████████	JAMES M HOOKS	\$	23,325.94
██████████	TIMOTHY G GLADDEN	\$	-
██████████	TIMOTHY G GLADDEN &	\$	23,088.22
██████████	GLENN R STRICKLAND	\$	-
██████████	SANDRA B RHODES	\$	336,063.63
██████████	FRANCES B SINCOX	\$	-
██████████	ROBERT L WILSON &	\$	-
██████████	DALE A HOLLIFIELD CUST FOR	\$	8,356.85
██████████	DALE A HOLLIFIELD CUST FOR	\$	8,356.85
██████████	ELIZABETH F DEAL	\$	-
██████████	DONALD J DEAL	\$	4,506.48
██████████	JUDY T NORTON	\$	4,595.72
██████████	STEPHEN A BAKER CUST FOR	\$	417.11
██████████	JANET M MARCELLINO	\$	-
██████████	WILLIAM G POTEAT	\$	-
██████████	EARL SCOTT ALLISON	\$	39,606.32
██████████	MARY B HERNDON	\$	53,657.31
██████████	MARY JANE STIMSON CUST FOI	\$	2,125.35
██████████	MYRA D MCGINNIS CUST FOR	\$	1,642.52
██████████	RACHEL P GLADDEN	\$	87.08
██████████	JOE C HEDDEN	\$	-
██████████	JAMES T POTTER	\$	24,717.63
██████████	DALE A HOLLIFIELD II	\$	6,063.87
██████████	RANDY BROWN	\$	71,972.57
██████████	SANDRA B RHODES	\$	22,490.02
██████████	H TONEY & R TONEY TTEE	\$	-
██████████	KATHERINE B LYNSKEY	\$	30,471.50

5	MYRA D MCGINNIS	\$	63,506.21
	BRYAN H MILLER	\$	62,920.08
9	GLENN C SMITH	\$	49,232.41
	J P FORREST & K P GOFORTH T	\$	-
	CONNIE A ALLISON &	\$	-
5	SANDRA BUMGARDNER	\$	47,418.05
	SANDRA P BUMGARDNER	\$	17,500.96
	JONATHAN M RHODES	\$	49,186.62
	COLENE M BENNETT	\$	6,001.87
	TIMOTHY W MILLER INH IRA	\$	-
	JEFFREY R HAYES	\$	27,838.57
	KATHY K SUMMITT	\$	52,787.20
	FORMS & SUPPLY INC	\$	78,190.67
	P HENDRICKS & S SINAL TRUST	\$	21,422.03
	GRADY HOWARD &	\$	-
	HELEN C HENDRICKS	\$	544,130.55
	HOSPICE CLEVELAND COUNTY	\$	-
	WANDA P SMITH	\$	-
	CENTRAL UNITED METHODIST	\$	32,676.05
	FRANK G HOLLIFIELD &	\$	61,128.98
	SANDRA C HART &	\$	-
	MARY JANE STIMSON CUST FOI	\$	2,125.22
	LOUISE J BALLEW	\$	-
	SHIRLEY B SCRUGGS	\$	-
	BRITTANY MARIE GRANGER	\$	231.25
	MARY S NEISLER	\$	-
	BETTY C HOFFMAN	\$	0.10
	DALE A HOLLIFIELD CUST FOR	\$	8,251.14
	ANNE F BRYANT	\$	67,255.05
	DAVID M BEAM II	\$	-
	JONATHAN M RHODES	\$	17,854.81
	TIMOTHY W MILLER	\$	-
	JAMES M HOOKS EX	\$	-
	RUTH M RISTAINO	\$	71,744.80
	DONALD F LYNKEY JR	\$	168,154.09
	Total	\$	7,449,939.88

Balances Summary for Master Account [REDACTED] as of 03/18/10 12:00:00 AM ET

Total Value of All Brokerage Accounts
\$8,900,817.58

Account	Account Name 1	Total Acct Value
[REDACTED]	SHARON ROSEN	\$ 380,572.28
[REDACTED]	JOHN MARK ROD	\$ 83,447.32
[REDACTED]	JUDITH KANTER	\$ 97,751.24
[REDACTED]	A VORSTMAN & C	\$ 2,936.91
[REDACTED]	A VORSTMAN & C	\$ 138,368.01
[REDACTED]	DR A VORSTMAN	\$ -
[REDACTED]	A VORSTMAN & C	\$ -
[REDACTED]	ANTOINETTE A J	\$ 33,130.66
[REDACTED]	GARY A GOTTLIE	\$ 23,284.99
[REDACTED]	JOSEPHINE MIKU	\$ 145,818.34
[REDACTED]	MARVIN FELLER	\$ 46.68
[REDACTED]	R EPAND & R EP	\$ 162.99
[REDACTED]	MICHAEL W HAMI	\$ 158,915.95
[REDACTED]	ELEANOR B HALF	\$ 62,477.96
[REDACTED]	JOANNE CASS	\$ 267.41
[REDACTED]	SARAH CASS	\$ 9,722.82
[REDACTED]	ROBERT FILENB	\$ -
[REDACTED]	PATRICK J MIKUS	\$ 298,551.18
[REDACTED]	MARGARET E ELI	\$ -
[REDACTED]	BERTHA ROSENE	\$ -
[REDACTED]	SYLVIA L SICKLE	\$ 32,228.26
[REDACTED]	JOHN T MERRELI	\$ -
[REDACTED]	JILL MERRELL	\$ -
[REDACTED]	CINDY MORGAN	\$ -
[REDACTED]	WIRTLEY R ANDE	\$ 773,355.93
[REDACTED]	A VORSTMAN & C	\$ -
[REDACTED]	GARY A GOTTLIE	\$ 29,040.60
[REDACTED]	NANCY A FILENB.	\$ -
[REDACTED]	MARTIN CASS	\$ 30,918.37
[REDACTED]	SYBIL ANN TODD	\$ 7,156.60
[REDACTED]	A VORSTMAN & C	\$ 2,382.50
[REDACTED]	BLAKE IDLE	\$ -
[REDACTED]	KAUTIA D HAMPT	\$ -
[REDACTED]	J MARK RODGER	\$ 66.68
[REDACTED]	DAVID E COHEN	\$ 94,357.61
[REDACTED]	A VORSTMAN & C	\$ 9,517.32
[REDACTED]	A VORSTMAN & C	\$ 7,059.77
[REDACTED]	ALAN S KOMINS	\$ 541,909.76
[REDACTED]	KATHLEEN ANN C	\$ -
[REDACTED]	BLAKE IDLE	\$ 3,380.45
[REDACTED]	JULIE A IDLE	\$ -
[REDACTED]	JOHN T MERRELI	\$ -
[REDACTED]	BRIAN D IDLE	\$ -
[REDACTED]	SYBIL ANN TODD	\$ 18,535.17

[REDACTED]	MARLON ORDELL \$	67,048.27
[REDACTED]	MICHAEL S LEON \$	87,561.12
[REDACTED]	A VORSTMAN & C \$	4,060.89
[REDACTED]	CAROL L SILVER: \$	-
[REDACTED]	JAMES B MORRIE \$	-
[REDACTED]	PATRICK J MIKUE \$	131,820.09
[REDACTED]	BRIAN D IDLE & \$	-
[REDACTED]	A VORSTMAN & C \$	7,731.53
[REDACTED]	DAVID E COHEN \$	1,898.33
[REDACTED]	BORIS A TARPEL \$	-
[REDACTED]	CAROL L SILVER: \$	-
[REDACTED]	SHANE R SIMMOI \$	2,065.48
[REDACTED]	MARION BARBER \$	-
[REDACTED]	MICHAEL S LEON \$	834.02
[REDACTED]	SHARON LEONE \$	835.13
[REDACTED]	SHAWN CHENEY \$	2,122.06
[REDACTED]	MARGARET E ELI \$	-
[REDACTED]	A VORSTMAN & C \$	-
[REDACTED]	KAUTIA D HAMPT \$	2,903,270.23
[REDACTED]	DOUGLAS R AND \$	22,525.29
[REDACTED]	A VORSTMAN & C \$	468.74
[REDACTED]	DAVID E COHEN \$	-
[REDACTED]	A VORSTMAN & C \$	-
[REDACTED]	D GREEN & A GR \$	-
[REDACTED]	KYLE H SIMMONS \$	2,066.65
[REDACTED]	MARC N SICKLE \$	33,562.36
[REDACTED]	MARC N SICKLE \$	355,844.61
[REDACTED]	DOUGLAS R AND \$	171,649.02
[REDACTED]	A VORSTMAN & C \$	151.25
[REDACTED]	MICHAEL W HAMI \$	910,995.02
[REDACTED]	SYBIL ANN TODD \$	64,948.31
[REDACTED]	BORIS A TARPEL \$	52.96
[REDACTED]	FALK FAMILY LP \$	521,103.53
[REDACTED]	MICHAEL W HAMI \$	-
[REDACTED]	WIRTLEY R ANDE \$	935.52
[REDACTED]	ANTOINETTE A J/ \$	620,128.41
[REDACTED]	A VORSTMAN & C \$	1,775.00
	Total \$	8,900,817.58

Balances Summary for Master Account [REDACTED] as of 03/18/10 12:00:00 AM ET

Total Value of All Brokerage Accounts
\$6,889,586.55

Account	Account Name 1	Total Acct Value
[REDACTED]	EDWINA J HEDRICK	\$ 20,036.71
[REDACTED]	ALISA RENA TAYLOR	\$ 22,217.47
[REDACTED]	PAUL SCOTT TAYLOR	\$ 47,180.36
[REDACTED]	BRADFORD ZELLER	\$ 27,515.58
[REDACTED]	ALBERT DUANE MCINTY	\$ -
[REDACTED]	KENNETH R AUSTIN &	\$ 66,542.94
[REDACTED]	RICHARD A BURK	\$ 1,409.87
[REDACTED]	JERRY A JOLLY	\$ 4,636.34
[REDACTED]	DEBORAH S CONRAD	\$ 24,528.97
[REDACTED]	NADIA MAHGOUB	\$ -
[REDACTED]	ALBERT DUANE MCINTY	\$ -
[REDACTED]	MARGARET WOODALL	\$ 198,268.95
[REDACTED]	LINDA H JONES EX	\$ 103.00
[REDACTED]	KRISTI M BIRMINGHAM	\$ 75,645.29
[REDACTED]	JANICE C STABLEY	\$ 9,995.70
[REDACTED]	PAUL SCOTT TAYLOR C	\$ 2,363.90
[REDACTED]	MICHAEL B SAUNDERS	\$ 344,962.11
[REDACTED]	HUGO E BLEULER	\$ 141,271.79
[REDACTED]	SHIRLEY A WADDILL	\$ 198,571.53
[REDACTED]	ALBERT DUANE MCINTY	\$ 86,686.12
[REDACTED]	ROBERT W ROEFER JR	\$ 11,735.50
[REDACTED]	PAUL SCOTT TAYLOR C	\$ 1,855.80
[REDACTED]	KEVIN A. MCCARTHY	\$ 0.28
[REDACTED]	MICHAEL BOYD SAUNDE	\$ 35,754.19
[REDACTED]	MARY M. MULHAUSER	\$ 3,274.11
[REDACTED]	MARTHA C BATTS	\$ 21,904.82
[REDACTED]	RICHARD A BURK	\$ -
[REDACTED]	LARRY M LANCE	\$ 26,449.11
[REDACTED]	MARY V HARRIS	\$ 25,807.69
[REDACTED]	THOMAS A MCCRAW	\$ -
[REDACTED]	MARTA R. MORTON	\$ 17,717.51
[REDACTED]	CAROLYN T CROWDER	\$ 19,840.30
[REDACTED]	RONALD S MULHAUSER	\$ 87,779.23
[REDACTED]	NELLO P WILCOX &	\$ -
[REDACTED]	CAROL J. KEHS	\$ -
[REDACTED]	THOMAS A MCCRAW &	\$ -
[REDACTED]	R ALVIN SHIFFLER	\$ 7,863.99
[REDACTED]	WILLIAM D JOHNSON	\$ -
[REDACTED]	JUDY E TAYLOR	\$ -
[REDACTED]	BETSY G RAUSCH	\$ 27,534.21
[REDACTED]	MATTHEW M MONROE	\$ 7,203.19
[REDACTED]	ALBERT DUANE MCINTY	\$ 172,243.28
[REDACTED]	DANNY J OATES	\$ 99,972.79
[REDACTED]	PAUL SCOTT TAYLOR C	\$ 2,022.66

