

Concord Asset Management, LLC

Disclosure Brochure

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March 2013
www.concordinvestment.com

This brochure provides information about the qualifications and business practices of Concord Asset Management. If you have any questions about the contents of this brochure, please contact us at 800-887-1166. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

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Concord Asset Management, LLC

Summary of Material Changes to Disclosure Brochure

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The following summarizes for your reference changes to the firm's Disclosure Brochure since the last annual update of the brochure (Disclosure Brochures dated March 2012 and May 2012). Some or all of these changes may not be considered material to you or others.

You should keep a copy of this summary with the complete copy of the Disclosure Brochure we previously provided to you. If you would like a complete copy of the current disclosure brochure, please call us.

Changes from Disclosure Brochure dated March 2012

- The description of management at our parent company (Madison) in the subsection "Our People" under the section "Advisory Business" is revised.

Changes from Disclosure Brochure dated May 2012

- Additional disclosure regarding the "General Risk of Investing in Securities" is added to the "Risk" subsection of the "Methods of Analysis, Investment Strategies and Risk of Loss" section.
- The "Trading of Bonds" subsection in the "Brokerage Practices" section is revised to disclose that we may delegate certain responsibilities in connection with fixed-income trading to our Madison affiliate.

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is available on the SEC's website at www.adviserinfo.sec.gov.**

TABLE OF CONTENTS

ADVISORY BUSINESS	1
FEES AND COMPENSATION	4
PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT	5
TYPES OF CLIENTS	5
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	5
DISCIPLINARY INFORMATION	6
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	6
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	8
BROKERAGE PRACTICES	8
REVIEW OF ACCOUNTS	12
CLIENT REFERRALS AND OTHER COMPENSATION	13
CUSTODY	13
INVESTMENT DISCRETION	14
VOTING CLIENT SECURITIES	14
FINANCIAL INFORMATION	14
REPRESENTATIVE CLIENT LIST	14
EDUCATION AND BUSINESS BACKGROUND	16
PRIVACY POLICY	17

ADVISORY BUSINESS

Our Firm and Its History

Concord Asset Management, LLC (“Concord”) is an investment adviser. Concord's predecessor was organized in 1987 to offer custom-tailored, discretionary investment management services for both individuals and institutional accounts.

Concord is unique in many ways. We believe there is more to our clients than the assets to be managed and the fees to be earned. Our No. 1 priority is to help our clients feel financially secure regardless of market conditions.

Concord is a subsidiary of Madison Asset Management, LLC which, in turn, is a subsidiary of Madison Investment Holdings, Inc. Each “Madison” entity shares personnel and resources at our Madison, Wisconsin headquarters. Prior to December 1, 2010, Madison Investment Holdings, Inc. was known as Madison Investment Advisors, Inc. (our Wisconsin-based affiliates are collectively referred to as “Madison”).

Concord Asset Management is privately held. Its employees and, through our parent company, the employees of Madison Investment Holdings, Inc., have a vested interest in the success of our firm. Our organization has offices in Madison, Wisconsin, Scottsdale, Arizona, New York, New York and Chicago, Illinois.

Our Principles

We believe:

- The assets we manage are very important to each client’s financial security and should be managed prudently.
- Real wealth is created by buying well-managed companies at reasonable prices and remaining both vigilant and patient while the company grows. We do not believe in market timing, short-term trading or other get-rich-quick strategies.
- As people age, there is a greater need to protect principal so adequate income can be generated during the retirement period. Therefore, we actively manage bonds and consider it an important part of our mission.
- Each client’s goals, fears and needs are unique and should be understood and addressed accordingly. Relationship continuity and superb individual service are essential in building long-term, multi-generational relationships.
- It is important to minimize taxes, commissions and other costs to maximize after-tax returns.
- Investment management is only one part of the wealth management process and therefore, we work closely with our clients’ other trusted advisers.

Our Principal Owners

Our firm is a subsidiary of Madison Asset Management, LLC which, in turn, is a subsidiary of Madison Investment Holdings, Inc. Madison Investment Holdings, Inc. is employee owned with Frank E. Burgess as the principal owner who also serves as the Chairman of its Board

Our People

Our company works as a team solely dedicated to serving our clients and their unique investment needs. Our staff is highly experienced and well motivated to produce outstanding performance and service. The management team and senior personnel at Concord (in alphabetical order) consist of the following individuals:

Jacqueline Born-Campbell – Managing Director – Client Services

Jackie joined Concord as senior client relations administrator and office manager in 1987. She has been instrumental in building Concord’s administrative and operational capabilities. Jackie is currently supervisor of client relations and oversees administration for Concord clients. Prior to Concord, she spent 14 years with Harris Bank working in their Investment Management Division. She attended DePaul University, Chicago.

Michael A. Herst, CFA – Managing Director and Chief Compliance Officer – Portfolio Manager

Mickey has been a portfolio manager at Concord since he joined the investment staff in 1989. Prior to coming to Concord, he managed portfolios with the Chicago firm of Weiser Investment Management, Ltd. for eight years. He graduated with honors from the School of Business at the University of Illinois, Champaign, and received his law degree from Loyola University of Chicago. Mickey earned his Chartered Financial Analyst designation in 1985. He is a member of the CFA Institute and the Investment Analysts Society of Chicago.

Krista K. Linn, CFA – Managing Director – Portfolio Manager

Krista is a portfolio manager at Concord. Before joining Concord, she was a portfolio manager at an affiliated company, The Feldman Investment Group, for six years. Krista also worked for Harris Associates, L.P. for six years as a junior analyst in the research department where she assisted in the stock selection process for both the Acorn Fund and high net worth individuals. She received her B.S. in Economics from Illinois State University. Krista earned her Chartered Financial Analyst designation in 2001. In addition, she is a member of the CFA Institute and the Investment Analysts Society of Chicago.

