

Item 1 – Cover Page

CAPTRUST Financial Advisors

4208 Six Forks Road, Suite 1700

Raleigh, NC 27609

Phone: (919) 870-6822

Toll Free: (800) 216-0645

Fax: (919) 870-8891

<http://www.captrustadvisors.com>

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This wrap fee brochure provides information about the qualifications and business practices of CAPTRUST Financial Advisors. If you have any questions about the contents of this Brochure, please contact us at (919) 870-6822 or toll-free at (800)216-0645. 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.

CAPTRUST Financial Advisors is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. This Brochure is intended, in part, to provide information which can be used to make a determination to hire or retain an Adviser.

Additional information about CAPTRUST Financial Advisors also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous brochure did not require. In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past, we have offered or delivered information about our qualifications and business practices to clients at least annually. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new Brochure, as necessary, based on changes or new information, at any time, without charge. Our Brochure may be requested by contacting us toll-free at (800)216-0645.

Additional information about CAPTRUST Financial Advisors is also available via the SEC’s website www.adviserinfo.sec.gov. The SEC’s website provides information about any persons affiliated with CAPTRUST Financial Advisors who are registered, or are required to be registered, as investment adviser representatives of CAPTRUST Financial Advisors.

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Item 4 – Services, Fees and Compensation

INTRODUCTION: CAPTRUST Financial Advisors, also known as CapFinancial Partners, LLC, (“CAPTRUST” or “Adviser”) was established in April 2003 and approved as a Registered Investment Adviser in September 2003. The CapFinancial Group, Inc. is a 100% owner of CAPTRUST. James Fielding Miller is the CEO of CAPTRUST and a 64.75% owner of The CapFinancial Group, Inc.

CAPTRUST Financial Advisors (“CAPTRUST” or the “Company”) is the trade name for CapFinancial Partners, LLC, which is a wholly owned subsidiary of The CapFinancial Group, Inc., a North Carolina corporation. That corporation is essentially 100% owned and operated by CAPTRUST employees and based in Raleigh, North Carolina. CAPTRUST is an Investment Adviser registered under the Investment Advisers Act of 1940 and a member FINRA/SIPC. Additionally, CAPTRUST is a fully disclosed, introducing broker/dealer utilizing the clearing and custodial services of Pershing, LLC, an independent clearing firm. The Company uses the trade names “CAPTRUST” and “CAPTRUST Financial Advisors” pursuant to a license from CAPTRUST Advisors Association.

CAPTRUST also provides Wealth Management Services and Retirement Plan Services, which are disclosed in separate Disclosure Brochures (Form ADV Part 2A).

As of December 31, 2010, CAPTRUST held \$2,023,932,915 in discretionary assets (primarily individual Wealth Client assets) under management and \$52,960,059,604 in non-discretionary assets (institutional- which is comprised primarily of Plan Client assets) under advisement.

CLIENT INVESTMENT PROCESS: The Financial Advisor at CAPTRUST (“Financial Advisor”) assists the Client in determining his/her Investment Goals and Objectives (the “IGO”) before selecting and recommending an investment style allocation and/or a diversified portfolio of investments, including investment vehicle(s) and/or Independent Investment Manager(s) (“Investment Manager”) appropriate for the Client. This is done both initially and on an on-going basis. The Financial Advisor collects financial and personal information from the Client, assists the Client in establishing his/her Client’s IGO and strategies, and evaluates the suitability of the product(s) for the Client. The Financial Advisor recommends to the Client, Investment Manager(s) from the CAPTRUST Research Department’s list of Investment Managers with whom CAPTRUST does business.

The Financial Advisor will provide the Client with CAPTRUST account opening paperwork, a brokerage agreement(s), along with a copy of this wrap fee disclosure document, and then submits account opening paperwork to CAPTRUST’s Compliance Department for review and approval.

Once approved CAPTRUST submits the account opening paperwork to the Clearing Firm and a brokerage account is opened by CAPTRUST at the Clearing Firm for the Client’s managed account assets. As a part of this process, the Client and CAPTRUST will enter into a written advisory agreement for the applicable CAPTRUST Program (each, an “Advisory Agreement”). The Advisory Agreement will, among other things, describe CAPTRUST’s fee for its services.

The Client is required to inform CAPTRUST and the Financial Advisor, at least annually, of any changes to their financial condition or of any additional investment restrictions and/or modifications to existing investment restrictions the Client wishes to impose. CAPTRUST immediately forwards to the Investment

Manager(s) any responses from the Client, which would impact the daily management of the Client's portfolio. While there are no stated restrictions on the ability of Client to contact and consult with Investment Managers, it is generally preferred that the Client direct all questions for an Investment Manager through his/her Financial Advisor. CAPTRUST reviews suitability for each Client account, based on the Client's total value of assets disclosed by the Client.

The services that may be offered by CAPTRUST to Clients includes the following:

- Establishing written investment strategies through the documentation of a Client's IGO as outlined by the Client and their Financial Advisor.
- Determining asset allocation strategies to meet the financial goals of the Client.
- Determining specific investment style allocations.
- Identifying tax optimization strategies.
- Researching and evaluating investment management firms, their Investment Managers, and other investment vehicles appropriate for the Client's portfolio.
- Identifying specific independent, unaffiliated money management firms appropriate for the Client's portfolio.
- Hiring independent money management firm(s) on behalf of the Client.
- Reporting and reviewing the performance of money management firms and other investment vehicles.
- Performing quarterly investment reviews.
- Periodic rebalancing and investment plan re-allocating.
- Acting as the Investment Manager for the CAPTRUST Programs.
- Providing investment consulting services not related to managed account services.