BETSY G RAUSCH	\$	-
LINDA H JONES &	\$	-
TED L BIRMINGHAM CUR	\$	1,786.14
JUDY E TAYLOR	\$	86,352.87
LARRY M LANCE	\$	314,066.18
GAIL BEATTY	\$	112,540.43
JERRY A JOLLY	\$	39,673.53
DAVID M RAUSCH &	\$	26,398.79
MARTHA C BATTS &	\$	24,077.38
JUSTIN CODY BATTS	\$	-
EDWARD HERBERT BRC	\$	110,543.88
MARCELLUS E WADDILL	\$	41,942.41
PAULA JANE MULHAUSE	\$	17,047.98
DONNA B. TRIPP	\$	108,188.52
DONNA B TRIPP	\$	81,279.62
EDWARD HERBERT BRC	\$	280,616.17
MARY S SAUNDERS	\$	3,747.01
MICHAEL B SAUNDERS	\$	6,002.68
PAULA JANE MULHAUSE	\$	70,062.11
F ELIZABETH HARRIS	\$	18,428.97
CLAUDE S BREWER	\$	112,954.36
MARION K. BREWER	\$	31,870.35
CLAUDE S BREWER &	\$	-
BEVERLY DIANNE KNOX	\$	-
WILLIAM G VAN NOOY	\$	-
REBECCA SPRINGS KAY	\$	112,523.37
TED L BIRMINGHAM	\$	160,526.54
JUDY E TAYLOR	\$	-
MARTHA B SHIFFLER &	\$	5,326.94
RICHARD A BURK &	\$	-
MARTHA C BATTS	\$	114,159.25
JAMES F WALSH	\$	78,462.36
DAVID E STARK	\$	35,311.41
JEANNE L BURK	\$	1,469.40
ALBERT DUANE MCINTY	\$	13,200.77
JAMES ROGER JOHNST	\$	18,020.68
SHIRLEY A WADDILL	\$	22,175.08
PATRICIA M COSTNER	\$	10,680.46
DAVID A WOODARD &	\$	-
MARTHA B SHIFFLER	\$	9,898.91
EDIS J WILLIAMS	\$	6,621.53
DONALD R BACHMAN	\$	2,804.09
RONALD S MULHAUSER	\$	1,206,680.23
JAMES F WALSH	\$	239,644.38
PAUL SCOTT TAYLOR &	\$	3,138.28
JAMES MICHAEL JULIAN	\$	371,199.87
PATRICIA K WALSH	\$	47,532.39
MARY V HARRIS	\$	11,346.58
ANNELENE RADFORD R	\$	50,604.36
THOMAS A COSTNER &	\$	10,430.50
PAMELA S JOLLY	\$	81,385.26

PAUL S TAYLOR	\$	37,925.66
TED L BIRMINGHAM CUS	\$	1,273.42
RICHARD A BURK	\$	28,872.58
RICHARD C LATSOS	\$	218,531.38
JUANITA H BATTS	\$	275,471.48
DAVID A WOODARD	\$	-
MARCELLUS E WADDILL	\$	279,101.16
PAULA JANE MULHAUSE	\$	106,793.56
Total	\$	6,889,586.55

Balances Summary for Schwab Master Account [REDACTED]

Total Value of All Brokerage Accounts
 \$3,590,561.78

Account	Account Name 1	Total Acct Value
[REDACTED]	MARY B HERNDON	\$ 114,009.06
[REDACTED]	HAROLD C BARRETT TTE	\$ 46,839.36
[REDACTED]	DONALD J STARNES	\$ 15,352.45
[REDACTED]	JAMES MICHAEL JULIAN	\$ 48,078.86
[REDACTED]	SADYE JOYNER MILTON	\$ 249,544.48
[REDACTED]	TIMOTHY G GLADDEN &	\$ 15,466.13
[REDACTED]	CLAUDE S BREWER	\$ 42,632.23
[REDACTED]	DONALD F LYNSKEY JR	\$ 43,174.57
[REDACTED]	RICHARD C LATSOS	\$ 94,543.63
[REDACTED]	SHIRLEY M JONES	\$ 18,664.08
[REDACTED]	FRED R IANNINI	\$ 79,029.38
[REDACTED]	MICHAEL BOYD SAUNDEI	\$ 32,115.97
[REDACTED]	JOANN M RAXTER	\$ 66,041.44
[REDACTED]	JEANNE L BURK	\$ 45,791.17
[REDACTED]	TERRY E BOYD	\$ 18,771.03
[REDACTED]	EDWIN H TURNER	\$ 28,825.94
[REDACTED]	DOUGLAS R ANDERSON	\$ 238,085.27
[REDACTED]	NANCY D GROOVER	\$ 66,158.04
[REDACTED]	HELEN C HENDRICKS	\$ 95,901.66
[REDACTED]	KRISTI M BIRMINGHAM	\$ 42,585.74
[REDACTED]	WILLIAM D FOBELL &	\$ 11,276.75
[REDACTED]	PHILIP IRWIN EATON	\$ 27,646.48
[REDACTED]	ROBERT H BRYANT &	\$ 22,676.55
[REDACTED]	LARRY M LANCE	\$ 34,619.79
[REDACTED]	JONATHAN M RHODES	\$ 9,596.90
[REDACTED]	STEFAN L SCHWIMMER	\$ 38,432.37
[REDACTED]	MARY MOORE LATSOS	\$ 14,139.41
[REDACTED]	ROBERT A LITTLE	\$ -
[REDACTED]	RUTH M RISTAINO	\$ 82,317.86
[REDACTED]	SANDRA BUMGARDNER	\$ 12,473.43
[REDACTED]	GEORGE L HATCH	\$ 19,463.25
[REDACTED]	JUDY E TAYLOR	\$ 143,078.99
[REDACTED]	HENDRICKS TT P HENDR	\$ 28,323.12
[REDACTED]	MARGARET C MCGINNIS	\$ -
[REDACTED]	DONALD J DEAL	\$ -
[REDACTED]	ALOIS B ZELLER	\$ 31,008.22
[REDACTED]	DAVID M RAUSCH &	\$ 29,204.43
[REDACTED]	JON GREGORY TILSCH &	\$ 241,889.28
[REDACTED]	M JAY RHODES #2	\$ 47,620.20
[REDACTED]	JEFFERY RICHARD SMITH	\$ 95,154.13
[REDACTED]	BETTY R GAMBLE	\$ 27,765.73
[REDACTED]	TINA T KENNEDY	\$ 38,831.07
[REDACTED]	ROBERT A BRIDGES	\$ 42,437.26
[REDACTED]	ANNE W POUCHAK	\$ 54,190.76
[REDACTED]	RONALD S MULHAUSER	\$ 186,009.70

EVELENE O THOMPSON	\$	12,094.45
LINDA E JESTER	\$	20,031.91
DAVID M BEAM II	\$	9,368.51
PAMELA S JOLLY &	\$	64,934.92
JOHN R STIMSON &	\$	20,245.84
EDWARD L RISTAINO	\$	-
PAUL R SHELBY	\$	19,211.34
KATHRYN A KIMREY	\$	-
CURTIS R MOSS	\$	11,783.69
JUSTIN CODY BATTS	\$	-
JOSEPH C BRIDGES &	\$	59,661.36
EARL STEPHEN WATERS	\$	14,459.54
LUCINDA M CHREITZBER	\$	-
JAMES E BEAVER &	\$	60,425.51
EDWARD HERBERT BRO	\$	18,944.42
JEAN H FOX	\$	14,584.32
MILDRED J GRUBB	\$	15,065.11
MARION K BREWER	\$	9,578.61
BARRY M BROGDON	\$	27,486.44
BETTY R GAMBLE	\$	15,601.11
LINDA M MCPHERSON	\$	-
ALBERT A PETTY	\$	22,845.10
KAREN ADAMS EATON	\$	67,208.45
KATHY K SUMMITT	\$	145,234.88
JAMES F WALSH	\$	97,561.79
PAMELA N GOFORTH &	\$	9,590.77
ALBERT DUANE MCINTYF	\$	96,609.08
SANDRA C HART	\$	33,347.00
EARL SCOTT ALLISON	\$	46,326.35
MYRA D MCGINNIS	\$	16,269.84
LAWRENCE J WAYNE	\$	22,325.27
Total	\$	3,590,561.78

Balances Summary for Schwab Master Account [REDACTED]

Total Value of All Brokerage Accounts
\$425,915.24

Account	Account Name 1	Total Acct Value
[REDACTED]	SANDRA BUMGARDNER	\$ 13,482.58
[REDACTED]	LINDA E JESTER	\$ 31,214.41
[REDACTED]	EDWARD L RISTAINO	\$ -
[REDACTED]	PAUL R SHELBY	\$ 34,025.19
[REDACTED]	SUSAN EASTMAN TILSCH	\$ 101,116.33
[REDACTED]	RUTH M RISTAINO	\$ 146,634.12
[REDACTED]	DOUGLAS R ANDERSON	\$ 99,442.61
[REDACTED]	RONALD S MULHAUSER	\$ -
[REDACTED]	LAWRENCE J WAYNE	\$ -
	Total	\$ 425,915.24

Balances Summary for Schwab Master Account [REDACTED]

Total Value of All Brokerage Accounts
\$417,146.45

Account	Account Name 1	Total Acct Value
[REDACTED]	DOUGLAS R ANDERSON	\$ 242,700.76
[REDACTED]	RONALD S MULHAUSER	\$ 174,445.69
	Total	\$ 417,146.45

Balances Summary for Fidelity

Total Value of All Brokerage Accounts
\$61,680,812.97

Account Number	Primary Account Owner	Total Account Value
	ADAMS, CHRISTOPHER I	\$ 8,463.27
	ADAMS, CHRISTOPHER I	\$ 52,704.80
	ADAMS, KELLEY M	\$ 4,511.34
	ADAMS, KELLEY M	\$ 616,705.67
	AEGIS CAPITAL LLC	\$ 0.60
	BALL, DONALD A	\$ 12,069.46
	BALL, DONALD A	\$ 14,910.99
	BAUDER, STUART	\$ 818,429.11
	BELAVITCH, ALPHONSE	\$ 354,632.11
	BELAVITCH, GERALDINE	\$ 63,472.00
	BELAVITCH, GERALDINE	\$ 142,225.71
	BONACCORSI, KATHLEE	\$ 181,579.04
	BRASS, SHELLEY ESKIN	\$ 47,610.51
	BRASS, SHELLEY ESKIN	\$ 131,685.34
	BRASS, SHELLEY ESKIN	\$ 943,283.83
	BRYANT, SUSAN	\$ 13,803.20
	BRYANT, SUSAN	\$ 517,647.19
	BUTLER, ELINOR D	\$ 34,516.88
	BUTLER, ELINOR D	\$ 62,619.22
	BUTLER, ELINOR D	\$ 52,622.89
	BUTLER, LEWIS	\$ 25,611.62
	BUTLER, LEWIS	\$ 84,741.16
	BUTLER, LEWIS	\$ 16,342.92
	CANTOR, EDDA S	\$ 155,675.14
	CANTOR, EDDA S	\$ 360,248.50
	CAPE, ROBERT E	\$ 676,456.75
	CAPE, ROBERT E	\$ 119,696.93
	CARMICHAEL, JAMES DU	\$ -
	CARMICHAEL, JAMES DU	\$ -
	CARMICHAEL, JAMES DU	\$ -
	CARMICHAEL, LINDSEY	\$ 23.07
	CHAMPLIN SPECIAL NEE	\$ 38,316.63
	CHAMPLIN 2008 SPECIAL	\$ 6,321.21
	CHAMPLIN, MARY JEAN	\$ 429,171.51
	CHAMPLIN, MARY JEAN	\$ 1,358,182.26
	CHAPMAN, BETSY P	\$ 533,012.96
	CHASE, DAWN L	\$ -
	CHASE, DAWN L	\$ 46,992.52
	CHASE, DAWN L	\$ 42,574.37
	CHASE, JEFFREY A	\$ 1,287.83
	CHASE, JEFFREY A	\$ 48,811.50
	CHASE, JEFFREY A	\$ 73,170.94
	CLINTON, BARBARA A	\$ 67,509.60
	CLINTON, BARBARA A	\$ 317,334.94
	CLINTON, BARBARA A	\$ 211,410.41

ARD, D ELIZABETH	\$	304,148.69
ARD, D ELIZABETH	\$	-
ETTI, JULIE A	\$	27,110.60
SHLIN RAINBOTH M	\$	100,558.64
P, MARGA	\$	-
P, MARGA	\$	-
P, MARGA	\$	67,037.35
CO, LINDA GIORDA	\$	629,885.31
CO, LINDA GIORDA	\$	198,080.10
CO, LINDA GIORDA	\$	198,837.94
RS JR, WALTER V	\$	147,548.58
RS JR, WALTER V	\$	76,183.99
RS, LOIS H	\$	336,054.01
DND, ANITA M	\$	614,696.10
DND, ANITA M	\$	164,850.25
RO, REBECCA COC	\$	25,566.71
RO, THAD	\$	242,563.51
RTY, BERNARD J	\$	786,249.02
RTY, BERNARD J	\$	805,565.95
RTY, GENE F	\$	958,171.69
A MELILLO	\$	65,862.67
DUNN, JONATHON S	\$	82,329.66
DUNN, JOSEPH	\$	161,102.81
DUNN, LAUREL C	\$	325,706.36
DUNN, LINDA CALDERON	\$	7,846.52
DUNN, LINDA CALDERON	\$	91,156.07
DUNN, MEAGHAN	\$	111,086.46
DUNN, THOMAS J	\$	62,158.22
DUNN, THOMAS J	\$	7,845.95
DUNN, THOMAS J	\$	34,277.00
DUPERRAULT, JOANN HI	\$	157,400.40
DUPERRAULT, JOANN HI	\$	157,492.65
DUPERRAULT, JOANN HI	\$	294,435.92
EPPLY, MARK C	\$	5,808.17
EPPLY, MARK C	\$	59,438.24
EPPLY, MARK C	\$	493,093.14
EPPLY, MARK C	\$	265,993.69
FINKELSTEIN CONSULTI	\$	956,258.93
FINKELSTEIN, BARRY P	\$	361.29
FINKELSTEIN, BARRY P	\$	257,542.74
FINKELSTEIN, BARRY P	\$	26,831.28
FINKELSTEIN, BARRY P	\$	151,103.31
FINKELSTEIN, ROBERTA	\$	361.29
FINKELSTEIN, ROBERTA	\$	101,021.46
FINKELSTEIN, ROBERTA	\$	84,786.39
FINKELSTEIN, ROBERTA	\$	64,085.26
FORTE, KATHARINE S	\$	59,223.98
GOVE, CHERYL A	\$	161,010.63
GOVE, SCOTT G	\$	81,927.07
GOVE, SCOTT G	\$	133,038.81
GROSS, RICHARD	\$	354,524.04