Concord receives investment research from Madison. Madison is overseen by its Executive Committee, a team of its senior members who are among its largest shareholders. The following individuals oversee Madison's fixed income and equity areas:

Paul Lefurgey – Managing Director

Paul serves as the head of fixed income investments for Madison. He joined Madison in October 2005. Previously, he was head of fixed-income at MEMBERS Capital Advisors, Inc. and at Duff & Phelps Investment Management Company. He holds a CFA designation and received his BA from Michigan State University.

Jay R. Sekelsky – Chief Investment Officer and Executive Director

Jay serves as the head of equity investments for Madison. He joined Madison Investment Advisors in January 1990 as an Assistant Portfolio Manager. He holds a BBA and MBA from the University of Wisconsin and has also earned both the CPA and CFA designations.

In addition to Madison, Concord may also purchase investment research from non-affiliated registered investment advisory firms. Concord will then determine what stocks and bonds will be purchased and held.

Madison's legal and compliance group also counsels the firm with respect to all aspects of its business and helps ensure that the firm is in compliance with applicable regulatory requirements as well as the firm's own policies and procedures. This group is comprised of the following individuals:

Pamela M. Krill – General Counsel and Chief Legal Officer

Pam received her JD from the University of Wisconsin Law School, and her BBA in Finance, Investment and Banking from the University of Wisconsin. Prior to joining Madison in September 2009, she served as Managing Associate General Counsel in the Office of General Counsel of CUNA Mutual Group in Madison. Prior to joining CUNA Mutual in July 2007, Pam was a shareholder in the Securities Practice Group of Godfrey & Kahn, S.C.

W. Richard Mason – Chief Compliance Officer and Corporate Counsel

Richard graduated from The George Washington University National Law Center and from the School of Foreign Service of Georgetown University. Richard is FINRA registered. He joined Madison in 1996 and served as both Chief Compliance Officer and General Counsel until devoting his full attention to compliance in September 2009. He currently assists with the compliance function at Concord.

Our Services

Concord's primary service is providing separate account management (also known as private investment management) for our clients. Within the philosophies described below, our general investment strategies are to make long term (securities held at least a year) and short term (securities sold within a year) purchases.

Our core expertise is risk-managed equity management (primarily common stocks), active bond management (including corporate, government, and municipal bonds) and personalized balanced portfolios. Services include the management of a wide range of domestic and international equity, fixed income and balanced portfolios, as well as mutual funds. In addition to the types of securities described above, we may invest in preferred stocks, government agency obligations, money market instruments and such other securities that we may select, unless expressly limited by written direction or client guidelines.

Each discretionary portfolio we manage is designed to achieve pre-set financial objectives, while minimizing both taxes and commissions.

We are primarily a "core manager" and are typically given the responsibility of managing most, if not all, of the client's investments. For each account, we establish a mutually accepted asset allocation and manage all aspects of the portfolio, including stocks, bonds and cash.

Discretionary Management

We have discretionary authority to make determinations regarding the securities that are to be bought and sold, as well as the quantities of such securities, for most clients. Such authority is provided in our contract with each client. In many cases, this discretion is subject to mutually agreed upon investment guidelines relative to the client's portfolio. We have model portfolio guidelines available for clients to adopt, in whole or in part, if they do not have their own. Client investment guidelines may or may not limit the scope of potential investments. As a result, clients can impose restrictions on investing in certain securities or types of securities. Within client guidelines and instructions, we make decisions as to the nature and quantity of securities to be bought or sold.

As part of a wrap fee program (discussed below) or existing client relationship, we may manage accounts on a non-discretionary basis. For example, for non-discretionary management in the wrap program context, we would normally only recommend securities for a model portfolio, but have no or limited authority to effect account transactions.

Wrap Account Management

We may manage client accounts through wrap fee and model account programs sponsored by brokers or consulting firms. These "sponsor" firms generally enter into contracts with their clients to provide a variety of services for a predetermined fee. These services typically include all or some of the following: outline of client goals and objectives, asset allocation study, selection of advisers where appropriate, payment of advisers' management fees, custody of client assets, execution of trades for the client at no additional fee or commission and the monitoring of the investment performance on client assets. We receive a portion of the wrap fee for our services. It is the responsibility of the sponsoring organization to notify the client of the services provided by Concord Asset Management and the portion of the attributable fee paid for those services. As these programs are generally part of a multiple client program, they offer efficiencies to participating managers. As such, fees paid to us are lower than are otherwise available.

We manage our wrap fee accounts in the same manner as our other accounts. However, wrap fee accounts may have lower account minimums than our other accounts and, therefore, we may not be able to manage them identically to our larger accounts. For example, the smaller the size of the account, the less it is possible to efficiently hold certain small blocks of securities in the account.

Our Assets Under Management

As of December 31, 2012, Concord Asset Management, LLC managed approximately \$428,901,000 in assets on a discretionary basis and approximately \$4,892,000 on a non-discretionary basis (both rounded to the nearest thousand).

Together with our affiliated investment advisory firms described below in the section entitled, “Other Financial Industry Activities and Affiliations,” the Madison organization managed in excess of \$15 billion in assets on a discretionary basis as of December 31, 2012.

Concord Asset Management generally will not manage accounts on a non-discretionary basis. We may make exceptions for accounts in or related to existing client or institutional relationships.

FEES AND COMPENSATION

Fee Schedules

Separately Managed Accounts. Our fee schedule for separately managed accounts is as follows:

ALL EQUITY and BALANCED
(stock and bond) PORTFOLIOS

On the first \$1,000,000	1.00% annually
On the next \$4,000,000	0.70% annually
On the next \$20,000,000	0.55% annually
On the balance over \$25,000,000....	0.40% annually

ALL BOND PORTFOLIOS

On the first \$2,000,000.....	0.55% annually
On the next \$8,000,000.....	0.40% annually
On the next \$15,000,000.....	0.30% annually
On the balance.....	0.25% annually

Depending on unique circumstances (i.e., another existing account relationship with a client, etc.), fees may be subject to negotiation.