CAPTRUST PROGRAMS:

CAPTRUST sponsors the following three different advisory wrap account programs (each a "CAPTRUST Program"):

- I. **"PMA" OR PORTFOLIO MANAGEMENT ACCOUNT**
- II. **"RMA" OR RESEARCH MANAGED ACCOUNT**
- III. **"SMA" OR SEPARATELY MANAGED ACCOUNT**

I. "PMA" OR PORTFOLIO MANAGEMENT ACCOUNT

Description of Program: The minimum initial investment for participation in this CAPTRUST Program is typically \$50,000. The PMA account can be set up on either a discretionary basis or a non-discretionary basis. For discretionary PMAs, the Financial Advisor implements changes in the Client's Investment Portfolio(s), including any of the investment selections (for example, mutual funds/ETFs, stocks, bonds or cash), without obtaining Client's prior consent to those changes. In this way, the Financial Advisor

acts as “PMA Portfolio Manager” with limited discretion to change the investment selection(s). For example, if the Financial Advisor feels that a change to the Investment Portfolio is advisable, or if the investment selection no longer meets the Client’s IGO, or if a mutual fund experiences a fundamental change in management which would mandate a replacement of that fund, or, is otherwise in the Client’s best interest, then the Financial Advisor may replace an investment selection. To this extent, the Client grants “discretionary” authority to the Financial Advisor with respect to changes to the investment selections. However, the Client can nevertheless elect to change investment selection(s) at any time by sending written notice to the Financial Advisor. For non-discretionary PMAs, the Financial Advisor recommends and implements changes in the Client’s Investment Portfolio(s), including any of the investment selections, by first obtaining Client’s prior consent for each change to the portfolio. Again, the Client can elect to change investment selection(s) at any time by sending written notice to the Financial Advisor.

Investment/Strategies: PMAs utilize mutual funds and ETFs though at times it may utilize closed end funds, structured notes, options, and other security types not listed. PMA’s are invested according to a Client’s IGO and are overseen by the Client’s Financial Advisor.

Performance Reviews: The Clearing Firm provides the Client’s Financial Advisor with quarterly investment performance reports, which the Financial Advisor is to review with the Client. CAPTRUST also provides Clients with an asset summary and a composite level performance report through its Advent APX system.

Confirmations/Statements: Investment management firms may elect to have [daily] confirmations redirected, in accordance with then current legal requirements. Clients may elect to have duplicate statements sent to their Financial Advisor or other interested party. Monthly account statements and confirmations may be received by Clients electronically.

Fees for Services: The maximum annual fees for CAPTRUST’s services under this CAPTRUST Program are:

Assets under management	Maximum Annual Fee
First \$1mill	Up to 2.25%
Next \$4 mill	Up to 1.75%
Above \$5mill	Up to 1.25%

PMA Plus: Occasionally clients may choose to pay for cost of trading on a per trade basis. When this is the case, the client chooses a PMA Plus account where the cost of individual trades is charged separately to the client account each time a trade is placed, rather than on a “wrap fee” basis where the

cost of trading is included in the quarterly fee calculation.

Communications: No client information is communicated by CAPTRUST to the underlying mutual fund company. Financial Advisors may setup a call between a Client and CAPTRUST Research Department staff upon request.

II. “RMA” OR RESEARCH MANAGED ACCOUNT:

Description of Program: The minimum initial investment for participation in this CAPTRUST Program is typically \$250,000. The RMA is a discretionary PMA account where the CAPTRUST Research Team, rather than the Financial Advisor, recommends and implements changes to the Client’s Investment Portfolio without obtaining the Client’s prior consent to those changes. The RMA utilizes strategic and tactical asset allocation and investment vehicle decisions based on CAPTRUST research and forward looking views. The RMAs strategic investment models vary according to level of risk. The RMAs may invest in investment company products such as mutual funds, unit investment trusts and ETFs, and/or individual securities such as stocks and bonds. These proprietary asset allocation models are designed to meet the Client’s IGO.

Investments/Strategies: RMAs utilize mutual funds and ETFs though at times it may utilize closed end funds, structured notes, options, and other security types not listed. RMA’s are managed by CAPTRUST’s Research Department.

Performance Reviews: RMA performance is monitored daily and measured by several different sources. Performance of RMA accounts is calculated by Advent APX and performance of the mutual funds and ETFs in an RMA are obtained from Bloomberg. All such performance data is monitored on a daily basis by a CAPTRUST Investment Department Associate, CAPTRUST Investment Department Senior Manager, and/or the CIO. The Clearing Firm also provides the Client’s Financial Advisor with quarterly investment performance reports, which the Financial Advisor is to review with the Client. CAPTRUST also provides Clients with an asset summary and a composite level performance report through its Advent APX system.

Confirmations/Statements: Investment management firms may elect to have [daily] confirmations redirected, in accordance with then current legal requirements. Clients may elect to have duplicate statements sent to their Financial Advisor or other interested party. Monthly account statements and confirmations may be received by Clients electronically.

Fees for Services: The maximum annual fees for CAPTRUST’s services under the RMA Program are the same as under its PMA Program.

Communications: No client information is communicated by CAPTRUST to the underlying mutual fund company. Financial Advisors may setup a call between a Client and CAPTRUST Research Department staff upon request.

III. “SMA” (SEPARATELY MANAGED ACCOUNT)

Description of Program: The minimum initial investment for participation in this CAPTRUST Program is typically \$100,000 or more and varies from one Investment Manager to the next. Each account in the SMA Program is a discretionary account where each selected Investment Manager, as opposed to the Client's Financial Advisor or CAPTRUST's Research Department, recommends and implements changes to the Client's Investment Portfolio without obtaining the Client's prior consent to those changes. CAPTRUST has limited investment discretion or other discretionary authority with respect to the Client's securities in the SMA Program and the Investment Manager(s) selected by the Client are granted investment discretion by the Client and exercise this authority in the day-to-day portfolio management of the Client's account(s). CAPTRUST recommends certain Investment Managers for each asset class according to Client's asset allocation and IGO and the asset class/investment style for each Investment Manager. Under this model, CAPTRUST utilizes strategic asset allocation and investment manager recommendations based on CAPTRUST's research and forward looking views. Applying its strategic investment models that vary according to varying risk levels, CAPTRUST recommends an Investment Manager for each asset class. The Client, however, selects the particular Investment Manager(s) for its accounts. While the Financial Advisor may recommend changes in the Client's Investment Manager(s) or other investment selections, the Client can elect to change Investment Manager(s) at any time.