[REDACTED]	HAYES, ANNE B	\$	375,780.77
[REDACTED]	HAYES, ANNE B	\$	175,800.89
[REDACTED]	HEGUY, LUCILLE P	\$	10,974.33
[REDACTED]	HEGUY, LUCILLE P	\$	306,661.17
[REDACTED]	HEGUY, STEVE	\$	269,434.25
[REDACTED]	HEGUY, STEVE	\$	94,356.20
[REDACTED]	HOOPER, ERIN R	\$	960,408.68
[REDACTED]	HOOPER, ERIN R	\$	22,430.70
[REDACTED]	HOOPER, ERIN R	\$	4,409.00
[REDACTED]	HOOPER, ERIN R	\$	24,174.14
[REDACTED]	HOVANESIAN, JUDITH M	\$	1,070,470.22
[REDACTED]	HUNTER, DAVID C	\$	12,536.58
[REDACTED]	HUNTER, DAVID C	\$	12,513.43
[REDACTED]	HUNTER, DAVID C	\$	233,501.95
[REDACTED]	HUNTER, HOLLY	\$	14,544.92
[REDACTED]	HUNTER, HOLLY	\$	238,872.22
[REDACTED]	HUNTER, HOLLY	\$	81,570.94
[REDACTED]	HUNTER, JESSICA L	\$	12,513.43
[REDACTED]	HUNTER, JESSICA L	\$	233,081.91
[REDACTED]	I & J SHINER IRREVOCAE	\$	176,731.30
[REDACTED]	IRREV TR FOR VIRGINIA	\$	26,760.51
[REDACTED]	JOHNSON, NANCY J	\$	32,371.52
[REDACTED]	JOHNSON, NANCY J	\$	231,865.13
[REDACTED]	JOHNSON, NANCY J	\$	528,423.85
[REDACTED]	JOHNSON, RICHARD R	\$	901,538.11
[REDACTED]	JOHNSON, RICHARD R	\$	472,224.21
[REDACTED]	JOHNSON, RICHARD R	\$	362,331.66
[REDACTED]	KAHAN, STEVEN E	\$	-
[REDACTED]	KAHAN, STEVEN E	\$	199,383.67
[REDACTED]	KAHAN, STEVEN E	\$	55,576.86
[REDACTED]	KAHAN, STEVEN E	\$	47,377.30
[REDACTED]	KATZ, ARIEH	\$	83,878.42
[REDACTED]	KATZ, ARIEH	\$	193,144.02
[REDACTED]	KATZ, PAMELA J	\$	210,481.35
[REDACTED]	KEFALAS, ARTHUR	\$	1,195.72
[REDACTED]	KEFALAS, ARTHUR	\$	-
[REDACTED]	KEFALAS, ARTHUR	\$	388,284.55
[REDACTED]	KEFALAS, MARY HERRIN	\$	-
[REDACTED]	KEFALAS, MARY HERRIN	\$	49,400.86
[REDACTED]	LAMOREAUX, JOANN R	\$	327,191.82
[REDACTED]	LEBLANC, WALTER G	\$	157,598.63
[REDACTED]	LEBLANC, WALTER G	\$	24,261.49
[REDACTED]	LINDSAY, JANE E	\$	22,822.96
[REDACTED]	LINDSAY, JANE E	\$	453,881.32
[REDACTED]	LINDSAY, JANE E	\$	109,888.40
[REDACTED]	LINNELL, MARGARET ME	\$	33,363.36
[REDACTED]	LOWCOCK, THOMAS ALE	\$	272,011.50
[REDACTED]	MALLOY, CAROL A	\$	386,293.13
[REDACTED]	MALLOY, RICHARD D	\$	42,210.18
[REDACTED]	MALLOY, RICHARD D	\$	1,022,318.98
[REDACTED]	MALLOY, RICHARD D	\$	366,293.44

MARTIN, DEBORAH M	\$	431,275.09
MARTIN, DEBORAH M	\$	408,646.35
MAY, JOHN J	\$	55,691.72
MAY, JOHN J	\$	206,087.55
MEADOWS, EMILIE S	\$	359,017.59
MEADOWS, EMILIE S	\$	126,275.13
MELILLO, DONNA	\$	100,268.20
MELILLO, DONNA	\$	351,404.07
MENNEL, ROBERT M	\$	21,756.32
MENNEL, ROBERT M	\$	651,693.09
MENNEL, ROBERT M	\$	139,768.44
MENNEL, SUSAN P	\$	21,482.71
MENNEL, SUSAN P	\$	208,396.12
MESSER, LINDA D	\$	57,038.51
MESSER, LINDA D	\$	165,823.93
MESSER, RICHARD A	\$	391,342.94
MIESFELDT, DEBRA C	\$	139,616.78
MOORE, DAVID W	\$	841,663.75
MOORE, DAVID W	\$	48,484.52
MOORE, ZELDA RIPPE	\$	-
MOROZE, CAROL H	\$	1,757,233.63
MOROZE, M BRIAN	\$	1,233,130.17
MOROZE, M BRIAN	\$	3,302,135.64
MOUNTJOY, JEFFREY A	\$	11,316.25
MOUNTJOY, JEFFREY A	\$	89,867.77
MOUNTJOY, JEFFREY A	\$	184,492.85
MOUNTJOY, KAREN E	\$	16,921.39
MOUNTJOY, KAREN E	\$	128,383.56
MOUNTJOY, KAREN E	\$	27,945.93
NASH, DIANNE G	\$	31,152.49
NASH, THOMAS J	\$	3,793.21
NASH, THOMAS J	\$	98,272.27
NASH, THOMAS J	\$	28,167.22
NESTELBERGER, ANNE I	\$	199,639.48
NESTELBERGER, ANNE I	\$	34,960.45
NESTELBERGER, ANNE I	\$	128,253.24
NESTELBERGER, ANNE I	\$	49,934.86
NESTELBERGER, KARL	\$	29,866.00
NORELLI, ALLEN M	\$	58,943.34
NORELLI, ALLEN M	\$	241,109.55
NORELLI, DANIEL T	\$	57,012.70
NORELLI, GINA M	\$	25,525.58
NORELLI, GINA M	\$	61,254.61
NORELLI, THERESA T	\$	83,837.37
NORELLI, THERESA T	\$	14,969.17
NORELLI, THERESA T	\$	542,779.49
OSLYN, GRACE ELIZABE	\$	9,922.97
OSLYN, JUSTIN ANTHON	\$	10,795.69
OSLYN, SAMUEL ASHCO	\$	10,139.74
POMEROY, WENDY M	\$	12,634.72
POMEROY, WENDY M	\$	259,826.54

PRESCOTT, MARIAN H	\$	500,127.02
PRESCOTT, MARIAN H	\$	39,242.95
R DOUGLAS DUPERRAU	\$	97,920.52
RAESIDE, DUNCAN	\$	366,681.45
RAESIDE, DUNCAN	\$	17,270.96
RAESIDE, DUNCAN	\$	429,760.30
RAESIDE, JAMES	\$	257,891.86
RAESIDE, SUZANNE	\$	28,787.79
RAINBOTH, MICHAEL P	\$	214,190.36
RAINBOTH, MICHAEL P	\$	43,316.79
RENAISSANCE CHRTBL I	\$	-
ROBIE, JANE W	\$	14,871.00
ROBIE, JANE W	\$	552,410.49
ROSLYN WITTCOFF FAM	\$	1,354,569.51
ROULEAU, LINDA J	\$	123,902.15
ROULEAU, ROGER A	\$	455,357.22
ROY, MERYL L	\$	14,321.38
ROY, MERYL L	\$	127,677.99
ROY, MERYL L	\$	143,272.71
RYKERSON, DEANE	\$	84,814.51
SARGENT, RALPH	\$	15,252.50
SCATAMACCHIA, GENE I	\$	146,609.21
SCATAMACCHIA, GENE I	\$	91,698.44
SCATAMACCHIA, KATHLI	\$	113,807.16
SEGAN, KRISTEN L	\$	2,334.65
SEGAN, KRISTEN L	\$	153,246.54
SHARP, RICHARD D	\$	130,519.13
SHARP, RICHARD D	\$	23,223.28
SHARP, SUSAN P	\$	11,186.64
SHARP, SUSAN P	\$	223,716.69
SIMARD, ANDREIONA K	\$	94,257.90
SIMARD, DANIELLE K	\$	-
SIMARD, HANNAH K	\$	-
SKAFIDAS, JOHN G	\$	-
SKAFIDAS, JOHN G	\$	73,188.87
SKAFIDAS, MARGARET M	\$	5,311.94
SKAFIDAS, MARGARET M	\$	15,375.39
SKAFIDAS, MARGARET M	\$	81,353.20
SPRAGUE, DAVID H	\$	495,029.15
SPRAGUE, DAVID H	\$	111,066.95
SPRAGUE, RENAY	\$	537,067.07
SPRAGUE, RENAY	\$	97,302.83
ST PIERRE, RONALD R	\$	407,284.00
TAUBE, KEVIN T	\$	254,516.61
TAUBE, SANDRA L	\$	23,108.75
TAUBE, SANDRA L	\$	51,331.03
TOPP, JOAN S	\$	592,680.98
TRITES, MICHAEL D	\$	150,320.30
TRITES, MICHAEL D	\$	43,108.57
TRITES, SUZANNE E	\$	-
TRITES, SUZANNE E	\$	30,494.38

VERSLUYS, HILDA P	\$	322,263.64
VERSLUYS, HILDA P	\$	528,650.54
VMW LTD PARTNERSHIP	\$	261,949.11
VORA, JYOTI R	\$	35,544.93
VORA, RAJAN	\$	355,752.88
VORA, RAJAN	\$	48,236.98
VORA, SHIVANI R	\$	88,202.89
WILLEM VERSLUYS FAM	\$	339,650.76
WILLIAM R HAYES JR RE	\$	466,327.15
WILLING, CHARLES G	\$	163,373.08
WILLING, CHARLES G	\$	53,109.90
WITTCOFF, RICHARD K	\$	14,264.23
WITTCOFF, RICHARD K	\$	1,082,650.91
WYMAN, LOUIS E	\$	60,520.64
WYMAN, LOUIS E	\$	350,348.61
WYMAN, VIRGINIA M	\$	1,058,693.84
ZARAMBA FAMILY REVO	\$	115,952.90
ZARAMBA, KAREN L	\$	22,663.85
ZARAMBA, KAREN L	\$	4,949.53
ZARAMBA, KAREN L	\$	211,428.56
ZARAMBA, KENNETH C	\$	72,950.25
ZARAMBA, MICHAEL A	\$	36,079.59
ZARAMBA, MICHAEL A	\$	750,364.07
ZARAMBA, MICHAEL A	\$	1,520,898.98
ZARAMBA, MICHAEL A	\$	140,915.33
ZARAMBA, NANCY R	\$	159,889.76
ZARAMBA, NANCY R	\$	345,349.29
ZARAMBA, PATRICIA	\$	36,124.51
ZARAMBA, PATRICIA	\$	79,808.34
ZARAMBA, PHILIP	\$	19,970.18
ZARAMBA, PHILIP	\$	105,453.17
ZARAMBA, RACHEL	\$	-
ZARAMBA, RACHEL	\$	-
Total	\$	61,680,812.97

Balances Summary for Aegis Diversified Real Estate Fund, LLC

Total Value of All Accounts
\$28,394,996.47

Albert Petty IRA	\$	140,666.61
Allen Childers IRA	\$	300,739.90
Allen Komins IRA	\$	187,628.75
Ann Dickinson	\$	219,867.74
Ann Dickinson IRA	\$	1,122,575.22
Barry M. Brogdon IRA	\$	448,979.82
Bernel Degrace IRA	\$	17,556.91
Betty Faulkner	\$	171,864.20
Betty Faulkner IRA	\$	70,475.85
Betty Jeanne Beam	\$	49,101.02
Betty Jeanne Beam IRA	\$	25,608.29
Blue Fire Partners	\$	226,076.17
Bob Nulton	\$	32,776.50
Bob Nulton IRA	\$	2,839.71
Bobby Faulkner	\$	137,031.38
Bobby Faulkner & Betty Faulkne	\$	177,116.02
Bobby Faulkner IRA	\$	102,193.69
Brittany Marie Granger	\$	44,335.61
Charles Vaughn	\$	357,467.90
Charles Vaughn IRA	\$	102,604.86
Charles Vaughn Revocable Trust	\$	124,710.83
Charlotte R. Fobell IRA	\$	35,385.19
Charlotte Roberts	\$	177,328.06
Charlotte Roberts IRA	\$	258,547.85
Cheryl Tordonato IRA Rollover	\$	31,400.76
Dale A. Hollifield Irrevocable Tru	\$	138,957.25
Dale Hollifield IRA	\$	169,635.48
Dan Cederquist & Lee Cederqui	\$	192,180.09
Daniel Cederquist IRA	\$	126,524.93
Daniel Hellams & Rene Hellams	\$	1,535,425.49
Daniel Hellams IRA	\$	334,665.43
David C. Beam IRA	\$	151,455.53
David Cohen Roth IRA	\$	94,357.61
David Johnson & Christine John	\$	354,730.18
David White & Glenda White JT'	\$	152,217.94
David White SEP IRA	\$	422,298.51
Deane H. Wolfe Trust	\$	145,043.18
Deane Wolfe IRA	\$	101,204.76
D-me's Reassurance Ltd.	\$	438,924.39
Donald Lynskey Jr. IRA Rollover	\$	168,127.33
Earle Black IRA	\$	104,509.84
Elizabeth McGee IRA	\$	5,266.86
Eugene Jackson IRA	\$	91,529.28
Faye Darby	\$	332.09
Francis Rachel Jordan	\$	43,342.20
Frankie Lockey IRA	\$	258,986.62