How We are Paid

We generally require fees to be computed and payable quarterly in advance, based on the valuation of assets under management as of the last day of the prior quarterly period. Clients may select whether they prefer us to automatically deduct fees from their accounts or send them a bill for fees incurred.

Other Fees You Should Understand

Portfolio Transaction Costs. We do not have custody of client assets. Therefore, each client must appoint a custodian and may be required to pay custodian fees. Also, except with respect to clients in fee in lieu of commission accounts or programs, clients will generally incur brokerage and other transaction costs in the course of our management of their accounts. (See the section in this brochure entitled, “Brokerage Practices” for a discussion of how we make brokerage decisions that affect client accounts.)

Mutual Fund Investments. To the extent we invest client assets in shares of unaffiliated mutual funds, you will pay a direct management fee to us and indirect management fees through the mutual funds.

Refunds of Advance Fees Paid

We may not change our fees without sixty days’ advance written notice. In the event of the termination of our services, any unearned portion of fees previously paid is prorated and fully refundable. A client may terminate an agreement with us at any time by written notice to us.

Investments in Affiliated Funds

Because Concord is affiliated with Madison Investment Advisors and Madison Asset Management, both of which manage investment companies, we will not charge you, as a client of Concord, an investment advisory fee on assets that are invested in any investment company managed by any of the investment adviser affiliates in the Madison family. This includes investments in any Madison or Madison Mosaic mutual fund or closed-end fund. However,

you should be aware that our affiliates allocate the investment advisory fee paid by the investment company (after reduction of any fees for services that are paid to third parties by our affiliates out of that advisory fee payment) that is attributable to your investment in the applicable investment company to Concord as additional revenue. That fee may be higher or lower than the fee a client may be paying on other assets that we manage in the client's account. Of course, to the extent the fee paid by the fund is higher than your account fee, any recommendation by us to invest in the fund represents a potential conflict of interest. For a complete discussion of the charges and expenses of any investment company, you should carefully read the fund's prospectus.

PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT.

Certain "qualified clients" (as defined by Rule 205-3(d) under the Investment Advisers Act of 1940) may enter into an advisory contract that provides for compensation on the basis of a share of the capital gains upon, or the capital appreciation of, the qualified client's funds. This is commonly referred to as a "performance fee."

We have no present intention of managing client accounts with a performance fee.

TYPES OF CLIENTS

We provide investment advisory services for a variety of clients including individuals, pension and profit sharing trusts, charitable organizations and other "institutional clients."

Our minimum account size is typically \$1 million. In addition, we reserve the right to refuse to accept proposed management responsibilities or to resign from the management of any account.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Our Investment Strategies

Fixed-Income. Our strategy is to determine the overall direction of interest rates and position durations accordingly. We analyze the yield curve to determine the most advantageous portfolio construction. We determine the relative attractiveness of corporate vs. government and/or government agency securities. Based on the results of our analysis, we adjust durations/maturities when conditions indicate and shorten portfolio exposure when necessary to preserve capital.

In addition, we are active duration managers. This means that when we believe interest rates are falling, we lengthen duration to take advantage of the increased returns that should be available as rates drop. Likewise, when our proprietary market indicators warn of forces that threaten the markets, our managers will seek to shorten portfolio maturities and durations with the goal of limiting potential declines.

Equity. We identify companies that have had consistent growth and which we believe demonstrate sustainable future growth, rather than "hot" stocks or "trendy" growth companies with comparatively high share values. We look for companies that we believe have underappreciated future growth prospects, are currently out of favor due to a short term, correctable problem or are transforming into a faster growth, higher margin business model. We believe the stocks of these issuers have a blend of both value and growth potential: What we call "GARP" for "growth at a reasonable price."

We follow a fundamental, bottom-up approach to security selection. Our core equity portfolios generally invest in only 25–35 companies, reflecting our belief that our clients' money should only be in our top investment ideas.

Cash Management and ETFs

Each client custodian "sweeps" non-invested cash balances in client accounts every business day into a money market or some other cash account selected by the client and offered as a service by the custodian. At the client's

request, we will recommend the sweep vehicle among the choices offered by the custodian. In that case, we make a recommendation based on our understanding of the client's tax status and risk preferences.

Cash sweeps generally fall into three categories: (1) government money market funds, (2) prime rated money market funds (commercial paper), and (3) tax-exempt money market funds (municipal vehicles). The process and mechanics are the same for equity and fixed income clients.

Because we may invest client accounts in exchange traded funds (or "ETFs"), you should understand that the ETF itself pays the manager of the fund an investment advisory fee like most other investment companies. Therefore, to the extent we invest in ETFs for your account, in addition to the fee you pay to us to manage your account, you will indirectly pay your pro rata portion of the management fee of the ETF in which your account is invested. That fee is described in the offering materials (prospectus) for the ETF. Likewise, the same types of fees are paid in connection with any mutual fund that you own in your account (including any money market mutual fund that may hold cash balances). We do not direct cash sweeps to our proprietary money market mutual funds.

Class Action Settlements

Although we may be authorized to vote proxies in client accounts as described below in the section entitled, "Voting Client Securities," we will not handle or otherwise process any potential "class action" claims or similar settlements that clients may be entitled to for securities held in client accounts. Clients will receive the paperwork for such claims directly from their account custodians or, if we receive the forms on behalf of a client, we will promptly forward them to the client to complete. Each client should verify with his/her/its custodian or other account administrator whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly.