CAPTRUST has the limited discretion to change the Client's Investment Manager(s) and an SMA Program Investment Manager will generally not be removed or replaced by CAPTRUST without the Client's specific consent. However, if the Client is not otherwise available and the Relationship Manager deems it advisable to do so, CAPTRUST will exercise the right to remove or replace an Investment Manager without the Client's prior. In such a case, CAPTRUST will promptly advise the Client of each such change. Examples would be where the Client's financial circumstances change or economic or market conditions change, or, if in CAPTRUST's opinion, the Investment Manager(s) selected no longer meets the Client's IGO, or no longer manages according to its stated investment style parameters, or there is a fundamental change in the management which would mandate a switch. In addition, in instances where an Investment Manager will not accept a particular security in a Client's portfolio, CAPTRUST may facilitate the liquidation of the rejected security and then forward the proceeds of such liquidation to the Investment Manager.

The Client may override CAPTRUST's suggestions as to Investment Manager(s) or investment vehicle, in whole or in part.

Investments/Strategies: Most Investment Managers in the SMA Program utilize long-only equity and/or fixed income strategies. Some Investment Manager sell covered calls. Occasionally, we recommend an Investment Manager for the SMA Program that shorts securities, uses options, futures, and other derivatives/securities, and/or employ more sophisticated trading techniques, but only if deemed suitable for a particular Client who is determined to be a sophisticated investor.

Investment Manager Reviews: CAPTRUST's Research Department monitors each Investment Manager in the SMA Program for performance against its peers and the stated benchmark, and for adherence to its stated strategy. Performance of SMAs is monitored on a daily basis by a member of the CAPTRUST Research. In addition, performance of all recommended SMAs are reviewed by a Senior Manager of the

CAPTRUST Research Department on a monthly basis. Finally, several members of the Research Analyst Team meet in an all-day closed-door session to review the performance of all SMAs held by CAPTRUST clients on a quarterly basis.

Performance of SMAs is calculated from several different sources. The actual performance of an individual SMA that is reported to a client is calculated by Informa's Performer and/or Advent APX. The performance of an SMA manager recorded on a manager fact sheet is obtained from the industry-recognized SMA databases, eVestment and/or Zephyr.

All the information typically found on an investment Client Profile is communicated to the Investment Managers managing Client's account(s). This includes, but is not limited to: name, address, social security number, income, and risk tolerance.

Performance Reviews: The Clearing Firm provides the Client's Financial Advisor with quarterly investment performance reports, which the Financial Advisor is to review with the Client. CAPTRUST also provides Clients with an asset summary and a composite level performance report through its Advent APX system.

Confirmations/Statements: Investment management firms may elect to have [daily] confirmations redirected, in accordance with then current legal requirements. Clients may elect to have duplicate statements sent to their Financial Advisor or other interested party. Monthly account statements and confirmations may be received by Clients electronically.

Fees for Services: The maximum annual fees for CAPTRUST's services and the Investment Managers maximum and minimum fees under this CAPTRUST Program are:

SMA ACCOUNTS – Fixed Income

Assets under management	Manager & Platform Fee Minimum	Manager & Platform Fee Maximum	CAPTRUST Maximum Fee
First \$1mill	0.35%	0.65%	Up to 2.25%
Next \$4mill	0.25%	0.55%	Up to 1.75%
Over \$5mill	0.20%	0.50%	Up to 1.25%

SMA ACCOUNTS – Equity

Assets under management	Manager & Platform Fee Minimum	Manager & Platform Fee Maximum	CAPTRUST Maximum Fee
First \$1mill	0.60%	1.00%	Up to 2.25%
Next \$4mill	0.45%	0.85%	Up to 1.75%
Over \$5mill	0.40%	0.80%	Up to 1.25%

Fees Disclosures and Conflicts of Interest

For all CAPTRUST Programs, fees charged to the Client are documented in the Client’s written Advisory Agreement. CAPTRUST Fees are annual and will be payable quarterly, in advance, at the beginning of each calendar quarter. The initial fee will be prorated (calculated on a per diem basis) beginning on the date of acceptance of the contract based upon the value of the account on the date of acceptance to cover the period from that date through the end of that calendar quarter. Thereafter, the CAPTRUST Fees for each ensuing calendar quarter will be based on the account value (calculated as the market value of all long and short securities positions in the account) on the last business day of the preceding calendar quarter and will be due the following business day. Additional assets received into an Account after it is approved will be charged a pro-rata fee based upon the number of days remaining in that current calendar quarter. No fee adjustment will be made for partial withdrawals or for account appreciation or depreciation within a given calendar quarter. A pro-rata refund of CAPTRUST Fees charged for a calendar quarter (calculated on a per diem basis as of the date of closing) will be made if an Account is closed within that calendar quarter.

Unless the parties agree otherwise, in writing, the applicable CAPTRUST Fees will be deducted directly from the applicable Account and you authorize the Clearing Firm, on behalf of CAPTRUST, to debit the cash or money market balances in an Account in payment of the CAPTRUST Fees and to debit other positions in the Account if the cash and money market balances in the Account are not sufficient to cover the payment of the CAPTRUST Fees. CAPTRUST Fees, minimum accounts sizes, and services are negotiable and may be waived under certain circumstances. For example, CAPTRUST, or the Financial Advisor, in its sole discretion, may charge a lesser (or no) advisory fee based upon certain criteria (e.g. existing financial planning client relationship, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with Client, etc.).

Although the fees listed above are minimum/maximum “default” fees, they may be negotiable under certain circumstances. The fee encompasses all transaction related costs associated with the execution of the transaction. The service fee schedule may be changed upon written notification from CAPTRUST to Clients, however, changes to a Client’s Advisory Agreement may only be made by written consent of the Client.

Since PMA and RMA Accounts are fee-based accounts, there will be no front-end or contingent deferred sales load imposed on mutual fund investment purchases - shares are purchased at NAV (net asset value). However, as an introducing broker/dealer and under the Clearing Firm’s platform, CAPTRUST may share in revenue that the Clearing Firm receives from various mutual fund companies based on total value of assets in a particular fund. These payments to CAPTRUST may be considered a conflict of interest and are therefore being disclosed herein to Clients. CAPTRUST also receives compensation from the Clearing Firm based on the value of credit balances in certain accounts. For example, if cash is swept into a money market fund, CAPTRUST receives compensation based on the value of assets in these funds as broker-dealer. Thus, CAPTRUST has an incentive to recommend that clients select money market funds as a sweep vehicle that pays more compensation to CAPTRUST than other funds.

