

**Winslow Preferred Portfolios
Winslow Master's I
Winslow Master's II
Winslow Programs Offered
through Lockwood**

PROGRAM BROCHURE Rule 204-3

:

The Sponsor of this Program is

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THIS BROCHURE PROVIDES CLIENTS WITH INFORMATION ABOUT WINSLOW, EVANS & CROCKER INC. ("Sponsor") AND PROGRAMS OFFERED THAT SHOULD BE CONSIDERED BEFORE BECOMING A CLIENT OF THE PROGRAM. FOR PROGRAMS OFFERED IN COOPERATION WITH LOCKWOOD ADVISORS, INC. ("LKA") AND/OR LOCKWOOD CAPITAL MANAGEMENT, INC. ("LCM") PLEASE ALSO CONSIDER INFORMATION IN THE ATTACHED SCHEDULE H BROCHURES FOR BOTH PROGRAMS. THIS INFORMATION HAS NOT BEEN APPROVED OR VERIFIED BY ANY GOVERNMENTAL AUTHORITY.

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ORGANIZATION AND CROSS REFERENCE

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Winslow, Evans & Crocker

Winslow Preferred Portfolios

Product Overview

Winslow, Evans & Crocker's investment advisory group ("Winslow") offers Winslow Preferred Portfolios, a family of managed mutual fund portfolios, to customers with account values greater than \$25,000. Each of the Winslow Preferred Portfolios has a unique investment objective to cater to specific investor risk profiles ranging from the aggressive risk-tolerant investor to the conservative risk-averse investor.

Portfolio Descriptions

There are currently five Winslow Preferred Portfolios – Conservative, Conservative-Moderate, Moderate, Moderate-Aggressive and Aggressive. The investment objective of each of the Winslow Preferred Portfolios is summarized below:

Conservative

Investment Objective: Seeks to achieve a high level of current income with some consideration given to growth of capital by investing approximately 90% of the portfolio's assets in funds that invest primarily in fixed-income securities and 10% of it's assets in funds that invest primarily in equity securities.

Conservative - Moderate

Investment Objective: Seeks to achieve conservative balance between a high level of current income and growth of capital by investing approximately 70% of the portfolio's assets in funds that invest primarily in fixed-income securities and 30% of it's assets in funds that invest primarily in equity securities.

Moderate









Investment Objective: Seeks to achieve balance between current income and growth of capital by investing approximately 50% of it's assets in funds that invest primarily in equity securities and 50% of the portfolio's assets in funds that invest primarily in fixed-income securities.

Moderate - Aggressive

Investment Objective: Seeks to achieve an aggressive balance between a high level of growth of capital and current income by investing approximately 70% of it's assets in funds that invest primarily in equity securities and 30% of the portfolio's assets in funds that invest primarily in fixed-income securities.

Aggressive

Investment Objective: Seeks to achieve long-term growth of capital with a small consideration given to current income by investing approximately 90% of the portfolio's assets in funds that invest primarily in equity securities and approximately 10% of the portfolio's assets in funds that invest primarily in fixed-income securities.

Portfolio Strategy	Conservative	Conservative-Moderate	Moderate	Moderate - Aggressive	Aggressive
					
 Domestic Stocks	10%	25%	45%	55%	70%
 International Stocks	0%	5%	5%	15%	20%
 Fixed Income	90%	70%	50%	30%	10%

The Winslow investment committee may, in its sole discretion, modify the model asset allocation percentages for a particular Winslow Preferred Portfolio as appropriate based on market conditions.

Portfolio Deviations

Periodically but no less than semi-annually, Winslow’s investment committee will review the actual asset allocation in each Winslow Preferred Portfolio against the model investment objectives for that portfolio. In any period, some assets in a portfolio will perform better than others. This variation causes the initial allocation among assets to either increase or decrease versus other asset classes. In order to preserve the investment objectives of a particular Winslow Preferred Portfolio, Winslow may rebalance a Winslow Preferred Portfolio by making one or more purchases or sales of fund positions in a Winslow Preferred Portfolio. Winslow Preferred Portfolios will generally not be rebalanced if the variance from the portfolio’s investment objective policy is less than a pre-determined percentage (a “**Filter**”) which is set by Winslow’s investment committee. The Winslow investment committee also sets for each Winslow Preferred Portfolio a range (a “**Range**”), which is the degree of acceptable variance for the portfolio’s investment objective policy (regardless of rebalancing). The Filter and Range for each of the Winslow Preferred Portfolio’s are as follows:

<u>Winslow Preferred Portfolio</u>	<u>Filter*</u>	<u>Range*</u>
Conservative	1.0%	2.5%
Conservative-Moderate	2.0%	4.0%
Moderate	3.0%	5.5%
Moderate-Aggressive	4.0%	7.0%
Aggressive	5.0%	8.5%

*Winslow at any time may choose to extend beyond the percentages listed above for the Filter and Range of each portfolio.

Portfolio Fund Screening Process

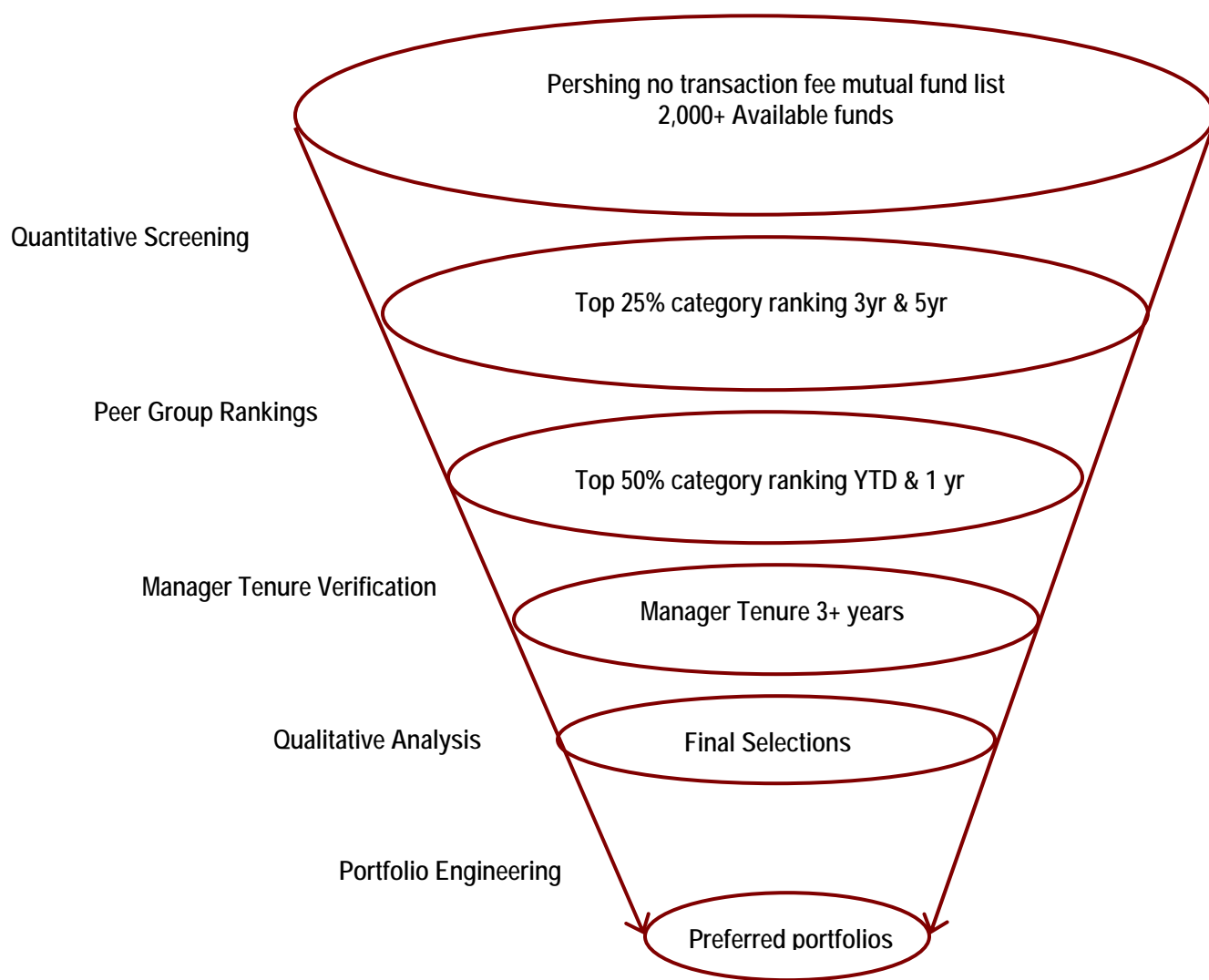
In order to pre-screen and select the specific mutual funds that make up a particular Winslow Preferred Portfolio, Winslow utilizes Morningstar Principia Pro, a third party software program that allows users to evaluate all existing mutual funds offered in the market through the use of various screening methodologies. Morningstar Principia Pro allows Winslow to do an unbiased review of the available funds and to more easily identify funds that are strong performers in their fund class.

Winslow screens all marketed funds on a quarterly basis and prepares a list of qualified funds (the “**Recommended Fund List**”) for inclusion in the Winslow Preferred Portfolios.

Screening Criteria

Winslow will screen the mutual fund options for the Model Portfolio Program based on the following criteria:

- a fund must be available through an NTF (No Transaction Fee) program offered by Pershing LLC, Company;
- historical fund performance to be in the top quartile for 3 and 5 years for total return relative to all funds in the same Morningstar “Category”. In an effort to distinguish funds by what they own, as well as by their prospectus objectives and styles, Morningstar developed the Morningstar Categories. The Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings over the last 36 months. Percentile rank by Morningstar Category provides a critical look at a fund’s investment approach and allows for a direct comparison of a fund’s performance within its Morningstar Category;
- historical fund performance to be in the top one or two quartiles for year to date and 12 month total returns relative to all funds in the same Morningstar Category;
- A fund’s average manager tenure to be three or more years. Fund management is an important variable in fund performance. For example, if a fund is purchased based on long-term performance, review is performed to determine that the manager responsible for such performance is still overseeing the fund. Likewise, if improvement in fund performance correlates to the new arrival of a manager, a review of what performance may be attributed to the new manager may also be necessary;
- The fund must be open to new and/or existing investors; and
- The fund’s minimum initial purchase must be low enough to enable multiple fund purchases within a given Winslow Preferred Portfolio.



Winslow's investment committee then reviews funds that have passed all of the preliminary screens listed above. The investment committee may consider various other criteria, including but not limited to one or more of the following criteria, in order to determine if a pre-screened fund is added to the Recommended Fund List:

- sector weightings;
- cash weightings;
- expense ratios;
- current style box allocation;
- annual performance returns;
- 10 and 15-year total return percentile rank relative to the Morningstar Category; and
- standard deviation (risk)

Recommended Fund List Monitoring

Winslow continually monitors the funds on the Recommended Fund List to determine if any of the previously qualified funds should be removed from the Recommended Fund List. A previously qualified fund will generally be removed from the Recommended Fund List if it no longer meets the screening criteria. A previously qualified fund may also be removed from the Recommended Fund List if:

- there is a material change in the fund's location on the Morningstar Style Box (style shifting). The Morningstar Style Box is a nine-square grid, updated monthly, that provides a graphical representation of the investment style of stocks and mutual funds. For stocks and stock funds, it classifies securities according to market capitalization and growth-value factors. Fixed income funds are classified according to credit quality and duration. Morningstar updates the Style Box monthly;
- a fund or its fund family experience any legal, compliance or other business difficulties; or
- there is a fund manager change.

Other Considerations

Winslow in its' discretion may add or remove funds from the recommended fund list for other reasons not listed above.

Non-Qualified Portfolio Investments

The Winslow Preferred Portfolios will consist only of load funds (purchased at net asset value) and no-load funds that have passed the screening process described above. The Winslow Preferred Portfolios will not include individual stocks, individual bonds, options or commodities.

Margin Purchases and Check Writing

Margin purchases and check writing are **not** available with the Winslow Preferred Portfolios. Those features can significantly increase rebalancing frequency and the need for cash reserves. Margin purchases can also substantially alter the risk/return profile of an otherwise conservative profile.

Procedures for Enrolling New Customers in a Winslow Preferred Portfolio

Before an investor who is not already a Winslow client may purchase a Winslow Preferred Portfolio, a Winslow advisor representative must first meet with the investor to discuss the investor's investment experience, the investor's investment objectives, and the details of the Winslow Preferred Portfolios, including a discussion of the fees that an investor will be charged in connection with the purchase of a Winslow Preferred Portfolio.

During the initial meeting with the investor, the Winslow advisor representative should furnish the investor with the following documents:

- Winslow's New Account Application;
- Winslow's Investment Risk Strategy Questionnaire;
- Winslow's Investment Advisory Contract; and
- Part II of Winslow's Form ADV.

Upon receipt of an investor's completed New Account Application, completed Investment Risk Strategy Questionnaire and executed Investment Advisory Contract, the Winslow advisor representative should forward all three items to Winslow.

Winslow will review the investor's New Account Application and Investment Risk Strategy Questionnaire to determine investor suitability. Winslow will notify the Winslow advisor representative of its suitability determination.

Assuming an investor's new account application has been approved by Winslow, a Winslow Preferred Portfolio is selected that is appropriate for the investor's objectives and risk tolerance.

The investor's Winslow advisor representative then sends a Winslow Preferred Portfolio proposal to the investor for review. The investor approves, signs, and returns a copy of the proposal.

Winslow then opens the investor's account. The Investor funds the account by depositing or transferring into the account any of the following:

- cash;
- money market balances;
- mutual funds the client already owns that are identical to the recommended mutual funds in the selected Winslow Preferred Portfolio; or
- stocks, bonds or other mutual funds.

Winslow then liquidates securities in the investor's account and uses the assets in the account to purchase mutual funds that have been qualified for the selected Winslow Preferred Portfolio(s). Clients will likely incur transaction fees associated with the

liquidation of securities deposited by the Client to fund its account, but will not be subject to any charges.

Once the account is open, the investor receives trade confirmations, quarterly statements and quarterly performance reports. Monthly statements are generated for those months that activity occurs.

FEES

For annualized fees charged in the Winslow Preferred Portfolio please refer to Form ADV.

Fees are debited to the client account quarterly in advance, based on the average daily balance of the client's account. Accounts are custodied by Pershing LLC, company and they are responsible for fee notification, fee calculation, and fee assessment. Notification is provided by Pershing on the monthly statement immediately prior to assessment of the quarterly fee.

Payment of fees and expenses are withdrawn from the money market position in the account.

Winslow receives an administrative fee of .15% of account value, which is included in the program fees described in the form ADV. The administrative fee covers program expenses such as marketing, performance reporting, quarterly fund monitoring and ongoing account maintenance.

Some of the mutual funds recommended may generate a 12(b)-1 fee which is retained by the broker/dealer.

Account Termination

If any time the client wishes to terminate their agreement, Winslow will either redeem all positions to provide cash or the positions will be transferred in-kind as directed by the client.

Any fees charged to the client will be pro-rated based on the number of days in the current quarter. Any account termination requires written authorization from client.

Customized Portfolios

Winslow Preferred Portfolios are designed for accounts with assets of between \$25,000 and \$500,000.

For those accounts with less than \$25,000 in assets, Winslow will develop a customized portfolio which takes into effect the client's risk tolerance including recommended mutual funds with initial funding that meet client's deposit amount. As account balances reach

\$25,000, Winslow will request transfer into the appropriate Winslow Preferred Portfolio based on client's investment profile.

For accounts with assets of \$500,000 or more, Winslow believes that a separate managed portfolio may best accommodate a client's investment objectives. Separate managed portfolios offer personal management of individual securities. Once client accounts approach \$500,000 in assets, Winslow offers additional investment choices and services including Winslow managed fee accounts, select trust and advisor referral services, and traditional commission-based investor services.

Masters Account Programs I and II (MAP)

The Masters Account Programs (MAP) offers clients the opportunity to obtain portfolio management services from a select, pre-screened group of investment managers. Pursuant to the MAP programs, investment needs, objectives and risk tolerance for each client are determined by means of a questionnaire completed with the help of the Company's account executives. The investment managers are selected from a group recommended by the firm. Once chosen, each manager reviews the questionnaire provided and directs the discretionary trading in the client account, receives any information regarding changes in the client's financial circumstances that is provided by the client and conducts an ongoing account review.

The Company selects the MAP investment managers to provide a broad choice of investment styles and disciplines. Our selection process includes an examination of the manager's investment philosophy and practices, a review of Form ADV and other public records and a review of trading procedures and portfolio performance. The Company often employs third parties to help with the selection process. All managers are reviewed periodically by the firm and monitored based upon performance of MAP accounts.

In MAP I accounts the Company has the power to remove any manager from MAP if, in its discretion, such action is warranted. Removal is entirely at the Company's discretion. The Company may remove a manager for poor relative performance, significant departure from stated investment discipline, or material changes within the organization. Map I accounts are managed by an Investment Advisory Registered Representative of the Company.

In MAP II accounts the client retains the power to appoint and remove the manager, in the client's discretion. The Company may recommend that the client change a MAP manager for any reason, including those stated above. In Map II accounts, when a manager is introduced to the client, the client is furnished with Form ADV Part II from the manager and from Winslow.

The Company does not assume responsibility for the client's choice of manager or the manager's performance, compliance with applicable laws or regulations, or other matters within the manager's control.

One of the Company's registered representatives acts as the account manager for each client. Investment allocation decisions as well as specific portfolio securities selections are reviewed on a continuous basis. The Company does not maintain custody of the individual shares owned by each client. Each client is the registered owner of his or her shares held by a registered broker-dealer or the individual funds themselves.

Programs Conducted in Cooperation with Lockwood Advisors, Inc. ("LKA") and/or Lockwood Capital Management, Inc. ("LCM")

1. WRAP Account Programs sponsored by the company:

For all of WRAP Fee programs listed below the Company and/or the Company designee serves as the registered investment advisor on the Account and a broker dealer of record with respect to the account. The Company provides client with a schedule of Portfolio Managers available through the program, which may be modified from time to time. The Company will select any investment management firms made available by Lockwood or any other type of permissible investment vehicle that the Company determines are most appropriate to provide investment management services to Client in the Company's wrap fee program or rep-managed program or to designate its own proprietary portfolio management options. The Company assumes the responsibilities for performing the following functions pursuant to Rule 3a-4 of the 1940 Act: 1) obtaining certain financial information from the client, including, but not limited to, the client's financial objectives and risk tolerance; 2) assisting the client in the formulation of its investment objectives; 3) providing the client with the necessary paperwork to open accounts; 4) contacting the clients, at least annually, to determine if the client's financial situation has changed or if client wishes to impose restrictions on which securities may be held in the account; and 5) maintaining reasonable availability of qualified persons to consult with the clients (hereinafter "Rule 3a-4 functions").

The Company, as the Sponsor of a Wrap Program, has fiduciary responsibility to each client participating in its wrap fee program and has a duty to determine whether a managed account is suitable investment vehicle for the client and whether the portfolio management option selected are suitable for the client considering such factors as the client's risk tolerance and investment objectives

a) Lockwood Investment Strategies ("LIS")

Lockwood Investment Strategies ("LIS") product is a discretionary, multi-discipline managed account housed in a single portfolio, with a variety of core models offered by the Company as Sponsor. LCM serves as the manager ("Manager"), determines the asset allocation strategy and selects investment vehicles for each of the portfolios, based upon its proprietary modeling strategies, macroeconomic outlook and investment research discipline. LCM may utilize sub-managers (who provide individual security inputs), as well as other investment vehicles. LCM exercises discretion over the accounts invested in LIS and may use such sub-managers' respective models in whole or in part. Each of the models within the LIS product is described in detail in the LCM Schedule H to the Form ADV. The models may contain equities, mutual funds, exchange-traded funds and other types of securities, as determined by LCM.

The initial minimum investment in LIS for each Client is \$250,000.00, unless otherwise disclosed in the Schedule H to the Form ADV.

The LIS product includes strategies which are limited to traditional asset classes only ("Traditional") and a series of strategies that include traditional and alternative investment asset classes ("Alternative").

b) Lockwood Asset Allocation Portfolios ("LAAP")

Lockwood Asset Allocation Portfolios ("LAAP") is a discretionary, multi-discipline managed account product housed in a single portfolio, offered by the Company as Sponsor. LCM, serving as Portfolio Manager, determines the asset allocation strategy and selects investment vehicles for each of the portfolios, based upon its proprietary modeling strategies, macroeconomic outlook and investment research discipline. There are multiple LAAP models, each of which is described in detail in the LCM Schedule H to the Form ADV. The models may consist of open and closed-end mutual funds, exchange-traded funds and other types of securities, as determined by LCM, in its sole discretion.

The minimum, initial investment by a Client in LAAP is \$50,000.00, unless otherwise disclosed in LCM's Schedule H to the Form ADV, with minimum subsequent investments of \$1,000.00 each. Each account must be funded with cash.

c) Managed Account Command – Separately Managed Accounts

The Managed Account Command – Separately Managed Account program ("MAC-SMA") offers clients the opportunity to obtain portfolio management services from a select, pre-screened group of investment managers that have been made available through the relationship between the Company, as the Sponsor of a Wrap Program, and Lockwood Advisors, Inc. Pursuant to the MAC-SMA program, investment needs, objectives and risk tolerance for each client are determined by means of a questionnaire completed with the help of the Company's account executives. The investment managers are selected by the Company from a group made available by Lockwood Advisors, Inc. recommended by the firm. Once chosen, each manager

reviews the questionnaire provided and directs the discretionary trading in the client account, receives any information regarding changes in the client's financial circumstances that is provided by the client. The designated Investment Adviser of the Company and the Company conduct an ongoing account review and supervision.