George Brian McGee & Ashley I	\$	1,084.65
George L Hatch	\$	94,341.33
George L. Hatch IRA	\$	28,967.90
Glenda White SEP IRA	\$	45,515.44
Glenn Brinson IRA	\$	239,134.71
Glenn Smith IRA	\$	232,884.06
H. Watson Stewart Family Trust	\$	190,295.17
H. Watson Stewart Marital Trust	\$	170,145.22
Harold Barrett & Jo Barrett	\$	152,738.93
Harold Barrett IRA Rollover	\$	6,631.47
Harold D. Jordan, III	\$	43,342.20
Heather McGee Thornton	\$	5,108.93
J. Boardman Marital Trust	\$	585,808.72
James & Petronella Widler Fami	\$	558,149.83
James Morris	\$	202,088.05
James Taylor York	\$	41,807.63
James Taylor York Roth IRA	\$	4,762.57
James Widler IRA	\$	830,732.09
Jane Reed	\$	10,763.54
Jefferey Smith	\$	329,135.59
Jefferey Smith IRA	\$	36,830.66
Jim York & Tammy York JTWR	\$	268,609.48
Jo Barrett IRA Rollover	\$	6,330.87
John Black IRA	\$	275,938.44
John R. Stimson IRA	\$	295,135.86
Johnson McKinley York	\$	32,340.96
Jonathan Rhodes Roth IRA	\$	17,852.78
Jones Revocable Living Trust	\$	253,394.71
Kathryn Hellams	\$	156,739.18
Lauren Gayle Jordan	\$	43,342.20
Lee M. Cederquist IRA	\$	46,124.94
Linda E. Jester	\$	50,737.32
Linda Jester IRA Rollover	\$	59,871.43
Louis Tordonato IRA Rollover	\$	175,155.68
Lynne Duncan Rollover IRA	\$	12,548.78
Lynne Duncan Roth IRA	\$	377.73
M. Jay Rhodes & Sandra Rhode	\$	86,282.57
M. Jay Rhodes IRA	\$	82,800.41
Mark Leazer & Kim Leazer	\$	5,650.03
Martha Plonk	\$	551,391.66
Martha Vaughn Revocable Trus	\$	1,676,695.75
Mary Boardman & Raymond Bo	\$	251,025.83
Mildred J. Grubb IRA	\$	178,345.23
Miquel Loayza IRA	\$	165,266.79
Nancy A. Filenbaum Revocable	\$	396,316.88
Rene Hellams IRA	\$	56,180.84
Robert A. Bridges	\$	19.06
Robert A. Bridges IRA	\$	267,504.75
Robert B. Ratliff, Jr. Revocable	\$	1,594,442.15
Robert Clinton Darby Sr. IRA	\$	111,278.47
Robert Dehart Defined Benefit F	\$	361,935.51

Robert Dehart Indiv 401K	\$	178,923.66
Robert Ratliff IRA	\$	172,945.22
Ronnie Duncan IRA	\$	8,056.45
Ronnie Duncan ROTH IRA	\$	10,666.80
Sandra B. Rhodes	\$	135,317.65
Sandra B. Rhodes IRA	\$	22,390.02
Sandra Bumgardner	\$	125,342.72
Sandra Bumgardner IRA	\$	23,869.11
Sandra Bumgardner ROTH IRA	\$	12,411.34
Sandra Childers	\$	546.86
Sandra Childers IRA	\$	23,517.48
Shannon Sykes IRA	\$	53,033.76
Sharon Rosen IRA	\$	150,268.07
Stephen Telchin IRA Rollover	-	
Steven D Hoffman TTEE Hoffm	\$	156,214.36
Susan Fludgate	\$	378,469.70
Susan Fludgate IRA	\$	338,859.38
T2 Investments LLC	\$	428,636.35
Tammy Loayza Roth IRA	\$	19,999.44
Thomas Brady York	\$	32,340.96
Tonita Greene IRA	\$	8,017.06
Tonita L. Greene Revocable Tru	\$	198,069.99
Travis W. Stewart Revocable Tr	\$	106,031.26
Vada Boardman	\$	259,727.18
Vada Boardman Irrevocable Life	\$	16,145.60
W. Harris Greene Revocable Tri	\$	100,849.24
William D. Fobell IRA	\$	396,078.09
Michael Hampton	\$	985,288.96
Kautia Hampton	\$	985,288.96
Robert Stewart IRA	\$	263,108.88
William Stewart Penick Trust	\$	368,352.44
Charles Sellers IRA	\$	198,489.35
Johnny Priest Sr IRA	\$	236,798.00
Guy Wallace IRA	\$	246,796.15
Antoinette James IRA	\$	257,142.65
Doris Yarbrough	\$	308,880.07
Rudolph Stuppig IRA	\$	133,848.03
Pershing Cust FBO Scott Moss	\$	151,825.09
	\$	28,394,996.47

Balances Summary for Aegis Diversified Real Estate Fund, LLC

Total Value of All Accounts

\$1,379,700.65

Subscriber Name	PPM #	Amount of Investment
The Widler Family Trust	1	\$107,758.00
Dale Hollifield	2	\$26,941.00
W. Harris Greene Rev Trust	3	\$107,758.00
Dale A. Hollifield Irrev Trust	4	\$80,818.00
Susan Fludgate	5	\$83,935.00
Charles Schwab & Co., Inc. Custodian FBO Jon Gregory Tilsch IRA	6	\$100,000.00
2008 Total		\$507,210.00
Charles Schwab & Co., Inc. Custodian FBO Philip I. Eaton IRA	7	\$75,000.00
Daniel & Lee Cederquist JT TEN	8	\$106,846.00
Wirtley Anderson	9	\$100,000.00
Jeffery Smith	10	\$100,000.00
Charles Schwab & Co., Inc. Custodian FBO Sadye Milton IRA	11	\$50,000.00
Charles Schwab & Co., Inc. Custodian FBO Antoinette James IRA	12	\$99,750.00
George Hatch	15	\$31,294.65
Helen Hendricks	13	\$30,000.00
Kathy Summitt	14	\$30,000.00
William B. Carper, Jr. Rev. Trust (MICG # [REDACTED])	52	\$100,000.00
Equity Trust Co. dba Sterling Trust Custodian FBO Jack F. Robinson IRA Acct #	92	\$49,800.00
Equity Trust Co. dba Sterling Trust Custodian FBO Danny V. Cantwell Roth IRA /	93	\$69,800.00
2009 Total		\$842,490.65
New Hampshire Clients		
Thomas Alec Lowcock Rev Trust Fidelity A/C # [REDACTED]	72	\$15,000.00
Joann R. Lamoreaux Rev Trust Fidelity A/C # [REDACTED]	73	\$15,000.00
2010 Total		\$30,000.00
Grand Total		\$1,379,700.65

Balances Summary for Aegis Managed Futures Fund, LLC

Total Value of All Accounts
\$2,039,929.51

Subscriber Name	PPM #	Amount of Investment
Equity Trust Co dba Sterling Tru	1 \$	99,900.00
Jo Ellen Dennis	2 \$	-
Ann Dickinson	3 \$	81,683.79
Equity Trust Co dba Sterling Tru	4 \$	204,427.26
Bobby Faulkner	5 \$	139,337.39
Jimmy Godwin Jr Cust for Grac	6 \$	-
Jimmy Godwin Jr Cust for Jimm	7 \$	-
Equity Trust Co dba Sterling Tru	8 \$	164,706.00
Daniel Hellams	9 \$	-
Michael Hampton	10 \$	-
Kautia Hampton	11 \$	-
Equity Trust Co dba Sterling Tru	12 \$	-
Frankie Lockey	13 \$	-
Josephine Mikus	14 \$	-
Patrick Mikus SEP	15 \$	-
Todd Polderman IRA	16 \$	-
Marc & Sylvia Sickle	17 \$	-
Jeffery Smith	18 \$	109,240.60
David Sparks	19 \$	51,616.66
Equity Trust Co dba Sterling Tru	20 \$	-
Equity Trust Co dba Sterling Tru	21 \$	-
James York & Tammy York (JT	22 \$	-
James Taylor York	23 \$	-
Johnson M. York	24 \$	-
Thomas Brady York	25 \$	-
William Earl Woodard IRA	26 \$	-
Equity Trust Co dba Sterling Tru	27 \$	75,000.00
Equity Trust Co dba Sterling Tru	28 \$	-
Equity Trust Co dba Sterling Tru	29 \$	-
Equity Trust Co dba Sterling Tru	30 \$	25,000.00
Equity Trust Co dba Sterling Tru	31 \$	25,000.00
Equity Trust Co dba Sterling Tru	32 \$	-
Equity Trust Co dba Sterling Tru	33 \$	-
Equity Trust Co dba Sterling Tru	50 \$	29,060.00
Equity Trust Co dba Sterling Tru	58 \$	25,620.00
Equity Trust Co dba Sterling Tru	59 \$	52,417.87
Kathy K. Summitt	\$	111,443.97
Mary B. Herndon	\$	50,000.00
New Hampshire Clients		
Thomas Alec Lowcock Rev Tru:	70 \$	60,000.00
Joann Lamoreaux Rev Trust Fic	71 \$	60,000.00
Anne Hayes Trust	72 \$	-
Sue Sharp IRA	73 \$	-
Stuart Bauder IRA	74 \$	-
Richard Johnson IRA	75 \$	-

Mary Jean Champlin Trust Fide	76	\$	-
Renay Sprague IRA	77	\$	-
David Sprague IRA	78	\$	-
Anita Diamond IRA Fidelity A/C	79	\$	-
Carol Moroze Trust	80	\$	-
Jane Robie Trust Fidelity A/C #	81	\$	-
Walter V. Demers Jr. IRA Fidelit	82	\$	-
Gene F. Doherty Trust Fidelity /	83	\$	-
Berhard H. Doherty Trust Fidelit	84	\$	-
Erin Hooper	85	\$	-
First Clearing LLC, FBO Robert	120	\$	50,000.00
First Clearing LLC, FBO Danny	121	\$	94,044.62
First Clearing LLC, FBO Bart J.	122	\$	99,431.35
First Clearing LLC, FBO Kevin .	123	\$	50,000.00
First Clearing LLC, FBO Ted Pe	124	\$	44,000.00
First Clearing LLC, FBO David I	126	\$	50,000.00
First Clearing LLC, FBO Robert	127	\$	25,000.00
First Clearing LLC, FBO M. Price Distributic		\$	263,000.00
Total		\$	2,039,929.51

Balances Summary for McVean Trading & Investment

Total Value of All Accounts
\$1,799,247.70

Account Number	REGISTRATION of ACCOUNTS	Balance 02/26/10
	Dennis, Jo Ellen	\$ 51,256.61
	Godwin, Grace UTMA	\$ 51,748.54
	Godwin, Jimmy UTMA	\$ 51,646.46
	Hellams, Daniel	\$ 282,346.15
	Hellams, Daniel	\$ 190,864.81
5	Leasure, Melinda	\$ 61,508.70
	Lockey, Frankie	\$ 74,576.79
	Merritt, Kelly	\$ 498,968.51
	Merritt, Kelly #2	\$ 49,324.88
5	Polderman, Todd D. IRA	\$ 50,341.84
5	Thomas, Freya ROTH	\$ 36,293.45
5	Thomas, John ROTH	\$ 39,077.88
	York, James & Tammy	\$ 81,161.82
	York, James & Tammy #2	\$ 19,346.05
	York, James Taylor	\$ 63,823.03
	York, Johnson M.	\$ 63,364.71
	York, Thomas Brady	\$ 63,288.84
	Wilson, Arlin	\$ 23,532.40
5	Woodard, Wm IRA	\$ 46,776.23
	Total	\$ 1,799,247.70

Balances Summary for Wells REIT II & Piedmont

Total Value of All Accounts

\$3,174,054.97

Client Name	Value as of 12-15-09
State Street Bank & Trust Co Ann Dickinson REIT II	\$391,979.92
State Street Bank & Trust Co Marion B Eudy REIT II	\$11,582.75
Hoffman Living Trust REIT II	\$59,180.48
Jones Revocable Family Trust REIT II	\$200,000.00
D Mark Leazer Custodian FBO Beth Anne Leazer Under UGMA of North Carolina REIT II	\$9,718.93
D Mark Leazer Custodian FBO Beth Anne Leazer Under UGMA of North Carolina PIEDMONT	\$17,386.18
Betty C Leazer REIT II	\$6,256.25
Betty C Leazer PIEDMONT	\$62,461.07
D Mark Leazer Kimberly S Leazer Joint Tenants REIT II	\$8,520.13
D Mark Leazer Kimberly S Leazer Joint Tenants PIEDMONT	\$12,027.29
D Mark Leazer Custodian FBO Emily C Leazer Under UGMA of North Carolina REIT II	\$13,375.84
D Mark Leazer Custodian FBO Emily C Leazer Under UGMA of North Carolina PIEDMONT	\$14,640.79
State Street Bank & Trust Co Frankie Lockey REIT II	\$23,722.24
State Street Bank & Trust Co Frankie Lockey PIEDMONT	\$131,481.44
State Street Bank & Trust Co A Christine Mallette REIT II	\$3,728.70
State Street Bank & Trust Co A Christine Mallette PIEDMONT	\$21,088.18
Robert B Ratliff Jr Marsha M Ratliff REIT II	\$94,493.60
Jeffery Richard Smith REIT II	\$130,576.80
Charles W Vaughn REIT II	\$126,012.06
Widler Family Trust REIT II	\$250,000.00
William David Leazer Marital Trust U/A Dtd 06/23/98 REIT II	\$6,234.07
William David Leazer Marital Trust U/A Dtd 06/23/98 PIEDMONT	\$56,642.63
Merrill Lynch Cust FBO Earle P Black IRA PIEDMONT	\$25,582.56
Merrill Lynch Cust FBO John L Black IRA PIEDMONT	\$54,062.05
Vada N Boardman PIEDMONT	\$718,659.27
State Street Bank & Trust Co Marion B Eudy PIEDMONT	\$62,292.16
Marvin Feller Judith Feller PIEDMONT	\$50,280.00
Jimmy Godwin Dianne G Godwin PIEDMONT	\$309,849.24
State Street Bank & Trust Co Daniel F Hellams PIEDMONT	\$302,220.34
Total	\$3,174,054.97