Fees described herein paid to CAPTRUST Financial Advisors in connection with the provision of investment advice and/or Client-related services within the CAPTRUST Programs may be more than CAPTRUST’s Financial Advisors would receive if Clients paid separately for investment advice, brokerage, and other services and; therefore, CAPTRUST Financial Advisors may have a financial incentive to recommend its CAPTRUST Program services over other programs or services.

Clients should be aware that mutual funds have expenses that are separate and apart from any fees charged by CAPTRUST. These expenses are disclosed in the prospectus for each mutual fund and usually expressed as an “expense ratio”. Also, Mutual Funds may charge early redemption fees should fund holdings in the account be liquidated within a certain period of time, typically within 30 to 180 days dependent upon each mutual fund company’s policy. CAPTRUST advises Clients to buy and hold recommended securities unless an event triggers a change to CAPTRUST’s opinion on a particular fund or fund management. CAPTRUST monitors Client accounts closely for any activity that may cause such a penalty. But, Clients should refer to the respective mutual fund’s prospectus and statement of additional information for information regarding these fees and expenses.

Generally, CAPTRUST purchases institutional class or no-load mutual funds which do not generate sales charges. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as 12b-1 fees. 12b-1 fees come from fund assets, therefore, indirectly from client assets. Adviser may be compensated by general promotion, advertising, and distribution fees (12b-1 fees) in relation to Client purchases and sales of mutual fund shares.

CAPTRUST Programs may cost the client more or less than purchasing such services separately and will depend on the trading activity in the Client’s account. The cost of non-wrapped investment advisory services is lower than investment advisory services provided under the wrap program. Because CAPTRUST may receive more compensation from a client from the client’s participation in the Program

than if the client received advisory services and brokerage services separately, CAPTRUST may have a financial incentive to recommend the Program to clients over other types of advisory services.

CAPTRUST may give advice to others that may be different from the advice given to Program clients. Clients should consider the value of the additional consulting services when making such comparisons. The combination of custodial, consulting, and brokerage services may not be available separately or may require multiple accounts, documentation, and fees. In addition, certain advisors may not be available to certain Clients outside the CAPTRUST Program because of minimum account sizes, fee schedules, geographic availability, or other factors. A non-wrapped pricing arrangement may be more cost effective for accounts that do not experience frequent trading activity. Because of the single fee charged to a CAPTRUST Program account, CAPTRUST may be regarded as having a conflict of interest in that it may realize a greater profit on a Program account with a relatively low rate of portfolio turnover compared to other types of accounts, assuming the same level of fees.

All fees may be subject to negotiation. When negotiating fees, factors considered, but not limited to, include: (i) clients with multiple accounts; (ii) size of the account; (iii) a prior or existing relationship; and (iv) a client's particular needs or financial characteristics. Due to the fact that fees may vary, clients with existing accounts may be charged fees not matching precisely the foregoing fee schedules or the fees paid by other clients.

Other costs that may be assessed that are not part of those outlined above include fees for portfolio transactions executed away from the broker/custodian selected by the client, dealer mark-ups, electronic fund and wire transfers, spreads paid to market-makers, and exchange fees, among others. Broker/custodian may charge client certain additional and/or minimum fees.

The Program wrap fee does not include: (i) administrative fees, such as wire fees, charged by Clearing Firm (ii) certain odd-lot differentials, transfer taxes, transaction fees mandated by the Securities Act of 1934, postage and handling fees, and charges imposed by law with regard to transactions in the client's account; and (iii) advisory fees, expenses or sales charges (loads) of mutual funds (including money market funds), closed-end investment companies or other managed investments, if any, held in client's account.

Account Termination

You may terminate this Agreement, without penalty, by sending written notice of termination to us within five business days of its signing. Thereafter, either party may terminate this Agreement by notifying the other in writing. Termination will become effective upon the receipt of that notice. Termination will not affect either your or our responsibilities under this Agreement for previously initiated transactions or for balances due in an Account upon termination. Upon termination, we will have no further obligation to act or advise with respect to any assets in the Account(s).

Upon termination of this Agreement, you may, but are not required to, request that we liquidate the Account(s) and, if so, we will do so in an orderly and efficient manner. Note that in connection with the liquidation of securities, unit investment trusts, or mutual funds: (i) in certain circumstances there may

be fees chargeable to you; and (ii) the decision to liquidate may result in tax consequences that should be discussed with your tax advisor. All efforts will be made to process the liquidation in an efficient and timely manner; but, in no event, will we be responsible for market fluctuations in the Account(s) from the time of written notice until complete liquidation. Factors that may affect the liquidation of the Account(s) would be size and type of issues, liquidity of the market, and market makers' abilities. Should the necessary securities markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. Certain SMA Program Managers' portfolios may be invested in mutual funds that, with respect to our clients, are only available to accounts within the SMA Program. These mutual funds are proprietary to the SMA Program Manager and must be liquidated upon your termination of the SMA Program Manager.

Item 5 – Account Requirements and Types of Clients

Account Requirement

Certain advisors may not be available to certain Clients outside the consulting relationship because of minimum account sizes, fee schedules, geographic availability, or other factors.

Types of Clients

CAPTRUST provides investment advisory services to Individuals, Trust, Estates and charitable organizations, foundations, endowments, corporations or other businesses not listed here.

Adviser maintains a minimum account size requirement for its investment adviser clients of \$50,000 to initially establish an account. The value of this account is subject to fluctuation, and therefore there is not a minimum maintenance requirement. Adviser retains the right to waive minimum initial account sizes should Adviser feel it is necessary.

Item 6 – Portfolio Manager Selection and Evaluation

CAPTRUST uses industry standards to measure the performance of its portfolio managers; however, it does not use a third party auditor to review and verify the performance of its portfolio managers.