The Company, in its sole discretion, selects the MAC-SMA investment managers based on the proprietary research provided to the Company by Lockwood Advisors, Inc. In addition to the information provided by Lockwood Advisors, Inc. our selection process may include an examination of the manager's investment philosophy and practices, a review of Form ADV and other public records and a review of trading procedures and portfolio performance. All managers are reviewed periodically by the firm and monitored based upon performance of MAC-SMA accounts.

In MAC-SMA accounts the Company has the power to remove any manager from MAC-SMA if, in its discretion, such action is warranted. Removal is entirely at the Company's discretion. The Company may remove a manager for poor relative performance, significant departure from stated investment discipline, or material changes within the organization. MAC-SMA accounts are managed by the designated selected money manager and monitored by the Investment Advisory Registered Representative of the Company.

*d) Managed Account Command – Investment Advisor Registered Representative
Managed Accounts*

In Managed Account Command – Investment Advisor Registered Representative Managed Account program ("MAC-IARRMA") offers the client portfolio management services from the retained Investment Advisor Registered Representative ("IARR") of the Company, where the Company is the Sponsor of the Program. Pursuant to the MAC-IARRMA program, investment needs, objectives and risk tolerance for each client are determined by means of a questionnaire completed with the help of the Company's IARR.

Winslow, Evans & Crocker, Inc.

INVESTMENT ADVISORY CONTRACT

The undersigned ("Client") hereby retains Winslow, Evans & Crocker, Inc. ("Winslow") to act as investment advisor subject to the terms and conditions set forth below.

INVESTMENT PRODUCT (Please check one)

- | | |
|--|---|
| <input type="checkbox"/> WINSLOW MASTER'S I | <input type="checkbox"/> WINSLOW MASTER'S II |
| <input type="checkbox"/> WINSLOW PREFERRED
PORTFOLIOS | <input type="checkbox"/> WINSLOW PROGRAMS OFFERED
THROUGH LOCKWOOD |

NEW ACCOUNT APPLICATION

Winslow's engagement as investment advisor to Client is subject to Client completing, and Winslow then accepting, a new account application, risk questionnaire and other documentation that might be required by Winslow and/or Custodian and/or Money Manager for the account in the form provided by Winslow to Client. If Winslow rejects Client's new account application and/or finds the information provided insufficient Winslow will so notify Client, and this agreement will be null and void.

THE INVESTMENT ACCOUNT

An investment account to be created and managed by Winslow for Client (the "Investment Account") will consist initially of the funds and/or the securities transferred or deposited into such Investment Account by Client. Client may make additions to or withdrawals from its Investment Account at its discretion, provided that Winslow requests at least seven business days prior notice from Client of any intended withdrawals from its Investment Account.

INVESTMENT OBJECTIVES

Client will disclose his/her/its investment objective in the new account application and/or an investment risk strategy questionnaire furnished to Client by Winslow. Winslow intends to review Client's designated investment objectives with Client periodically. However, it is Client's responsibility to notify Winslow promptly of any changes in the investment objectives for Client's account.

AUTHORITY

If client wishes to employ the services of Winslow as advisor on a non-discretionary basis Client(s), or Client's representative if the Client is an entity, must initial here _____. If no initials are affixed at the end of the previous sentence, Client gives Winslow unlimited and unrestricted authority to invest and reinvest the assets held in Client's Investment Account,

solely at Winslow's discretion and at Client's sole risk. For discretionary accounts, Winslow is not required to notify Client prior to any transaction, and normally will not do so.

If the client desires to employ services of Winslow utilizing one of the WRAP programs available through Winslow in cooperation with Lockwood Advisors, Inc ("LKA") and/or Lockwood Capital Management Inc. ("LCM"), client gives Winslow unlimited and unrestricted authority to invest and reinvest the assets held in Client's Investment Account, solely at Winslow's discretion and at Client's sole risk and acknowledges that those services cannot be obtained on a non-discretionary basis, thus for those WRAP programs the terms of the paragraph immediately preceding this one are non-applicable. For discretionary accounts Winslow is not required to notify Client prior to any transaction, and normally will not do so.

Client hereby designates Winslow as its agent and attorney-in-fact with a limited power of attorney. Winslow has full power to arrange for the delivery of and payment for securities purchased or sold. Winslow may enter into investment advisory contracts with other clients and may buy and sell securities for all or any part of its investment advisory accounts as a single unit.

If the Client elects to use a sub-advisor introduced by Winslow, all of the covenants of this agreement will extend to the sub-advisor and the sub-advisor must be listed here

_____.

If the Client elects to participate in one of the WRAP programs available through Winslow in cooperation with LKA and/or Lockwood Capital Management Inc. LCM, all of the covenants of this agreement will extend to LKA, LCM and the Money Managers listed here

_____	_____
_____	_____
_____	_____
_____	_____

CUSTODY

The securities and funds held in Client's Investment Account shall be held in the custody of a Clearing Agent of Winslow, or another designated third party custodian. In no event will the selected custodian be an affiliate of Winslow. If a third party custodian elected by the Client's account representative or Client is not a Clearing Agent of Winslow, the custodian must be specified here _____.

If Client elects to participate in one of the WRAP programs available through Winslow in cooperation with LKA and/or LCM, Client agrees that the securities and funds shall be held in the custody of LCM affiliate Pershing, LLC

REPORTS

Winslow will furnish or cause Client to be furnished with quarterly reports. These reports will include a detailed statement of the securities and cash held in the Investment Account. Copies of transaction confirmations will be sent directly from the custodian. In addition, Winslow will make an effort to respond promptly and fully to Client's inquiries at any time on any matter related to the Investment Account.

FEES

In accordance with our Investment Management Agreement with you, your account will be charged a quarterly breakpoint management fee as shown on the blended basis percentage annualized schedule:

<u>Assets In Account</u>	<u>Annual Fee</u>	<u>Annual Fee Charged</u>
\$25,000 - \$100,000	1.75% - 2.50%	_____
\$100,000 - \$500,000	1.50% - 2.00%	_____
\$500,000 - \$1,000,000	1.25% - 1.75%	_____
\$1,000,000 +	1.00% - 1.50%	_____

Note that in certain cases, subject to negotiation between the Winslow investment advisor agent and the Client, the actual fee charged may be greater than or less than the blended fee that would otherwise be calculated. In addition to the fee the client may or may not be charged a ticket charge and or postage and handling charge if one is assessed by the Firm's clearing broker. This ticket charge includes an administrative markup. No ticket charge is assessed if no ticket charge is assessed by the clearing broker.

Employees may receive a discount to the fee. Account transferred from another Registered Investment Advisor may receive a rate equal to the rate they were paying their former manager, including a flat rate fee. Other Clients subject to negotiation may receive a similar fee.

These fees indicate the percentages that will be used to calculate fees based on your account asset value.

Investment Management Fees are billed in advance on a quarterly basis at the beginning of the quarter, and are calculated based on the asset amount of the last day of the preceding quarter. Accounts added to the billing system during the billing period will be charged a pro-rata fee at inception.

The fee calculation uses the Blended Plan. Blended fees assess the percentage rates using the predefined levels of assets as shown in the above chart resulting in a combined, weighted fee. Although we have a very high degree of confidence in our fee calculation and invoicing process and in spite of the fact that Pershing, LLC, other Clearing Agent of Winslow, or another designated third party custodian are fact both the custodian and calculator of the fee, we are required by the SEC to inform you that it is the client's responsibility to verify the accuracy of

the fee calculation and that the custodian will not determine whether the fee is properly calculated.

If Client elects to participate in one of the WRAP programs available through Winslow in cooperation with LKA and/or LCM, Client agrees that fee calculation process is performed by LKA and/or LCM and it is the Clients responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated.

Some of the programs also incur 12B-1 Fees per the prospectus. Funds used in the Winslow programs are either no load or load waived. The Winslow investment advisor agent may receive a portion of some 12B-1 fees as well as Winslow, Evans & Crocker, Inc.

The advisor fee will be charged directly against the Investment Account when due, or some other account held by the custodian owned by the Client established in part to pay advisory fees. The custodian or, for those accounts that established in cooperation with LKA and/or LCM, LKA and/or LCM will determine the fee due by applying the annual fee charge specified by this agreement. The custodian will advise the Client of the fee, the fair market value of the account, and how the fee was calculated. After notification, the custodian will debit the Client's account and credit Winslow's account. It is the Client's responsibility to verify the calculation of the fee.

The advisor fee for the accounts that established in cooperation with LKA and/or LCM includes all fees and charges for the services, as applicable, of the Portfolio Manager, Sponsor, and LKA and/or LCM and all applicable brokerage charges.

BROKERAGE MATTERS

Winslow will use its good faith judgment in the best interest of the Client when it places orders for the Investment Account. This may include the execution of securities transactions through the broker dealer group of Winslow, which is a broker dealer, registered FINRA member. The Client understands and waives the potential conflict of interest concerning Winslow's executing transactions through its broker dealer group.

If Client elects to participate in one of the WRAP programs available through Winslow in cooperation with LKA and/or LCM, Client agrees that all trades are executed through LCM's affiliate and Winslow's clearing firm Pershing, LLC. All such trades are affected on an agency basis, unless prior client approval is obtained for a principal trade, in accordance with the Investment Advisers Act of 1940, as amended. LCM may trade away from Pershing in order to achieve best execution. Client specifically agrees that Winslow does not affect or impact trade execution for such trades.

E-MAIL ADDRESS

Rule 204-3 under the Investment Advisors Act requires Winslow, Evans & Crocker, Inc. and any investment advisor or sub-advisor who manages your account or provides advisory services (unless exempt from registration) to provide you with a written disclosure statement which may

be either a copy of Part II of it's Form ADV or another document containing the information required by the Form ADV. By providing his/her E-mail address here

Client authorizes Winslow, Evans & Crocker, Inc. the delivery of written disclosure statements required by Rule 204-3 under the Investment Advisors Act via E-Mail or using other Electronic Format (i.e. CD).

☐ Check here if you **do not** give consent to your financial advisor for delivery by email.

ACKNOWLEDGMENTS

Client acknowledges receipt of an Annual Fee Schedule, an Investment Risk Strategy Questionnaire and Schedule H for the Part II of Form ADV 48 hours or earlier prior to entering into this contract by initialing here _____.

Client acknowledges receipt of an Annual Fee Schedule, an Investment Risk Strategy Questionnaire and Schedule H for the Part II of Form ADV with less then 48 hours prior to entering into this contract and his/her right to terminate this contract within five (5) business days by initialing here _____.

Client will not require or expect Winslow to take any action or render any advice with respect to the voting of proxies with respect to any securities in the Investment Account.

All information and advice furnished by either party to the other will be treated as confidential and will not be disclosed to third parties except as required by law.

Winslow's responsibility is limited to the portion of Client's assets which are allocated to the Investment Account. Winslow is not responsible for any improper concentration of investments or failure to diversify with respect to any assets not included in the Investment Account.

If the Investment Account is a fund or a plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), Winslow certifies that: (a) Winslow is a Registered Investment Advisor under the Investment Advisors Act of 1940; (b) Winslow acknowledges that it is a fiduciary with respect to the fund (c) Winslow will notify Client in writing within ten days if (a) or (b) cease to be true.

If Client is a fund or plan subject to ERISA, Client represents that either (i) its fidelity bond currently includes Winslow as investment advisor to the extent required by applicable law or (ii) Client will promptly cause its fidelity bond to be amended to include Winslow as investment advisor to the extent required by applicable law. Client has furnished or agrees to furnish promptly to Winslow evidence of such bonding.

This agreement will be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, other than the laws governing conflicts of laws.

TERMINATION

Client has the right to terminate contract within five business days of entering into the contract in those instances when an Annual Fee Schedule, an Investment Risk Strategy Questionnaire and Schedule H for the Part II of Form ADV were delivered with less than 48 hours prior to entering into this contract. Either Winslow or Client may terminate this contract at any time by delivering a written notice to the other party. In such an event, Client will receive a pro rata refund of fees prepaid for the portion of the contract period following termination.

This contract may not be amended, transferred, or assigned without both parties' written consent.

If the foregoing currently states our understanding, kindly sign and return to us the enclosed copy of this contract.

Winslow, Evans & Crocker, Inc.

Investment Advisor Representative

Robert B. Maloney
President

Accepted and agreed to as of

Date

Date

Account Holder Signature

Joint Account Holder Signature
(If applicable)

Disciplinary history of Winslow and its representatives can be obtained from the Massachusetts Security Division by calling (617) 727-3548.

Confidential Investor Profile
Investment Strategy Questionnaire

Account Registration Name

Have you ever been subject to the Alternative Minimum Tax or do you expect to be?* ☐ YES ☐ NO

Asset Amount \$

If you require distribution or withdrawals from this account registration, please fill out the following income requirement information. If you do not have income requirements for a particular account registration, please leave this section blank.

State in which this account will pay taxes

Date of Trust or Plan (for Trust and Corporate Accounts) Gross annual distribution requirement (pre-tax) \$

Distribution frequency (Designate monthly, quarterly, semi-monthly, annually) Date to begin (MM/YYYY)

Please note: Additional account documentation must be completed at the time a regular/systematic distribution is established.

Investment Objectives and Risk Tolerance

Please complete the following questions as they apply to the assets under consideration for this Investment strategy proposal. Please consider your response to each question carefully to avoid responses that conflict with one another.

1. Financial Objective (choose one)

- | | | |
|--------------------------|----------------------------------|-----------|
| <input type="checkbox"/> | Current Income | 1 point |
| <input type="checkbox"/> | Income and Capital Appreciation | 5 points |
| <input type="checkbox"/> | Capital Appreciation and Income | 7 points |
| <input type="checkbox"/> | Capital Appreciation | 9 points |
| <input type="checkbox"/> | Substantial Capital Appreciation | 10 points |

ADD

POINTS

2. What is your investment time horizon for these assets?

- | | | |
|--------------------------|---------------------|-----------|
| <input type="checkbox"/> | One to three years | 1 point |
| <input type="checkbox"/> | Three to five years | 5 points |
| <input type="checkbox"/> | Five to ten years | 7 points |
| <input type="checkbox"/> | Ten years or more | 10 points |

ADD

POINTS

3. Please rank your top two items of relative importance to you from the following choices:

Rank as #1 your most important item and #2 as your second most important item.

- | | | |
|--------------------------|--|-----------------------------|
| <input type="checkbox"/> | Liquidity (ability to convert assets to cash within a short time frame) | 1 = 1 point, 2 = 1 point |
| <input type="checkbox"/> | Inflation protection (rate of return required to offset inflation over time) | 1 = 8 points, 2 = 5 points |
| <input type="checkbox"/> | Current Income | 1 = 1 point, 2 = 1 point |
| <input type="checkbox"/> | Income and capital appreciation | 1 = 3 points, 2 = 2 points |
| <input type="checkbox"/> | Capital appreciation and income | 1 = 5 points, 2 = 3 points |
| <input type="checkbox"/> | Substantial capital appreciation | 1 = 10 points, 2 = 5 points |

ADD

POINTS

4. For this portfolio, you would like to invest in assets that offer (choose one)

- | | | |
|--------------------------|--|-----------|
| <input type="checkbox"/> | Current income with modest fluctuation in value | 3 points |
| <input type="checkbox"/> | Competitive total return (appreciation and some income) with moderate fluctuation of principal | 5 points |
| <input type="checkbox"/> | The potential for high capital appreciation with possibility of substantial fluctuation in principal | 10 points |

ADD

POINTS

5. Which of the following hypothetical investment scenarios most appeals to you (check A, B, or C)

- | | <i>Annualized
Return Goal</i> | <i>Return During
a Positive Year</i> | <i>Return in a
Negative Year</i> | <i>Chance of Losing
Money in a Year</i> |
|-----------------------------|-----------------------------------|--|--------------------------------------|---|
| <input type="checkbox"/> A. | 10% | 40% | -20% | 1 in 4 |
| <input type="checkbox"/> B. | 8% | 26% | -10% | 1 in 5 |
| <input type="checkbox"/> C. | 6% | 18% | -6% | 1 in 6 |

ADD

POINTS

A = 10 points, B = 5 points, C = 1 point

6. Which of the two investment situations makes you least comfortable?

- | | | |
|--------------------------|--|----------|
| <input type="checkbox"/> | Holding cash when the market goes up (generally more aggressive) | 7 points |
| <input type="checkbox"/> | Holding stocks when the market goes down (generally less aggressive) | 3 points |

ADD

POINTS

7. If your portfolio declined 10% (commonly known as a market correction), how would you feel?

- | | | |
|--------------------------|--|-----------|
| <input type="checkbox"/> | Anxious, but can accept cyclical downturns | 3 points |
| <input type="checkbox"/> | Concerned, but realize that fluctuation can occur | 5 points |
| <input type="checkbox"/> | Interested in long-term growth, but have occasional concerns about fluctuation | 7 points |
| <input type="checkbox"/> | Fine, can accept temporary declines in order to receive long-term growth | 10 points |

ADD

POINTS

Investment Objectives and Risk Tolerance (continued)

8. What is your expectation for annual returns over time (on average)?

☐
☐
☐
☐

- Less than 5% (conservative)
 6-7% (moderate)
 8-9% (aggressive)
 9%+ (very aggressive)

1 point
 5 points
 7 points
 10 points

ADD

 POINTS

9. What annual rate of return above inflation do you expect to achieve over a market cycle (approximately 3-5 years)? Historically inflation has run 3% per year. However, future inflation may be different than historical inflation percentages.

☐
☐
☐

- 0-2%
 3-4%
 5%+

1 point
 5 points
 10 points

ADD

 POINTS

10. Which of the following would you prefer?

☐
☐
☐

- Potential for low return with low risk
 Potential for moderate return with moderate risk
 Potential high return with high risk

1 point
 5 points
 10 points

ADD

 POINTS

11. How often could you endure a loss in your portfolio's value?

With any investment in stocks or bonds there is a risk of loss.

☐
☐
☐

- Once every three years
 Once every five years
 Once every seven years

10 points
 5 points
 3 points

ADD

 POINTS

For scoring information, please see page 3 of this document.

Total

CHOOSE YOUR RISK LEVEL

Please review the investment strategies described below and chose the one that best fits your investment objectives and your score from the investment risk strategy questionnaire.

- ☐ **0-25 points LOW RISK (Conservative Profile)**
This is a predominately fixed income portfolio with a minor equity component. This portfolio seeks to provide a current income stream with some inflation protection. The questionnaire should reflect a very low risk tolerance and a strong desire for low principal volatility.
- ☐ **26-47 points SAFETY STRATEGY (Conservative - Moderate Risk Profile)**
This portfolio seeks to provide current income with some capital appreciation. The fixed income allocation range will be greater than that of equity. The questionnaire should reflect a low risk tolerance with the willingness to accept modest principal volatility.
- ☐ **48-69 points BALANCED STRATEGY (Moderate Risk Profile)**
This portfolio seeks long term capital appreciation and some income. Equities are emphasized over fixed income. The questionnaire should reflect a moderate risk tolerance with the willingness to accept moderate principal volatility.
- ☐ **70-91 points GROWTH STRATEGY (Moderate – Aggressive Risk Profile)**
This portfolio seeks to emphasize capital appreciation with s strong focus on equities and a lesser exposure to fixed income to reduce volatility. The questionnaire should reflect a moderate to high risk tolerance and the willingness to accept high principal volatility.
- ☐ **92-112 points HIGH GROWTH STRATEGY (Aggressive Risk Profile)**
This portfolio seeks to maximize capital appreciation. Current income is not a consideration. The questionnaire should reflect a very high risk tolerance with the willingness to accept very high principal volatility.

Signature: _____ Date: _____

If you would like to discuss further your investment objectives and risk profile, please contact your Winslow, Evans & Crocker, Inc. financial advisor at 800-556-8600.