Balance Summary for AIG US Residential Co-Investment Partners LP

Total Value of All Accounts
\$1,025,237.56

Client Name	Value as of 9-30-09
The Widler Family Trust	\$117,822.76
H. Watson Stewart Family Trus	\$92,294.29
Vada Boardman	\$117,822.76
Daniel and Rene Hellams	\$196,370.24
Forms and Supply	\$294,557.29
Kautia D. Hampton	\$103,185.11
Michael Hampton	\$103,185.11
	\$1,025,237.56

Balance Summary for Prudential Annuities

Total Value of All Accounts
\$417,287.30

Client Name	Account No	Value as of 12-15-09
Leazer, Betty C Non Qualified	50110000	\$283,123.83
Leazer, Betty C IRA	[REDACTED]	\$134,163.47
	Total	\$417,287.30

Balance Summary for American Funds

Total Value of All Accounts
\$549,575.63

DIANE G GODWIN Tax ID/SSN: [REDACTED] Address: [REDACTED] CHARLOTTE NC 28227-9221	30 accounts
--	--------------------

<u>Account #</u>	<u>Investment Description</u>	<u>Registration</u>	<u>Recent Trans</u>	<u>Shares Price</u>	<u>Value</u>	
BIN [REDACTED]	CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO GRACE E GODWIN	0	678.533 \$48.60	\$32,976.70	<input type="button" value="Go"/>
	<input type="button" value="Details"/>					
[REDACTED]	CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO LAUREN G JORDAN	0	630.585 \$48.60	\$30,646.43	<input type="button" value="Go"/>
	<input type="button" value="Details"/>					
[REDACTED]	CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO JIMMY DALTON GODWIN III	0	575.762 \$48.60	\$27,982.03	<input type="button" value="Go"/>
	<input type="button" value="Details"/>					
[REDACTED]	EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO GRACE E GODWIN	0	646.51 \$38.35	\$24,793.66	<input type="button" value="Go"/>
	<input type="button" value="Details"/>					
[REDACTED]9	EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO LAUREN G JORDAN	0	600.821 \$38.35	\$23,041.49	<input type="button" value="Go"/>
	<input type="button" value="Details"/>					

<p>████████ CAPITAL INCOME BUILDER-529F1 (1412)</p> <p>Details ▾</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO FRANCES R JORDAN</p>	<p>0</p>	<p>461.613 \$48.60</p>	<p>\$22,434.39</p>	<p>Go</p>
<p>████████ THE INCOME FUND OF AMERICA-529F1 (1406)</p> <p>Details ▾</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO GRACE E GODWIN</p>	<p>0</p>	<p>1,351.07 \$15.92</p>	<p>\$21,509.03</p>	<p>Go</p>
<p>████████ CAPITAL INCOME BUILDER-529F1 (1412)</p> <p>Details ▾</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO EMILY C LEAZER</p>	<p>0</p>	<p>435.896 \$48.60</p>	<p>\$21,184.55</p>	<p>Go</p>
<p>████████ 0 EUROPACIFIC GROWTH FUND-529F1 (1416)</p> <p>Details ▾</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO JIMMY DALTON GODWIN III</p>	<p>0</p>	<p>548.584 \$38.35</p>	<p>\$21,038.20</p>	<p>Go</p>
<p>████████ 7 THE GROWTH FUND OF AMERICA-529F1 (1405)</p> <p>Details ▾</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO GRACE E GODWIN</p>	<p>0</p>	<p>736.58 \$28.21</p>	<p>\$20,778.92</p>	<p>Go</p>
<p>████████ THE INCOME FUND OF AMERICA-529F1 (1406)</p> <p>Details ▾</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO LAUREN G JORDAN</p>	<p>0</p>	<p>1,255.57 \$15.92</p>	<p>\$19,988.71</p>	<p>Go</p>
<p>████████ THE GROWTH FUND OF AMERICA-529F1 (1405)</p> <p>Details ▾</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO LAUREN G JORDAN</p>	<p>0</p>	<p>684.365 \$28.21</p>	<p>\$19,305.94</p>	<p>Go</p>

<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> THE INCOME FUND OF AMERICA-529F1 (1406)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO JIMMY DALTON GODWIN III	0	1,146.41 \$15.92	\$18,250.89	<input type="button" value="Go"/>
<input type="button" value="Details"/>					
<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> THE GROWTH FUND OF AMERICA-529F1 (1405)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO JIMMY DALTON GODWIN III	0	624.67 \$28.21	\$17,621.94	<input type="button" value="Go"/>
<input type="button" value="Details"/>					
<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO HAROLD D JORDAN III	0	357.81 \$48.60	\$17,389.57	<input type="button" value="Go"/>
<input type="button" value="Details"/>					
<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO FRANCES R JORDAN	0	416.134 \$38.35	\$15,958.74	<input type="button" value="Go"/>
<input type="button" value="Details"/>					
<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO EMILY C LEAZER	0	348.752 \$38.35	\$13,374.64	<input type="button" value="Go"/>
<input type="button" value="Details"/>					
<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> THE INCOME FUND OF AMERICA-529F1 (1406)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO FRANCES R JORDAN	0	824.44 \$15.92	\$13,125.08	<input type="button" value="Go"/>
<input type="button" value="Details"/>					
<div style="background-color: black; width: 100px; height: 15px; margin-bottom: 5px;"></div> THE GROWTH FUND OF AMERICA-529F1 (1405)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO FRANCES R JORDAN	0	442.737 \$28.21	\$12,489.61	<input type="button" value="Go"/>
<input type="button" value="Details"/>					

<div style="background-color: black; width: 40px; height: 15px; margin-bottom: 5px;"></div> SMALLCAP WORLD FUND-529F1 (1435)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO GRACE E GODWIN	0	357.954 \$33.57	\$12,016.52	<input type="button" value="Go"/>
<input style="width: 100px;" type="button" value="Details"/>					
<div style="background-color: black; width: 40px; height: 15px; margin-bottom: 5px;"></div> SMALLCAP WORLD FUND-529F1 (1435)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO LAUREN G JORDAN	0	332.658 \$33.57	\$11,167.33	<input type="button" value="Go"/>
<input style="width: 100px;" type="button" value="Details"/>					
<div style="background-color: black; width: 40px; height: 15px; margin-bottom: 5px;"></div> THE INCOME FUND OF AMERICA-529F1 (1406)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO EMILY C LEAZER	0	660.657 \$15.92	\$10,517.66	<input type="button" value="Go"/>
<input style="width: 100px;" type="button" value="Details"/>					
<div style="background-color: black; width: 40px; height: 15px; margin-bottom: 5px;"></div> EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO HAROLD D JORDAN III	0	271.982 \$38.35	\$10,430.51	<input type="button" value="Go"/>
<input style="width: 100px;" type="button" value="Details"/>					
<div style="background-color: black; width: 40px; height: 15px; margin-bottom: 5px;"></div> SMALLCAP WORLD FUND-529F1 (1435)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO JIMMY DALTON GODWIN III	0	303.736 \$33.57	\$10,196.42	<input type="button" value="Go"/>
<input style="width: 100px;" type="button" value="Details"/>					
<div style="background-color: black; width: 40px; height: 15px; margin-bottom: 5px;"></div> THE GROWTH FUND OF AMERICA-529F1 (1405)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO EMILY C LEAZER	0	346.757 \$28.21	\$9,782.01	<input type="button" value="Go"/>
<input style="width: 100px;" type="button" value="Details"/>					
<div style="background-color: black; width: 40px; height: 15px; margin-bottom: 5px;"></div> THE INCOME FUND OF AMERICA-529F1 (1406)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO HAROLD D JORDAN III	0	485.525 \$15.92	\$7,729.56	<input type="button" value="Go"/>
<input style="width: 100px;" type="button" value="Details"/>					



<p>THE GROWTH FUND OF AMERICA-529F1 (1405)</p> <p>Details</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO HAROLD D JORDAN III</p>	<p>0</p>	<p>255.812 \$28.21</p>	<p>\$7,216.46</p>	<p>Go</p>
<p>SMALLCAP WORLD FUND-529F1 (1435)</p> <p>Details</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO FRANCES R JORDAN</p>	<p>0</p>	<p>157.617 \$33.57</p>	<p>\$5,291.20</p>	<p>Go</p>
<p>SMALLCAP WORLD FUND-529F1 (1435)</p> <p>Details</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO EMILY C LEAZER</p>	<p>0</p>	<p>31.951 \$33.57</p>	<p>\$1,072.60</p>	<p>Go</p>
<p>SMALLCAP WORLD FUND-529F1 (1435)</p> <p>Details</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO HAROLD D JORDAN III</p>	<p>0</p>	<p>6.625 \$33.57</p>	<p>\$222.40</p>	<p>Go</p>
<p>THE GROWTH FUND OF AMERICA-529F1 (1405)</p> <p>Details</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO ELIZABETH D LEAZER</p>	<p>0</p>	<p>0 \$28.21</p>	<p>\$0.00</p>	<p>Go</p>
<p>THE INCOME FUND OF AMERICA-529F1 (1406)</p> <p>Details</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO ELIZABETH D LEAZER</p>	<p>0</p>	<p>0 \$15.92</p>	<p>\$0.00</p>	<p>Go</p>
<p>AMERICAN BALANCED FUND-529F1 (1411)</p> <p>Details</p>	<p>VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO ELIZABETH D LEAZER</p>	<p>0</p>	<p>0 \$16.78</p>	<p>\$0.00</p>	<p>Go</p>

[REDACTED] EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO ELIZABETH D LEAZER	0	0	\$0.00	
<input type="button" value="Details"/>					<input type="button" value="Go"/>

[REDACTED] SMALLCAP WORLD FUND-529F1 (1435)	VCSP/COLLEGEAMERICA DIANE G GODWIN OWNER FBO ELIZABETH D LEAZER	0	0	\$0.00	
<input type="button" value="Details"/>					<input type="button" value="Go"/>

ROBERT B RATLIFF JR **22 accounts**
Tax ID/SSN: [REDACTED]
[REDACTED]
WILMINGTON NC 28409

<u>Account #</u>	<u>Investment Description</u>	<u>Registration</u>	<u>Recent</u>	<u>Shares</u>	<u>Value</u>
BIN			Trans	Price	
[REDACTED]	CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER	0	175.886	\$8,548.06
	<input type="button" value="Details"/>	FBO MEREDITH SELEY HUGHES		\$48.60	
[REDACTED]	CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER	0	134.838	\$6,553.13
	<input type="button" value="Details"/>	FBO CONNOR B LEWIS		\$48.60	
[REDACTED]	CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER	0	107.844	\$5,241.22
	<input type="button" value="Details"/>	FBO COLIN M HUGHES		\$48.60	
[REDACTED]	CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER	0	107.844	\$5,241.22
	<input type="button" value="Details"/>	FBO GRIFFIN M LEWIS		\$48.60	

<div style="background-color: black; width: 40px; height: 15px; display: inline-block;"></div> EUROPACIFIC GROWTH FUND-529C (1316)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO AVA ROSE LEWIS	0 0	93.377 \$37.64	\$3,514.71
<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Details ▼ </div>				
<div style="background-color: black; width: 40px; height: 15px; display: inline-block;"></div> THE INCOME FUND OF AMERICA-529F1 (1406)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO CONNOR B LEWIS	0 0	203.005 \$15.92	\$3,231.84
<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Details ▼ </div>				
<div style="background-color: black; width: 40px; height: 15px; display: inline-block;"></div> THE GROWTH FUND OF AMERICA-529F1 (1405)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO CONNOR B LEWIS	0 0	102.187 \$28.21	\$2,882.70
<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Details ▼ </div>				
<div style="background-color: black; width: 40px; height: 15px; display: inline-block;"></div> THE INCOME FUND OF AMERICA-529F1 (1406)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO COLIN M HUGHES	0 0	162.807 \$15.92	\$2,591.89
<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Details ▼ </div>				
<div style="background-color: black; width: 40px; height: 15px; display: inline-block;"></div> THE INCOME FUND OF AMERICA-529F1 (1406)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO GRIFFIN M LEWIS	0 0	162.807 \$15.92	\$2,591.89
<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Details ▼ </div>				
<div style="background-color: black; width: 40px; height: 15px; display: inline-block;"></div> CAPITAL INCOME BUILDER-529C (1312)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO AVA ROSE LEWIS	0 0	48.939 \$48.51	\$2,374.03
<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Details ▼ </div>				