Performance-Based Fees and Side-by-Side Management

CAPTRUST does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Methods of Analysis, Investment Strategies and Risk of Loss

Our investment strategy begins with an understanding of a client's financial goals. Advisors use demographic and financial information provided by the client to assess the client's risk profile and investment objectives in determining an appropriate plan for the client's assets. Investment strategies generally include long- or short-term purchases of stock portfolios, mutual funds and fixed income securities and may include margin transactions, and options strategies

Investment recommendations are based on an analysis of the client's individual needs, and are drawn from research and analysis. However, in general, security analysis methods include fundamental analysis as well as quantitative and qualitative research on a given investment vehicle. Information for

this analysis may be drawn from financial newspapers, magazines and databases, research materials prepared by others, annual reports, corporate filings and prospectuses. Additional sources of information utilized by CAPTRUST include meetings and discussions with Investment Managers employed by Investment Companies, Separate Account Manager of Portfolio Funds, statistical summaries and analysis and such other sources CAPTRUST's professionals personnel deem appropriate. CAPTRUST may utilize services of sub-advisers and established third party research services to assist CAPTRUST with formulating asset allocation, industry and sector selection, and investment recommendations in managing the Funds. Technical Analysis may be used when analyzing indices and/or securities other than open-ended mutual funds.

CAPTRUST RESEARCH: CAPTRUST research of investment management firms includes a proprietary screening and evaluation of those firms and their Investment Managers, as well as other managed investment vehicles. CAPTRUST employs a multi-step process in screening the Investment Managers to determine if they are suitable for its investment programs. Each Investment Manager is evaluated on the basis of extensive information provided by that Investment Manager, including descriptions of its investment process, investment strategies employed, operational structure, and its Form ADV, Part II. CAPTRUST then attempts to verify that information by comparing it to other data from publicly available data collection sources. During this process, CAPTRUST also employs proprietary technical quantitative and qualitative analyses.

CAPTRUST also evaluates certain investment strategies including funds, indexes, or other managed investment vehicles which may be included in an overall suggested asset allocation for the Client. CAPTRUST requests that Investment Managers adhere to GIPS guidelines issued by the CFA Institute and every attempt is made to obtain performance information which is calculated on a uniform and consistent basis. In most cases, performance data approved by CAPTRUST for Client viewing will have been calculated based on a uniform and consistent standard. However, some investment management firms may provide information which does not entirely conform to these uniform standards. In those instances, the affected performance information will be specifically identified as having not been calculated based on the uniform standard normally used.

It is important to note that investing in securities involves certain risks that are borne by the investor. For any risks associated with Investment Company products, please refer to the prospectuses for additional details about these risks. Our investment approach constantly keeps the risk of loss in mind. These risks include, but are not limited to:

- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Voting Client Securities

In general, where CAPTRUST has been provided discretionary authority by its clients, CAPTRUST has retained the right to vote proxies. It is CAPTRUST's aim to see that proxies are voted in the best interest of its clients. To this end, CAPTRUST has hired the firm of Glass Lewis & Co. for their Proxy Services. Glass Lewis & Co. will analyze the proxy issues, and execute votes in accordance with their proxy voting guidelines that have been adopted by CAPTRUST Partners.

In General, the proxy voting guidelines are designed to be responsive to the wide range of issues that can be raised in proxy situations. The Proxy Voting Policy contains detailed guidelines and specific methods by which conflicts of interests are addressed.

[Wrap] Accounts Managed By Outside Managers: Occasionally CAPTRUST recommends that a client use an outside manager. Under those conditions, clients relegate the right to vote proxies to their account manager. The manager's proxy voting policies will be detailed in their Disclosure Brochure.

To obtain a copy of CAPTRUST's Proxy Voting Policy or for a copy of CAPTRUST's Proxy Voting record, Clients can contact CAPTRUST directly at: (800) 216-0645 or (919) 870-6822 or may write to CapFinancial Partners, LLC 4208 Six Forks Road #1700, Raleigh NC 27609 to obtain the information.

Item 7 – Client Information Provided to Portfolio Managers

For the CAPTRUST PMA and RMA Programs, CAPTRUST is both your registered investment adviser and your portfolio manager. However, CAPTRUST outsources its portfolio management by using outside portfolio managers for the CAPTRUST SMA Program. In all cases, your portfolio manager has the same access to your information as CAPTRUST. Your information includes, among other things, income, net worth, risk tolerance, and investment objectives. Your portfolio manager uses this information to determine the appropriate asset allocation and manage your investments. When you update your information with CAPTRUST, your portfolio manager will have immediate access to the same updated information.

Item 8 – Client Contact with Portfolio Managers

Clients typically communicate with their Financial Advisor at CAPTRUST who acts as the relationship manager. Clients may also communicate with CAPTRUST portfolio managers directly. For the CAPTRUST PMA or RMA Programs, the portfolio manager is either the Financial Advisor or a member of CAPTRUST's Research Team. For the SMA Program, however, most direct communication with the portfolio managers occurs between the CAPTRUST Research Department and the SMA Program Investment Manager. There are no specific restrictions on direct client communication with an Investment Manager in the SMA Program. CAPTRUST has, on occasion, arranged for direct client communication with an Investment Manager in the SMA Program.

Item 9 – Additional Information

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of CAPTRUST or the integrity of CAPTRUST's management. CAPTRUST has no information applicable to this Item.

Other Financial Industry Activities and Affiliations

CAPTRUST is both a FINRA broker-dealer (member SIPC) and an Investment Adviser registered under the Investment Advisers Act of 1940. CAPTRUST is also registered as a Commodity Trading Advisor with the National Futures Association because occasionally CAPTRUST renders investment advice with respect to commodities and/or futures.

CapFinancial Partners, LLC has a business entity insurance license many Financial Advisors are life insurance licensed in order to act as agent of record for those Clients who own life insurance products. Financial Advisors at CAPTRUST may occasionally recommend fixed or variable annuities or life insurance to their Wealth Clients when assisting them in executing their financial plan.