FORM ADV Uniform Application for Investment Adviser Registration Part II - Page 1	OMB APPROVAL OMB Number 3235-0049 Expires February 28, 2011 Estimated average burden hours per response. . .4.07

Name of Investment Adviser: Winslow, Evans & Crocker, Registered Investment Advisor	
Address: (Number and Street) (City) (State) (Zip Code) 175 Federal Street, Boston, MA. 02110	Area Code: Telephone Number: (617) 227-4300

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

Table of Contents

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<p style="text-align: center;">(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)</p>
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Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

FORM ADV	Applicant:	SEC File Number:	Date:
Part II - Page 2	Winslow, Evans & Crocker, Registered Investment Advisor	801-63905	04/01/2009

Definitions for Part II

Related person -- Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services -- Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

1. A. Advisory Services and Fees. (check the applicable boxes)		For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)	
Applicant:			
<input checked="" type="checkbox"/>	(1) Provides investment supervisory services		99%
<input type="checkbox"/>	(2) Manages investment advisory accounts not involving investment supervisory services		_____ %
<input type="checkbox"/>	(3) Furnishes investment advice through consultations not included in either services described above		_____ %
<input type="checkbox"/>	(4) Issues periodicals about securities by subscription		_____ %
<input type="checkbox"/>	(5) Issues special reports about securities not included in any service described above		_____ %
<input type="checkbox"/>	(6) Issues, not as part of any services described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities		_____ %
<input checked="" type="checkbox"/>	(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities		_____ %
<input type="checkbox"/>	(8) Provides a timing service		_____ %
<input type="checkbox"/>	(9) Furnishes advice about securities in any manner not described above		_____ %
(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)			
B. Does the applicant call any of the services it checked above financial planning or some similar term?		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
C. Applicant offers investment advisory services for: (check all that apply):			
<input checked="" type="checkbox"/>	(1) A percentage of assets under management	<input type="checkbox"/>	(4) Subscription fees
<input checked="" type="checkbox"/>	(2) Hourly charges	<input checked="" type="checkbox"/>	(5) Commissions
<input checked="" type="checkbox"/>	(3) Fixed fees (not including subscription fees)	<input type="checkbox"/>	(6) Other
D. For each checked box in A above, describe on Schedule F: <ul style="list-style-type: none"> the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee applicant's basic fee schedule, how fees are charged and whether its fees are negotiable when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date 			
2. Types of Clients -- Applicant generally provides investment advice to: (check those that apply)			
<input checked="" type="checkbox"/>	A. Individuals	<input checked="" type="checkbox"/>	E. Trusts, estates, or charitable organizations
<input type="checkbox"/>	B. Banks or thrift institutions	<input checked="" type="checkbox"/>	F. Corporations or business entities other than those listed above
<input type="checkbox"/>	C. Investment companies	<input type="checkbox"/>	G. Other (describe on Schedule F)
<input checked="" type="checkbox"/>	D. Pension and profit sharing plans		

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV Part II - Page 3	Applicant:	SEC File Number:	Date:
	Winslow, Evans & Crocker, Registered Investment Advisor	801-63905	04/01/2009

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|---|
| <input checked="" type="checkbox"/> A. Equity Securities
<input checked="" type="checkbox"/> (1) exchange-listed securities
<input checked="" type="checkbox"/> (2) securities traded over-the-counter
<input checked="" type="checkbox"/> (3) foreign issues

<input checked="" type="checkbox"/> B. Warrants

<input checked="" type="checkbox"/> C. Corporate debt securities
(other than commercial paper)

<input type="checkbox"/> D. Commercial paper

<input checked="" type="checkbox"/> E. Certificates of deposit

<input checked="" type="checkbox"/> F. Municipal securities

<input checked="" type="checkbox"/> G. Investment company securities
<input checked="" type="checkbox"/> (1) variable life insurance
<input checked="" type="checkbox"/> (2) variable annuities
<input checked="" type="checkbox"/> (3) mutual fund shares | <input checked="" type="checkbox"/> H. United States government securities

<input checked="" type="checkbox"/> I. Options contracts on:
<input checked="" type="checkbox"/> (1) securities
<input type="checkbox"/> (2) commodities

<input type="checkbox"/> J. Futures contracts on:
<input type="checkbox"/> (1) tangibles
<input type="checkbox"/> (2) intangibles

<input type="checkbox"/> K. Interests in partnerships investing in:
<input type="checkbox"/> (1) real estate
<input type="checkbox"/> (2) oil and gas interests
<input type="checkbox"/> (3) other (explain on Schedule F)

<input type="checkbox"/> L. Other (explain on Schedule F) |
|--|---|

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Charting | (4) <input checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input checked="" type="checkbox"/> Timing services |
| (2) <input checked="" type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the
Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| (3) <input checked="" type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" type="checkbox"/> Short sales | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV	Applicant:	SEC File Number:	Date:
Part II - Page 4	Winslow, Evans & Crocker, Registered Investment Advisor	801-63905	04/01/2009

5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients?

Yes ☒ No ☐

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- formal education after high school
- year of birth
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice.
- ☒ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☒ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input checked="" type="checkbox"/> (3) other investment adviser | <input checked="" type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?

Yes ☐ No ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV	Applicant:	SEC File Number:	Date:
Part II - Page 5	Winslow, Evans & Crocker, Registered Investment Advisor	801-63905	04/01/2009

9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☒ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes ☒ No ☐

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Accounts are reviewed on at least an annual basis or more frequently depending on the request of the client. They are updated by the applicant or its representatives based on pertinent information supplied by the client. Major changes in the client's situation or needs may call for an update prior to the scheduled annual review. All areas in the portfolio that would be affected by the change are reviewed and updated.

- B. Describe the nature and frequency of regular reports to clients on their accounts.

Monthly financial statements, analysis of net worth, cash flow summary, leverage considerations education analysis, estate analysis upon request Quarterly Report reconciliation gains and losses, transaction summary and year end reporting.

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV Part II - Page 6	Applicant: Winslow, Evans & Crocker, Registered Investment Advisor	SEC File Number: 801-63905	Date: 04/01/2009
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12. Investment or Brokerage Discretion.

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- | | | |
|--|-------------------------------------|--------------------------|
| | Yes | No |
| (1) securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | | |
| (2) Amount of the securities to be bought or sold? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | | |
| (3) broker or dealer to be used? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | | |
| (4) commission rates paid? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | | |
- B. Does applicant or a related person suggest brokers to clients? ☒ Yes ☐ No
.....

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4), or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the product, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ☐ Yes ☒ No
.....
- B. directly or indirectly compensates any person for client referrals? ☐ Yes ☒ No
.....

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
 - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ☐ Yes ☒ No
.....

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

Schedule F of		Applicant	SEC File Number:	Date:
Form ADV				
Continuation Sheet of Form ADV Part II		Winslow, Evans & Crocker, Registered Investment Advisor	801-63905	03/01/2009
(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)				
1.	Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:			IRS Empl. Ident. No.:
	Winslow, Evans & Crocker, Inc. (Registered Investment Advisor)			04-3144652
Item of Form				
(identify)		Answer		

1 A ,D	<p>The Company provides non-discretionary and discretionary investment advisory services geared primarily for individuals who wish to have their accounts managed. The Company offers managed accounts through the Masters Account Programs (MAP) and the Winslow Preferred Portfolios Program (WPP). It also offers advisory services through arrangements with individual clients. The Company also offers fee-based financial planning and, through it's affiliate, Insurance products.</p> <p>The Company does not vote client proxy material.</p> <p><u>Masters Account Programs I and II (MAP)</u></p> <p>The Masters Account Programs (MAP) offers clients the opportunity to obtain portfolio management services from a select, pre-screened group of investment managers. Pursuant to the MAP programs, investment needs, objectives and risk tolerance for each client are determined by means of a questionnaire completed with the help of the Company's account executives. The investment managers are selected from a group recommended by the firm. Once chosen, each manager reviews the questionnaire provided and directs the discretionary trading in the client account, receives any information regarding changes in the client's financial circumstances that is provided by the client and conducts an ongoing account review.</p> <p>The Company selects the MAP investment managers to provide a broad choice of investment styles and disciplines. Our selection process includes an examination of the manager's investment philosophy and practices, a review of Form ADV and other public records and a review of trading procedures and portfolio performance. The Company often employs third parties to help with the selection process. All managers are reviewed periodically by the firm and monitored based upon performance of MAP accounts.</p> <p>In MAP I accounts the Company has the power to remove any manager from MAP if, in its discretion, such action is warranted. Removal is entirely at the Company's discretion. The Company may remove a manager for poor relative performance, significant departure from stated investment discipline, or material changes within the organization. Map I accounts are managed by an Investment Advisory Registered Representative of the Company.</p> <p>In MAP II accounts the client retains the power to appoint and remove the manager, in the client's discretion. The Company may recommend that the client change a MAP manager for any reason, including those stated above. In Map II accounts, when a manager is introduced to the client, the client is furnished with Form ADV Part II from the manager and from Winslow.</p> <p>The Company does not assume responsibility for the client's choice of manager or the manager's performance, compliance with applicable laws or regulations, or other matters within the manager's control.</p> <p>One of the Company's registered representatives acts as the account manager for each client. Investment allocation decisions as well as specific portfolio securities selections are reviewed on a continuous basis. The Company does not maintain custody of the individual shares owned by each client. Each client is the registered owner of his or her shares held by a registered broker-dealer or the individual funds themselves.</p> <p><u>Winslow Preferred Portfolios (WPP)</u></p> <p>WPP is an asset allocation programs which invest exclusively in mutual funds and as such is exempt from the "wrap brochure rule"</p> <p>Winslow Preferred Portfolios (WPP) offers clients with an account size of between \$25,000 and \$500,000 the opportunity to obtain portfolio management services from a select, pre-screened group of mutual funds selected by the Company. Clients may continue with the program after \$500,000 balance; however, they are offered individual management at that level. WPP is managed by the Company. The investment needs, objectives and risk tolerance for each WPP participant are</p>
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Schedule F of		Applicant	SEC File Number:	Date:
Form ADV				
Continuation Sheet of Form ADV Part II		Winslow, Evans & Crocker, Registered Investment Advisor	801-63905	03/01/2009
(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)				
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	<p>determined by means of a questionnaire completed with the help of the Company's Investment Advisory Registered Representative or Manager.</p> <p>The account manager reviews the questionnaire provided and selects for the client one of five model portfolios "Conservative", "Conservative – Moderate", "Moderate", "Moderate – Aggressive", and "Aggressive" constructed by the Company using the selected mutual funds and appropriate for the client's investment objectives and needs. The account manager then purchases and sells mutual funds for the client's account in accordance with the model, on a discretionary basis. Managers conduct account reviews on a periodic basis, or as specific circumstances warrant.</p> <p>The Company selects the mutual funds from a universe of approximately 16,000 "no transaction fee" (NTF) funds provided by the Custodian, Pershing, LLC ("Pershing"). Selection is pursuant to a rigorous screening and monitoring process using Morningstar ratings, so as to provide a broad choice of investment strategies and portfolios. The Company may employ third parties to help with the selection process.</p> <p>The account manager may rebalance a client's account on a quarterly basis to conform to the selected Winslow Preferred Portfolio. Investment allocation decisions as well as specific portfolio securities selections are reviewed on a periodic basis. The Company does not maintain custody of the individual shares owned by each client. Each client is the registered owner of his or her shares held by a registered broker-dealer or the individual funds themselves.</p> <p><u>Programs Conducted in Cooperation with Lockwood Advisors, Inc. ("LKA") and/or Lockwood Capital Management, Inc. ("LCM")</u></p> <p>1. <u>WRAP Account Programs sponsored by the company:</u></p> <p>For all of WRAP Fee programs listed below the Company and/or the Company designee serves as the registered investment advisor on the Account and a broker dealer of record with respect to the account. The Company provides client with a schedule of Portfolio Managers available through the program, which may be modified from time to time. The Company will select any investment management firms offered by Lockwood or any other type of permissible investment vehicle that the Company determines are most appropriate to provide investment management services to client in the Company's wrap fee program or rep-managed program or to designate its own proprietary portfolio management options. The Company assumes the responsibilities for performing the following functions pursuant to Rule 3a-4 of the 1940 Act: 1) obtaining certain financial information from the client, including, but not limited to, the client's financial objectives and risk tolerance; 2) assisting the client in the formulation of its investment objectives; 3) providing the client with the necessary paperwork to open accounts; 4) contacting the clients, at least annually, to determine if the client's financial situation has changed or if client wishes to impose restrictions on which securities may be held in the account; and 5) maintaining reasonable availability of qualified persons to consult with the clients (hereinafter "Rule 3a-4 functions"). The Company has fiduciary responsibility to each client participating in its wrap fee program and has a duty to determine whether a managed account is suitable investment vehicle for the client and whether the portfolio management option selected are suitable for the client considering such factors as the client's risk tolerance and investment objectives</p> <p><i>a) Lockwood Investment Strategies ("LIS")</i></p> <p>Lockwood Investment Strategies ("LIS") Product is a discretionary, multi-discipline managed account housed in a single portfolio, with a variety of core models. LCM serves as the manager ("Manager"), determines the asset allocation strategy and selects investment vehicles for each of the portfolios, based upon its proprietary modeling strategies, macroeconomic outlook and investment research discipline. LCM may utilize sub-managers (who provide individual security inputs), as well as other investment vehicles. LCM exercises discretion over the accounts invested in LIS and may use such sub-managers' respective models in whole or in part. Each of the models within the LIS product is described in detail in the LCM Schedule H to the Form ADV. The models may contain equities, mutual funds, exchange-traded funds and other types of securities, as determined by LCM.</p> <p>The initial minimum investment in LIS for each Client is \$250,000.00, unless otherwise disclosed in the</p>
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	<p>Schedule H to the Form ADV.</p> <p>The LIS product includes strategies which are limited to traditional asset classes only ("Traditional") and a series of strategies that include traditional and alternative investment asset classes ("Alternative").</p> <p><i>b) Lockwood Asset Allocation Portfolios ("LAAP")</i></p> <p>Lockwood Asset Allocation Portfolios ("LAAP") is a discretionary, multi-discipline managed account product housed in a single portfolio. LCM, serving as Portfolio Manager, determines the asset allocation strategy and selects investment vehicles for each of the portfolios, based upon its proprietary modeling strategies, macroeconomic outlook and investment research discipline. There are multiple LAAP models, each of which is described in detail in the LCM Schedule H to the Form ADV. The models may consist of open and closed-end mutual funds, exchange-traded funds and other types of securities, as determined by LCM, in its sole discretion.</p> <p>The minimum, initial investment by a Client in LAAP is \$50,000.00, unless otherwise disclosed in the Schedule H to the Form ADV, with minimum subsequent investments of \$1,000.00 each. Each account must be funded with cash.</p> <p><i>c) Managed Account Command – Separately Managed Accounts</i></p> <p>The Managed Account Command – Separately Managed Account program ("MAC-SMA") offers clients the opportunity to obtain portfolio management services from a select, pre-screened group of investment managers that have been made available through the relationship between the Company and Lockwood Asset Management, Inc. Pursuant to the MAC-SMA program, investment needs, objectives and risk tolerance for each client are determined by means of a questionnaire completed with the help of the Company's account executives. The investment managers are selected from a group available through Lockwood Asset Management, Inc. recommended by the firm. Once chosen, each manager reviews the questionnaire provided and directs the discretionary trading in the client account, receives any information regarding changes in the client's financial circumstances that is provided by the client. The designated Investment Adviser of the Company and the Company conduct an ongoing account review and supervision.</p> <p>The Company selects the MAC-SMA based on the proprietary research provided to the Company by Lockwood Advisors, Inc. In addition to the information provided by Lockwood Advisors, Inc. our selection process may include an examination of the manager's investment philosophy and practices, a review of Form ADV and other public records and a review of trading procedures and portfolio performance. All managers are reviewed periodically by the firm and monitored based upon performance of MAC-SMA accounts.</p> <p>In MAC-SMA accounts the Company has the power to remove any manager from MAC-SMA if, in its discretion, such action is warranted. Removal is entirely at the Company's discretion. The Company may remove a manager for poor relative performance, significant departure from stated investment discipline, or material changes within the organization. MAC-SMA accounts are managed by the designated selected money manager and monitored by the Investment Advisory Registered Representative of the Company.</p> <p><i>d) Managed Account Command – Investment Advisor Registered Representative Managed Accounts</i></p> <p>In Managed Account Command – Investment Advisor Registered Representative Managed Account program ("MAC-IARRMA") offers the client receives a portfolio management services from the retained Investment Advisor Registered Representative ("IARR") of the Company. Pursuant to the MAC-IARRMA program, investment needs, objectives and risk tolerance for each client are determined by means of a questionnaire completed with the help of the Company's IARR.</p> <p><u>Disclosure Materials and Reporting</u></p> <p>Before the opening of any account for which investment advisory services are provided the Company will furnish the client with a current copy of its Form ADV Part II and Schedule H (when applicable),</p>
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1.C,D	<p>Form ADV Part II for sub-advisors (when applicable) and the opportunity to impose reasonable restrictions on the management of the account. The Company will provide each client with a quarterly account statement and will notify the client in writing to contact the Company if (a) any changes have occurred in the client's financial situation or investment objectives that necessitate a change in either the asset allocation or specific funds held for that client or (b) if the client wishes to impose any reasonable restrictions on the management of the account. The Company will also provide the client annually with the opportunity to obtain an updated Form ADV Part II and will directly contact the client to determine whether either (a) or (b) above has occurred.</p> <p><u>Summary – Code of Ethics</u></p> <p>Winslow, Evans & Crocker, Registered Investment Advisor. "Winslow", an affiliate of Winslow, Evans & Crocker, Inc., and its associated persons have a fiduciary responsibility to place the interest of a client ahead of their own. In summary, the interest of the client comes first: Winslow and its associated persons must avoid taking inappropriate advantage of their position and must conduct their personal securities transactions in full compliance with the code. Exceptions to the code will rarely or ever be granted but they may be granted, by the Chief Compliance Officer, "CCO", in a specific instance where proposed conduct involves negligible opportunities for abuse. The full text of the code and Appendices are available by writing to the CCO or online at www.winslowevanscrocker.com</p> <p><u>Fees</u></p> <p>1. Financial Planning Services are conducted for an hourly fee by Investment Advisory Registered Representatives that are also independently credentialed as Certified Financial Planners or CFA, or industry equivalent. The client and the planner negotiate a fee between \$150 and \$250 dollars per hour based upon the complexity of an individual's circumstances, and agreed to, in writing by the customer, with a maximum fee or cap, stated as part of the agreement.</p> <p>The client may then be invoiced for ½ of the cap fee with the balance of the fee being due and payable upon delivery of the plan or service, as the case dictates.</p> <p>Clients will be refunded 100% of their deposit if the plan is not completed within six months of the originally-signed agreement. For ongoing service the client may cancel at any time and will only pay for those services actually received. Once the service is complete fees are not refundable except under extraordinary circumstances. A client wishing a refund for Planning Service already received would write to the Company's Chief Compliance Officer delineating the reason(s) for the refund request. The CCO will answer the request in writing and furnish any refund granted within 30 days.</p> <p>Ongoing financial planning may be contracted at the same hourly rates listed above. The aggregate and/or hourly dollar amount paid by clients may vary, and clients (given the differences between and among clients, their needs and distinct objectives, and the possible varying complexities) may negotiate different fees, which mean different clients may receive the same service but pay different fees.</p> <p>Execution of product selection through Winslow may result in economic benefit to, the Investment Advisory Registered Representative in their capacity as Winslow registered representatives, or Winslow, for transaction or ticket charges, commissions, including fees occasioned by Winslow as clearing broker. All fees paid to Winslow for its services are separate and distinct from the fees and expenses charged by mutual funds and/or Insurance products, for their respective products. These fees are disclosed in each fund's prospectus and/or product brochure and will generally include a management fee, other expense and a possible distribution and/or wrap fee. If the Insurance product (variable annuity or fixed annuity, for example) also employs a sales charge, a client may pay an initial or deferred sales charge.</p> <p>So called trail fees (12b-1 fees) may be derived from the placement of the client's assets in mutual fund shares and/or no-load variable annuities that may directly inure to the benefit of Winslow or its affiliates or Investment Advisory Registered Representatives.</p> <p>To the extent a client purchases insurance products recommended by Winslow, certain licensed insurance agents who are also Winslow Investment Advisory Registered Representatives or Registered</p>
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	<p>Representatives may also receive commission(s).</p> <p>Each Investment Management client pays a fee based upon the average market value of the securities in the client's account during the preceding quarter, based on a signed client agreement. Management fees are billed quarterly in advance. Fees are automatically deducted from each account for remittance to the Company unless other arrangements are made for direct remittance. Fees and other charges will be deducted from the cash and money market positions in the account to the extent available. All clients will be advised that the Company's fees are in addition to fees that may be charged by each mutual fund, or by the custodian for certain account services. The current fee schedule is as follows:</p> <p>Masters Account Program I and II (MAP).</p> <p>The Company offers two types of fee structures for MAP I and MAP II accounts:</p> <ol style="list-style-type: none"> 1. <u>All Inclusive</u>. Except under special circumstances related to the transfer of multiple accounts from another investment advisor that may have a different fee structure, a wrap fee of between 0.75% and 1.75% of assets under management covers all services, including management, administration and custody and clearing charges. Employees and registered persons may qualify for a reduction from the standard rate structure. 2. <u>Partial</u>. Except under special circumstances related to the transfer of multiple accounts from another investment advisor that may have a different fee structure, a management fee of 0.75% to 1.75% of assets under management covers management and account administration services only. All transactions are subject to a \$25.95 charge per transaction. Sub-account transactions are subject to "bank rates" charges. Bank rate charges are a \$20 ticket charge plus postage and handling or 10 cents per share up to 1,000 shares; 8 cents per share up to 10,000 shares; and 6 cents per share over 10,000 shares (+ \$5.95 postage and handling). The client pays the higher of the two schedules. Extremely large orders or orders for low-priced securities may be negotiated lower. Employees and registered persons may qualify for a reduction from the standard rate structure. <p>Winslow Preferred Portfolios (WPP)</p> <p>Except under special circumstances related to the transfer of multiple accounts from another investment advisor that may have a different fee structure, WPP accounts carry a management fee ranging from 1.50% - 1.75% for accounts under \$100,000 to 0.75% - 1.00% for accounts over \$1 million. Fees are negotiable within Program limits. Fees cover management and account administration only and the account may be charged separately for custody and clearing services. Employees and registered persons may qualify for a reduction from the standard rate structure.</p> <p>Programs Conducted in Cooperation with Lockwood Advisors, Inc. ("LKA") and/or Lockwood Capital Management, Inc. ("LKC")</p> <p>Participants of all programs conducted in cooperation with LKA and/or LKC will pay an annualized asset-based fee ("Program Fee") in accordance with the negotiated fee schedule as described in the Client's contracts with the Company. Minimum program fee (for all programs conducted in cooperation with LKA and/or LKC) is 1%. Maximum 2.5%. The Program Fee includes all fees and charges for the services, as applicable, of the Portfolio Manager, Sponsor, and Lockwood and all applicable brokerage charges.</p> <p>The Program Fee will be payable quarterly in advance. The first payment is due upon account turnover to the Portfolio Managers and will be assessed on a pro rata basis in the event this Agreement is executed at any time other than the first day of the billing cycle. All subsequent payments will be assessed accordingly. Clients authorize the Company and Lockwood to deduct all applicable fees from Client's Account. All such fees have to be clearly noted on Client's statements. Portfolio Manager, Sponsor, and Lockwood and their respective agents, in connection with the performance of their respective services, shall be entitled to and will share proportionally in the Program Fee payable hereunder based on the respective services each provides.</p>
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3	<p>Other Accounts</p> <p>Investment advisory services are provided to other types of accounts on a negotiated basis, depending on the size of account, types of investments and level of investment services to be provided.</p> <p>The fees and/or commissions charged in connection with the programs are negotiable. A portion of such fees and/or commissions is paid to our account managers (supervised persons). The compensation paid may be more than compensation payable for the sale of other products and services, including investment advice, brokerage and other services provided separately.</p> <p>A client participating in a wrap fee program may pay either more or less than that client might otherwise pay if such services were purchased separately. There are several factors that may determine whether the costs would be more or less. These include size of the portfolio, types of investment made by the manager, the amount of trading affected by the portfolio manager and the actual costs of such services available for purchase separately.</p> <p>All fees are prorated for new or terminating accounts. Clients are provided with a fee disclosure statement prior to debit showing how the fees were calculated and giving the client the right to ask questions. Fees may be discounted.</p> <p>Winslow focuses much of its management style on mutual funds; however, managers are eligible to use many types of investment vehicles. Winslow maintains a recommended product list of mutual funds (RPL) to be used in MAP I accounts and in the WPP product.</p>
	<p>Transaction Aggregation</p> <p>The Company may aggregate transactions for a number of advisory clients at the same time for execution purposes under appropriate circumstances. This practice will not ordinarily affect or otherwise reduce commissions or other costs incurred. Aggregated securities may be allocated among advisory clients and their respective accounts on a pro rata basis depending upon the size of the transaction or some other equitable procedure adopted. In any case, trade allocation procedures may result in certain clients paying higher or lower prices for securities than may otherwise have been obtained. If, however, a security is trading in a very volatile fashion or the market is "fast", it may be in the best interests of all parties to aggregate trades in order to obtain a timely and favorable execution.</p>
4A	<p>Client – Imposed Restrictions</p> <p>All clients have the opportunity to impose reasonable restrictions on the securities purchased or the way the account is managed. The restrictions may be imposed in order to gain a tax advantage or some other personal objective. Any restrictions may adversely affect the risk-reward level of a portfolio. We will honor the restrictions absent extraordinary circumstances. Clients who impose restrictions with respect to certain assets in a managed account may cause a portion of the portfolio to be placed outside the manager's discretion, expertise and judgment as to the wisdom of purchasing, holding or selling particular securities. The decision by a client to retain certain assets may have an adverse impact on the amount of risk assumed by the client and may hinder the investment manager's ability to manage the portfolio properly according to the stated objectives of the client.</p>