Risk

Although we work hard to preserve your capital and achieve real growth of client wealth, investing in securities involves risk of loss that each client should be prepared to bear. Typical investment risks include market risk typified by a drop in a security's price due to company specific events (such as an earnings disappointment or a downgrade in the rating of a bond) or general market activity (such as occurs in a "bear" market when stock values fall in general). For fixed-income securities, a period of rising interest rates could erode the value of a bond since bond values generally fall as bond yields go up.

General Risk of Investing in Securities. While investments in stocks and bonds have been keystones in wealth building and management for a hundred years, at times they've produced surprises for even the savviest investors. Those who enjoyed growth and income of their investments were rewarded for the risks they took by investing in the markets. When the rare calamity strikes, the word "security" itself seems a misnomer. Although we seek to appropriately address and manage the risks we identified and disclosed to you in connection with the management of the securities in your account, you should understand that the very nature of the securities markets includes the possibility that there are additional risks that we did not contemplate for any number of reasons. We certainly seek to identify all applicable risks and then appropriately address them, take appropriate action to reasonably manage them and, of course, to make you aware of them so you can determine if they exceed your risk tolerance. Nevertheless, the often volatile nature of the securities markets and the global economy in which we work suggests that the risk of the unknown is something you must consider in connection with your investments in securities. Unforeseen events have the potential to upset the best laid plans of man, and could, in a worst-case scenario produce the material loss of the value of some or all of the securities we manage for you.

DISCIPLINARY INFORMATION

There are no legal or disciplinary events that we believe are material to a client's evaluation of our business or the integrity of our management.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Investment Adviser Affiliates

Our Madison Investment Advisors, LLC affiliate serves as investment adviser to individuals, institutions, wrap accounts and investment companies. Madison Investment Advisors, LLC is a separately registered investment adviser and like Concord, it is a subsidiary of Madison Asset Management. Certain trading functions for our accounts are processed through our Wisconsin office affiliate.

Madison Scottsdale, LC, a separately registered investment adviser located in Arizona, specializes in managing the assets of insurance and other companies governed by state insurance law and regulation. Like Concord, it is a subsidiary of Madison Asset Management.

Our New York affiliate, NorthRoad Capital Management LLC, New York, New York, is also a separately registered investment adviser. NorthRoad's services and clientele are similar to those of Madison Investment Advisors and it specializes in international equity management. Madison Asset Management owns a majority interest in NorthRoad.

Finally, our Madison Asset Management, LLC affiliate is a joint venture with CUNA Mutual Group ("CUNA Mutual"). Madison Asset Management serves as investment adviser to mutual funds, closed-end funds and wrap accounts. While Madison Investment Holdings, Inc. controls Madison Asset Management, CUNA Mutual has a non-voting equity interest in the firm.

As disclosed above, Madison Investment Holdings, Inc. (f/k/a Madison Investment Advisors, Inc. prior to December 1, 2010), a separately registered investment adviser, is the parent company for the Madison organization.

Registration does not imply a certain level of skill or training.

Investment Company Affiliates

Our Madison Investment Advisors, LLC affiliate sponsors and acts as investment adviser to the Madison Mosaic Funds family of no-load mutual funds consisting of 12 separate funds. Some of its officers hold offices in each fund, with Katherine Frank, Madison's Chief Operating Officer, serving as a Trustee of most funds. As part of the Madison organization, we receive management fees indirectly from these funds.

Likewise, our Madison Asset Management affiliate acts as adviser to the Madison Funds (consisting of 13 separate funds) and Ultra Series Fund (consisting of 16 separate funds), as well as to the Madison Institutional Equity Option Fund (a series of Madison Mosaic Equity Trust). In addition to these mutual funds, Madison Asset Management is the investment adviser to the Madison Strategic Sector Premium Fund ("MSP"), a closed-end fund traded on the New York Stock Exchange ("NYSE"), and the Madison Covered Call & Equity Strategy Fund, also a closed-end fund traded on the NYSE. Like the Madison Mosaic Funds, some of Madison Asset Management's officers hold offices in each of the investment companies affiliated with Madison Asset Management. In particular, Katherine Frank serves as Trustee of the Madison Funds, the Ultra Series Fund and MSP.

As an affiliated company, we receive management fees indirectly through Madison Asset Management and we share our resources with those of our Madison, Wisconsin parent companies.

Broker-Dealer Affiliate

We also have an affiliated broker-dealer, MFD Distributor, LLC, for the limited purpose of serving as the distributor of our affiliated mutual funds (Madison Funds, the Madison Mosaic mutual fund family and Ultra Series Fund). MFD Distributor, LLC does not perform any other brokerage activities, has no employees of its own and other than its mutual fund services, the broker-dealer engages in no trades, transactions or other brokerage activities whatsoever. It is not permitted to perform any trades for our clients, including the accounts of our affiliated mutual fund portfolios, and does not carry customer accounts. At any given time, we may have an employee that is a registered representative of MFD Distributor, LLC so that he or she can make offers of our affiliated funds to the public.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Our Code of Ethics

We impose restrictions upon ourselves or any person associated with us in connection with the purchase or sale, directly or indirectly, for their own account or accounts controlled by them, of securities recommended to or purchased for clients. We maintain strict guidelines and a Code of Ethics for all our employees designed to assure that we, and persons associated with us, may not benefit, directly or indirectly, from transactions made for the accounts of clients and that no other conflict of interest exists.