THE GROWTH FUND OF AMERICA-529C (1305)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO AVA ROSE LEWIS	0	85.403 \$27.54	\$2,352.00
<input type="button" value="Details"/>				
THE GROWTH FUND OF AMERICA-529F1 (1405)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO COLIN M HUGHES	0	81.75 \$28.21	\$2,306.17
<input type="button" value="Details"/>				
THE GROWTH FUND OF AMERICA-529F1 (1405)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO GRIFFIN M LEWIS	0	81.75 \$28.21	\$2,306.17
<input type="button" value="Details"/>				
THE INVESTMENT COMPANY OF AMERICA-529C (1304)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO AVA ROSE LEWIS	0	79.852 \$26.59	\$2,123.26
<input type="button" value="Details"/>				
EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO CONNOR B LEWIS	0	43.708 \$38.35	\$1,676.20
<input type="button" value="Details"/>				
SMALLCAP WORLD FUND-529F1 (1435)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO CONNOR B LEWIS	0	48.341 \$33.57	\$1,622.81
<input type="button" value="Details"/>				

<input type="checkbox"/> EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO COLIN M HUGHES	0	35.164 \$38.35	\$1,348.54
<input type="button" value="Details"/>				
<input type="checkbox"/> EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO GRIFFIN M LEWIS	0	35.164 \$38.35	\$1,348.54
<input type="button" value="Details"/>				
<input type="checkbox"/> SMALLCAP WORLD FUND-529C (1335)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO AVA ROSE LEWIS	0	41.497 \$32.30	\$1,340.35
<input type="button" value="Details"/>				
<input type="checkbox"/> SMALLCAP WORLD FUND-529F1 (1435)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO COLIN M HUGHES	0	38.865 \$33.57	\$1,304.70
<input type="button" value="Details"/>				
<input type="checkbox"/> SMALLCAP WORLD FUND-529F1 (1435)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO GRIFFIN M LEWIS	0	38.865 \$33.57	\$1,304.70
<input type="button" value="Details"/>				
<input type="checkbox"/> CAPITAL WORLD BOND FUND-529C (1331)	VCSP/COLLEGEAMERICA ROBERT B RATLIFF JR OWNER FBO AVA ROSE LEWIS	0	30.874 \$20.36	\$628.59
<input type="button" value="Details"/>				

PETRONELLA WIDLER 4 accounts
Tax ID/SSN: [REDACTED]
Address: [REDACTED]
WAXHAW NC 28173-6547

<u>Account #</u>	<u>Investment Description</u>	<u>Registration</u>	<u>Recent Trans</u>	<u>Shares</u>	<u>Price</u>	<u>Value</u>
BIN [REDACTED]	CAPITAL INCOME BUILDER-529F1 (1412)	VCSP/COLLEGEAMERICA PETRONELLA WIDLER OWNER FBO HAYLIE MARIE CASPER	0		56.215 \$48.60	\$2,732.05
	<input type="button" value="Details"/>					
[REDACTED]	THE INCOME FUND OF AMERICA-529F1 (1406)	VCSP/COLLEGEAMERICA PETRONELLA WIDLER OWNER FBO HAYLIE MARIE CASPER	0	121.098	\$15.92	\$1,927.88
	<input type="button" value="Details"/>					
[REDACTED]	EUROPACIFIC GROWTH FUND-529F1 (1416)	VCSP/COLLEGEAMERICA PETRONELLA WIDLER OWNER FBO HAYLIE MARIE CASPER	0	41.765	\$38.35	\$1,601.69
	<input type="button" value="Details"/>					
[REDACTED]	THE GROWTH FUND OF AMERICA-529F1 (1405)	VCSP/COLLEGEAMERICA PETRONELLA WIDLER OWNER FBO HAYLIE MARIE CASPER	0	47.788	\$28.21	\$1,348.10
	<input type="button" value="Details"/>					
Total						\$549,575.63

EXHIBIT 6

SidneyW-Esq-CorporateCounsel-SCA&SBF

Attachments: IAs-BC&SCA--IARDRenewalReminder2009-2010.pdf

From: SidneyW-CorpCounsel-SCA-SBF [REDACTED]
Sent: Friday, March 12, 2010 12:53 AM
To: [REDACTED]; 'Diane Lamm'
Cc: David Osunkwo
Subject: ADV-Part 1/Revisions & Updating - Followup (COUNSEL
CONFIDENTIAL/PRIVILEGED)
Importance: High

Thanks again Diane.

Followup ADV-1 items:

>what is ownership percentages & owners of PCM as JL is only one currently listed as a 25%-49% owner of PCM?

What about remainder percentage of anywhere from 51-75%? Must list on Sch B all 25%+ owners of PCM.

>Item 5.F

--current AUM still \$100M or higher or lower?

--current number of advisory accts total?

--breakdown between "discretionary" & "non-discretionary" re AUM/accts?

>Sch. D/Private Funds

--current (or last calculated) value of each of 3 affiliated private/hedge funds?

--current (or last calculated) percentage of each of 3 funds investors that are also Aegis Capital advisory clients?

>Confirm Sch.D/Item 1.H.-Other Offices?

>Confirm Sch.D/Item 1.J.-Locations of Books/Records?

>confirm SchD/Item 1.I-Website: Should be changed/updated to www.capital.com ?

Lastly, reminder that for an update-renewal of ADV-1 filing with SEC/FINRA online in IARD-system to be completed & effectuate an annual update of ADV-1 all federal & state notice filing fees plus state IAR (investment advisor reps) fees must be paid. Prelim accounting/fee notices are generally sent late Nov/early Dec annually; and then final fee notices are generally sent or made available online in Feb of following yr.

Fee notices would have covered SEC fees + 15 states fees/any state IAR fees.

Any info whether this has already been paid? See attached sample reminder notice from late 09

If not need to retrieve online or either by calling IARD/FINRA. Also can pay via wire/e- transfer, credit card or overnite delivered check.

<http://www.iard.com/renewals.asp>

Registration Renewal Reminders/Notices page

Thanks again & Best.

-Sidney

[REDACTED]

S.Wigfall,esq

Counsel

b. Item 5.F: Calculating Your Assets Under Management. In determining the amount of your assets under management, include the securities portfolios for which you provide continuous and regular supervisory or management services as of the date of filing this Form ADV.

(1) **Securities Portfolios.** An account is a securities portfolio if at least 50% of the total value of the account consists of securities. For purposes of this 50% test, you may treat cash and cash equivalents (i.e., bank deposits, certificates of deposit, bankers acceptances, and similar bank instruments) as securities. You may include securities portfolios that are:

- (a) your family or proprietary accounts (unless you are a sole proprietor, in which case your personal assets must be excluded);
- (b) accounts for which you receive no compensation for your services; and
- (c) accounts of *clients* who are not U.S. residents.

(2) **Value of Portfolio.** Include the entire value of each securities portfolio for which you provide continuous and regular supervisory or management services. If you provide continuous and regular supervisory or management services for only a portion of a securities portfolio, include as assets under management only that portion of the securities portfolio for which you provide such services. Exclude, for example, the portion of an account:

- (a) under management by another *person*; or
- (b) that consists of real estate or businesses whose operations you "manage" on behalf of a *client* but not as an investment.

Do not deduct securities purchased on margin.

(3) Continuous and Regular Supervisory or Management Services.

General Criteria. You provide continuous and regular supervisory or management services with respect to an account if:

- (a) you have *discretionary authority* over and provide ongoing supervisory or management services with respect to the account; or
- (b) you do not have *discretionary authority* over the account, but you have ongoing responsibility to select or make recommendations, based upon the needs of the *client*, as

to specific securities or other investments the account may purchase or sell and, if such recommendations are accepted by the *client*, you are responsible for arranging or effecting the purchase or sale.

Factors. You should consider the following factors in evaluating whether you provide continuous and regular supervisory or management services to an account.

(a) **Terms of the advisory contract.** If you agree in an advisory contract to provide ongoing management services, this suggests that you provide these services for the account. Other provisions in the contract, or your actual management practices, however, may suggest otherwise.

(b) **Form of compensation.** If you are compensated based on the average value of the *client's* assets you manage over a specified period of time, that suggests that you provide continuous and regular supervisory or management services for the account. If you receive compensation in a manner similar to either of the following, that suggests you do not provide continuous and regular supervisory or management services for the account --

(i) you are compensated based upon the time spent with a *client* during a *client* visit; or (ii) you are paid a retainer based on a percentage of assets covered by a financial plan.

(c) **Management practices.** The extent to which you actively manage assets or provide advice bears on whether the services you provide are continuous and regular supervisory or management services. The fact that you make infrequent trades (e.g., based on a "buy and hold" strategy) does not mean your services are not "continuous and regular."

Examples. You may provide continuous and regular supervisory or management services for an account if you:

(a) have *discretionary authority* to allocate *client* assets among various mutual funds;

(b) do not have *discretionary authority*, but provide the same allocation services, and satisfy the criteria set forth in Instruction 5.b(3);

(c) allocate assets among other managers (a "manager of managers"), but only if you have *discretionary authority* to hire and fire managers and reallocate assets among them; or

(d) you are a broker-dealer and treat the account as a brokerage account, but only if you have *discretionary authority* over the account.

You do not provide continuous and regular supervisory or management services for an account if you:

(a) provide market timing recommendations (i.e., to buy or sell), but have no ongoing management responsibilities;

(b) provide only *impersonal investment advice* (e.g., market newsletters);

(c) make an initial asset allocation, without continuous and regular monitoring and reallocation; or (d) provide advice on an intermittent or periodic basis (such as upon *client* request, in response to a market event, or on a specific date (e.g., the account is reviewed and adjusted quarterly)).

(4) **Value of Assets Under Management.** Determine your assets under management based on the current market value of the assets as determined within 90 days prior to the date of filing this Form ADV. Determine market value using the same method you used to report account values to *clients* or to calculate fees for investment advisory services.

(5) **Example.** This is an example of the method of determining whether a *client* account may be included as assets under management.

A *client's* portfolio consists of the following:

\$ 6,000,000 stocks and bonds
\$ 1,000,000 cash and cash equivalents
\$ 3,000,000 non-securities (collectibles, commodities, real estate, etc.)
\$10,000,000 Total Assets

First, is the account a securities portfolio? The account is a securities portfolio because securities as well as cash and cash equivalents (which you have chosen to include as securities) (\$6,000,000 + \$1,000,000 = \$7,000,000) comprise at least 50% of the value of the account (here, 70%). (See Instruction 5.b(1)).

Second, does the account receive continuous and regular supervisory or management services? The entire account is managed on a *discretionary* basis and is provided ongoing supervisory and management services, and therefore receives continuous and regular supervisory or management services. (See Instruction 5.b(3)).

Third, what is the entire value of the account? The entire value of the account (\$10,000,000) is included in the calculation of the adviser's total assets under management

EXHIBIT 7

SidneyW-CorpCounsel-SCA-SBF

From: David I. Osunkwo, Esq. [mailto:dosunkwo@capital.com]
Sent: Sunday, March 14, 2010 10:03 PM
To: Brian Church; Brian Church; Diane Lamm; John Lakian
Cc: Sidney G. Wigfall, Esq.; Lawrence Vincent, Esq.
Subject: Re: ADV

Brian:

We will work to get the ADV ready by Thursday.

David

David I. Osunkwo, Esq.
Chief Compliance Officer
(704) 895-6133 Office
(704) 372-2366 Fax
(917) 327-9056 Mobile

dosunkwo@capital.com

www.capital.com <<http://www.capital.com>>

1310 South Tryon Street, Suite 105
Charlotte, NC 28203



From: Brian Church <bchurch@investaegis.com>
Reply-To: Brian Church <bchurch@investaegis.com>
Date: Mon, 15 Mar 2010 01:45:51 +0000
To: David Osunkwo <dosunkwo@capital.com>, Brian Church <bchurch@capital.com>, Diane Lamm <dlamm@capital.com>, John Lakian <JRLakian@AOL.com>
Cc: "Sidney G. Wigfall, Esq." [REDACTED], "Lawrence Vincent, Esq." <lawrence.scadvisors@comcast.net>
Subject: Re: ADV

David, The reason I told him that he would have this information was because I was told that it would be finished by last Friday. We close Thursday. He has asked for several things that I have not been able to produce. He has seen the old ADV as it is public record and this is his concern. If I were him, I would want to see the new one as well. The acquisition is close to a deal with a large Broker Dealer for distribution purposes and does not want jeopardize that as he will have to produce our ADV once acquired. Thanks, Brian

Sent from my Verizon Wireless BlackBerry

From: "David I. Osunkwo, Esq." <dosunkwo@capital.com>
Date: Sun, 14 Mar 2010 21:35:46 -0400
To: Brian Church<bchurch@capital.com>; Diane Lamm<dlamm@capital.com>
Cc: Sidney G. Wigfall, Esq. [REDACTED] Lawrence Vincent, Esq. [REDACTED] >
Subject: Re: ADV
Brian:

Being that this would be the first filing following a series of major changes in the firm, I would like to exercise utmost caution in taking this step which represents our primary means of making disclosures to the regulators, our clients, counterparties and other audiences. I would strongly caution against rushing this process but instead we need to ensure that we have all the information in the new ADV as up-to-date as possible in order to fit into the new regulatory commitment Capital L is now projecting.

The ADV (both Parts) have undergone a number of reviews but certain information remain uncompleted or unverified and we are working to get those done – I plan on continuing to obtain, verify and confirm information this week with a view to filing Part I (Part II, of course, is not filed with the SEC) no later than the end of this week since I will be working in Charlotte Thursday and Friday; as soon as we have all the information, we will file.

With specific regard to the deal you are working on, I will suggest you consider taking one of two lines of action: (1) if the other party must have our Form ADV immediately, consider letting them have the current version (which they can still demand anytime in order to get full historical perspective) with a clear indication that it is being updated and will change in very substantive ways taking into account the new leadership, regulatory focus and other changes the Group has made; I am available to get involved in clarifying this if you think my involvement will be helpful; OR (2) let them wait a little while for the ADV with the understanding that the updated ADV will be available no later than the annual filing date required by the SEC which, for Capital L, is March 31. Of course, it will be filed sooner than that and will be made available to them.