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4A	<p><u>Sub-Advisors Services</u></p> <p>Winslow maintains Sub-Advisory arrangements with several Registered Investment Advisor Firms. Occasionally the Company introduces those Sub-Advisors to its clients for the purpose of performing additional Investment Supervisory Services. Investment Supervisory Services for the account can be provided only in those instances when the following two criteria are met:</p> <ul style="list-style-type: none"> (1) – Client elects Sub-Advisor introduced by Winslow to perform Investment Supervisory Services in addition to those provided by the Company; (2) – Client agrees with all covenants of Investment Advisory Contract to be extended to Sub-Advisor in addition to the Company. <p>The satisfaction of both of the above criteria is evidenced in writing by the execution of Investment Advisory Contract specifically naming Sub-Advisor within the Authority section.</p> <p>For programs conducted in cooperation with LKA and LCM Winslow, in addition to all methods described within Part II of the Form ADV, relies on information that is being provided to us by LKA, and/or LCM with the understanding that the client has executed account documentation necessary to participate in such programs. In all cases, the Company is the Sponsor of the WRAP program.</p>
4B	<p><u>Sub-Advisory Informational Services</u></p> <p>From time to time Winslow can rely on the information provided to the Company by Sub-Advisor Firms (also see 4A). When relying on such information the Company will disclose the source to its Customers.</p>
4C	<p>In those instances when the Company suggests and the client agrees to participate in one of the programs offered by the Company through LKA or parties under contract with LKA, and/or LCM, Winslow when appropriate, utilizes strategies that are being offered by LKA or LCM.</p>
5	<p>The Company requires that those individuals associated with determining or giving investment advice have significant investment industry experience. Those individuals that perform fee-based financial planning must have specific financial planning certification.</p> <p>Robert B. Maloney, President and Chief Executive Officer. As President and Chief Executive Officer of Winslow, Evans & Crocker, Inc. since May 1998, Mr. Maloney brings over 25 years of experience in the investment field to the Company. Prior to joining the Company, he held the position of Executive Vice President and New England Regional Director of Smith Barney & Co., a FINRA registered broker dealer, with whom he had been a registered representative since 1993. Mr. Maloney received a BA degree from The College of The Holy Cross in 1975, and has been in the securities industry since 1976. He is a member of the Company's Investment Policy Committee. He is an Options Principal and General Securities Principal and holds FINRA licenses 3, 4, 6, 7, 8, 24, 55, 63 and 65, as well as Life and Health insurance licenses. Mr. Maloney was born in 1953.</p> <p>Tina Maloney, Chairman and Chief Financial Officer. As Chairman and Chief Financial Officer of Winslow, Evans & Crocker, Inc., Ms. Maloney brings more than 25 years of industry experience to the Company. Ms. Maloney, formerly President of the Company, served as a registered administrator and registered representative of Merrill Lynch, Dean Witter, Mosley Hallgarten and Drexel Burnham. Ms. Maloney attended both Suffolk University and Northeastern University, majoring in Accounting. Ms. Maloney is a General Securities Principal and a Financial & Operations Principal and holds FINRA Series 6, 7, 24, 27, 63 and 65. Ms. Maloney was born in 1960.</p> <p>John A. Pliakas., As Executive Vice President-Director Private Client Group Mr. Pliakas brings over 30 years of investment experience to the Company. Mr. Pliakas has been a registered representative since 1973. Prior to joining Winslow, Evans & Crocker, Inc. in 2007 Mr. Pliakas has held key positions with multiple firms including Jesup & Lamont Securities Corp., Coburn & Meredith, Inc., Hambercht & Quist, LLC, Legg Mason, Inc.E.F. Hutton. Mr. Pliakas received a bachelor's degree from Babson College. He is a General Securities Principal and holds the following FINRA Licenses: 7, 4, 5, 24, 63 and 65. Mr. Pliakas was born in 1939</p>

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	<p>Douglas E. White. As Senior Vice President and Chief Investment Officer of Winslow, Evans & Crocker, Inc. Mr. White brings over 25 years of experience in providing clients with wealth management and investment advisory services. Prior to joining the company he was Managing Director of Detwiler, Fenton & Co., a member of FINRA and SEC Registered Investment Advisor, for six years during which time he served on the management committee and as director of the Private Client Group. Mr. White received his BS degree, with honors, in Electrical Engineering from Northeastern University in 1973 and his MBA from Harvard University in 1976. Mr. White is a Chartered Financial Analyst ("CFA") and holds FINRA licenses: 4, 7, 24, 53, 63 and 65. Mr. White was born in 1950.</p> <p>Alfred Cutler Barnes McNevin III, Senior Vice President. As Senior Vice President, Mr. McNevin, brings over 20 years of experience to the Company, and has been a registered representative since 1980. Before joining Winslow, Evans & Crocker, Inc. in November of 2001, Mr. McNevin has been a registered representative at E.F. Hutton, Shearson Lehman Hutton, Smith Barney and Legg Mason Wood Walker. Mr. McNevin received a bachelor's degree from Curry College in Milton, Massachusetts in 1976. He holds the following FINRA licenses: 7, and 63, as well as Life and Health insurance licenses. Mr. McNevin was born in 1953.</p> <p>Vincent J. Sbano, Senior Vice President and Resident Manager. As Senior Vice President and Resident Manager of Winslow, Evans & Crocker, Inc. in Portland, Maine, since November, 2003, Mr. Sbano brings 10 years experience in the investment field to the Company. Prior to joining the Company, he held the position of Associate Manager of Prudential Financial's Portland, Maine, office, a FINRA Registered broker-dealer, with whom he had been a registered representative since 1995. Mr. Sbano received a BA degree from the University of Massachusetts in 1973. He is a General Securities Principal and holds the following FINRA licenses: Series 3, 7, 9, 10, 24, 63 and 65, as well as Life and Health insurance licenses. Mr. Sbano was born in 1951.</p> <p>Lisa K. Matthews, As an Investment Manager, Financial advisor and Principal with Winslow, Evans & Crocker, Inc. since March 2007, Lisa brings over 20 years of experience in investment management and financial planning field, commencing with the founding of her own firm in 1989. Prior to joining the Company Lisa held a Managing Principal position for North American Management, a 75 year-old Boston-based wealth management firm. Other companies Lisa has worked with or run are Phoenix Financial Associates in Boston, and Professional Planners Group, KPMG Peat Marwick and Forstmann-Leff in New York City. Lisa is a certified Financial Planner as well as Chartered Financial Consultant She is a General Securities Principal and holds the following FINRA licenses: Series 7, 24, 63 and 65, as well as Life and Health insurance licenses. Mrs. Matthews was born in 1961.</p> <p>Leonid Berline, Chief Compliance Officer of Winslow, Evans & Crocker, Inc. since June 2006. Mr. Berline joined the Company as a Compliance and Operations consultant in 2005. He is also holding the position of President and Chief Compliance Officer of GoldK Investment Services, Inc., a FINRA registered broker-dealer. Prior to joining GoldK Investment Services, Inc. in 2004 Mr. Berline held various positions with FINRA registered firms. Mr. Berline received a BS degree in Computer Science and BA degree in Marketing from St. Petersburg Technical University in 1989. He is a member of the Company's Investment Policy Committee. He is an Options Principal, Financial & Operations Principal, General Securities Principal and Research Principal and holds FINRA Series 4, 6, 7, 24, 26, 27, 53, 63, 65 and 87 licenses, as well as Life and Health, Property and Casualty Insurance Licenses. Mr. Berline is a 2008 graduate of Certified Regulatory and Compliance Professional™ program of Wharton and FINRA. Mr. Berline was born in 1968.</p> <p>John Bridges, Trade Desk Manager. As Trade Desk Manager and Senior Vice President of Capital Markets, Mr. Bridges brings over 11 years of experience in the field to the Company. Prior to joining the Company, he worked as a sales trader for New England Securities, a division of MetLife, Commonwealth Financial, and National Financial Services, Inc. – all FINRA registered broker-dealers. Mr. Bridges received a BS degree from Westminster College in 1992 and has been in the securities industry since 1993. He is a General Securities Principal and a Municipal Securities Principal and holds FINRA Series 7, 24, 53, 55, and 63 licenses. Mr. Bridges was born in 1970.</p> <p>Mark R. Perry, Vice President of Brokerage Operations. Prior to joining the Company in 2001, he held the position of Manager of Non-Proprietary Trading at American Express Financial Advisors, a FINRA</p>
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	<p>registered broker-dealer. Mr. Perry received a BS degree from Bentley College in 1996. He is a General Securities Principal and holds FINRA Series 6, 7, 24, and 63 licenses. Mr. Perry was born in 1971.</p> <p>Jeffrey N. Hall, Vice President. As a Senior Benefits Analyst of Winslow, Evans & Crocker, Inc. from June, 2002. Mr. Hall has been in the brokerage industry since 1988. Prior to joining the Company he held the position of Regional Sales Director of GoldK, Inc. Mr. Hall received a BA degree in Business Management from Miami University in Oxford, Ohio in 1988. He is a member of the Company's Investment Policy Committee. He is a General Securities Principal and holds FINRA Series 7, 24, 63 and 65, as well as Life and Health insurance licenses. Mr. Hall was born in 1965.</p> <p>Paul C. Chaput, a Registered Associate, has been working as a Mutual Fund and Benefits Analyst with Winslow, Evans & Crocker, Inc. since September 2004. Prior to joining Winslow, he worked as a Retirement Service Specialist at Citizens Bank. Mr. Chaput is also President of The Brotherhood of Locomotive Engineers, Division 57 in Boston. He has been involved in the financial services industry since 2000. Mr. Chaput received a BS in Operations Technology from Northeastern University. He holds FINRA Series 6, 7, 63, and 65 licenses. The business address of Mr. Chaput is 175 Federal Street, Boston, MA 02110. Mr. Chaput was born in 1965.</p> <p>Francis Richard Bowen, Senior Vice President (Financial Planner) – has been a financial planner since 1996, a Winslow, Evans & Crocker Registered Investment Advisor IAR as of March, 2005, and is a registered representative with Winslow, Evans & Crocker, Inc. since February 12, 2004 (having served as a registered representative prior to that with DMC Financial from October 2001 to February 12, 2004, and Commonwealth Equity Services, Inc. d/b/a/ Commonwealth Financial Network from May 1992 to October 2001). A graduate of Yale University (BA) and Boston University (MBA), Mr. Bowen holds FINRA Series 7, 63 and 65 licenses, Life and Health insurance licenses, and has earned CLU and ChFC professional designations. Mr. Bowen was born in 1948.</p> <p>John Francis Coyne, Jr. (Financial Planner) – has been a financial planner since 1982, a Winslow, Evans & Crocker Registered Investment Adviser IAR as of March, 2005, and has been a registered representative with Winslow, Evans & Crocker, Inc. since February 12, 2004. He was a registered representative with DMC Financial from October 2001 to February 12, 2004 and a registered representative of Commonwealth from July 1997 through October 2001. Prior to that, Mr. Coyne worked as a manager in the trust department of the Bank of Braintree. Mr. Coyne earned his Bachelor's degree from Michigan State University and a Master's degree from University of Massachusetts at Boston. A Certified Financial Planner since 1986, Mr. Coyne holds his FINRA Series 7, 22 and 63 license designations, as well as Life and Health insurance licenses. He is also an active member of the Norfolk County Estate Planning Council. Mr. Coyne was born in 1951.</p> <p>P. Frederick deNapoli, Senior Vice President (Financial Planner) – Mr. deNapoli is a Certified Financial Planner, a Winslow, Evans & Crocker Registered Investment Advisor IAR as of March, 2005, and a registered representative of Winslow, Evans & Crocker Inc. since February 17, 2004. Mr. deNapoli's previous experience includes holding positions with 1717 Capital Management (2001-2004) and Commonwealth Equity Services, Inc. d/b/a/ Commonwealth Financial Network (1998 – 2001) supervising several branches and as a financial advisor, principal of Liberty Securities Corporation (1993 – 1998) and Senior Partner with The Atlantic Advisor Group. Mr. deNapoli holds FINRA Series 7, 24, 63 and 65 licenses, as well as Life and Health insurance licenses. He earned his undergraduate degree from the Whittemore School of Economics at the University of New Hampshire. He currently serves on the Board of Directors for the Peabody Chapter of the Rotary International and was recently nominated president-elect of that organization. Mr. deNapoli was born in 1952.</p> <p>Dolores Kong (Financial Planner) – has been a financial planner since 2001, a Winslow, Evans & Crocker Registered Investment Adviser IAR as of March, 2005, and is a registered representative of Winslow, Evans & Crocker, Inc. since February 12, 2004 (prior to that served as a registered representative of DMC Financial from October 9, 2001 to February 12, 2004). Ms. Kong graduated <i>cum laude</i> from Barnard College, Columbia University and received her Bachelor's degree in English. Ms. Kong is a Certified Financial Planner™ Professional, having completed the Boston University Program for Financial Planners and passed the national Certified Financial Planners examination. Ms. Kong also holds FINRA Series 7 and 66 licenses, as well as Life and Health insurance licenses. Ms. Kong</p>
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Schedule F of		Applicant	SEC File Number:	Date:
Form ADV				
Continuation Sheet of Form ADV Part II		Winslow, Evans & Crocker, Registered Investment Advisor	801-63905	03/01/2009
(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)				
1.	Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:			IRS Empl. Ident. No.:
	Winslow, Evans & Crocker, Inc. (Registered Investment Advisor)			04-3144652
Item of Form				
(identify)		Answer		

	<p>attended the graduate journalism program at the University of Missouri, Columbia. She is also treasurer of the New England chapter of the Asian American Journalists Association and the Barnard Club of Boston. Throughout Ms. Kong's journalism career, first at the Cape Cod Times and most recently at the Boston Globe, Ms. Kong has been recognized for her work and was a Pulitzer Prize finalist in public services, a George Polk Award winner. Ms. Kong was born in 1961.</p> <p>Raymond C Julian (Financial Planner) – Mr. Julian is an Executive Vice President of Winslow Planning Group brings more than 25 years of experience in the financial services field to the Company. He is a Winslow, Evans & Crocker Registered Investment Advisor IAR and a registered representative of Winslow, Evans & Crocker, Inc. as of July 2006. Prior to joining the Company, he held the position of Executive Vice President of Compass Securities Corporation, a FINRA broker dealer with whom he had been a registered representative and general securities principal since 1992. Mr. Julian has been a Certified Financial Planner since 1987 and served as Chairman and President of The Financial Planning Association of Massachusetts. Mr. Julian received a BS degree from Boston College in 1975. He is a General Securities Principal and holds FINRA licenses 7, 24 and 63 as well as Life and Health, Property and Casualty insurance licenses. He holds Massachusetts real estate broker license. Mr. Julian was born in 1952.</p> <p>Daniel R. Santanello, Senior Vice President and Assistant Branch Manager of Winslow, Evans and Crocker, Inc. Mr. Santanello brings over 26 years of experience in the investment industry. Mr. Santanello had joined Winslow, Evans & Crocker, Inc. in August 2008. He is a Registered investment Advisor IAR and a registered representative of the Company. Prior to joining the Company, he was holding multiple positions with firms like "Raymond James and Associates (January 2007 through August 2008), A.G. Edwards & Sons, Inc. (May 1990 through January 2007) as a Manager of the North Shore office and Painwebber Incorporated (March 1986 through May 1990) Mr. Santanello graduated from Brown University in Providence, Rhode Island in 1991 and currently holds the FINRA Series 7, 8 (currently 9 and 10), 63 and 65. He has completed 12 Boston marathons raising over \$400,000 for the Mass general Hospital Pediatric/Oncology Clinic) Mr. Santanello was born in 1958.</p> <p>Joyce Smith Mills (Financial Planner) – has been a financial planner since October 2000, a Winslow, Evans & Crocker Registered Investment Advisor IAR as of March, 2005, and is a registered representative with Winslow, Evans & Crocker, Inc. as of February 12, 2004 (prior to that was a registered representative of DMC Financial from October 10, 2001 to February 12, 2004 and Commonwealth Equity Services, Inc. d/b/a/ Commonwealth Financial Network from February 1, 2001 to October 1, 2001). Ms. Mills is a 1966 graduate of Middlebury College, Middlebury, Vermont and holds the FINRA Series 7 and 66 licenses in addition to life, accident and health insurance licenses. She graduated from the Boston University diploma program in Financial Planning in 1999 and the Financial Planning Association's Residency Program in Byrn Mawr, PA. In August, 2002. She is a Certified Financial Planner™ Professional, having passed the comprehensive examination and completed the experience requirements. Prior to serving as a financial planner, her business background included financial work for a family antiques business, human resources consulting, and compensation management for Harvard University. Ms. Mills was born in 1945.</p> <p>Michael D. Nugent, Vice President. As Vice President of Winslow Evans & Crocker, Inc., Mr. Nugent brings over 10 years of experience in both operational and investment advisory roles to the Company. Prior to joining the Company, he worked as VP of Finance for a manufacturing Company; as an Associate with HarbourVest Partners, LLC (a private equity investment firm); as a Senior Analyst with the NASDAQ Stock Market, and held positions with Prudential Securities, Inc. and Merrill Lynch. Mr. Nugent received his MBA from Boston College in 2001 and his BA from St. Bonaventure University in 1994. He has been affiliated with the securities industry since 1994 and holds FINRA Series 7, 63 and 65 licenses. Mr. Nugent was born in 1972.</p> <p>Warner W. Wayne III, Senior Vice President. As Senior Vice President, Mr. Wayne brings over 30 years experience in both investment and insurance to the Company. Before joining the Company, Mr. Wayne has been a registered representative at American Express Financial Services, New England Securities, a division of MetLife, and Compass Capital Corporation. Prior to direct involvement in the investment field, he specialized in corporate insurance and risk management for over 20 years, working for both regional and national brokers, advising corporate financial service companies, including Fortune 500 companies. Mr. Wayne received his Bachelor of Science degree in Business Administration from the</p>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)				
1.	Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:			IRS Empl. Ident. No.:
	Winslow, Evans & Crocker, Inc. (Registered Investment Advisor)			04-3144652
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	<p>Whittemore School of Business at the University of New Hampshire. He holds FINRA Series 7, 63 and 65 licenses. He also holds Life and Health Insurance Licenses. Mr. Wayne was born in 1946.</p> <p>Shaun Lee. Mr. Lee is First Vice President, Fixed Income Trading at Winslow, Evans & Crocker. Shaun has been working in finance for over 5 years. Prior to joining the Company, he worked as a Financial Advisor for Legg Mason, and Accountant with Arthur Andersen. Mr. Lee received his Masters degree and Bachelors degree from the University of Connecticut. He is a registered Municipal Principal and holds FINRA Series 7, 53, 55, 66 and insurance licenses.</p> <p>Daniel J. Moniz, Mr. Moniz is First Vice President of Winslow, Evans & Crocker, Inc. Mr. Moniz brings over 15 years of experience to the Company. Prior to joining Winslow, Evans & Crocker, Inc. Mr. Moniz held various positions with Putnam Investments, Janey Montgomery Scot, LLC, and Raymond James Financial Services. Mr. Moniz has graduated from Rhode Island College in 2002. Mr. Moniz holds FINRA Series 6, 7, 63, 65 licenses, as well as Life and health insurance licenses. Mr. Moniz was born in 1977.</p> <p>Clifford E. Lofgren has been in the securities industry since 1972 starting with Merrill, Lynch. Over the years he has managed offices for EFH/Smith Barney in Manchester, N.H., Clearwater, Fla., and Portsmouth, N.H. Most recently, he managed his own B/D and RIA operation called Sound Capital, Inc. He holds the following licenses: 6, 7, 9, 10, 63, 65, and 24. Cliff is a graduate of MacMurray College in Illinois.</p> <p>Kimberly A. Figenbaum has been in the Financial Services industry since 1992 beginning with Fidelity Brokerage Services as a relationship manager. In 2002 she moved to Merrill, Lynch as a Financial Advisor before joining Winslow, Evans, and Crocker. She presently holds the following licenses: 6, 7, 63, 66, CFP, and CRFP. Kimberly is a graduate of Ithaca College, Ithaca, N.Y.</p> <p>The Company is a FINRA registered broker dealer and a member of NASDAQ. It is a "full service" broker dealer, engaging in purchases and sales of exchange listed and other publicly traded securities, private placements and other investment banking activities as well as the sale of annuities and other insurance products. Its investment advisory activities are undertaken in conjunction with other financial services offered to clients.</p> <p>The Company has entered into agreement with LKA and LCM with respect to above-described advisory products. The agreement allows Winslow to utilize certain research tools as well as receive an access to the services of multiple portfolio managers and LKA and/or LCM proprietary investment advisory services.</p> <p>From time to time the Company as a principal buys securities for itself from or sells securities from inventory to clients, principally as part of its brokerage business. In connection with these activities the Company and its registered representatives (including principals of the registered advisor), receive commission payments on transactions effected for advisory clients. Often the Company will have a position in a security which is its also recommending to a client, or it will buy or sell securities which it also recommends to clients. The Company advises each client in writing that it may have an interest in securities being recommended. In no case will the Company initiate a transaction in a security for its own account before completing a similar transaction for that security in a client's account. Employees and registered representatives may also buy and sell mutual funds and other securities for themselves that are also recommended to clients. All transactions for the same fund on the same day are effected at the single forward price established by the fund.</p> <p>While Winslow does not require any immediate minimum dollar amount to establish an account, the Firm requires \$25,000 in total assets under management per household to be reached within 12 months time period from the opening date of the first household account. Winslow does not limit the number of accounts per household and does not impose any asset minimums per account. In the case of multiple household accounts when each individual account maintains the asset level of less than the \$25,000 the Firm requires establishment of one designated fee account from which all applicable household fees are to be deducted. Unless no other options are available, Qualified Retirement accounts cannot be designated as a household fee account. In some instances exceptions can be granted with Principal's approval. Winslow Preferred Portfolios (WPP) offers clients with an account minimum size of \$25,000</p>
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Schedule F of		Applicant	SEC File Number:	Date:
Form ADV				
Continuation Sheet of Form ADV Part II		Winslow, Evans & Crocker, Registered Investment Advisor	801-63905	03/01/2009
(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)				
1.	Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:			IRS Empl. Ident. No.:
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Item of Form				
(identify)		Answer		