As a registered broker-dealer, Adviser offers individuals [Wealth Clients] and institutional [Plan Clients] general securities [investment] services. The Investment Adviser Representatives with Adviser are simultaneously registered as Registered Representatives. The Adviser generally spends 20% of his/her time on work done for Clients on activities consistent with the definition of broker/dealer activities. If a trade error were to occur, it may result in profit or loss to the firm. The firm has controls in place to limit such trade errors. Investment Adviser Representatives will not participate in any profits resulting from such errors.

As a result of certain investment related recommendations (or other investment advisory services) provided to its Clients, the Adviser may facilitate certain securities purchases and/or sales; or insurance product purchases and/or sales on behalf of Clients. Such transactions may be facilitated by Adviser, in its capacity as a registered broker/dealer and insurance agent (business entity). Commissions charged by its broker/dealer may be higher or lower than obtainable elsewhere. All related compensation is separate from advisory services.

CAPTRUST recommends that Wealth Clients establish brokerage accounts with Pershing ("Custodian") to maintain custody of Clients' assets and to effect trades for their accounts. However, some CAPTRUST Wealth Clients utilize Fidelity or Schwab for custodial and execution services ("other custodians"). The Custodian is a FINRA registered Broker-Dealer. Although CAPTRUST may recommend that clients

establish accounts at the Custodian, it is the client's decision. CAPTRUST is independently owned and operated and not affiliated with any Custodian. Item 12 includes additional details regarding brokerage practices and related disclosures.

Brokerage Practices

The Investment Adviser Representatives of Adviser also effects securities transactions for clients as registered representatives of a broker/dealer. All FINRA, SEC, and other regulatory agencies disclosure requirements and policies are observed for all transactions. Adviser may, in its capacity as a broker-dealer, effect certain securities transactions that may have been recommended as part of its investment advisory services. Further, Adviser or its associated persons may receive compensation for such transactions, where such compensation is separate and distinct from Adviser's compensation related to its investment advisory services. Most Clients choose a fee in lieu of commissions (or wrap fee) arrangement when utilizing the brokerage platform provided for by Pershing, LLC.

For CAPTRUST Client accounts maintained in custody by the Custodian, the Custodian generally does not charge separately for custody services but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through the Custodian or that settle in accounts held by the Custodian. The Custodian also makes available to CAPTRUST other products and services that benefit CAPTRUST but may not benefit all Clients' accounts. Some of these other products and services assist CAPTRUST in managing and administering Clients' accounts. These may 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 CAPTRUST's fees from its Clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of CAPTRUST's accounts, including accounts not maintained at the Custodian.

Examples of other services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, they may make available, arrange and/or pay for these types of services rendered to CAPTRUST by independent third parties or may discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to CAPTRUST.

The foregoing arrangements with the Custodians pose a conflict of interest to the extent they create an incentive for CAPTRUST to suggest that Clients maintain their assets in accounts at the Custodian on the basis of products and services that may become available to CAPTRUST as a result, rather than solely on the basis of the nature, cost or quality of custody and brokerage services provided by the Custodian to clients. However, CAPTRUST is constrained by fiduciary principles to act in its Clients' best interests and will suggest a Custodian to clients only when it appropriate to do so. In addition, CAPTRUST maintains an awareness of the services provided to Clients by the Custodians in an effort to ensure that Clients are well served.

Occasionally, Adviser may, in its capacity as a FINRA Broker/Dealer, engage in riskless principal transactions giving its clients access to investments which otherwise may not be accessible in a retail brokerage account. For example, Adviser may purchase a block of securities acting on a riskless principal

basis and then allocate those securities amongst several Client accounts. Rarely, Adviser may, in its capacity as a FINRA Broker/Dealer engage in an agency cross transaction between two Wealth Clients, but this only occurs when it is beneficial to both parties and Adviser does not act as a principal. However, Adviser does not engage in such transactions on behalf of Plan Clients.

Code of Ethics

CAPTRUST has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at CAPTRUST must acknowledge the terms of the Code of Ethics annually, or as amended.

Occasionally, associated persons of Adviser may recommend that Clients buy or sell the same securities or investment products that associated persons of the Adviser also own. In such circumstances, Adviser shall give precedence to client transactions. CAPTRUST's employees and persons associated with CAPTRUST are required to follow the Code of Ethics. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of CAPTRUST will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of CAPTRUST's clients. In addition, the Code requires pre-approval of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between CAPTRUST and its clients.

Block Trades: Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with CAPTRUST's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. CAPTRUST will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

Review of Accounts

Client Accounts are advised by their Financial Advisor, the Investment Advisor Representatives (IAR) responsible for performing periodic reviews and consulting with the respective Client. Ongoing reviews of markets, sectors and individual securities are conducted by the respective IARs. Additionally, accounts are reviewed quarterly by the Principals and Compliance Officers of CAPTRUST, to determine the suitability and allocations of types of assets and investments in relation to a client's objectives and the necessity or desirability of any change in such objectives. Investment company assets and separate account managers are monitored on a continuous and regular basis by CAPTRUST Consulting Research Group. Eric Freedman, Chief Investment Officer, heads up the Consulting Research Group. Fielding

Miller, CEO reviews all accounts at least annually. Denise Buchanan, Chief Compliance Officer, heads up the Compliance Team which reviews all transactions daily. Additionally, monthly statements/reports are provided by the custodian of the Clients Assets. Quarterly performance reports are prepared by CAPTRUST for accounts with assets over \$1,000,000; otherwise clients may access performance reports produced by Pershing online.

Client agrees to inform the firm in writing of any material changes to the client's financial circumstances that might affect the manner in which client's assets should be invested. Client may contact the firm during normal business hours to consult with the firm concerning the management of the client's account(s).

A quarterly account appraisal will be created for the clients as well as an annual year-end statement.