You can call me anytime to discuss this – I will try to reach you tomorrow morning.

David

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From: Brian Church <bchurch@capital.com>

Date: Sun, 14 Mar 2010 13:22:59 -0700

To: David Osunkwo <David.Osunkwo@oakgroveconsult.com>, Diane Lamm <dlamm@capital.com>

Cc: "Sidney G. Wigfall, Esq." [REDACTED] "Lawrence Vincent, Esq." [REDACTED]

Subject: ADV

David,

I need a copy of the ADV (Parts 1 and 2) for our latest acquisition prospect. We are closing this week and I wanted to get this to him.

Thank you,

Brian Church
National Sales Director
cell 615.545.6095

CAPITAL 

formerly Aggis
wwwcapital.com

EXHIBIT 8

From: [REDACTED]
Sent: Tuesday, January 26, 2010 3:39 AM
To: DAVID OSUNKWO, Esq
Subject: Re: Adv

Hi David, we are supposed to close this afternoon or monday am at the latest. D

Sent from my Verizon Wireless BlackBerry

From: "David.Osunkwo@oakgroveconsult.com" <David.Osunkwo@oakgroveconsult.com>
Date: Fri, 26 Mar 2010 06:35:19 -0700
To: Diane Lamm<dlamm@bellsouth.net>; Diane Lamm<dlamm@capital.com>
Subject: Re: Adv
Hi, Diane:

I don't know where we are with respect to the Harmony closing, but I think we should consider filing the ADV Part I today or latest Monday and date the ADV Part II accordingly without taking into account the Harmony closing and AUM. That way, we can make use of the updated ADV for marketing and client service issues, including responding to a deliverable from a platform provider, Pershing, which is due no later than March 31 (next Wed). I will quickly update the ADV with any additional information as soon the closing occurs, since there is no limit to the number of times we can file an update.

Also, by Rule, the new ADV has to be filed by March 31. If at all possible, I would like to file the form before I leave Charlotte today or from Atlanta on Monday.

David

David I. Osunkwo, Esq.
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Charlotte, NC 28203

From: Diane Lamm [REDACTED] <[REDACTED]>
Reply-To: Diane Lamm [REDACTED]
Date: Wed, 17 Mar 2010 15:20:31 -0700
To: "DAVID OSUNKWO, Esq" <david.osunkwo@oakgroveconsult.com>
Subject: Adv

David, I want to move towards updating the adv and I would like to get all questions answered tomorrow but we expect to close on the TN practice tomorrow and I think we should not file without that info. Let's talk in the am. Diane Sent from my Verizon Wireless BlackBerry

EXHIBIT 9

Subject: Re: Call
Date: Wednesday, March 31, 2010 at 5:02 PM
From: Diane Lamm <DLamm@capitall.com>
Reply-To: "Diane Lamm" <DLamm@capitall.com>
To: David Osunkwo <dosunkwo@capitall.com>

I got the email and am headed back to my desk to confirm.
Great job. Thanks!
Sent from my Verizon Wireless BlackBerry

-----Original Message-----
From: David Osunkwo <dosunkwo@capitall.com>
Date: Wed, 31 Mar 2010 17:37:08
To: Diane Lamm <DLamm@capitall.com>
Subject: RE: Call


Awesome; I just hit "send" and shortly thereafter, you (as the principal contact person) will receive a confirmation email from this IARD email address: SECIARDNotifications@FINRA.org.

Please forward a copy of that email and any other messages or phone calls from the SEC or IARD to me as promptly as you can (usually within a day).

PS: There is a little technical thing regarding the deletion of a person who previously had a regulatory issue; it requires a two-step process which I will take later this evening once I get the submission confirm from you. The result is that Allen's name will be taken off of the ADV completely after the second submission (instead of showing as "no longer associated with" Aegis.

Regards,

David I. Osunkwo, Esq.
Chief Compliance Officer

704.895.6133 Main
877.331.6601 Toll Free

704.372.2366 Fax

1310 South Tryon Street, Suite 105
Charlotte, NC 28203

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From: Diane Lamm
Sent: Wednesday, March 31, 2010 5:26 PM
To: David Osunkwo
Subject: Re: Call

Great thanks!
Sent from my Verizon Wireless BlackBerry

-----Original Message-----
From: David Osunkwo <dosunkwo@capital.com>
Date: Wed, 31 Mar 2010 16:12:00
To: Diane Lamm <DLamm@capital.com>
Subject: RE: Call

Hi, Diane:

Thanks for your response; I will get back to you on those items a little later, if you don't mind. I want the ADV filed in the next hour or so.

I understand from Doug Turner that the required client written approvals that would permit Aegis to include Harmony-advised assets in Aegis's AUM number, is currently being obtained and has yet to complete. In light of that, the ADV Rules would not allow Aegis to claim management of those assets pending the approval of the clients, and therefore, I am afraid, we can't yet report the additional assets in our ADV.

However, once the client written approvals, or a portion of those, are received, I will very simply update the ADV to reflect those additional assets. Now, often in many RIA acquisitions, there may be some holdovers or outright refusals, but Doug believes his client base is very loyal and we may get a 100% approval.

Since this is the last item I need to file the ADV, could you please reply and let me know if you are OK with the above or need to discuss further; once you are fine with the apprx. \$65 million AUM, I will go ahead and process the filing.

David

David I. Osunkwo, Esq.
Chief Compliance Officer

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From: Diane Lamm
Sent: Wednesday, March 31, 2010 1:24 PM
To: David Osunkwo
Subject: RE: Call

For the AUM, please use the number on the Harmony ADV. I have circled back and located the evidence and it shows the same number you got from his Form ADV. Please add to the \$165 million number I gave you for our AUM prior to his acquisition. Just as an FYI, part of yesterday's meetings were about the AUM numbers (among others) and my expectations of access to them as well as reconciliation. I will show you the new process and share my reorg efforts with you when we meet.

I am anxious to hear about your compliance plans and will merge them with mine.

I need to follow-up with Eric in regard to Haley . We will engage you in conversations soon on that front.

I opened some discussion with John this morning relating to Pershing - would like to hear your thoughts.

I plan to be in Charlotte next Wednesday. John will arrive in the afternoon. After that I do not have confirmed schedule. Yesterday Les and I found we were very productive working together here in Charleston. It may be that the 3 of us should schedule time outside the Charlotte office as my time there always feels less than productive.

As for your introductions, by all means I would like to get you in front of these folks. We are on

the short end of a relationship with K&L Gates but anytime you are in Charlotte we can set something up with Paul Steffens. As for Dechert, please coordinate that with Eric. I have requested E&O policy. I need to make some big decisions here and we can discuss this and give me your perspective.

We will talk soon!

Diane

-----Original Message-----

From: David Osunkwo

Sent: Wednesday, March 31, 2010 12:54 PM

To: Diane Lamm

Subject: RE: Call

Hi, Diane:

No problem at all; I fully understand the various balls you have to juggle every day in managing all of this. If you can get me the AUM numbers, there is no rush to talk today as I would like to get the filing done this afternoon. I know it's hard to schedule a call but we can talk anytime tomorrow by which time the filing is done.

But please feel free to call anytime including evenings and weekend - that's how I work and my family understands that.

The other subjects I'd like to put in front of you for discussion include:

1. Haley Serbin
2. Aegis Capital Fund on Pershing platform?
3. Confirmation of E&O coverage for Eric and me
4. Schedule of my next visit - will like to meet with you and preferably John for 30 mins - this is important for our new compliance structure that I am putting together (I know it's hard to get both of you for this long, but we have to make it possible) and demonstrate it to third parties
5. Introduce me to outside counsel - K&L Gates, Dechert, etc to facilitate routine requests and interactions.

David

David I. Osunkwo, Esq.
Chief Compliance Officer

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704.372.2366 Fax

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From: Diane Lamm
Sent: Wednesday, March 31, 2010 12:41 PM
To: David Osunkwo
Subject: RE: Call

Hi David:

Apologies about yesterday.

Firstly, List Doug Turner as the title you have below. Eric is the CIO as you state.

Secondly, I am getting the AUM docs to support his number and will pass along to you.

I will get the answers to the AUM question and give you a call. D

-----Original Message-----

From: David Osunkwo
Sent: Wednesday, March 31, 2010 11:58 AM
To: Diane Lamm
Subject: RE: Call

Hi, Diane:

One of the things I wanted to speak to you about yesterday is the Aegis Capital, LLC Form ADV filing - could you please confirm the assets under management that we are using: prior to the Harmony closing, I had \$164,994,972.00. Although I have previously heard that Harmony was bringing over excess of \$60 million AUM, their 2/01/2010 ADV has \$56,819,238.00. I want to be sure we have a number that has been verified and can be supported. Could you please provide me with the final AUM to be reported for our ADV.

Also, could you please let me know what will be Doug Turner's title with Aegis Capital, LLC; Senior Portfolio Manager? (remember that Eric has been designated Chief Investment Officer).

Due to the anticipated heavy traffic on the IARD system, I would like to file the ADV before 3 PM (way before the daily deadline of 11 PM), so if you can please respond before that time, I would appreciate it.

I'm in my office all day and would still like to talk if you have the time.

David

David I. Osunkwo, Esq.
Chief Compliance Officer

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From: David Osunkwo
Sent: Tuesday, March 30, 2010 1:31 PM
To: Diane Lamm
Subject: Call

Diane:

I left a voicemail for you on your cell and home office numbers; is there any time you are available to discuss briefly - ADV, Pershing platform for Aegis Capital Fund, Haley Serbin?

I'm in my Atlanta office today and can be reached on either 404 364-1886 or 917-327-9056.

David

David I. Osunkwo, Esq.
Chief Compliance Officer

704.895.6133 Main
877.331.6601 Toll Free
[REDACTED] Mobile
704.372.2366 Fax

1310 South Tryon Street, Suite 105
Charlotte, NC 28203

www.CapitalL.com

From: David Osunkwo
Sent: Tuesday, March 30, 2010 10:29 AM
To: Diane Lamm
Subject: RE: Doug Turner

Diane:

Can I call you at 12.30 or 1 PM Eastern?

David

David I. Osunkwo, Esq.
Chief Compliance Officer

704.895.6133 Main
877.331.6601 Toll Free
[REDACTED] Mobile
704.372.2366 Fax

1310 South Tryon Street, Suite 105
Charlotte, NC 28203

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From: Diane Lamm

Sent: Tuesday, March 30, 2010 9:15 AM

To: David Osunkwo

Subject: Doug Turner

David,

We will need to add Doug to the ADV. I have requested that he send you the information that applies to his office as well as his personal info.

If you want to reach out to him his email is

dturner@harmonyim.com<<mailto:dturner@harmonyim.com>>

Les and I are meeting here in Charleston. I expect to be free by early afternoon.

D

EXHIBIT 10

SidneyW-Esq-CorporateCounsel-SCA&SBF

Subject: FW: first thoughts

From: Eric Blau <EBlau@capital.com>
Date: Thu, 12 Aug 2010 11:01:02 -0700
To: David Osunkwo <dosunkwo@capital.com>
Subject: first thoughts

David – Here is my goal – to make the SC Advisor/Capital L relationship mutually beneficial and profitable. Over time I would love for our two companies to develop a symbiotic relationship where we rely on you for compliance and counsel and you rely on us to compensate you for these services. Together we succeed and your company grows. I think times are challenging right now because I'm under some tight deadlines to launch a series of funds. In addition the company is involved in a number of special projects which pop up unexpectedly and divert energy away from fund creation. It is entirely possible that we rely too much on your team for counsel, and maybe we need to diversify our counsel. But I think we can put some organization behind the types of work you perform to make things seem less hectic.

If I try to simplify things, I think of your team in this way:

David – compliance and contracts

Lawrence – funds

Sidney – futures fund, NFA

So aside from what you are doing with John and Diane (which is a lot!), this seems manageable for the following reasons:

David – no solution, you have too much to do already, but adding Haley as a shared resource helps the workload I hope

Lawrence – once the funds are up and running, very little legal remaining. I am doing all the contract work with administrators, auditors, etc. just relying on SC Advisors to create the original fund documents.

Sidney – once the futures fund is amended, some ongoing filing assistance. Once we have the fund amended a month from now, things should go quiet again.

I spoke with John about this and he agreed that we completely expect you to bill us appropriately as projects fall outside the original contract terms. So on a compensation front, we should be able to reach accord. On a workload front, I would like to front-end load all of the fund work in order to get these funds up and running, after which things should slow down.

There are two things for which we are in the dark:

- 1) What is your workload away from Capital L
- 2) Do you have additional staff which could do some of this work?

I believe Capital L can grow to be a huge client for your firm. And there is enough work on the horizon that we could easily employ a junior attorney (5 years experience) in Charlotte or another city, on your payroll. What do you think? When that attorney is done with our firm, you'll have another fund expert on your team, fully battle-tested and ready to go!

Eric Blau
Chief Investment Officer
Capital L Group

(704) 895-6133, ext. 1101
(704) 372-2366 fax



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EXHIBIT 11

SidneyW-Esq-CorporateCounsel-SCA&SBF

Subject: FW: idea for a dedicated compliance email

From: Eric Blau <EBlau@capital.com>
Date: September 1, 2010 9:39:16 AM EDT
To: David Osunkwo <dosunkwo@capital.com>, Les Robertson <LRobertson@capital.com>
Cc: Diane Lamm <DLamm@capital.com>
Subject: idea for a dedicated compliance email

David – I believe we should create a new email address named compliance@capital.com. It's easy to do, and it would essentially be a mailbox that just you would access. The way we would use it is that we would CC the compliance email address on all investor communication. When investors get their email from our InvestorRelations@capital.com email, they would also see that we have a compliance address cc'd. This has value for us for two reasons: 1) gives our clients comfort in that they see the word "compliance" and 2) gives you a dedicated mailbox that is related strictly to investor communications. You can check it whenever you like, and you would have one handy location to quickly find these types of emails. If you think this idea makes sense, we'll have the new address created asap. Just let me know.