13	<p>and maximum size of \$500,000 the opportunity to obtain portfolio management services from a select, pre-screened group of mutual funds selected by the Company. Clients may continue with the program after \$500,000 balance; however, they are offered individual management at that level. Winslow's Employees and registered persons may qualify for a smaller minimum.</p> <p>The Company does not directly suggest brokers to clients. In the absence of a selection by the client the Company will recommend that the client establish an account with the Company which is a FINRA registered broker dealer. Custody and clearing services for the account will be provided by Pershing, LLC.</p> <p>In cases when the Company is acting as a Sub-Advisor the Company also does not suggest brokers to clients. The custody and clearing services in those situations are subject to the advisory agreement with the client. An example of this type of arrangements would be current relationship between the Company and Compass Capital Corporation (Registered Investment Advisor Firm). In accordance with existing agreements in place the custody and clearing services for those accounts are provided by SEI Private Trust Company.</p> <p>Mr. Robert Maloney and certain other employees of the Company are registered representatives of the Company and will receive a portion of commissions and other fees obtained by the Company on transactions and other brokerage services provided by the Company to the client. The Company may receive additional compensation from other firms for order flow directed to these firms. Additional disclosure of such arrangements is furnished on client confirmations.</p> <p>A portion of the fees paid by the client may be shared with affiliates of the Company in connection with the referral or solicitation of clients or for services rendered. Such arrangements may vary depending upon the type of products involved and the nature and extent of the services provided by us or by the other persons. Payments may be made for the duration of the client account relationship.</p> <p>The Company does not direct business to other brokers in exchange for products, research or services.</p> <p>The Company also enters into arrangements with institutions and others whereby the Company shares a portion of "third party manager" fees charged to clients in exchange for other services. Pursuant to Rule 206(4)-3 of the SEC Rules under the Investment Advisors Act of 1940, where cash payments are made for solicitation, the Company has in place a written agreement with the solicitor requiring the solicitor to comply with the 1940 Act and Rules and requiring delivery to the client of (a) Part II of the Company's Form ADV and (b) a written fee sharing disclosure statement meeting the requirements of the Rule.</p>
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WINSLOW EVANS & CROCKER INC
175 FEDERAL STREET 6TH FLOOR
BOSTON MA 02110
TEL: (617) 896-3500
FAX: (617) 227-5505

Portfolio Evaluation

December 31, 2007 through March 31, 2008

IRA FBO
Pershing LLC As Custodian
Rollover Account

ACCOUNT NUMBER: N0Q-

YOUR INVESTMENT REPRESENTATIVE





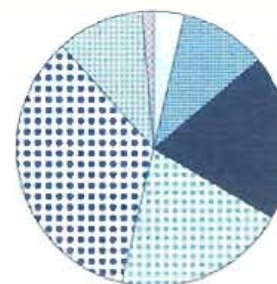
REPORTING PERIOD: 12/31/07 through 03/31/08
 ACCOUNT NAME:
 ACCOUNT NUMBER:
 PERFORMANCE INCEPTION:

Portfolio Summary

PORTFOLIO CHANGES

This Quarter/YTD	This Quarter	Year To Date
BEGINNING MARKET VALUE	\$29,426.58	\$29,426.58
Accrued Income	0.00	0.00
Net Contributions/Withdrawals	0.00	0.00
Income Received	119.31	119.31
Fees	- 54.80	- 54.80
Market Appreciation	- 2,463.14	- 2,463.14
ENDING MARKET VALUE ¹	\$27,027.95	\$27,027.95
Since Inception	Portfolio Value	
Performance Inception Value	\$27,407.49	
Net Contributions/Withdrawals	3,530.75	
Earnings	- 3,910.29	
ENDING MARKET VALUE	\$27,027.95	

ASSET ALLOCATION



Cash and Cash Equivalents	3.71%
Large Cap Value Funds	10.11
Global Equity Funds	19.54
Money Market Funds	0.04
Investment Grade Debt Funds	20.38
Growth & Income Equity Funds	34.65
Small Cap Equity Funds	10.16
Other Mutual Funds	1.41

Chart does not display asset types that represent less than 1% of holdings

PORTFOLIO PERFORMANCE

Portfolio & Benchmark Results	This Quarter	YTD
Portfolio	- 8.15%	- 8.15%
S&P 500 Index	- 9.91	- 9.91
Msci Eafe	- 9.52	- 9.52
US Treas Bill Adj For Int	0.97	0.97
Wilshire 5000 Eq Cap Wtd	- 10.03	- 10.03
Lehman Municipal	- 0.61	- 0.61

Gains/Losses²

Unrealized	-\$ 3,232.26
YTD Realized	- 451.19

¹ Ending Market Value equals Total Portfolio Market value plus Accrued Interest. Differences in these two amounts are the result of rounding differences in internal calculations.

² Gains and losses may be higher or lower if cost basis for securities in your account are not available.

Performance Inception date is the date from which your performance and the benchmark performance is calculated. Your Performance Inception Value is the value of your holdings on this date.

Performance for periods greater than a year are annualized.

This report should not be relied upon for tax purposes. Market values are obtained from sources believed to be reliable. Positions are reflected as of trade date, including dividend reinvestments that are posted as of the quarter end, and may differ from monthly account statements, which reflect positions as of settlement date.



REPORTING PERIOD: 12/31/07 through 03/31/08
ACCOUNT NAME:
ACCOUNT NUMBER:
PERFORMANCE INCEPTION:

Portfolio Holdings

Asset Class	Security Description	Symbol/ CUSIP	Trade Date	Quantity	Unit	Cost Total	Unit	Market Value Total	% of Portfolio	Unrealized Gains/Losses	Est. Annual Income	Current Yield
CASH & CASH EQUIVALENTS												
Cash & Money Funds												
	PERSHING GOVERNMENT	MMFPGR		1,003.830	1.00	1,003.83	1.00	1,003.83	3.71	0.00	17.00	1.68
Total Cash & Money Funds						\$1,003.83		\$1,003.83	3.71%	\$0.00	\$17.00	1.68%
TOTAL CASH & CASH EQUIVALENTS						\$1,003.83		\$1,003.83	3.71%	\$0.00	\$17.00	1.68%
MUTUAL FUNDS												
Large Cap Value Funds												
MAINSTAY ICAP SELECT EQUITY FUND	ICSRX	10/17/07	65.270	46.39	3,028.04	35.53	2,319.19	8.58	- 708.85	34.00	1.48	
		12/17/07	0.220	38.46	8.73	35.53	8.07	0.03	- 0.66	0.00	1.48	
		12/17/07	3.460	38.48	133.34	35.53	123.11	0.46	- 10.23	2.00	1.48	
		12/17/07	5.030	38.48	193.73	35.53	178.89	0.66	- 14.84	3.00	1.48	
		02/21/08	2.570	35.55	91.39	35.53	91.35	0.34	- 0.04	1.00	1.48	
		03/26/08	0.290	36.27	10.70	35.53	10.48	0.04	- 0.22	0.00	1.48	
MAINSTAY ICAP				76.860		3,465.93		2,731.09	10.11	- 734.84	40.00	1.48
Total Large Cap Value Funds						\$3,465.93		\$2,731.09	10.11%	-\$ 734.84	\$40.00	1.48%
Global Equity Funds												
NATIONWIDE INTERNATIONAL	GIGAX	10/17/07	168.030	18.02	3,028.04	15.61	2,623.07	9.71	- 404.97	4.00	0.14	
		12/24/07	3.430	17.05	58.61	15.61	53.67	0.20	- 4.94	0.00	0.14	
		12/24/07	1.410	17.05	24.17	15.61	22.13	0.08	- 2.04	0.00	0.14	
		02/21/08	1.030	15.76	16.30	15.61	16.14	0.06	- 0.16	0.00	0.14	
NATIONWIDE				173.920		3,127.12		2,715.01	10.05	- 412.11	4.00	0.14
PIONEER EMERGING MARKETS FD CLASS A	PEMFX	07/27/07	67.930	37.50	2,547.44	33.60	2,282.52	8.45	- 264.92	5.00	0.21	
		11/27/07	0.270	36.64	10.15	33.60	9.31	0.03	- 0.84	0.00	0.21	

Performance Inception date is the date from which your performance and the benchmark performance is calculated. Your Performance Inception Value is the value of your holdings on this date.
This report should not be relied upon for tax purposes. Market values are obtained from sources believed to be reliable. Positions are reflected as of trade date, including dividend reinvestments that are posted as of the quarter end, and may differ from monthly account statements, which reflect positions as of settlement date.



REPORTING PERIOD: 12/31/07 through 03/31/08
 ACCOUNT NAME:
 ACCOUNT NUMBER:
 PERFORMANCE INCEPTION:

Portfolio Holdings

continued from previous page

Asset Class	Security Description	Symbol/ CUSIP	Trade Date	Quantity	Unit	Cost Total	Unit	Market Value Total	% of Portfolio	Unrealized Gains/Losses	Est. Annual Income	Current Yield
MUTUAL FUNDS												
PIONEER EMERGING			11/27/07	8,180	36.62	299.71	33.60	274.98	1.02	- 24.73	1.00	0.21
				76,390		2,857.30		2,566.81	9.50	- 290.49	6.00	0.21
Total Global Equity Funds						\$5,984.42		\$5,281.82	19.54%	-\$ 702.60	\$10.00	0.17%
Money Market Funds												
AIM CASH RESERVES FUND CLASS A	AIMXX		N/A "	9,960	N/A	N/A	1.00	9.96	0.04	N/A	0.00	2.55
Total Money Market Funds						N/A		\$9.96	0.04%	N/A	\$0.00	2.55%
Investment Grade Debt Funds												
LOOMIS SAYLES BOND FUND RETAIL	LSBRX	07/27/07	179,110	14.26	2,554.21	14.07	2,520.18	9.32	- 34.03	160.00	6.36	
		08/28/07	0,910	14.24	13.04	14.07	12.89	0.05	- 0.15	1.00	6.36	
		09/25/07	0,940	14.56	13.73	14.07	13.27	0.05	- 0.46	1.00	6.36	
		10/17/07	6,890	14.85	102.43	14.07	97.05	0.36	- 5.38	6.00	6.36	
		10/30/07	0,940	14.94	14.15	14.07	13.32	0.05	- 0.83	1.00	6.36	
		11/27/07	1,000	14.61	14.61	14.07	14.07	0.05	- 0.54	1.00	6.36	
		12/14/07	2,210	14.32	31.72	14.07	31.17	0.12	- 0.55	2.00	6.36	
		01/29/08	0,760	14.50	11.11	14.07	10.78	0.04	- 0.33	1.00	6.36	
		02/26/08	0,910	14.34	13.09	14.07	12.85	0.05	- 0.24	1.00	6.36	
		03/25/08	1,130	14.06	15.90	14.07	15.91	0.06	0.01	1.00	6.36	
LOOMIS SAYLES			194,840		2,783.99		2,741.49	10.15	- 42.50	175.00	6.36	
WESTCORE PLUS BOND FUND	WTIBX	02/21/08	260,220	10.58	2,753.21	10.54	2,742.80	10.15	- 10.41	140.00	5.10	
		02/28/08	1,070	10.51	11.29	10.54	11.32	0.04	0.03	1.00	5.10	
		03/26/08	1,130	10.51	11.94	10.54	11.97	0.04	0.03	1.00	5.10	

Performance Inception date is the date from which your performance and the benchmark performance is calculated. Your Performance Inception Value is the value of your holdings on this date.

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REPORTING PERIOD: 12/31/07 through 03/31/08
 ACCOUNT NAME:
 ACCOUNT NUMBER:
 PERFORMANCE INCEPTION:

Portfolio Holdings

continued from previous page

Asset Class	Security Description	Symbol CUSIP	Trade Date	Quantity	Unit	Cost Total	Unit	Market Value Total	% of Portfolio	Unrealized Gains/Losses	Est. Annual Income	Current Yield
MUTUAL FUNDS												
	WESTCORE PLUS BOND			262.430		2,776.44		2,766.09	10.23	- 10.35	142.00	5.10
Total Investment Grade Debt Funds						\$5,560.43		\$5,507.58	20.38%	-\$ 52.85	\$317.00	5.73%
Growth & Income Equity Funds												
COLUMBIA MID CAP VALUE FUND CLASS A	CMJAX		07/27/07	187.540	14.93	2,800.00	12.99	2,436.17	9.01	- 363.83	25.00	1.02
			09/26/07	0.270	15.27	4.26	12.99	3.62	0.01	- 0.64	0.00	1.02
			10/17/07	7.410	15.50	114.93	12.99	96.32	0.36	- 18.61	1.00	1.02
			12/13/07	0.820	14.76	12.16	12.99	10.70	0.04	- 1.46	0.00	1.02
			12/13/07	2.650	14.75	39.13	12.99	34.46	0.13	- 4.67	0.00	1.02
			02/21/08	5.300	13.30	70.58	12.99	68.94	0.26	- 1.64	1.00	1.02
			03/27/08	0.080	13.02	1.12	12.99	1.12	0.00	0.00	0.00	1.02
COLUMBIA MID CAP				204.100		3,042.18		2,651.33	9.81	- 390.85	27.00	1.02
HERITAGE INCOME GROWTH TRUST CLASS A	HRCVX		10/26/07	170.790	17.64	3,012.79	13.45	2,297.17	8.50	- 715.62	61.00	2.65
			12/14/07	4.710	15.41	72.60	13.45	63.36	0.23	- 9.24	2.00	2.65
			12/14/07	15.390	15.41	237.28	13.45	207.10	0.77	- 30.18	5.00	2.65
			12/14/07	1.030	15.42	15.88	13.45	13.85	0.05	- 2.03	0.00	2.65
			02/21/08	7.650	13.66	104.55	13.45	102.95	0.38	- 1.60	3.00	2.65
HERITAGE INCOME				199.580		3,443.10		2,684.43	9.93	- 758.67	71.00	2.65
TRANSAMERICA PREMIER CORE EQUITY	TPVIX		02/21/08	92.260	14.92	1,376.61	14.87	1,372.00	5.08	- 4.61	0.00	0.01
VICTORY SPECIAL VALUE FUND CLASS A	SSVSX		07/27/07	147.910	18.93	2,800.00	16.55	2,447.96	9.06	- 352.04	16.00	0.63
			10/17/07	3.110	20.06	62.38	16.55	51.47	0.19	- 10.91	0.00	0.63
			11/15/07	6.620	18.15	120.31	16.55	109.71	0.41	- 10.60	1.00	0.63
			11/15/07	1.790	18.15	32.59	16.55	29.72	0.11	- 2.87	0.00	0.63
			12/27/07	0.230	18.61	4.41	16.55	3.92	0.01	- 0.49	0.00	0.63

Performance Inception date is the date from which your performance and the benchmark performance is calculated. Your Performance Inception Value is the value of your holdings on this date.

This report should not be relied upon for tax purposes. Market values are obtained from sources believed to be reliable. Positions are reflected as of trade date, including dividend reinvestments that are posted as of the quarter end, and may differ from monthly account statements, which reflect positions as of settlement date.



REPORTING PERIOD: 12/31/07 through 03/31/08
 ACCOUNT NAME:
 ACCOUNT NUMBER:
 PERFORMANCE INCEPTION:

Portfolio Holdings

continued from previous page

Asset Class	Security Description	Symbol/ CUSIP	Trade Date	Quantity	Cost		Market Value		% of Portfolio	Unrealized Gains/Losses	Est. Annual Income	Current Yield
MUTUAL FUNDS												
			12/27/07	0.080	18.65	1.66	16.55	1.47	0.01	- 0.19	0.00	0.64
			02/21/08	0.770	16.98	13.09	16.55	12.76	0.05	- 0.33	0.00	0.63
			03/27/08	0.000	16.67	0.10	16.55	0.10	0.00	0.00	0.00	0.63
VICTORY SPECIAL				160.550		3,034.54		2,657.11	9.84	- 377.43	17.00	0.63
Total Growth & Income Equity Funds						\$10,896.43		\$9,364.87	34.65%	-\$ 1,531.56	\$115.00	1.23%
Small Cap Equity Funds												
KEELEY SMALL CAP VALUE FUND CLASS A	KSCVX		07/27/07	101.190	27.67	2,800.00	26.32	2,663.40	9.85	- 136.60	0.00	0.00
			10/17/07	0.650	29.79	19.57	26.32	17.29	0.06	- 2.28	0.00	0.00
			12/27/07	2.500	27.48	68.78	26.32	65.88	0.24	- 2.90	0.00	0.00
KEELEY SMALL CAP				104.350		2,888.35		2,746.57	10.15	- 141.78	0.00	0.00
Total Small Cap Equity Funds						\$2,888.35		\$2,746.57	10.16%	-\$ 141.78	\$0.00	0.00%
Other Mutual Funds												
HIGHLAND CAPITAL FLOATING RATE	XSFRX		07/27/07	7.680	12.10	93.00	10.00	76.86	0.28	- 16.14	8.00	9.85
			08/31/07	1.670	11.75	19.62	10.00	16.70	0.06	- 2.92	2.00	9.85
			09/28/07	1.600	11.90	19.13	10.00	16.08	0.06	- 3.05	2.00	9.85
			10/17/07	18.070	11.98	216.53	10.00	180.74	0.67	- 35.79	18.00	9.85
			10/31/07	1.740	11.85	20.63	10.00	17.41	0.06	- 3.22	2.00	9.85
			11/30/07	1.800	11.49	20.69	10.00	18.01	0.07	- 2.68	2.00	9.85
			12/31/07	2.210	11.32	25.07	10.00	22.15	0.08	- 2.92	2.00	9.85
			01/31/08	1.830	10.82	19.88	10.00	18.37	0.07	- 1.51	2.00	9.85
			02/29/08	1.280	10.31	13.25	10.00	12.85	0.05	- 0.40	1.00	9.85
			03/31/08	0.300	10.00	3.06	10.00	3.06	0.01	0.00	0.00	9.85

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REPORTING PERIOD: 12/31/07 through 03/31/08
ACCOUNT NAME:
ACCOUNT NUMBER:
PERFORMANCE INCEPTION:

Portfolio Holdings

continued from previous page

Asset Class	Security Description	Symbol/CUSIP	Trade Date	Quantity	Unit	Cost	Total	Market Value	Unit	Total	% of Portfolio	Unrealized Gains/Losses	Est. Annual Income	Current Yield
MUTUAL FUNDS														
	HIGHLAND CAPITAL			38.220			450.86	382.23			1.41	- 68.63	39.00	9.85
Total Other Mutual Funds							\$450.86	\$382.23			1.41%	-\$ 68.63	\$39.00	9.85%
TOTAL MUTUAL FUNDS							\$29,246.42	\$26,024.12			96.29%	-\$ 3,232.26	\$521.00	1.99%
TOTAL PORTFOLIO							\$30,250.25	\$27,027.95			100.00%	-\$ 3,232.26	\$538.00	1.98%

* N/A Original cost not available

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REPORTING PERIOD: 12/31/07 through 03/31/08
ACCOUNT NAME: |
ACCOUNT NUMBER:
PERFORMANCE INCEPTION:

YTD Realized Gains/Losses

Security Description	Symbol/ CUSIP	Quantity	Open Date	Close Date	Cost		Proceeds		Gain/Loss
					Unit	Total	Unit	Total	
SHORT-TERM									
AMANA MUTUAL FUND TRUST GROWTH FUND	022865208	62.278	07/27/07	02/21/08	22.48	1,400.00	21.62	1,346.45	- 53.55
AMANA MUTUAL FUND TRUST GROWTH FUND	022865208	0.542	12/31/07	02/21/08	22.99	12.46	21.62	11.72	- 0.74
HIGHLAND CAPITAL FLOATING RATE	430097105	223.719	07/27/07	02/15/08	12.10	2,707.00	10.37	2,319.97	- 387.03
LOOMIS SAYLES BOND FUND RETAIL	543495832	17.236	07/27/07	02/21/08	14.26	245.79	14.34	247.16	1.37
PIONEER EMERGING MARKETS FD CLASS A	723661104	6.735	07/27/07	02/21/08	37.50	252.56	35.83	241.32	- 11.24
TOTAL SHORT-TERM									-\$ 451.19
TOTAL REALIZED GAINS/LOSSES									-\$ 451.19

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This report should not be relied upon for tax purposes.