Client Referrals and Other Compensation

CAPTRUST, in some instances, may compensate third-party solicitors (or "Corporate Solicitor") for Client referrals. In order for a business entity to be compensated by CAPTRUST for referring a Client to CAPTRUST, the solicitor must be engaged by CAPTRUST under a Solicitor or Referral Agreement ("Agreement") in compliance with Section 206(4)-3 of the Investment Advisers Act of 1940. In general, a Corporate Solicitor is compensated by a percentage of the advisory fee collected for limited period of time specified in the Agreement. The Client pays no additional fee for the referral over and above CAPTRUST's quoted advisory fee; to the contrary, the fee the Adviser earns is reduced by the amount of the compensation to the Corporate Solicitor. A Client who is solicited will receive a Separate [additional] Solicitor's Disclosure Statement describing the arrangement in detail. Clients may request details regarding a particular Agreement by contacting us toll-free at (800)216-0645 or sending an email to compliance@captrustadvisors.com.

Financial Information

Registered Investment Advisers are required to provide you with certain financial information or disclosures about CAPTRUST's financial condition. CAPTRUST has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of any bankruptcy proceeding.

Custody

Some Clients may use Bank of New York or an affiliated Trust Company for custodial services for their trusts or retirement assets. Therefore it is material to disclose that as a broker-dealer, CAPTRUST has an existing relationship with Pershing, LLC ("Pershing"), an affiliate of Bank of NY in the form of a "Clearing Agreement"

Pursuant to the "Clearing Agreement", Pershing acts as a custodian/clearing firm to execute, clear, settle, and hold CAPTRUST Clients' accounts and securities. All customer transactions (with the exception of those done by application) are placed through Pershing, LLC. However, CAPTRUST does not *direct brokerage* to any particular broker/dealer for execution, but rather relies on Pershing, LLC to direct brokerage execution.

Some transactions that must be done *by application or subscription agreement* will be facilitated directly with either the fund family, insurance company, or other legal entity. Most of Advisor business is done on a fee basis. However, there are a limited number of client accounts that are on a commissioned basis.

All commissions received from effecting transactions will be reviewed for reasonableness in accordance with Advisor policy on best execution. Commissions and/or transaction fees charged by Pershing, LLC may be higher or lower than obtainable elsewhere.

Other CAPTRUST Clients, including those who were formerly Clients of Atlantic Capital [Wealth] Management, LLC, utilize the brokerage platform provided by either Fidelity's Institutional ("Fidelity") brokerage platform or [Charles] Schwab Institutional ("Schwab"). In those cases, CAPTRUST does have the ability to negotiate fees or commissions on behalf of Clients, but CAPTRUST does not direct brokerage to a particular venue for execution, but rather relies on Schwab or Fidelity (with the exception of bond trades that may be directed to a prime broker available to CAPTRUST thru the Fidelity Platform). Fees and commissions charged by Fidelity or Schwab may be higher or lower than obtainable elsewhere.

Clients should receive statements at least quarterly from the respective qualified custodian that holds and maintains your investment assets. These reports include: (1) trade confirmations reflecting all transactions in securities (except money market mutual fund transactions) unless specifically waived by the client; (2) monthly and/or quarterly statements of the client's account itemizing all transactions in cash and securities, and all deposits and withdrawals of principal and income during the preceding calendar month; (3) statements of securities in custody, listing securities held in the account, submitted at least quarterly; and (4) an annual summary of transactions and dividend and interest statements.

CAPTRUST urges you to carefully review such statements and compare the official custodial records to the account statements that we may provide you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. CAPTRUST may furnish periodic statements of account activity in lieu of transaction-by-transaction confirmations as described above, to the extent and in the manner permitted by Rule 10b-10 under the Securities Exchange Act of 1934, as amended.

Investment Discretion

For most Clients using the CAPTRUST Programs described herein, adviser has the authority to determine, without obtaining specific client consent, both the securities to be bought and sold as well as the amount of the securities to be bought or sold. This discretion must be provided at the beginning of the Adviser/Client relationship and documented upon the Advisory Agreement. There is no particular set limit to this discretion established as part of the Advisory Agreement or this disclosure document. Adviser has the authority to determine the commission rates paid on behalf of the Adviser but does not have any control over the commissions charged by the custodian/clearing firm for the services they provide. These fee changes have a direct impact to Clients who are charged commissions for certain transactions. Adviser does not direct brokerage to any particular broker/dealer for execution, but rather relies on Pershing to direct brokerage execution. Those transactions that must be facilitated by application or subscription agreement will be facilitated directly with either the fund family, insurance company, or other legal entity. Most of Adviser business is done on a fee basis. However, there are a limited number of [client] accounts that are on a commissioned basis.

Privacy Policy

CapFinancial Partners, LLC ("CAPTRUST") recognizes that its clients have an expectation that CAPTRUST and its affiliates will maintain the confidentiality of Clients' nonpublic personal information. Consequently, CAPTRUST has adopted this Privacy Policy concerning information obtained during the servicing of Client's account(s).

Nonpublic information: Nonpublic information obtained by CAPTRUST for purposes of providing services hereunder will not be furnished to third parties for any other purpose other than in furtherance of the services to be provided hereunder. Notwithstanding the foregoing, CAPTRUST may disclose nonpublic information (i) to the extent such disclosure is required by court order or by a valid order of a governmental body governmental or quasi-governmental agency (such as FINRA) (ii) prior or after the time of disclosure such information becomes part of the public knowledge or literature, not as a result of any inaction or action of CAPTRUST, (iii) reasonably necessary for CAPTRUST to enforce its legal rights in any dispute with that Client; or (iv) is approved by Client, in writing, for release. CAPTRUST does not disclose nonpublic personal information about its clients to any party except as permitted by law.

Sources of Personal Information: We collect Personal Information about you from meetings with you and on applications or other forms you have submitted to CAPTRUST, as well as information about your investments or transactions with us or others (such as third party service providers or fund companies) from other sources.

How CAPTRUST Protects the Confidentiality of Clients' Nonpublic Personal Information:

CAPTRUST does not sell or trade clients' information with nonaffiliated companies. When information is provided to third party service providers, safeguards are in place to assure that information is used only for the purpose it is provided. CAPTRUST maintains its records on secured computers. Prospective employees are screened for criminal convictions. Once hired, employees are made aware of CAPTRUST's Privacy Policy and of the confidential nature of the information they handle. Employees are limited to accessing only that customer information that is necessary to perform their job functions.