Generally, employees may not trade in any securities that are held in client portfolios. Employees are also prohibited from investing in IPOs. We, our officers, employees and directors are required to pre-clear securities trades in order to avoid a conflict of interest between individual and client interests. We are also subject to an absolute ban on trading in a security within seven days of a client's trade (in an account over which we have discretion) in that same security. Our Code of Ethics contains various exemptions for personal securities trades that we believe do not involve potential conflicts, such as transactions in Treasury Securities, open-end mutual funds and securities that we will not purchase for clients. Finally, we may manage accounts for employees in the same manner as other clients utilizing the same model or composite provided that, in order to avoid any potential conflicts of interest, all transactions for employee accounts managed by our firm must occur after we have completed trading for all non-employee clients accounts in the same model or composite. Employees may also invest in private placements and similar non-public offerings ("alternative investments"). We do not anticipate that we will recommend alternative investments in client accounts. If we did, you should understand that our employees would have a potential conflict of interest with you in the event the participation in any alternative investment is "cut-back" or otherwise limited because it is oversubscribed. A copy of our "Code of Ethics" is available to any person upon request.

Prohibition on Use of Insider Information

We have also adopted policies and procedures to prevent the misuse of "insider" information (material, non-public information). A copy of such policies and procedures is available to any person upon request.

BROKERAGE PRACTICES

In General

Unless we receive specific directions from a client regarding the placement of brokerage business, we will select the brokers and dealers to effect client transactions. Our first consideration in selecting a broker is whether the broker will provide the best execution of the desired transaction. In addition to best execution price, selection is based on the overall reasonableness of brokerage commissions paid and consideration of a variety of other factors. An important consideration is the receipt of research products, research services, access to brokerage firm analysis, and the availability of economic data, market data and research. Also important is the availability of quotations, statistics and other investment decision-making aids. See the discussion below entitled, "Research and Soft Dollar Benefits."

Trading of Bonds

The purchase and sale of bonds is completely different from the process of buying and selling stocks (described below). Common stocks are traded on national exchanges or generally large, liquid over-the-counter ("OTC") markets. Directed brokers (see the discussion below entitled, "Directed Brokerage and Compensation for Referrals") and virtually all others, have full access to these markets to efficiently execute common stock transactions. The vast majority of bonds are not traded on exchanges, but rather are purchased from or sold to brokers or dealers. Each broker/dealer maintains an inventory of bonds (bond "positions") that it owns as a principal and holds for resale to its customers. The number and value of bonds that each broker holds varies, depending on the brokerage firm's size, financial strength and involvement in the bond market. No one firm dominates this market or provides substantially all the buying/selling needs of a particular money manager for all of its clients.

We use a three-step process to buy/sell bonds for client accounts, as follows: (1) "free to trade" – if, with respect to a client account, we are free to choose the brokers we wish to trade with, we typically contact at least three brokers

before executing a trade in order to seek best execution; (2) “in competition” – for client accounts that require us to include a designated broker in our list of trading partners, we will put that broker in competition with others and select the broker who provides us with best execution (in the event of a tie between brokers, the designated broker receives the trade); and (3) “directed” – if a client has directed us, through written notification, to trade with a specific broker, we will not contact any other broker and instead will negotiate with that broker on any particular trade. When bonds are purchased, the type, sector, maturity, coupon and yield objectives are determined. Under normal circumstances, we will identify the issue we wish to purchase. The broker is asked to offer all such issues available, noting the required block size for all clients using that broker and/or custodian. The broker will offer any bonds meeting our criteria available in its current inventory if we have not identified a specific issue.

If these initial offerings are inadequate, we will work closely with the directed broker to locate additional attractive bonds from other dealers. We believe this to be in our clients’ best interest because it gives clients access to the best priced, most attractive securities from a number of dealers. By aggregating the purchases or sales of a broader base of clients, including those who use other brokers and/or custodians, we may be able to find additional bonds available in larger blocks, resulting in better overall prices.

When the client designated directed broker confirms a specific transaction, the same applicable commission agreed upon by the client shall be received by the broker as a principal, regardless of whether the bonds were acquired directly from the directed broker or indirectly from another broker/dealer. The commission may differ between our clients due to the dollar value or number of bonds being purchased or sold, the maturities of the bonds and the total arrangement between the client and their broker. These practices are followed unless they are specifically modified or limited by us or the client.

We may delegate to our Madison Investment Advisors, LLC affiliate in Madison, Wisconsin certain responsibilities in connection with the purchase and sale of fixed-income securities for our clients. In particular, we may identify the type of bond we wish to purchase for a client’s account to Madison personnel, including quality and maturity parameters and delegate the final identification and trading of the security to Madison. In this regard, our Madison affiliate acts in the nature of a non-discretionary subadviser to client accounts, subject to our supervision, review and approval and in accordance with our fixed-income trading practices described above.

Trading of Common Stocks

When we trade the same security in more than one client account, we generally attempt to batch or “bunch” the trades in order to create a “block transaction.” Generally, buying and selling in blocks helps create trading efficiencies, prompt attention and desired price execution. We may block transactions among clients of our firm and among clients of our subsidiary investment advisor affiliates that share our resources and personnel in our Wisconsin office.

We will place all or substantially all transactions to purchase or sell common stocks with the client’s “directed” broker, when applicable. (See the discussion below entitled, “Directed Brokerage and Compensation for Client Referrals.”) Whenever possible, we will attempt to batch or aggregate trades for clients who use the same directed brokers in order to create a “block transaction.”

The commission amount and per share commission rate will differ between our clients with directed brokerage relationships versus those clients who do not have such relationships, due to the dollar value and the size (number of shares) of the trade for each account and the relationship between the client and their broker. Because each client may differ in portfolio size, investment objective, equity exposure and the extent of the relationship with their broker, we do not negotiate commission discounts on the block transaction itself. However, when many clients utilize the services of the same directed broker, we will attempt to negotiate more favorable commission rates on behalf of our clients that recognize the economies of scale.