Lockwood Advisors, Inc.
10 Valley Stream Parkway
Malvern, PA 19355
(610) 695-9150

SEC File Number
801-52378

ADV, Part II, Schedule H
(**Managed Account Advisor** Wrap Fee Brochure)

This brochure provides clients with information about Lockwood Advisors, Inc. (“Lockwood”) and the investment services it offers. This information should be considered before one becomes a client of Lockwood. This information has not been approved or verified by a governmental authority.

December 2008

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Lockwood Advisors, Inc.
Form ADV, Schedule H (Managed Account Advisor Wrap Fee Brochure)

I. INTRODUCTION

Lockwood Advisors, Inc. (“Lockwood”) provides access to individual account managers and investment advisory and discretionary services to financial advisors, such as financial planners, certified public accountants, broker-dealers and registered investment advisors and other financial advisors (“Firms” or “Firm” in the singular), which in turn provide investment advice and consulting to their high net worth clients and institutional clients (“Clients”). Client level advice is generally performed by an employee, agent, affiliate or other delegated persons of a Firm (collectively, “Consultants”).

The managed account services that may be offered to Firms include the following:

- sponsoring a managed account or wrap free program (“Sponsor”).
- reviewing the Client’s investment objectives and goals as outlined by the Client and their Consultant.
- suggesting asset allocation strategies to meet the financial goals of the Client.
- preparing written investment strategies and plans.
- suggesting specific investment style allocations.
- identifying tax optimization strategies.
- searching for investment management vehicles appropriate for the Client’s portfolio.
- evaluating and researching investment management firms and other investment vehicles.
- 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.
- reporting progress toward the Client’s investment goals.
- suggesting periodic rebalancing and investment plan fine-tuning.
- providing clearing and custody services through Pershing LLC (“Pershing”), member FINRA, NYSE and SIPC.
- providing account statements of all activity executed through Pershing.
- acting as investment manager for certain discretionary proprietary products as described herein.
- providing consulting services in designing customized managed account programs.

II. ABOUT LOCKWOOD

Lockwood is registered with the SEC as an investment advisor. An affiliate of Lockwood, Pershing, is registered with FINRA and the New York Stock Exchange as a securities broker-dealer and provides the customary services that a full service broker-dealer provides, such as, clearing and custody services. Lockwood and Pershing are affiliated companies, each of which is owned by The Bank of New York Mellon Corporation.

III. CLIENT INVESTMENT PROCESS

Consultants utilize software and documentation provided by Lockwood to assist the Client in selecting an investment style allocation and/or a diversified portfolio of investments including investment vehicle(s) and/or managers (“Manager(s)”) appropriate for the Client both initially and on an on-going basis. The Client shall have entered into a written agreement with the Consultant, relating to the Consultant’s fee. The Consultant collects financial and personal information from the Client, assists the Client in establishing investment objectives and strategies, and evaluates the suitability of the product(s) for the Client. The Consultant assists the Client in selecting a Manager(s) from the Lockwood research department’s list of Managers with whom Lockwood does business.

The Consultant provides the Client with Lockwood account opening paperwork, a Firm brokerage agreement(s), along with a copy of Lockwood’s ADV Part II, Schedule H, and submits the financial information, investment objectives and account forms to Lockwood. Lockwood reviews the information provided by the Client and once approved, a brokerage account is opened by the Firm for the Client’s managed account assets.

Generally, Lockwood has limited investment discretion or other discretionary authority with respect to Client’s securities, except as described below. The Manager(s) selected by the Clients are granted investment discretion by the Client and exercise this authority in the day-to-day portfolio management of the Client’s account(s). Lockwood may exercise discretion, however, in certain instances such as, removal from research coverage or termination of a Manager, or as described below. In addition, in instances where a Manager will not accept a particular security in a client’s portfolio, Lockwood may facilitate the liquidation of the rejected security and then forward the proceeds of such liquidation to the Manager.

The Client is requested to inform Lockwood and the Consultant, at least annually, of any changes in their financial condition or of any additional investment restrictions and/or modifications to existing investment restrictions the Client wishes to impose. Lockwood immediately forwards to the Manager(s) any responses from the Client, which would impact the daily management of the Client’s portfolio. While there are no restrictions on the ability of Client to contact and consult with Managers, it is generally preferred that the Client do so through, or together with, his or her Consultant. Lockwood reviews suitability for each Client account, based on Client assets held at Lockwood.

The Consultant may recommend changes in the Client’s Manager(s) or other investment selections; the Client can elect to change Manager(s) at any time. Further, Lockwood has the limited discretion to change the Client’s Manager(s) if the Client’s financial circumstances

change or economic or market conditions change, to the extent that Lockwood feels that a Manager change is advisable, or, if in Lockwood's opinion, the Manager(s) selected can no longer meet the Client's investment objectives or manage according to certain investment style parameters, or there is a fundamental change in the management which would mandate a switch in Managers. A Client may also grant a limited power of attorney to the Consultant with respect to Manager changes or other investment selections.

Generally, there is no minimum account size for Lockwood's investment advisory services. Managers will generally not accept accounts under \$100,000, with the minimum account sizes varying slightly in some instances. Firms may elect to have confirmations redirected, in accordance with then current legal requirements. Clients may elect to have duplicate statements sent to their Consultant or other financial advisor. Lockwood also provides the Client's Consultant with investment performance reports, which the Consultant is to review with the Client.

Lockwood also offers a diversified series of Investment Strategy Portfolios, which are suggested separate account manager mixes, consisting of Tax-Aware options for taxable accounts and Total Return options. The minimum initial investment is \$1,000,000.00. These proprietary asset allocations are designed to meet the Client's investment objectives. In the Investment Strategy Portfolios, Lockwood selects certain Managers and/or investment vehicles within each Portfolio for the Client's asset allocation. Client and Consultant may override Lockwood's suggestions as to Manager(s) or investment vehicle, in whole or in part.

IV. RESEARCH

Lockwood conducts primary Manager research, which includes a proprietary screening and evaluation of investment firms, including Managers, as well as other managed investment vehicles and issues scorecards on certain Managers on a quarterly basis.

Lockwood employs a multi-step process in screening covered Managers as defined herein, to determine if the Managers are suitable for the Lockwood program. Each Manager is evaluated on the basis of extensive information provided by the Manager, including descriptions of its investment process, asset allocation strategies employed, sample portfolios to review securities selections and the Manager's Form ADV, Part II. Lockwood then verifies the information provided by comparing it to other data from publicly available data collection sources. Lockwood further verifies the information provided by employing proprietary technical quantitative and qualitative analyses, including attribution analysis and risk analysis. Lockwood also evaluates certain strategies including funds, indexes or other managed investment vehicles which may be included in an overall suggested asset allocation to the Client.

Lockwood requests that 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. Individual firms may provide information which does not entirely conform to these requirements. In most cases, performance data approved by Lockwood for Client viewing will have been calculated based on a uniform and consistent standard. In the rare instance where this is not possible, the affected performance data will clearly indicate by specific disclosure that it was not calculated based on the uniform standard normally used.

Each Manager may be charged an administrative fee (“Administrative Fee”) by Lockwood to cover expenses associated with the portfolio accounting system, billing support provided to Managers, tax lot or performance reporting and other administrative services provided by Lockwood. The Administrative Fee for fixed income Managers is four (4) basis points (0.04%) and for equity/balanced Managers six (6) basis points (0.06%) on the market value of the assets managed by the Manager. The Administrative Fee is paid by the Manager to Lockwood and is not charged to the Client Account. In certain limited instances, Lockwood may waive or reduce the Administrative Fee.

Lockwood relies on information obtained from the following sources to reach its conclusions regarding each Manager:

1. Manager’s Form ADV and accompanying documents;
2. Manager’s website and other publicly-available information;
3. SEC website;
4. Lockwood’s meetings with Manager’s personnel; and
5. External, commercially available databases, such as, Evestment Alliance, Ibbotson Associates, Morningstar, Zephyr Associates, to name a few.

In the MAA Program, a Firm may select the MAA Plus Manager which permits a Firm to add Managers to their platform which Managers are not covered by Lockwood. The Firm has the sole responsibility for selecting and monitoring such MAA Plus Managers.

With respect to Capstone Asset Management, Inc.’s (“Capstone”) U.S. Equity Large-Cap Covered Call Strategy (the “Strategy”), Client is required to agree to specific, additional terms related to options transactions, as fully described in the Lockwood Investment Advisory Agreement Terms and Conditions. The Client is also required to sign an Options Agreement with PAS. Each Client should review Capstone’s disclosure brochure relating to the U.S. Equity Large-Cap Covered Call.

With respect to all ERISA accounts, the money market sweep vehicle is hard-coded to the Federated Master Trust. Each Client whose account is subject to ERISA shall receive a copy of the prospectus of the Federated Master Trust.

Lockwood offers and covers one manager style, Brandes Investment Partners, L.P.’s Core Plus Fixed Income for SMA style (“Brandes Core Fixed Income Style”), which has a number of unique terms. The minimum account size is \$250,000.00. Brandes may take up to thirty (30) days (from the date such funds are deposited with the custodian) to fully invest the assets of a Client Account. In the event that Client desires to impose industry restrictions on the Account, Client should contact Brandes directly prior to funding the account. The Brandes Core Fixed Income Style may include investments in Brandes’ Separately Managed Account Reserve Trust (“SMARX”) mutual fund (the “Fund”). Client acknowledges and agrees that the Fund is only available to a Client invested in the Brandes Core Fixed Income Style. Client further agrees, that in the event of termination of Client’s contract with Lockwood or Lockwood’s contract with Manager, Lockwood will redeem the Client Account’s investment in shares of SMARX. The account level pricing for the Brandes Core Fixed Income Style is:

Asset Level	Basis Point Fee
First \$500,000	<u>35</u>
Next \$500,000	33
Over \$1,000,000	30

There may be Managers included on the platform which are affiliates of Lockwood, including Lockwood Capital Management, Inc. and The Boston Company Asset Management .

It should be noted that each Manager employs its own timeframe for investing funds, once Lockwood has turned over new assets to a Manager. Clients should consult each Manager's disclosure document to determine the Manager's specific procedures. Lockwood is not responsible for any adverse effect caused by a Manager's failure to invest Client funds on a timely basis.

Lockwood personnel may provide investment advice at no fee to a limited number of trust and institutional clients; such advice is limited to suggested asset allocation strategies.

V. PAYMENT FOR SERVICES

Clients can choose to pay the fees relative to their account(s) separately or in a bundled fee arrangement, as described below. There will be no difference in the Lockwood fee assessed to the Client under normal circumstances regardless of whether the Client fees are calculated on a bundled or unbundled basis. Some Clients may pay more or less than others depending on certain factors, including the type and size of the account(s), the historical or anticipated transaction activity, the range of additional services provided to the account, the amount of Client relationship assets under management with Lockwood, and the managed account program in which the Client participates.

Through contractual arrangements with certain broker-dealers and investment advisors, Lockwood may, where it deems appropriate, delegate some of its responsibilities to the broker-dealers and investment advisors pursuant to Rule 3a-4 of the Investment Company Act of 1940. When such delegations are made, Lockwood may pay the administrative portion of its fee indicated herein to the other broker-dealer or investment advisor.

The total fee assessed to the Client will vary depending on the services the Client selects. Typically, the Client fee will include the Lockwood advisory or program fee, Manager(s) fee, clearing and custody fee and Consultant fee, as described below. Fees are calculated as an annual percentage of assets based on the value of the account. Fees are billed pro rata at inception of the account for the remainder of the calendar quarter and quarterly thereafter, unless indicated otherwise.

Each Manager engaged by or on behalf of the Client will set and charge fees independently of one another and, as such, fees may vary from Manager to Manager, as described below. Similarly, the Consultants set and charge fees independently and the fees charged by Consultants may vary accordingly. Unless the Client instructs otherwise, Lockwood generally debits the Client's account for the fees charged by Lockwood, its clearing agent, the selected Manager(s) and the Consultant and remits the fees to the respective parties accordingly.

Clients are also advised that they may pay more or less for services at Lockwood than they would if they purchased similar services separately from other providers.

In addition to the aforementioned, there may be other costs assessed which are not included in a variable rate bundled or wrap fee arrangement, such as dealer mark-ups, costs associated with the purchase and sale of certain mutual funds, odd-lot differentials, exchange or auction fees, transfer taxes, costs for transactions executed other than at Lockwood, electronic fund and wire transfers, fees imposed on cash management accounts, trust services charges and other charges mandated by law. Further, interest will normally be charged on a debit balance in a Client account. If Pershing has custody of the assets, it will credit interest and dividends to the account.

VI. PRICING OF MANAGED ACCOUNT PRODUCTS

A. MANAGED ACCOUNT ADVISOR® (“MAA”)

MAA is a program sponsored by Lockwood, with brokerage and custody through the Firm, offered to their Consultants, whereby they can provide their Clients with access to Lockwood’s Managers and other advisory services.

Consultants provide Clients with information on Managers contractually engaged by Lockwood and the program. Consultants collect certain financial information from the Client, utilizing an investment questionnaire and assist the Client in selecting Manager(s) and/or other investment vehicles. The Client selects a Manager(s) and/or investment style/asset allocation and the Consultant submits the MAA paperwork to Lockwood. Lockwood reviews the Client’s objectives and evaluates the suitability of the Manager(s) and/or investment style selected. The Client opens a brokerage account at the Firm which provides traditional brokerage services and regular statements. Lockwood sends Consultants regular performance reports which Consultants are instructed to provide to their Clients.

MAA is available only on a fee basis. The fee components are: 1) Lockwood advisory fee; 2) Manager fees; 3) clearing fee; 4) Consultant fee; and/or 5) brokerage fee. In certain instances, Lockwood may negotiate a fee lower than the disclosed pricing below.

The Lockwood advisory fee is a fee for services performed by Lockwood, which may include strategic asset allocation suggestions, investment style allocation, investment manager research and evaluation, manager hiring and termination or changes, progress reports, rebalancing suggestions, quarterly evaluation reports, document processing, operational systems support, Client level consulting services, and administrative services.

1. Standard MAA Pricing

In addition to other services described herein, Lockwood performs certain managed account set-up functions for new accounts, processes account maintenance requests and provides training and service support to broker-dealer clients.

The standard fee structure for this product is as follows:

Lockwood Managed Account Advisor
 —●— Billed at Household Level

A. SMA Standard Program Fee (In Basis Points)

Household	SMA Equity/ —Balanced—	SMA Fixed Income
First \$500,000—	—65—	—35—
Next \$500,000	45	28
Next \$4,000,000	35	20
Next \$5,000,000	28	15
Over \$10,000,000	25	15

(inclusive of clearing and custody)

The standard fee structure, above, may be negotiated by a Firm, resulting in lower fees being charged to certain Firms. Certain accounts converted from Lockwood's Managed Account Link ("MAL") program may have grandfathered MAL standard or affiliate pricing. Please refer to the Schedule H for Lockwood's MAL program.

A Firm may elect to establish a total fee schedule (containing asset level breakpoints) to be applied to their Clients' accounts. In such instances, the Lockwood advisory fee remains the same as noted above. Under a total fee schedule, the Consultant's fee may vary at the exclusive option of the Firm, and depending upon the fee of the Manager(s) selected and the Firm's breakpoints. Each Client should consult the Firm's fee structure, as described in each Firm's brokerage agreement and other disclosure documents. A Firm may elect to add a fee in addition to the Lockwood Program Fee, as disclosed by the Firm to its Clients.

Lockwood may charge an additional fee(s) to provide supplemental, non-advisory services (such as, technology development services) to the Firm.

(i) Delegation of Services

In accordance with Rule 3a-4 of the Investment Company Act of 1940, as amended, Lockwood may contractually delegate the administrative services described above to another party. In such instances, the administrative portion may be paid to that other party. If the responsibility of providing administrative services is not delegated, Lockwood will provide said services and retain the administrative fee along with its advisory fee.

Some Clients may pay more or less than others depending on certain factors, including the type and size of the account, the historical or anticipated transaction activity, the range of services provided to the Client and the total Client relationship assets under management.

(ii) Inception and Post-Inception Billing

At inception, fees are billed from the date the account is opened through the end of that calendar quarter in advance. Thereafter, fees are billed in advance for the next calendar quarter based on the value of the assets at the end of the prior calendar quarter. For post-inception deposits in excess of \$5,000, prorated fees on each deposit may be charged.

2. Manager Fees

As described above, Managers are contractually engaged on behalf of, or by, the Client for the day-to-day management of the account(s). The fees for this service will vary as each Manager sets its fee independently; however, the Managers' fees typically range between 0.20% - 0.75% of assets annually on an account basis, depending on the size of the Client relationship and style of management. Lockwood has entered into contractual arrangements with Managers in the MAA Program who have agreed to manage accounts for the fees indicated at the end of this Schedule H. Manager changes will not necessarily result in a change in the total fee to the Client in a bundled fee arrangement.

3. Clearing

Pershing may provide clearing services to the Firm, subject to a separately negotiated clearing agreement and fee schedule.

4. Consultant Fee

Generally, Consultants charge fees for their services which will vary from Consultant to Consultant, depending on various factors, including the size of the Client's account relationship and the consulting services provided to Clients. Consultants may combine their fee with the other fees described above in an all-inclusive manner for presentation purposes. Alternatively, Consultant may charge its fee separately from the services described herein, and this fee may be higher or lower than the inclusive fee depending on each Consultant and its Client relationship and the level of consulting services provided to the Client.

In the account opening process, Lockwood will review the Consultant's fee to determine whether the Consultant's fee is reasonable and in compliance with regulatory standards. In cases where Lockwood determines that the Consultant's fee may be excessive, Lockwood will request additional information from the Consultant and the Consultant's Firm. Lockwood recommends that each Client execute a separate contract with his/her Consultant relating to the Consultant's fee.

5. Money Market Funds

Clients may choose from the money market funds that are available through the Client's broker-dealer for investment of any cash held overnight in a non-IRA/ERISA brokerage account holding Client's managed account. The terms of the money market fund chosen by the Client are fully disclosed in each fund's prospectus. IRA/ERISA managed accounts are swept to the Federated Master Trust.

6. Lockwood AdvisorFlex Portfolios

Lockwood acts as a money manager in offering the AdvisorFlex Portfolios™ ("AFP") which is a managed account product available on the MAL program. Lockwood is both the sponsor of the MAL program and the money manager of the AFP product.

Until February 28, 2009, Lockwood receives asset allocations and certain investment selection suggestions relating to AFP from Standard & Poor's Investment Advisory Services LLC ("SPIAS"). SPIAS serves as a sub-adviser to Lockwood with respect to AFP during that time. After February 28, 2009, Lockwood will itself provide the services previously provided by SPIAS.

AFP has, to date, consisted of the following eight (8) model/asset allocation strategies ("Models"):

1. Current Income/Income Generation
2. Current Income/Purchasing Power Preservation
3. Capital Appreciation/Conservative
4. Capital Appreciation/Moderate Conservative
5. Capital Appreciation/Moderate
6. Capital Appreciation/Moderate Growth
7. Capital Appreciation/Growth
8. Capital Appreciation/Enhanced Growth

Until February 28, 2009, Lockwood will make available to each Firm the Models and related information, including certain research reports prepared by SPIAS. Effective approximately May 2009, Lockwood shall make available research reports relating to the Models and prepared by Morningstar, Inc. ("Morningstar").