To Whom This Policy Applies: This Notice applies to all our clients who enter into an Advisory Services Agreement with us. Our Former Clients: Even if you are no longer a client, our Privacy Policy will continue to apply to you.

Access to and Correction of Information: Upon the written request of Clients, we will make available for their review any file we may maintain for their personal Information; provided, however, that any Information collected in connection with, or in anticipation of, any claim or legal proceeding will not be made available. If Clients notify us that any Information is incorrect, we will review it. If we agree, we will correct our records. If we do not agree, Clients may submit a short statement of dispute, which we will include in any future disclosure of the disputed Information.

Further Information: We reserve the right to change this Privacy Policy at any time. The examples contained within this Privacy Policy are illustrations and are not intended to be exclusive. This Policy attempts to comply with federal and state regulations regarding privacy. Clients may have additional rights under other foreign or domestic laws that may apply to them.

"Opt Out" Provision: Since CAPTRUST does not sell or share any Personal Information an "opt out" provision would not be applicable to this Privacy Policy. Clients may call (800)216-0645 to request further information regarding this policy.

Business Continuity Disclosure/Summary

CapFinancial Partners, LLC, doing business as CAPTRUST Financial Advisors, ("CAPTRUST") is a federally registered investment adviser and an independent FINRA broker/dealer utilizing the clearing services of

Pershing, LLC ("Pershing"). For many CAPTRUST Advisory Clients, Pershing provides custody, back-office and trade support, for CAPTRUST. Your account(s) and assets are either maintained and custodied by Pershing, or for Advisory Clients who were formerly Clients of Atlantic Capital Wealth Management, your accounts and assets are maintained and custodied at Fidelity Institutional or Schwab Institutional.

As a member of FINRA, Rule 3510(e) requires CAPTRUST to summarize the manner in which CAPTRUST's Business Continuity Plan (BCP) addresses the possibility of significant business disruptions. Accordingly, CAPTRUST is furnishing this document to you to provide information about our efforts to ensure that impact to your business is minimized in the event of an emergency or disaster.

Securities Industry regulations require each member firm to create and maintain a business continuity plan reasonably designed to meet its obligations to its clients or other counter-parties. In accordance with these requirements, CAPTRUST has designed a business continuity plan to address possible scenarios in efforts to minimize any service impact to our clients.

In keeping with the regulatory requirements, the business continuity plan for CAPTRUST is designed to address key areas of concern - including but not limited to the following:

- Data back-up and recovery;
- Mission critical systems;
- Financial and operational assessments;
- Alternate means of communication between CAPTRUST and its clients;
- Alternate means of communication between CAPTRUST and its employees;
- Alternate physical locations of employees;
- Critical business constituent, bank and counter-party impact;
- Regulatory reporting;
- Communications with regulators; and
- How CAPTRUST will ensure that customers have access to their funds and securities in the event CAPTRUST determines it is unable to continue its business.

Since events creating business disruptions may vary in nature and scope, CAPTRUST has anticipated scenarios in which the following are affected:

- A primary CAPTRUST building at its headquarter location
- A CAPTRUST branch location
- A city wide area
- A regional area

Regardless of the scope of potential disruption, CAPTRUST intends to continue to provide service to its clients.

In the event of a significant business disruption, where the primary building or business district is located, we will move our staff from affected offices to the closest of our unaffected offices. The firm has four other locations from which to conduct business. Therefore, should the primary building or business district be affected by a disruption, the other locations can be used to help restore operations.

In the unlikely event of a citywide or regional disruption, both of CAPTRUST's other locations ("established recovery sites") are in other cities. The first established recovery site is approximately 170 miles from its headquarters and the other is approximately 400 miles. Either alternate location can be used to restore time sensitive functions as soon as key employees are relocated to the facility. In the event that any such disruption occurs, we have developed alternative service arrangements, systems, locations and contingency plans to ensure that any service is quickly restored.

CAPTRUST has identified several computer applications with Mission Critical or High criticality ratings and has documented this within the business continuity plan. These Mission Critical computer applications are proprietary to our Clearing Firm (Pershing). Pershing regularly performs disaster recovery testing and reports results to CAPTRUST. Pershing provides an annual BCP disclosure to CAPTRUST clients. Clients may reach Pershing directly at (201)413-3635 for recorded instructions during a significant business disruption.

For those CAPTRUST Clients who are utilizing Fidelity as custodian:

Although CAPTRUST recognizes Fidelity as a Critical Business Constituent, Fidelity's proprietary web-based platform makes permits access to your account remotely regardless of a business local, city-wide or regional disruption. For a summary of Fidelity's Business Continuity Plan, please call CAPTRUST at (800) 216-0645 or you may reach Fidelity directly at 800-343-3548.

For Clients who are utilizing Charles Schwab as custodian:

Although CAPTRUST recognizes Schwab as a Critical Business Constituent, Schwab's proprietary web-based platform makes permits access to your account remotely regardless of a business local, city-wide or regional disruption. For a summary of Schwab's Business Continuity Plan, please call CAPTRUST at (800) 216-0645 or you may reach Schwab Institutional Investments directly at 800.289.5114. Clients may access their accounts by logging into www.schwab.com.

At a minimum, the CAPTRUST business continuity plan is reviewed, updated and tested on an annual basis. Additionally, our primary internal and external application providers periodically conduct testing of their own back-up capabilities to ensure that, in the event of an emergency or significant business disruption, they will be able to provide us with the critical information and applications we need to continue or promptly resume our business. When testing our plan, we review the recovery time and resumption time period for all mission critical systems.

Making sure that any type of disruption does not unduly impact our clients is extremely important to us, and our business continuity plan is designed to allow us to continue to provide the quality service you have come to expect from CAPTRUST.

In the event of an internal or external SBD, if telephone service is available, our registered persons will take customer orders or instructions (919) 870-6822 (local) or (800) 216-0645 (toll-free) and contact our clearing firm on their behalf, and if our Web access is available, our firm will post on our Web site (www.captrustadvisors.com) that customers may access their funds and securities by contacting Pershing, Fidelity or Schwab directly.