Normally, no commission is added to transactions in the case where the client has established a “fee in lieu of commission” account. For clients that do not direct the brokerage on their accounts, we may use non-market maker brokers to execute securities traded OTC. To fill OTC trades, non-market makers may transact with a market-making broker on the other side of the trade. A market-making contra broker may mark up or down a security for which it makes a market. If this happens, this is a cost that such clients will incur in addition to the regular commission the non-market maker charges to perform the trade on an “agency” rather than a “principal” basis.

Generally, the OTC trades we will execute in this manner will involve companies with large market capitalizations and/or high average daily trading volume and we monitor the price and execution we receive for such trades. We believe such clients receive best price and execution under the circumstances when using such non-market makers.

Trade Allocation Practices

When the firm has trading authority and brokerage discretion, we seek to allocate trades fairly across the various accounts we manage. If we cannot batch all transactions for all clients in a single transaction, then we follow our trade allocation policy among clients that are transacting in the same security. The policy is designed to ensure that we do not trade on behalf of any one client or group of clients in a systematic manner that favors that one client or group or is otherwise unfair to other clients. In these situations, on any given trade, a client's account may trade first, last or mid-way in the order of trades executed. Decisions regarding whether any client account trades separately from others are based on liquidity, speed of execution and various other factors.

Because we receive a substantial amount of equity research from our Madison parent company, we will often trade equity securities for our clients after trading in such securities has been completed by the Madison office.

Cross Trades

There may be occasions when we will sell a particular security for one of our clients (for example, because the client needs to raise cash or is changing investment priorities) at the same time that we buy the same type of security for another client. In such situations, we can reduce transaction costs to both clients by identifying a particular security and instructing a broker to sell from one account and purchase in the other. This is known as a "cross trade." Although we believe the transaction benefits both clients, you should be aware that we represent the interests of both the selling and buying client in the same transaction, and, as a result, may have conflicting loyalties at the time we effect a cross trade. For this reason, we always execute such trades through a third party broker who determines the respective purchase and sale price based on the market.

Cross trades by investment company clients are subject to additional or separate rules governed by the Investment Company Act of 1940. Cross trades involving clients subject to ERISA are generally prohibited by law and, therefore, we will not include any ERISA clients in cross trades.

Directed Brokerage and Compensation for Client Referrals

When executing transactions for a client account, we may place all or a portion of the transactions with a broker with whom the client has a special advisory or consulting relationship. Such transactions are placed with a broker who may have provided manager selection services, performance measurement services, asset allocation services, or a variety of other consulting or monitoring assistance to the client, all with the specific knowledge and full approval of the client.

We do not maintain agreements with referring brokers regarding our internal allocation of brokerage transactions. However, all or a sizable portion of a particular client's brokerage transaction business may be directed to a particular broker if the client has directed, agreed or stipulated us to do so. Commissions are not intended to compensate brokers for client referrals.

With regard to client directed brokerage, we are required to disclose that we may be unable to negotiate commissions, block or batch client orders or otherwise achieve the benefits described above, including best execution, if you limit our brokerage discretion. Directed brokerage commission rates may be higher than the rates we might pay for transactions in non-directed accounts. Also, clients that restrict our brokerage discretion may be disadvantaged in obtaining allocations of new issues of securities that we purchase or recommend for purchase in other clients' accounts. It is our policy that such accounts not participate in allocations of new issues of securities obtained through brokers and dealers other than those designated by the client. As a general rule, we encourage each client to compare the possible costs or disadvantages of directed brokerage against the value of the custodial or other services provided by the broker to the client in exchange for the directed broker designation. Simply put, directing brokerage may cost clients more money.

Other Fees in Connection with Trading

In our efforts to achieve best execution of portfolio transactions, we may trade securities for client accounts by utilizing electronic marketplaces or trading platforms. Some of these electronic systems may impose additional

service fees or commissions. We may pay these fees directly to the provider of the service or these fees may be included in the execution price of a security. Our intention is that we will only use such systems and incur such fees if we believe that doing so helps us to achieve the best execution of the applicable transaction, taking into account all relevant factors under the circumstances. For example, we will consider the speed of the transaction, the price of the security, the research we receive (in equity transactions effected in this manner), our ability to block the transaction and other factors discussed in this Brokerage Practices section in connection with trading of stocks and bonds.

Accounts with Different Investment Objectives

It is possible that we or our affiliates may manage accounts of clients whose investment objectives are substantially different from one another. As a result, it is possible that it would be appropriate for us to sell a security "short" from one account while holding it "long" in another account. This may occur if we manage an account that involves significant short-term trading or pursues unique options strategies. In general, however, our positions with regard to any security will be net long. We seek to avoid a conflict of interest by attempting to limit such situations to, for example, an instance in which there is a readily available supply of the security being purchased or sold and the transactions in a security do not affect its market price.

Research and Other Soft Dollar Benefits

Obtaining the best price and execution of trades is of utmost importance in placing transactions. If a broker is allowed a commission in excess of that which another broker might have charged for executing the same transaction, it is done in recognition that such broker's special services are of great importance to us and our client(s). Research services furnished by brokers may be used in servicing all of our accounts; all clients benefit from the research received from all brokers with whom we deal.

Although we seek best execution of transactions, you should understand that obtaining research and services by means of soft dollar benefits represents a conflict of interest since it enables us to receive research that we might otherwise have to produce ourselves or purchase with our own money.

What is the "research" that is paid for with soft dollars? Research refers to services and/or products provided by a broker, the primary use of which must directly assist us in our "investment decision-making process" and not in the management of our firm. The term "investment decision-making process" refers to the quantitative and qualitative processes and related tools we use in rendering investment advice to our clients, including financial analysis, trading and risk analysis, securities selection, broker selection, asset allocation, and suitability analysis.