For each investment selection within a particular model, there will be several options from which the Client and his/her financial advisor shall choose. The initial options are outlined in Exhibit C. In addition, Lockwood will implement certain Model Updates throughout the life of a Client's AFP account, and each Client has given Lockwood the limited discretion to implement such Updates. The Client and the financial advisor are responsible for reviewing all such Model Updates. Model Updates may include replacing one investment vehicle with another or changing the asset allocation. All trades are individual to each AFP account and are not aggregated.

The Client grants limited discretion to his/her financial advisor to make changes to the investment vehicles in the Client's account throughout the life of an account.

The minimum account size for AFP accounts is \$100,000.00, with minimum subsequent contributions of \$1,000.00. Accounts may be funded with cash equivalents or shares of investment selections included within a given Model.

The fee for AFP accounts is billed quarterly in advance and is:

Account Level Fee	Program Fee (in basis points)
First \$500,000	40
Next \$500,000	35
Over \$1,000,000	25

For accounts opened after March 31, 2009, there shall be a minimum account fee which shall be billed quarterly in advance on an account level and shall be \$62.50 per quarter. Lockwood may waive the minimum fee in its sole discretion. A Firm may add an additional fee to the AFP fee schedule, above, as such Firm discloses to its Clients.

The Program Fee includes the Lockwood advisory fee (inclusive of S&P's fee, as applicable), and a clearing, custody and execution fee paid to Lockwood's affiliate, Pershing LLC. Additional expenses associated with the specific underlying investment vehicles (such as, 12b-1 fees, redemption fees and internal expense fees) may apply. Mutual funds used in AFP accounts may charge a redemption fee if shares are redeemed within a specified period of time. Clients may incur redemption fees in the event that a Model Update is implemented. Redemption fees vary by fund and are described in each fund's prospectus. The mutual funds used in AFP are provided by Pershing; as a result, Pershing may be paid certain fees relating to these funds. It should be noted that accounts within the AFP program may be householded for billing purposes, subject to certain restrictions.

VII. OTHER PRODUCTS AND CHARGES

A. LOCKWOOD INVESTMENT STRATEGIES

Prior to July 1, 2005, Lockwood offered a proprietary Overlay Separate Account Portfolio ("OSAP") product. The OSAP product is a discretionary multi-discipline, single-account with an Overlay Manager and with various sub-advisers ("Sub-Advisers") and investment vehicles. The guidelines for the strategies employed by the Overlay Manager and the Sub-Advisers were provided by Lockwood, with Lockwood exercising discretion over the accounts established under this program. Effective July 1, 2005, Lockwood changed the name of OSAP to Lockwood Investment Strategies ("LIS") and made certain changes to the product. Specifically, on January 1, 2006, the management of LIS was transferred to Lockwood's affiliate, Lockwood Capital Management, Inc. ("LCM") (formerly known as Lockwood Financial Services, Inc.), also an SEC-registered investment advisory firm. Until April 30, 2006, Parametric Portfolios Associates served as an Overlay Manager. Effective May 1, 2006, LCM serves as the Overlay Manager.

LIS consists of five core models and variations thereto which span the risk / return spectrum. LCM selects Sub-Advisers, who provide strategy-specific model, and/or investment vehicles, including mutual funds and exchange-traded funds, for each investment style component of each of the portfolios. There are Tax-Aware options offered for taxable accounts and Total-Return options. LCM coordinates the buying and selling of securities, tax efficiency and rebalancing across each portfolio. The account is rebalanced periodically to reflect market changes and to maintain compliance with strategy-specific guidelines and the Client investment objectives. The minimum initial investment is \$250,000. LCM reserves the right to waive the minimum initial investment requirement, in its sole discretion.

Each client will be billed quarterly in advance. Pershing or the Client's Firm shall provide monthly custodial statements for each Client account. LIS accounts may be householded with other Client accounts for billing purposes.

The LIS accounts shall be billed a Program Fee subject to the following schedule:

Household Size	Program Fee (in basis points)
First \$500,000	75
Next \$500,000	55
Next \$4,000,000	40
Next \$5,000,000	35
Over \$10,000,000	30

LCM may negotiate a fee lower than the pricing described above. The Program Fee includes the LCM advisory fee and Overlay Manager fee, the Sub-Adviser fees, a sponsor fee, the administrative fee and the clearing and custody fee. In addition to the Program Fee, the Consultant may add a reasonable advisory fee, subject to the applicable written agreement between the Consultant's firm and the Client. The Program Fee does not include fees or expenses which may be associated with the underlying investment vehicles (such as, redemption fees, 12b-1 fees or internal expense ratios). Please consult the LCM Brochure, which outlines the specific investment styles within the LIS product. A Firm may add an additional fee to the LIS fee schedule, above, as such Firm discloses to its Clients.

With respect to mutual funds used in LIS portfolios, the respective mutual funds may charge a redemption fee if shares are redeemed by LCM within a specified period of time. The amount of the redemption fee, as well as the minimum holding period, is disclosed in each of the respective funds' prospectuses. For complete details, clients should review each fund's prospectus.

B. LOCKWOOD ASSET ALLOCATION PORTFOLIOS

Lockwood Asset Allocation Portfolios ("LAAP") is a discretionary, multi-discipline managed account product housed in a single portfolio and is managed by Lockwood's affiliate, LCM. LCM serves as the Portfolio Manager, determines asset allocation strategy and selects investment vehicles for each investment style component of LAAP based on proprietary models. LAAP consists of five core models, which may consist of mutual funds, exchange-traded funds and other types of securities, as determined by LCM.

Effective January 19, 2008, the fee schedule for LAAP shall be as follows:

Household Size	Program Fee (in basis points)
First \$500,000	40
Next \$500,000	35
Next \$4,000,000	30
Next \$5,000,000	25
Over \$10,000,000	20

Lockwood may negotiate a fee lower than the fee disclosed above.

Certain mutual fund wrap accounts shall maintain pre-July 1, 2005 pricing, which differs from the fees shown in the schedules above. The Program Fee may be negotiated, in LCM's sole discretion.

Effective January 19, 2008, the minimum account size is \$50,000. LCM reserves the right to waive the minimum initial investment requirement, in its sole discretion.

Such accounts must be funded in cash. Each Client account will be billed quarterly in advance. Pershing shall provide monthly custodial statements for each Client account. Consolidated performance reporting is available online through Lockwood workstations.

The Program Fee includes LCM's advisory fee, a sponsor fee, the administrative fee and the clearing and custody fee. In addition to the Program Fee, the Consultant may add a reasonable advisory fee, subject to the applicable written agreement between the Consultant's Firm and the Client. The Program Fee does not include fees or expenses which may be associated with the underlying investment vehicles (such as, redemption fees, 12b-1 fees or internal expense ratios). Please consult the LCM Brochure which outlines the specific investment styles within the Portfolios. A Firm may add an additional fee to the LAAP fee schedule, above, as such Firm discloses to its Clients.

Mutual funds used in LAAP may charge a redemption fee if shares are redeemed by LCM within a specified period of time. The amount of the redemption fee, as well as minimum holding period, is disclosed in each of the respective fund prospectuses. For complete details, please refer to the applicable fund prospectus. LCM may also purchase exchange-traded funds (index funds traded on a stock exchange) and other types of investment vehicles for use in LAAP, where it is in the best interests of the Client.

C. LOCKWOOD INVESTMENT STRATEGIES LONGEVITY INCOME SOLUTIONS ("LIS²")

LIS² is a discretionary, multi-discipline managed account product with three core models: conservative growth, moderate growth and growth. The securities in each core model are held in a single brokerage account in the name of the Client. LCM, serving as the portfolio manager, determines asset allocation and selects specific investment vehicles for each investment style based on its proprietary modeling strategies, as well as its macroeconomic outlook and investment discipline.

Phoenix Guaranteed Income Edgesm

The three LIS² models have been designated for use with the Phoenix Guaranteed Income Edgesm ("Income Edgesm") product issued by PHL Variable Insurance Company ("Phoenix"). Phoenix is not affiliated with Lockwood.

The Income Edgesm is an insurance certificate offered to investment advisory clients of LCM who have opened an LIS² Account. Subject to certain conditions, the Income Edgesm ensures predictable lifetime income payments by providing continuing income payments if the Account value is reduced to \$0 by withdrawals (if such withdrawals are limited in accordance with the terms of the Income Edgesm certificate) and/or poor investment performance while the

Client (and in some cases, the Client and the Client's spouse) are living. There is an annual fee for the Income Edgesm and there are limitations on the amount and timing of withdrawals, which are discussed in the Income Edgesm prospectus.

The Income Edgesm is offered through Phoenix's affiliate, Phoenix Equity Planning Corporation ("PEPCO"), which is the principal underwriter of the Income Edgesm. The Income Edgesm is sold through MBSC Securities Corporation ("MBSC"), a broker-dealer and an affiliate of Lockwood. MBSC has entered into a sales and general agency agreement with PEPCO in order to offer the Income Edgesm to investment advisory clients of LCM. The Income Edgesm may only be purchased from registered representatives licensed with MBSC who are also licensed insurance agents of Dreyfus Service Organization, insurance agency and affiliate of Lockwood. The registered representative must also be appointed by Phoenix.

The Income Edgesm is a separate and distinct product from the LIS² Account. A Client may have an LIS² Account without purchasing an Income Edgesm. If a client subsequently becomes interested in purchasing an Income Edgesm, the client should first carefully review the Income Edgesm prospectus before making the purchase.

A brief description of the Income Edgesm is contained in the LCM ADV Part II, Schedule H. **The Income Edgesm prospectus contains detailed information about the risk factors associated with the Income Edgesm.**

CLIENTS SHOULD CAREFULLY READ THE INCOME EDGEsm PROSPECTUS BEFORE PURCHASING AN INCOME EDGEsm.

LIS² Accounts are billed a Program Fee, subject to the following schedule:

Household Size	Program Fee (in basis points)
First \$500,000	50
Next \$500,000	45
Next \$4,000,000	40
Next \$5,000,000	35
Over \$10,000,000	30

The Program Fee includes the LCM advisory fee, a sponsor fee, the administrative fee, and the clearing and custody fee. In addition to the Program Fee, the Consultant may add an advisory fee for his/her advisory services, subject to the applicable written agreement between the Company or its Consultant and the Client. Generally, the Consultant's fee ranges from 0 to 1%. The Program Fee does not include fees or expenses which may be associated with the underlying investment vehicles or other regulatory fees.

The Program Fee does not include the Income Edgesm Fee that is paid to Phoenix from the Account, which is described in the Income Edgesm Prospectus. **CLIENTS SHOULD CAREFULLY READ THE INCOME EDGEsm PROSPECTUS BEFORE PURCHASING AN INCOME EDGEsm.**

The minimum initial investment to establish an LIS² Account is \$250,000.00. Accounts must be funded in cash.

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

D. PERFORMANCE LINK

Lockwood provides Performance Link functionality to clients, which allows for consolidated performance reporting of managed accounts and retail accounts. Lockwood provides such consolidated performance reporting on a quarterly basis. The client selects the performance benchmark to be applied to the affected accounts.

The fee for Performance Link functionality is on a per account basis (based on Account Level Assets) as follows:

First \$500,000	3 basis points
Next \$500,000	2 basis points
Over \$1,000,000	0 basis points

The minimum fee charged per quarter per account is \$35.00. The maximum fee charged per quarter per account is \$62.50.

VIII. OPERATIONAL ISSUES

A. BILLING PERIODS

At inception, fees are billed from the date the account is opened through the end of that calendar quarter in advance. Thereafter, fees are billed in advance for the next calendar quarter based upon the value of the assets at the end of the prior calendar quarter. A prorated fee may be charged on each post-inception deposit in excess of \$5,000.

B. TERMINATION

Clients may terminate their account agreement, without penalty, within five (5) days of Lockwood's execution of the investment advisory agreement. Thereafter, Clients may terminate the accounts at any time in which case fees will be prorated through the termination date. Lockwood charges a termination fee of \$300 for a termination occurring during the first year of an account. Since Lockwood typically charges quarterly in advance based on the assets as of the close of business the prior quarter, the daily proration upon termination after the first year may result in a rebate to the Client of the unused portion of the quarterly fee.

Lockwood may, in its sole discretion, terminate a Client account provided that prior notice of such termination is given to the Client. In such instances, Lockwood shall not be liable to the Client for any loss incurred by the Client.

C. ACCOUNT REPORTING

If Pershing has custody of the assets, it transmits to Client or to Client's Manager(s) (if elected by the Client) trade confirmations for all transactions executed through Pershing, monthly statements for each month in which there is activity and statements of securities held in

custody at least quarterly. In addition, every Client's Consultant will receive from Lockwood portfolio review information which shows progress toward the stated goal(s) and account performance. Clients and their Consultants should review this information regularly.

D. REFERRAL ARRANGEMENTS

Lockwood may enter into agreements with third parties that will solicit investment management Clients for Lockwood and receive compensation from Lockwood for solicitation efforts. In such instances, Lockwood will give the third party solicitor either a percentage of or a set fee from the Lockwood advisory fee charged to the Client. The Lockwood advisory fee charged to the Client is not affected by the use of a third party solicitor in connection with the Client's account(s), and the Client will not be assessed any additional fees for the use of such services by Lockwood. If the services of a third party solicitor are used in connection with the Client's account, the structure of the arrangement and the compensation paid to the third party solicitor will be fully disclosed to the Client pursuant to Rule 206(4) of the Investment Advisers Act of 1940, as amended.

Lockwood may pay certain marketing fees to companies that introduce clients to Lockwood to compensate them for expenses incurred.

E. PROXIES AND CORPORATE REORGANIZATION NOTICES

With respect to proxy voting, if Client is a tax-qualified retirement plan subject to ERISA, Manager will be responsible for voting proxies, however, each Client may opt to retain such proxy voting rights. With respect to Clients which are not governed by ERISA, each Client may either retain the right to vote proxies or delegate such authority to each Manager. With respect to the LIS and LAAP products, the Client may delegate proxy voting to Lockwood.

With respect to corporate reorganization notices, such notices are directed by Lockwood or Pershing to the affected Manager, unless the client specifically requests receipt of such notices.

F. EXECUTION PRACTICES

Lockwood's general policy is to enter all orders on an agency basis. Principal trading will not be used with respect to trades in your Lockwood accounts, unless such trades are in compliance with all applicable regulatory requirements, including but not limited to prior notice to each client, as required by Section 206(3) of the Investment Advisers Act, as amended.

IX. CONVERTING PEAK ACCOUNTS

Certain managed accounts on the Lockwood platform have converted from Pershing's managed account program, Peak I ("Peak"). As a result of this conversion, certain Peak accounts are priced differently from standard Lockwood accounts and are subject to the following fee structure:

The PEAK I standard program fee schedule is set forth below and is expressed in terms of an annual percentage of account asset value:

ASSET VALUE (in \$ thousands)	100- 200	>200- 500	>500- 750	>750- 1,000	>1,000- 2,000	>2,000- 5,000	>5,000- 10,000	>10,000
EQUITY AND BALANCED Program Fee	3.00%	3.00%	2.50%	2.00%	1.50%	1.25%	1.00%	Negotiable
FIXED INCOME Program Fee	2.15%	1.80%	1.50%	1.50%	1.25%	0.90%	0.75%	Negotiable

X. COMPLIANCE

A. COMPLIANCE PLAN

On October 5, 2004, Lockwood adopted its Investment Advisory Compliance Plan (the “Plan”), pursuant to Rule 206(4)-7 of the Investment Advisors Act of 1940 (“Advisers Act”). The Plan addresses the following topics:

- | | |
|--|---|
| 1. advertising | 21. Gifts and Entertainment |
| 2. adviser’s compliance
program/annual reviews | 22. Government Contracts |
| 3. advisory agreements | 23. Insider Trading |
| 4. agency cross transactions | 24. Investment Processes |
| 5. anti-money laundering | 25. Investment Performance |
| 6. best execution | 26. New Accounts |
| 7. books and records
obligations | 27. Oversight of subadvisers |
| 8. conflicts of interest | 28. Performance Advertising |
| 9. continuing education | 29. Personal Securities
Transactions & Records |
| 10. customer complaints | 30. Principal Trading |
| 11. corporate records | 31. Privacy |
| 12. custody | 32. Proxy Voting |
| 13. directed brokerage | 33. Registration |
| 14. disaster recovery | 34. Regulatory Reporting |
| 15. disclosures | 35. Soft Dollars |
| 16. e-mail and other
electronic
communications | 36. Solicitor Arrangements |
| 17. ERISA | 37. Supervision/Internal
Controls |
| 18. fees | 38. Trade Errors |
| 19. fiduciary duty | 39. Trading Practices |
| 20. Form ADV/disclosure
document | 40. Valuations of Securities |
| | 41. Wrap Fee Adviser |
| | 42. Wrap Fee Sponsor |

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

B. CODE OF ETHICS

On February 1, 2005, Lockwood adopted its Code of Ethics (“Code”) pursuant to Rules 204A-1 and 204-2 of the Advisors Act. The Code is updated, as necessary, periodically and distributed to all personnel. Periodic training on the Code is provided to employees.

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

1. fiduciary duties of advisory personnel;
2. confidentiality duties of advisory personnel;
3. gift policy;
4. trading policy for advisory personnel;
5. reporting, review and record-keeping obligations; and
6. avoidance of conflicts of interest.

C. BEST EXECUTION POLICY

Lockwood has adopted a Best Execution Policy pursuant to which Lockwood reviews samples of trades daily. Pursuant to its best execution policy, Lockwood has established a best execution committee which meets quarterly to review compliance with all applicable regulations.

D. POTENTIAL CONFLICTS OF INTEREST

There are certain potential or actual conflicts of interest which exist at Lockwood which every Client should be aware of, as follows:

(i) Affiliated Money Managers

A number of the money managers available on the Lockwood platforms are affiliated with Lockwood, as follows:

- (a) The Boston Company Asset Management
- (b) Lockwood Capital Management, Inc.

Lockwood does not prepare scorecards on Affiliated Money Managers. As a result Affiliated Money Managers may not be subject to the same due diligence as other managers in the program. It should be noted that Lockwood may have a financial incentive to recommend Affiliated Money Managers.

(ii) Sponsoring Activities

~~Certain money managers~~ available on the Managed Account Advisor platform have served as sponsor of certain Lockwood conferences in 2005, 2006, and 2007. These money managers have either purchased a display booth at a Lockwood conference or underwritten a particular conference activity, as follows:

Advanced Investment Partners
Ariel Capital Management
Ashfield Capital Partners
Blackrock
Brandes Investment Partners
Brandywine Global Investment
Management
Breckinridge Capital Advisors
Calamos Advisors, LLC
Dalton Greiner
Davis Advisors
Delaware Financial
Denver Investment Advisors
Federated MDT Advisors
Global Capital Management
Heartland Advisors
John Hancock/Sovereign Asset
Management

JP Morgan Asset Management
Lazard Asset Management
Logan Capital Management
Madison Investment Advisors
Northern Trust Value
NorthRoad Capital Management
Oak Ridge Investments
OFI Private Investments
Philadelphia International Advisors
Pitcairn Investment Management
Sovereign Advisors
Thompson, Siegel & Walmsley,
Inc.
US Trust
W.H. Reaves & Company
William Blair Company
XTF Advisors

Correspondingly, Lockwood may sponsor certain, specific marketing activities engaged in by the following Managers and firms, as follows:

State Street
WH Reaves
William Blair
MetLife
AIG

(iii) Expense Payments

Lockwood may pay certain expenses (such as lodging, meals and entertainment) for certain attendees at Lockwood-sponsored conferences. This indirect compensation provided to consultants who recommend Lockwood's products may create a conflict of interest.

(iv) Contractual Relationships

Lockwood may contract with parties which have relationships with other Lockwood affiliates. Any such relationships that Lockwood may be aware of do not influence any decisions made by Lockwood.

(v) Lockwood AdvisorFlex Portfolios

Lockwood may have a conflict of interest with respect to AFP because Lockwood is both the sponsor and portfolio manager.

XI. LOCKWOOD PERSONNEL

Lockwood generally requires that its research personnel have at least a college degree and typically looks for advanced degrees or other professional designations, such as CFA or appropriate experience in lieu of education. The following individuals comprise Lockwood's research team:

James J. Seuffert CEO

James J. Seuffert, born in 1958, is a member of the Board of Directors of Lockwood Advisors, the Chairman of its Investment Committee and a Managing Director of Pershing LLC. Mr. Seuffert is directly responsible for all sales, operations, technology, relationship and account management functions as they pertain to the delivery of turnkey and private-label managed account solutions to Pershing's customers.

Mr. Seuffert is recognized as one of the primary contributors to the development of the fee-based consulting industry. Mr. Seuffert and his long-time colleague, Leonard A. Reinhart, founded the Lockwood® family of companies in 1995. Mr. Seuffert started his career in 1980 at E.F. Hutton's Consulting Services Division. During his 15-year tenure there, he helped inaugurate many innovative programs that made professional investment management consulting accessible to individuals, as well as institutional investors. In 2005, the Money Management Institute honored Mr. Seuffert with a Pioneer Award in recognition of his significant contributions to the managed account industry during his 25-year career. Mr. Seuffert holds a Bachelor of Science degree in Business and Finance from Mount St. Mary's College. He is Series 7 and 24 licensed.

