

ADVISORY SERVICES AND FEES

H. C. Meyer, Inc. (HCM) provides investment supervisory services, defined as giving continuous advice to, or making investments for, clients based on their individual needs. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, HCM develops a client's personal investment policy and creates and manages a portfolio based on that policy. HCM provides this service to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, and corporations. HCM will manage advisory accounts on a discretionary basis only. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income or growth and income).

HCM will create a portfolio consisting entirely of no-load and load-waived mutual funds. HCM will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. The mutual funds will be selected on the basis of any or all of the following criteria; 1) performance history, 2) industry sector, 3) track record of fund manager, 4) fund investment objectives, 5) fund management style and philosophy, and 6) fund management fee structure.

Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on their behalf. Clients will retain individual ownership of all securities.

FINANCIAL PLANNING

Financial plans are available with fees ranging from \$500 to \$1,500, based on the complexity of the plan. These fees are negotiable. No fees will be accepted that are \$500 or more and 6 months in advance.

CONSULTING

Clients may also receive investment advice on a limited basis. This may include advice on only an isolated area(s) of concern, such as estate planning, retirement planning, or any other specific topic. HCM also provides specific consultation and administrative services regarding investment and financial concerns of the client. The fee for this service is an hourly rate of \$150.

Additionally, HCM provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice.

FEE SCHEDULE

Investment Supervisory Services

The annual fee for investment supervisory services will be charged as a percentage of assets under management, generally ranging from 0.20% to 2.00 per year. HCM will quote an exact percentage fee to each client based on the nature and total dollar value of the account. A minimum of \$25,000 of assets under management is required for this service.

These fees and expenses are described in each fund prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client can invest in a mutual fund directly with the mutual fund company, without the services of HCM, in which case, client will not receive the services of HCM, which are designed, among other things, to assist in determining which mutual fund(s) are most appropriate for the clients' condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by HCM to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Clients should note that similar advisory services may or may not be available from other registered investment advisors form similar or lower fees.

In addition to HCM's advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker/dealers, including but not limited to, any transaction charges imposed by a broker/dealer with which an independent investment manager effects transactions for the clients' accounts.

Each investment advisory agreement provides that the agreement between client and Adviser shall be continuous until terminated by either party. Each agreement provides that the client may terminate the agreement within five business days of its effective date without paying any fees or penalties. The agreement also provides that once the initial five-day period has passed, either party to the agreement may terminate the agreement at any time by providing thirty days' written notice to the other party.

<p>Page 2 Item 1D</p>	<p>Upon termination, it is the client's responsibility to monitor the securities in the Account, and Adviser will have no further obligation to act or provide advice with respect to those assets. If the agreement is terminated partway through a calendar quarter, fees collected in advance will be refunded to the client, pro-rata, based on the number of days remaining in the calendar quarter following the effective date of termination.</p>
<p>Page 4 Item 6</p>	<p>As a matter of policy and practice, HCM does not have any authority to and does not vote proxies on behalf of the advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in the client portfolios.</p> <p>EDUCATION AND BUSINESS STANDARDS Advisory persons associated with HCM must possess, minimally, the following: A college degree and/or appropriate business experience and all required licenses.</p> <p>EDUCATION AND BUSINESS BACKGROUND HOWARD C. MEYER, JR. BORN 1944</p> <p><u>Education:</u> Attended Kendall College (Evanston, IL) 1963 to 1964 Graduated from Cuyahoga Community College (Cleveland, OH) 1968</p> <p><u>Employment:</u> Registered Representative with Washington Square Securities, Inc. 1/87 to 7/92 Registered Representative with MW Management Company 7/92 to 12/99 President H.C. Meyer, Inc. 9/97 to present Registered Representative with Donahue Securities 12/99 to 3/01 Registered Representative with Brecek & Young Advisors, Inc. 3/01 to 10/03 Registered Representative with Stuart Securities Corp. 11/03 to 9/06 Co-Owner Midwest Annuity & Investment Services 1/86 to present</p>

<p>Page 4 Item 7A,B,C</p>	<p>OTHER BUSINESS ACTIVITIES</p> <p>HCM is also an insurance agency and offers clients customary insurance services for separate and typical compensation. However, no advisory client is obligated to use HCM in this capacity. All clients are free to choose the insurance agent and agency of their choice.</p> <p>The President and HCM associates are insurance agents of HCM and other various insurance companies. In their capacity as insurance agents, these individuals will be able to implement recommended insurance transactions for advisory clients for separate and typical compensation.</p> <p>It is anticipated that the associated persons of HCM will spend approximately 40% of their time related to these activities.</p>
<p>Page 5 Item 9E</p>	<p>HCM or individuals associated with HCM may buy or sell securities identical to those recommended to clients for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. It is the expressed policy of HCM that no person employed by HCM may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, therefore preventing such employees from benefiting from transactions placed on behalf of advisory clients.</p>
<p>Page 6 Item 12B</p>	<p>INVESTMENT SUPERVISORY SERVICES</p> <p>Because HCM utilizes the platforms of Charles Schwab (Schwab) and FTJ FundChoice, (FTJ) clients are contractually agree to use these firms to execute transaction(s). Custody of account assets will also be maintained with these firms. HCM has evaluated Schwab and FTJ and believes that either will provide clients with a blend of execution/custodial services and professionalism that will assist HCM in obtaining best execution for transactions.</p> <p>While HCM has a reasonable belief the Schwab and FTJ are able to obtain best execution and competitive prices, HCM will not be independently seeking best execution price capability through other broker/dealers. Clients understand and acknowledge that instructing HCM to execute all transactions on behalf of the account through Schwab and/or FTJ, a disparity may exist between the commissions borne by HCM's other clients that may be using a broker/dealer other than Schwab and/or FTJ. Clients opting to use a broker/dealer other than Schwab and/or FTJ may forego benefits that HCM may be able to obtain for its clients through, for example, negotiating volume discounts or block trades.</p>

ADDITIONAL COMPENSATION

HCM and/or its associates may, from time to time, receive incentive awards for the recommendation/introduction of investment products. The receipt of this compensation may affect the judgment in recommending products to clients.

While these individuals endeavor at all times to put the clients' interests first as part of HCM's fiduciary duty, clients should be aware that the receipt of these incentives may affect the judgment when making recommendations/introductions.

HCM participates in the institutional service programs offered by Charles Schwab & Co., Inc., and FTJ FundChoice. While there is no direct linkage between the investment advice given and the participation in these programs, economic benefits are received if HCM did not give investment advice to clients. These benefits may include any or all of the following:

1. Receipt of duplicate confirmations and bundled duplicate statements;
2. Access to a trading desk serving program participants exclusively;
3. Access to block trading which provides the ability to aggregate transactions;
4. Investment advisory fees deducted directly from client accounts;
5. Access, for a fee, to an electronic communications network for order entry and account information;
6. Compliance publications; and
7. Access to mutual funds which generally require significantly higher minimum initial investment requirements and are generally available only to institutional accounts.

Additional benefits received through participation in these programs may depend upon the amount of transactions directed to, or the amount of assets custodied by, Schwab and/or FTJ. HCM is required to maintain a minimum level of client assets with the Schwab program to avoid a quarterly service fee.