Research may be proprietary or third party. Proprietary research is provided directly from a broker (for example, research provided by broker analysts and employees about a specific security or industry or region). Third party research is provided by the payment by a broker, in full or in part, for research services provided by third parties. Both types of research may involve electronically and facsimile provided research and electronic portfolio management services and computer software supporting such research and services. Typical third party research providers include, by way of example, Bloomberg, Baseline, S&P Creditweek and Factset.

In some situations we may execute a transaction with one broker and settle the transaction with another broker. This use of "step-outs" allows us to decouple - to some extent - execution services from research services. In other words, we may execute a transaction with an "execution" broker and step-out the transaction - and related commissions - to a broker who provides research services to book and settle the transaction.

We may receive products or services from brokers which we use for both research and for administrative, marketing or other non-research purposes. In such instances, we make a good faith effort to determine the relative proportion of our use of such product/service that is for research. Only that portion of the research aspect of the cost of obtaining such product/service may be paid for using soft dollars. We pay the remaining portion of the cost of obtaining the product or service in cash from our own resources.

We have an incentive to select a broker-dealer based on our interest in receiving the research or other services they can provide us. This incentive may conflict with client interests in receiving most favorable execution and our measurement of favorable execution may differ from that of a client. We believe we pay fair and reasonable brokerage commissions in return for research products or services provided by brokers. We may use research

products or services provided by brokers in servicing any or all of our clients. Although we believe that all clients of our firm and its affiliates benefit from the research and services received by us from brokers, we may not necessarily use such research products or services in connection with the client accounts that paid commissions to or otherwise traded with the brokers providing such products or services.

Our firm has a standing Brokerage Committee consisting of members of our portfolio management and operations teams. The committee generally meets periodically during each year to review the quality of brokerage execution obtained on behalf of our clients and to monitor our use of soft dollar research and other services received in connection with client transactions. For our last fiscal year (ended December 31, 2012), our Brokerage Committee identified in advance the research services that reflected our estimate of the most value to our firm and its clients for research and other services, if any, provided by the broker-dealers to which we direct client transactions or to which we have been directed by our clients. The firm may not always generate sufficient soft dollars to pay for all such services and, during our last fiscal year, the committee was responsible for ensuring that our firm did not alter its management or trading strategies in order to compensate for the shortfall of soft dollar credits. As a result, the committee ensured that our firm paid "hard dollars" for any research in excess of any soft dollars earned as a result of client trading. The committee was satisfied with the quality of brokerage obtained by our firm for its clients.

Unmanaged and Non-Discretionary Account Assets

As an accommodation, for specified assets that are not managed by Concord or are otherwise not subject to our investment management discretion but which are maintained in the same account as the assets managed for a client by Concord (so that the client has a consolidated account statement of all assets and for which the power of attorney given to Concord to trade the account applies) (referred to as "Accommodation Account Assets"), at client's request, we will relay client-directed trade instructions to the client's designated broker/dealer for settlement at the client's designated custodian pursuant to the client's negotiated broker/dealer commission schedule. Although we will relay such information, it is the client's responsibility to contact his/her/its broker/dealer directly to ensure the timeliness of any transactions in Accommodation Account Assets. In all cases, if a client desires Concord to initiate any securities transactions in the client's Accommodation Account Assets, the client should understand that Concord is not a broker/dealer and that any such instructions may not be communicated to the client's designated broker/dealer on as timely a basis as they would have been had the client contacted the client's broker directly. Clients should understand that Concord accepts no responsibility for losses to client's Accommodation Account Assets resulting from Concord's failure to timely relay client instructions as described above, or from Concord's failure to accurately relay such instructions.

Any instructions regarding Accommodation Account Assets must be provided orally to Concord personnel to ensure that the instructions are received and promptly confirmed in writing by letter or e-mail. Concord will, in turn, confirm a client's instructions in this manner, but such confirmation is not a brokerage transaction confirmation. Because Concord either does not manage or does not have discretion (or both) over Accommodation Account Assets, each client with Accommodation Account Assets is responsible for reviewing the confirmation statement from its broker/dealer to ensure that the client-directed trade was communicated correctly. Clients should contact Concord and the client's broker/dealer immediately if the client's instructions regarding its Accommodation Account Assets do not appear to conform with the Client's intent.

Finally, there may be occasions where we are unable to arrange to execute a client's desired instructions. This may occur, for example, if the client's request requires the use of a margin account and the account managed by Concord is a cash account. In such situations, the client should establish a separate account to accomplish its transactions directly with its selected broker/dealer. Concord will not normally manage assets for clients in margin accounts.

REVIEW OF ACCOUNTS

We review our client accounts at least quarterly. We do not have a limitation on the number of client accounts assigned to any particular account officer, nor is there a precise sequence or review schedule. All portfolios are reviewed continuously rather than periodically. Accounts are reviewed by our portfolio management professionals.

The review includes holdings, aggregate statistical composition of factors such as sector weightings and comparison to any relevant benchmarks and investment policies. Triggering factors could be major market moves, new information regarding specific holdings, or the passage of time. Investment strategy meetings usually occur each month. These meetings include a review of factors such as economic conditions, government policy, sector valuations, and other factors which might be expected to affect portfolio performance. Portfolios are then reviewed for any changes that might be needed due to strategy shifts developed in the investment strategy meeting.

We furnish account reports to all non-wrap account clients on a quarterly basis (wrap account clients receive their client reports from the sponsor of their wrap account). All of our non-wrap clients receive separate monthly accounting reports from their portfolio custodian detailing all cash and asset transactions and activity. In general, meetings with clients are held quarterly or less frequently, according to the stated desires of each client. Reports include an analysis of all assets under management, current investment objectives and investment performance.