Thanks,

Eric

Eric Blau
Chief Investment Officer

Capital L Group

(704) 895-6133, ext. 1101

(704) 372-2366 fax

EXHIBIT 12

SidneyW-CorpCounsel-SCA-SBF

Importance: High

----- Forwarded Message

From: Eric Blau <EBlau@capitall.com>

Date: Tue, 7 Sep 2010 08:46:39 -0700

To: John Lakian <JLakian@capitall.com>

Cc: <dllamm@capitall.com>, <lroberston@capitall.com>, David Osunkwo <dosunkwo@capitall.com>, Doug Turner <dturner@harmonyim.com>, Brian Church <BChurch@capitall.com>

Subject: RE: circle one wealth close

Great news John! I'll have the team draft Circle One language for the website and send it to Brian today. And we'll coordinate with Les on all paperwork. - Eric

From: John Lakian

Sent: Tuesday, September 07, 2010 11:42 AM

To: dllamm@capitall.com; Eric Blau; dchurch@capitall.com; lroberston@capitall.com; David Osunkwo; Doug Turner

Subject: circle one wealth close

I do not know if the first email got to everyone. It bounced back due to some firewalls.

So here it is again.

We are heading to a close of the Capital L and Circle One Wealth transaction this Thursday. Pete and Frank will be in Charleston to sign on Thursday. We need to add Circle One to our web site as a wholly owned sub specializing in wealth mgt for sports figures and folks in general. We need to make sure our accounting takes into account the billing of their present clients payouts to the respective Circle One executives etc. Need to stream line all paper work. In other words we need to integrate them into our company including compliance. John

----- End of Forwarded Message

EXHIBIT 13

SidneyW-CorpCounsel-SCA-SBF

From: David Osunkwo [dosunkwo@capital.com]
Sent: Tuesday, January 18, 2011 2:55 PM
To: Eric Blau
Cc: Sidney Wigfall At Comcast
Subject: RE: call on Aegis Capital

Eric;

Absolutely - I am available any time tomorrow except 12noon to 1 PM. I think this is a good time to discuss this subject so that whatever status is decided - status quo, name change, de-registration, merger - may be incorporated in the new ADV which I am starting to work on.

Please let me know what time works for John and you.

David

From: Eric Blau
Sent: Tuesday, January 18, 2011 3:41 PM
To: David Osunkwo
Subject: call on Aegis Capital

David - are you available tomorrow for a brief call to discuss the entity Aegis Capital, LLC with John and me? Would like to get your thoughts on keeping it registered vs. deregistering, renaming it, and some other questions. Would expect it to be a 15 minute call at the most.

Eric Blau
Chief Investment Officer
Capital L Group
(704) 895-6133, ext. 1101
(704) 372-2366 fax
[cid:image001.jpg@01CBB726.2008DE00]

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EXHIBIT 14

From: Bonnie Crittenden
Subject: RE: Can you do a call today?
Date: January 20, 2011 at 1:27:47 PM EST
To: Eric Blau <EBlau@capitall.com> , David Osunkwo <dosunkwo@capitall.com>

Yes. I will set it up. DAVID: can you please confirm??

Thanks, Bonnie

-----Original Message-----

From: Eric Blau
Sent: Thursday, January 20, 2011 1:26 PM
To: David Osunkwo
Cc: Sidney Wigfall At Comcast; Bonnie Crittenden
Subject: RE: Can you do a call today?

David - John can do 4pm, does this work? Once you confirm, Bonnie will you please send out a dial in for us? Thank you.

From: David Osunkwo
Sent: Thursday, January 20, 2011 12:18 PM
To: Eric Blau
Cc: Sidney Wigfall At Comcast
Subject: RE: Can you do a call today?

Hi, Eric:

Sorry to hear you aren't feeling well - with strep. Feel better soon.

I am available for the call with John any time after 2 PM today when my last scheduled meeting should have wrapped up. Please let me know what time works. I saw a missed call on my cell from John while I was in a meeting outside my office but he didn't leave a voicemail. I will wait till I hear from you regarding our (you, John and I) meeting today. His call is probably related to this.

David

David I. Osunkwo, Esq.
Chief Compliance Officer
Capital L Group
(704) 895-6133 Main
[REDACTED] [REDACTED] Mobile
(704) 372-2366 Fax

1355 Greenwood Cliff, Suite 250
Charlotte, NC 28204

dosunkwo@capital1.com
www.capitalL.com

From: Eric Blau
Sent: Thursday, January 20, 2011 11:01 AM
To: David Osunkwo
Subject: Can you do a call today?

Would like to have a call with you and John to discuss deregistering Aegis Capital, changing name to Capital L, etc. Is there a good time for you?

Also we want to close TAG. I am going to try to get things done with Abel today/tomorrow. One complication is that I'm sick with strep. Working from home.

EXHIBIT 15

SidneyW-CorpCounsel-SCA-SBF

-----Original Message-----

From: Eric Blau [mailto:EBlau@capital1.com]
Sent: Tuesday, March 01, 2011 6:35 PM
To: David Osunkwo, Esq.
Cc: Sidney Wigfall At Comcast
Subject: RE: Capital L Group-SC Advisors / Current Engagement-Proposed Extension & New Engagement Preparation

And I pledge to help you get it all done quickly and accurately! Thank you. I will call you tomorrow to keep the ball rolling toward extension. Knock on wood - there is no way tomorrow will be as busy as today was for us!

From: David Osunkwo, Esq. [mailto:david.scadvisors@comcast.net]
Sent: Tuesday, March 01, 2011 7:33 PM
To: Eric Blau
Cc: Sidney Wigfall At Comcast
Subject: Re: Capital L Group-SC Advisors / Current Engagement-Proposed Extension & New Engagement Preparation

Eric:

In the spirit of our long-term relationship, we will be willing to have the fee cover the filing of Form ADV for the advisor, Circle One, and deregistering Aegis Capital, LLC, a transaction that will involve a fair amount of work, including regulatory filing.

David

David I. Osunkwo, Esq.
Principal & Senior Corporate Counsel
SC Advisors, LLC
SBF Corporate Counsel Group
The Lenox Building, Suite 400
3399 Peachtree Road, NE
Atlanta GA 30326

(404) 751-5067 Main
(404) 751-5068 Direct
(404) 751-5069 Fax
david.scadvisors@comcast.net

Chicago ☐ New York ☐ Atlanta ☐ San Francisco

Please note that effective December 1, 2010 our offices have relocated to a new address at The Lenox Building above.

This email communication and any attachments hereto are intended for the person or entity named above and any other person or entity that has been specifically authorized to receive

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----- Original Message -----

From: "Eric Blau" <EBlau@capital1.com>
To: "Sidney Wigfall At Comcast" <sidney.scadvisors@comcast.net>
Cc: "DavidO-CorpCounsel-SCA-SBF" <david.scadvisors@comcast.net>
Sent: Tuesday, March 1, 2011 7:13:22 PM
Subject: RE: Capital L Group-SC Advisors / Current Engagement-Proposed Extension & New Engagement Preparation

[cid:image001.gif@01CBD847.C524C4F0]

Does the \$18k cover the drafting/submission of the Form ADV and the deregistration of Aegis Capital, LLC?

EXHIBIT 16

From: Eric Blau
Subject: RE: ADV Deadline
Date: March 24, 2011 at 4:46:19 PM EDT
To: Peter Roe <roe@circleonewealth.com>
Cc: David Osunkwo <dosunkwo@capital.com>

Pete - I want to be sure you are aware of the master plan - please call me if you aren't (I have been working on assumption that John has discussed this with you). Company is merging Aegis RIA with Circle One RIA to create a single RIA under the Circle One name. We are planning to do this with David's help in conjunction with the 3/31 ADV filing.

-----Original Message-----

From: David Osunkwo
Sent: Thursday, March 24, 2011 3:54 PM
To: Peter Roe
Cc: blackard@circleonewealth.com; Eric Blau
Subject: RE: ADV Deadline

Pete:

Great - will do; and will update your team in a few days.

David

David I. Osunkwo, Esq.
Chief Compliance Officer
Capital L Group
(704) 895-6133 Main
[REDACTED] [REDACTED] Mobile
(704) 372-2366 Fax

1355 Greenwood Cliff, Suite 250
Charlotte, NC 28204

dosunkwo@capital.com
www.capital.com

From: Peter Roe [roe@circleonewealth.com]
Sent: Thursday, March 24, 2011 3:12 PM
To: David Osunkwo
Cc: blackard@circleonewealth.com; Eric Blau
Subject: Re: ADV Deadline

Yes David John and I discussed last Friday that we want you to handle this and transition out of Kim since you are the long term solution for us.

On Mar 24, 2011, at 2:59 PM, David Osunkwo <dosunkwo@capitalL.com>
wrote:

> Pete and Frank:

>

> I just spoke with Kim, your compliance consultant and she confirmed that the SEC deadline for submission of Circle One's Form ADV is March 31, 2011. She stated that tomorrow's deadline is the date by which she requires that Circle One send her disclosure and other documents that will assist her in preparing and filing the ADV by the SEC deadline of March 31.

>

> However, as part of our discussion, it appears that she is continuing to provide compliance support to Circle One, including the preparation of the Form ADV; in order to avoid a duplication and waste, I would like to get some clarification on whether I should continue to work on the Circle One ADV which, as I have been instructed, should now include Aegis Capital. If you would like to discuss further, please let me know.

>

> David

>

> David I. Osunkwo, Esq.

> Chief Compliance Officer

> Capital L Group

> (704) 895-6133 Main

> (██████████) Mobile

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EXHIBIT 17

SidneyW-CorpCounsel-SCA-SBF

From: Eric Blau [<mailto:EBlau@capital.com>]

Sent: Thursday, March 31, 2011 10:28 PM

To: David Osunkwo

Subject: AUM 12/31

David – Without Harmony, I believe AUM was as follows on 12/31

Funds: \$36,800,000

Schwab/Fidelity: \$96,092,701 (1,179 accounts)(not sure how many customers)

Circle One: probably higher than \$50m, but hopefully Frank told you a number today

Total is in the \$182.89m range and does not include Harmony

Eric Blau

Chief Investment Officer

Capital L Group

(704) 895-6133, ext. 1101

(704) 372-2366 fax



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EXHIBIT 18

SidneyW-Esq-CorporateCounsel-SCA&SBF

-----Original Message-----

From: Eric Blau [mailto:EBlau@capital.com]

Sent: Friday, April 01, 2011 9:24 PM

To: Sidney Wigfall At Comcast; David Osunkwo

Subject: Re: Form ADV

Please just confirm for me tomorrow that we are properly filed on harmony and capital L. Best regards, Eric

On Apr 1, 2011, at 9:06 PM, "SidneyCorpCounsel-SCAdvisors-SBF"

<sidney.scadvisors@comcast.net<mailto:sidney.scadvisors@comcast.net>> wrote:

Hi Eric.

Just to supplement or clarify re below.

This scenario re account fees needing to be transferred over is due to IARD/Finra system issues & not any firm's fault.

If the account funding is not showing the IARD system will not process or let the ADV filing submission go thru.

That's in part why IARD filing system hours were extended to Sat as it is not normally open for filings on the weekend.

Several other firms are in a similar posture & had to check their account funding today to see if in proper account.

Some may not be able to file until Mon or once IARD/Finra accounting staff make all the transfers into the correct account for a firm so that its filing will go thru when submitted electronically.

We can use our confcall line 308-344-6400 code 839208# or just let me know which number to call you at.

Should be in touch with David shortly if you haven't already heard from him.

Thanks-Sidney

----- Original Message -----

From: "SidneyCorpCounsel-SCAdvisors-SBF" <sidney.scadvisors@comcast.net<<mailto:sidney.scadvisors@comcast.net>>>

To: "Eric Blau" <EBlau@capital.com<<mailto:EBlau@capital.com>>>

Sent: Friday, April 1, 2011 7:42:10 PM

Subject: Re: Form ADV

Hi Eric.

I believe David may have been in an all-day industry conf/class prior scheduled.

ADV's for combined Circle One (including Aegis Capital) & for Harmony will be filed between today & Sat.

IARD filing system has had several issues on its end with filing fees being in incorrect account of a registered firm.

Those fees have to be in the correct account for the filing to go thru. Also any funds sent into a firm's acct usually takes 1-2 days to credit into its account

SEC has extended the IARD hrs of access to Sat given these issues & also the volume of new ADV-2 companion filings.

There will be no sanctions or other fines for ADV-filings generally & there won't be any in this scenario as SEC is well aware of both system account glitches with IARD which is managed by Finra & volume of filings.

I also received a series of voicemail messages from Diane on same topic but I have not had a chance to call her back or email her.

The only possible hitch with Harmony's ADV is as I understand there may be some cooperation issues with Doug as to providing reasonably current information for filing annual update & his consent to his e-signature being used.

Can talk later by phone if need to with you and/or Diane & David & myself.

If any further questions, pls let me know.

Best-Sidney

----- Original Message -----

From: "Eric Blau" <EBlau@capitall.com<mailto:EBlau@capitall.com>>

To: "Sidney Wigfall" <swigfall@capitall.com<mailto:swigfall@capitall.com>>

Sent: Friday, April 1, 2011 7:11:46 PM

Subject: Form ADV

Sidney. I am trying to find out if our ADVs were filed last night. I can't reach David. Can you let me know? Thank you, Eric