CLIENT REFERRALS AND OTHER COMPENSATION

There may be occasions when we pay a percentage of the fee we receive from accounts that have been referred to us to the person making the referral (a "solicitor"). In such cases, you will receive a separate written disclosure statement from the solicitor before you open your account with us that will explain, among other things, the nature of our affiliation with the solicitor (if any) and a description of the compensation the solicitor will receive from us. Our policy is that if we pay such referral fees to a solicitor for any account, the fee schedule applicable to that client's account will be the same as the schedule that would have applied to accounts of similar size receiving similar services where no referral fees are paid.

CUSTODY

We require each client to select a qualified custodian to hold its account. We will not serve in this capacity. Each client's qualified custodian (bank or broker-dealer) will send quarterly or more frequent account statements directly to our clients. Clients are urged to compare the account statements they receive from their qualified custodians with the quarterly account statements we normally provide.

From time to time, Concord may recommend a custodian to clients who have not made custodial arrangements. Such custodians (including, for example, Pershing or the Schwab Institutional division of Charles Schwab & Co., Inc.) may provide Concord with access to its institutional trading and operations services typically not available to retail investors. These services generally are available to independent investment advisers at no charge to them so long as a specified minimum, generally \$10 million, of the adviser's clients' account assets are maintained with the custodian.

Custodial services may include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. Also, such custodians may also make available to Concord other products and services that benefit Concord and may not directly benefit its clients' accounts. Some of these other products and services assist Concord in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Concord's fees from its client's accounts and assist with back-office support, record keeping and client reporting. The custodian may also provide Concord with information and consulting services intended to help Concord manage and further develop its business enterprise. These services may include information technology consulting, regulatory compliance publications and presentations, and software utilized to assist Concord in routing its securities transactions. Custodians may discount or waive fees they would otherwise charge for some of these services. The availability to Concord of the foregoing products and services is not contingent upon Concord committing to a custodian any specific amount of business (assets in custody or trading).

INVESTMENT DISCRETION

Please refer to the discussion entitled “Advisory Business—Discretionary Management,” above.

VOTING CLIENT SECURITIES

When you give us authority to vote proxies for securities held in your account, we do not assume the role of an active shareholder. Rather, if we are dissatisfied with the performance of a particular company, we will generally reduce or terminate our position in the company rather than attempt to force management changes through shareholder activism.

Nevertheless, our goal and intent is to vote all proxies in our clients’ best interests. For practical purposes, unless we make an affirmative decision to the contrary, when we vote a proxy as the Board of Directors of a company recommends, it means we agree with the Board that voting in such manner is in the interests of our clients as shareholders of the company for the reasons stated by the Board. However, if we believe that voting as the Board of Directors recommends would not be in a client’s best interests, then we must vote against the Board’s recommendation.

We will vote against the Board of Directors recommendation if the Board recommends an action that could dilute or otherwise diminish the value of your position. This may occur if we are unable to liquidate the affected securities without incurring a loss that would not otherwise have been recognized absent management’s proposal. This may also occur if the action would cause the securities held to lose value, rights or privileges and there are no comparable replacement investments readily available on the market. We may vote in a manner that could diminish the value of your position in the short-term if we believe it will increase the value in the long-term and we are holding the security in your portfolio for the long-term.

In the unlikely event that we are required to vote a proxy that could result in a conflict between your best interests and the interests of our firm, we may alert you or your representative in advance to obtain your consent or direction on how to vote a proxy under such circumstances. In general, however, in the event of a conflict, we will seek the advice of a knowledgeable, independent third party as to how to vote.

If you would like to know how we voted any proxy in your account, please contact your client service representative at 312-236-1166. You may also request a complete copy of our written proxy voting procedures.

FINANCIAL INFORMATION

Not applicable.

PERFORMANCE PRESENTATION STANDARDS

Concord Asset Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®). Concord Asset Management, LLC is a registered investment adviser. To receive a list of composite descriptions and/or a presentation that complies with the GIPS standards, contact us at the address and/or phone number on the front page of this brochure.

REPRESENTATIVE CLIENT LIST

Corporate, municipal, and other institutional clients may be identified as such in our firm’s representative client or reference lists (the identities of individual (i.e. “natural person”) clients are never so disclosed absent written client permission).

EDUCATION AND BUSINESS BACKGROUND

Concord has definite standards of education and business experience required of all persons that manage portfolios, provide performance analysis or provide investment advice to clients. Such background includes appropriate college degrees, meaningful financial experience, and/or advanced degrees in finance or related fields. All portfolio managers have earned the Chartered Financial Analyst (CFA) designation.

PRIVACY POLICY

FACTS

WHAT DOES CONCORD ASSET MANAGEMENT DO WITH YOUR PERSONAL INFORMATION?

Why?

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

What?

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

- Social Security number and transaction history
- Account balances and account transactions
- Assets and wire transfer instructions

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

How?

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

Reason we can share your personal information	Does Concord share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Call 1-800-379-1163 or go to www.nrcm.com.

Who we are

Who is providing this notice?	Concord Asset Management LLC, 150 S. Wacker Drive, Suite 3200, Chicago, Illinois 60606
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What we do

How does Concord Asset Mgmt protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Concord Asset Mgmt collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ▪ Open an account or provide account information ▪ Pay your bills or make deposits or withdrawals from your account ▪ Give us your contact information <p>We also collect your personal information from other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> ▪ sharing for affiliates' everyday business purposes—information about your creditworthiness ▪ affiliates from using your information to market to you ▪ sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>

Definitions

Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ▪ Our affiliates include companies with a common "Madison" or "Madison Funds" name; financial companies such as Madison Investment Advisors and MFD Distributor as well as NorthRoad Capital Management and Madison Scottsdale.
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ▪ Concord does not share with nonaffiliates so they can market to you.
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> ▪ Concord does not jointly market.

Other important information