Donald T. Marchesiello, CFP® President, Director of Advisory Services

Donald T. Marchesiello, born in 1958, is *Director of Advisory Services* for Lockwood Advisors, Inc. (Lockwood). Mr. Marchesiello joined Lockwood in 1996 and is responsible for providing investment advisory services to registered investment advisers and independent broker-dealer institutions. Mr. Marchesiello was involved in all aspects of building the firm's investment advisory services, including capital markets research, asset allocation, money manager research, and portfolio construction strategies. Mr. Marchesiello has also served as Lockwood's Director of Portfolio Design (1999-2003) and helped establish Lockwood's institutional sales (2002-2004) capabilities. Prior to joining Lockwood, Mr. Marchesiello was a First Vice President in Smith Barney's Consulting Group and was the Senior Investment Analyst for the New York City Comptroller's Office, Bureau of Asset Management. He has also served as a Second Vice President for Chase Manhattan Bank in the Pension Consulting Group. Mr. Marchesiello earned a Bachelor of Arts in Finance from the University of Pittsburgh and a Master of Business Administration in Finance from Wagner College. He is currently a member of the CFA Institute, the CFA Society of Philadelphia, the Financial Planning Association (FPA), and the Philadelphia Tri-State Chapter of the FPA. Mr. Marchesiello is Series 7, 24, 63, and 65 registered and has more than 25 years of investment experience.

Stephanie Mackara, Esq.

Director, Product Development and Strategic Initiatives

Stephanie Mackara, Esq., born in 1972, is the *Director, Product Development and Strategic Initiatives* for Lockwood Advisors, Inc. (Lockwood). Ms. Mackara is responsible for developing new products and services in order to deliver a growing set of solutions to independent advisors and broker-dealer clients. Recently, Ms. Mackara was instrumental in the development of the Lockwood Advisor*Flex* Portfolios program. One of her previous assignments within the Lockwood family of companies includes Director of Operations (EMAT). Prior to joining Lockwood in 1997, Ms. Mackara worked as an Associate Financial Consultant at Legg Mason. Ms. Mackara earned a Bachelor of Arts in Psychology from West Chester University and received her Juris Doctorate from Widener University School of Law. She is Series 7, 24, 63, and 65 registered and is a member of the Pennsylvania Bar Association and American Bar Association. Ms. Mackara has more than 10 years of investment experience.

Steven Treftz, CFA®

Manager of Investment Research

Steven Treftz, born in 1978, is the *Manager of Investment Research* responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on traditional separate account managers, including those managers, mutual funds, and exchange-traded funds/notes used in Lockwood Advisor*Flex* Portfolios. Prior to joining Lockwood in 2004, Mr. Treftz worked as an Investment Analyst in Towers Perrin's Asset Consulting Group, where he was responsible for investment manager research, asset allocation, and portfolio strategy/optimization for corporate defined benefit plans. Mr. Treftz also was instrumental in building Towers Perrin's proprietary asset simulation and optimization models. Mr. Treftz earned a dual Bachelor of Science in Finance and Risk Management from Temple University. He is a Chartered Financial Analyst® (CFA®) charterholder and is a member of the CFA Institute and the CFA Society of Philadelphia. Mr. Treftz is Series 7, 24, and 65 registered and has eight years of investment experience.

James Podder, CFA®

Senior Research Analyst

James Podder, born in 1973, is a *Senior Research Analyst* responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on traditional separate account managers, including those managers, mutual funds, and exchange-traded funds/notes used in Lockwood Advisor*Flex* Portfolios. Prior to joining Lockwood in 2005, Mr. Podder worked as an Investment Analyst in Towers Perrin's Asset Consulting Group, where he was responsible for investment manager research, asset allocation, and portfolio strategy/optimization for corporate defined benefit plans. He was also a Financial Analyst within Towers Perrin's Asset Simulation Unit. Mr. Podder earned a Bachelor of Science in Finance from Villanova University and a Master of Business Administration in Finance from Temple University. He is a Chartered Financial Analyst® (CFA®) charterholder and is a member of the CFA Institute and the CFA Society of Philadelphia. Mr. Podder is Series 7 and 65 registered and has six years of investment experience.

Meridith McCarthy
Senior Research Analyst

Meridith McCarthy, born in 1979, is a *Senior Research Analyst* responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on traditional investment managers, including those managers, mutual funds, and exchange-traded funds/notes used in Lockwood Advisor*Flex* Portfolios. Prior to joining Lockwood in October 2007, Ms. McCarthy worked on a team that evaluated hedge fund managers for Attalus Capital, LLC. She earned her Bachelor of Management from A.B. Freeman School of Business of Tulane University. Ms. McCarthy is Series 65 registered, as well as a Level I CFA® candidate. Ms. McCarthy has seven years of investment experience, including four years as a Securities Analyst.

Kevin Cresko, CFA®
Senior Research Analyst

Kevin Cresko, born in 1978, is a *Senior Research Analyst* responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on traditional separate account managers, including those managers, mutual funds, and exchange-traded funds/notes used in Lockwood Advisor*Flex* Portfolios. Prior to joining Lockwood in August 2008, Mr. Cresko was a Senior Equity Trader at Maxim Group, where he was responsible for equity program execution with a primary focus on the merger arbitrage strategy. He earned a Master of Science in Finance from The City University of New York, Baruch College, and a Bachelor of Arts in Economics from Muhlenberg College. He is a Chartered Financial Analyst® (CFA®) charterholder and is a member of the CFA Institute and the CFA Society of Philadelphia. Mr. Cresko is Series 7, 55, and 63 registered and has eight years of investment experience.

Lewis Ratti
Research Analyst

Lewis Ratti, born in 1980, is a *Research Analyst* responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on traditional separate account managers, including those managers, mutual funds, and exchange-traded funds/notes used in Lockwood Advisor*Flex* Portfolios. After joining Lockwood in 2003, Mr. Ratti worked in multiple Operations roles before moving to the Investment Advisory Team in 2006. Prior to joining Lockwood, Mr. Ratti worked for Georgeson-Shareholder Communications, Inc., having served in various capacities. He earned a Bachelor of Science in Business Economics from Bloomsburg University. Mr. Ratti is Series 7, 24, and 66 registered, as well as a Level I CFA® candidate. Mr. Ratti has five years of investment experience.

Philip Fraley
Research Associate

Philip Fraley, born in 1982, is a *Research Associate* responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on traditional separate

account managers, including those managers, mutual funds, and exchange-traded funds/notes used in Lockwood Advisor*Flex* Portfolios. Prior to joining Lockwood in August 2007, Mr. Fraley was a Financial Analyst in the Electric Utility sector at PJM Interconnection, where he was responsible for financial research, budgeting, and variance analysis. Mr. Fraley earned a Bachelor of Science degree in Accounting from the University of Pittsburgh and is a Level I CFA[®] candidate. Mr. Fraley has four years of investment experience.

Christopher Kravsow
Research Associate

Christopher Kravsow, born in 1978, is a *Research Associate* responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on traditional separate account managers, including those managers, mutual funds, and exchange-traded funds/notes used in Lockwood Advisor*Flex* Portfolios. Previously, Mr. Kravsow worked as a Business Development Associate and as a Money Manager Relationship Manager. Prior to joining Lockwood in 2004, Mr. Kravsow worked in the mutual fund industry. He earned a Bachelor of Science in Finance from Villanova University and a Master of Business Administration from Penn State University. Mr. Kravsow is Series 6, 63, and 65 registered and has eight years of investment experience.

Jay Schilling
Research Associate

Jay Schilling, born in 1986, is a *Research Associate* responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on traditional separate account managers, including those managers, mutual funds, and exchange-traded funds/notes used in Lockwood Advisor*Flex* Portfolios. Prior to joining Lockwood in October 2008, Mr. Schilling was an Intern in the Financial Planning and Corporate Reporting Departments at Arrow Electronics, Inc., a global provider of electronic components and enterprise computing solutions. He earned a Bachelor of Science degree in Finance from the State University of New York at Oswego and is a Level I CFA[®] candidate.

Steven Piskadlo
Product Development Analyst

Steven Piskadlo, born in 1983, is a *Product Development Analyst* responsible for new product planning and market research, as well as developing a strategic framework for Lockwood Advisors, Inc.'s (Lockwood) suite of investment solutions. Prior to joining Lockwood in February 2008, Mr. Piskadlo worked as a Trader for Vanguard's Brokerage Services group, where he was responsible for placing unsolicited security orders and maintaining client accounts. He earned a Bachelor of Science in Business Management and Marketing from Villanova University. Mr. Piskadlo is Series 6, 7, and 63 registered and is currently a Level I CFA[®] candidate. Mr. Piskadlo has three years of investment experience.

Kevin P. McWilliams

Risk and Regulatory Manager

Kevin P. McWilliams, born in 1976, is a *Risk and Regulatory Manager* responsible for implementing and overseeing Lockwood Advisors, Inc.'s (Lockwood) risk and regulatory program across the spectrum of its investment offerings. Previously, Mr. McWilliams was Senior Operations Manager for the Account Services department of Pershing Managed Account Solutions. Prior to joining the firm in February 2007, Mr. McWilliams held trading and compliance roles within Vanguard Brokerage Services and Vanguard Corporate Compliance during his seven-year tenure. Mr. McWilliams earned a Bachelor of Science degree from the University of Delaware. He is Series 4, 7, 24, 53, and 66 registered and has eight years of experience in the financial services industry.

Michelle Logue

Chief Compliance Officer

Michelle M. Logue, born in 1967, is the *chief compliance officer* of Lockwood Advisors, Inc. She has been with Lockwood since September 2004. Her previous experience includes senior compliance roles at Investec and PMG Capital. She holds a B.A. and M.B.A. from Eastern University and holds the Series 7, 24, 65, 63, 4 and 55 licenses.

EXHIBIT A

LOCKWOOD PRIVACY POLICY

This notice applies to individuals who obtain or apply for a financial product or service for personal, family, or household purposes, or have done so in the past, from Lockwood Advisors, Inc. It describes our policies and practices for collecting, disclosing, and safeguarding “nonpublic personal information,” which may include financial or other customer information.

This notice replaces all previous notices of our consumer privacy policy, and may be amended at any time. We’ll keep you informed of changes as required by law.

INFORMATION WE COLLECT AND SHARE

We collect a variety of nonpublic personal information about you, which may include:

- Information we receive from you, as provided, for example, on applications or other forms.
- Information about your transactions with us, our affiliates, and others. (Our affiliates include financial service providers such as banks, securities broker-dealers, investment advisors, insurance agencies, and transfer agents.)
- Other information we receive from affiliates and nonaffiliated third parties, including credit reporting agencies.

We disclose this information only as required or permitted by law. For example, we may share information with affiliates or nonaffiliated third parties that provide services to us, in order to process your transactions and service your accounts. We may also share information with those who perform marketing services on our behalf, or financial institutions with whom we have joint marketing agreements that provide for the confidentiality and security of customer information. When necessary, we also disclose customer information to regulatory agencies, law enforcement agencies, courts, or parties to lawsuits.

CONFIDENTIALITY AND SECURITY OF NONPUBLIC PERSONAL INFORMATION

We are careful to restrict access to your nonpublic personal information. Our employees, and in certain cases nonaffiliated third parties, have limited access to customer information based on their responsibilities. This access enables them to assist you in completing transactions, offer you additional financial services, and resolve any customer service issues that may arise. All employees are instructed to follow the confidentiality guidelines provided in our Code of Conduct, which is strictly enforced. We maintain physical, electronic, and procedural safeguards that comply with federal standards to safeguard nonpublic personal information.

EXHIBIT B

LIST OF MANAGERS AVAILABLE

The first section of this list includes managers which are covered by Lockwood (“Covered Managers”), meaning that Lockwood conducts on-going research and due diligence on these managers.

The second section of this list includes managers which are not covered by Lockwood (“Non-Covered Managers”), meaning that Lockwood does not conduct on-going research and due diligence on these managers. If a Client selects a Non-Covered Manager, research will not be available on such Non-Covered Manager.

COVERED MANAGERS	
Style	Fees
Advanced Investment Partners, LLC All Cap Core	50
Advanced Investment Partners, LLC All Cap Core Tax Transition	55
Advanced Investment Partners, LLC All Cap Core Tax-Aware	55
Advanced Investment Partners, LLC Large Cap Core	50
Advanced Investment Partners, LLC Tax Aware Large Cap Core	55
Advanced Investment Partners, LLC Tax Transition Large Cap Core	55
AllianceBernstein L.P. Large Cap Relative Value	50
AllianceBernstein L.P. Strategic Research	50
AllianceBernstein L.P. Strategic Research Balanced	50
Ariel Investments Mid Cap Value	50
Ariel Investments Small-Mid Cap Value	50
Ashfield Capital Partners, LLC Ashfield Large Cap Growth	50
Ashfield Capital Partners, LLC Ashfield Tax-Aware Large Cap Growth	50
Atlanta Capital Management Company Sml Cap Value (Transfer Only)	55
BlackRock Investment Management LLC Large Cap Core	48
BlackRock Investment Management LLC U.S. Fixed Income Tax-Free Municipal	29
Brandes Investment Partners, L.P. Core Plus Fixed Income for SMA	35
Brandes Investment Partners, L.P. European Equity (Transfer Only)	50
Brandes Investment Partners, L.P. Global Balanced	50
Brandes Investment Partners, L.P. Global Equity	50
Brandes Investment Partners, L.P. Global Mid Cap Equity	50
Brandes Investment Partners, L.P. Int'l Equity (Transfer Only)	50
Brandes Investment Partners, L.P. U.S. All Cap Value Equity	50
Breckinridge Capital Adv. Municipal Bonds - National	25
Calamos Advisors, LLC. Convertible Equity (80/20) (Transfer Only)	45
Capstone Asset Management Co. US Equity Large Cap Covered Call	60
Cincinnati Asset Management Broad Market Bond (1/3 High Yield - 2/3 Investment Grade)	41
Cincinnati Asset Management High Yield Bond	58
Cincinnati Asset Management Investment Grade Bond	34
Columbia Management Advisors, LLC Taxable Fixed Income	30
Davis Selected Advisers Large Cap Value	45
Delaware Investments Large Cap Growth	50
Delaware Investments Large Cap Value	50
Denver Investment Advisors LLC Small Cap Core	60
Denver Investment Advisors LLC U.S. Small Cap Value Equity	60
Dreman Value Management Large Cap Value Equity	50
Eaton Vance Management Eagle Global International (ADR)	50
Eaton Vance Management Large Cap Value	50
Global Capital Management, Inc. Small-Mid Cap Core	55
Global Currents Investment Mgmt LLC Global Equity	50
Global Currents Investment Mgmt LLC International Equity	50
ING Investment Management ING Corporate Leaders 100	40
Invesco Aim Private Asset Mgmt, Inc AIM International Growth	50
INVESCO Institutional (N.A.), Inc. Invesco International Equity	50
INVESCO Institutional (N.A.), Inc. Invesco REITs	50

Ironwood Investment Management, LLC Small Cap Core	66
J.P. Morgan Asset Management Large Cap Core	50
J.P. Morgan Asset Management Large Cap Value	50
J.P. Morgan Asset Management Tax Aware Large Cap Core	50
J.P. Morgan Asset Management Tax Aware Large Cap Value	50
J.P. Morgan Asset Management Tax Transition Large Cap Core	50
J.P. Morgan Asset Management Tax Transition Large Cap Value	50
Kayne Anderson Rudnick Inv. Mgmt. Small Cap Value	50
Kayne Anderson Rudnick Inv. Mgmt. Small/Mid Cap Core	50
Lazard Asset Management European Value	50
Lazard Asset Management Global Large Cap ADR	50
Lazard Asset Management International Large Cap ADR	50
Logan Capital Management Large Cap Growth	50
Madison Investment Advisors Taxable Fixed Income	28
Madison Investment Advisors U.S. Equity Large Cap Core Equity	45
McDonnell Investment Mgmt Medium Term Muni Bond (10 Year)	25
McDonnell Investment Mgmt Municipal Bonds - National	25
MFC Global-Sovereign Asset Mgmt. Dividend Performers	45
MFC Global-Sovereign Asset Mgmt. Dividend Performers - Balanced	45
Natixis Asset Management Advisors AEW Diversified REIT Strategy	50
Natixis Asset Management Advisors Loomis Intermediate Term Bond Strategy	35
Natixis Asset Management Advisors Vaughan Nelson Small Cap Value (Transfer Only)	60
Northern Trust Investments, N.A. Balanced	50
Northern Trust Investments, N.A. Large Cap Value	50
NorthPointe Capital LLC Small Cap Growth	60
NorthRoad Capital Mgmt, LLC Global Equity	50
NorthRoad Capital Mgmt, LLC International Equity	50
Nuveen Asset Management Municipal Bonds - National	30
NYLIM - Mackay Shields LLC Convertible Securities	51
Oak Ridge Investments, LLC Large Cap Growth	50
Pacific Income Advisers Market Duration SMA	35
Parametric Portfolio Assoc Eaton Vance/Parametric Tax Managed Large Cap Value	50
Parametric Portfolio Assoc Tax Aware Large Cap Core	40
Parametric Portfolio Assoc Tax Managed Broad Market Core	40
Parametric Portfolio Assoc Tax Transition Broad Market Core	40
Parametric Portfolio Assoc Tax Transition Large Cap Core	40
Parametric Portfolio Assoc Tax-Transition Large Cap Value	50
Penn Capital Management Mid Cap Core	45
Penn Capital Management Small Cap Core (Transfer Only)	51
Penn Capital Management Small-Mid Cap Core (Transfer Only)	45
Philadelphia International Advisors International Equity	50
Philadelphia International Advisors Tax Aware International Equity	50
Reaves Asset Management Long Term Utility/Energy	60
Reed, Conner, & Birdwell, LLC Large Cap Value	50
Reed, Conner, & Birdwell, LLC Small Cap Value (Transfer Only)	50
Reinhart Partners, Inc. US Equity Mid Cap Growth	55
Rittenhouse Asset Management, Inc. Balanced Large Cap Growth	45

Rittenhouse Asset Management, Inc. Large Cap Growth	45
Riverbridge Partners, LLC Small Cap Growth	60
Roanoke Asset Management Small Cap Growth	65
Schafer Cullen Capital Management High Dividend Equity	50
State Street Global Adv. Enhanced Lrg Cap Core Value Equity	25
TCW Investment Management Company Growth Equities	50
Thompson, Siegel & Walmsley LLC Mid Cap Value	60
Thompson, Siegel & Walmsley LLC Small Cap Value (Transfer Only)	65
Tocqueville Asset Management Small Cap Core	65
Trillium Asset Mgmt Corp. Large Cap Socially Responsible	55
Turner Investment Partners, Inc Global Equity ADR	50
Turner Investment Partners, Inc International ADR	50
William Blair & Co. LLC International Equity	50
William Blair & Co. LLC Large Cap Growth	50

CONTRACTED (NON-COVERED) MANAGERS	
Style	Fees
Allegiant Investment Counselors All Cap Core	75
Allegiant Investment Counselors Small Cap Core	50
AllianceBernstein L.P. Global Value (ADR)	50
AllianceBernstein L.P. International Style Blend (ADR)	50
AllianceBernstein L.P. International Value (ADR)	50
AllianceBernstein L.P. Regent Fixed Income	35
Ashfield Capital Partners, LLC Balanced	48
Aston Asset Management LLC Optimum Mid Cap Core	56
Breckinridge Capital Adv. Municipal Bonds - State Preferred	25
Cambridge Financial Group Core Equity	50
Capital Management Associates LLC Large Cap Growth (Transfer Only)	75
CCM Investment Adv., LLC. Large Cap Core	50
CCM Investment Adv., LLC. Large Cap Core Balanced	50
Congress Asset Management Large Cap Growth	45
Congress Asset Management Mid Cap Growth	50
Dalton, Greiner, Hartman, Maher Mid Cap Value	60
Dalton, Greiner, Hartman, Maher Small Cap Value	60
Eagle Boston Investment Mgmt., Inc. Small Cap Core	55
Emerson Invest. Management, Inc. US Fixed	40
Engemann Asset Management Large Cap Growth	55
Estabrook Capital Management, LLC Balanced	55
Estabrook Capital Management, LLC Large Cap Core	55
Fayez Sarofim & Co. Large Cap Growth At Reasonable Rate	50
Forward Management, LLC U.S. Dividend	55
Glenmede Investment Management, LP Aggregate Taxable Fixed Income	35
Glenmede Investment Management, LP Enhanced Cash	29
Glenmede Investment Management, LP Intermediate Bond	35
Glenmede Investment Management, LP Large Cap Value	50
Insight Capital Res & Mgmt Mid Cap Growth	75
Invesco Aim Private Asset Mgmt, Inc AIM Large Cap Value	45
Invesco Aim Private Asset Mgmt, Inc AIM Mid Cap Core	50
INVESCO Institutional (N.A.), Inc. Invesco Global Equity	50
J & W Seligman & Co. Large Cap Growth	50
J & W Seligman & Co. Mid-Cap Growth	50
J & W Seligman & Co. Small to Mid Cap Growth	50
J.P. Morgan Asset Management Strategy Portfolio Mid Cap Value	50
James Capital Alliance 60+ All Cap Balanced	55
James Capital Alliance All Cap Equity	55
James Capital Alliance Balanced All Cap	55
Kayne Anderson Rudnick Inv. Mgmt. Balanced (60% Large Cap Core / 40% Intermediate Government)	45
Kayne Anderson Rudnick Inv. Mgmt. Intermediate Fixed	25
Kayne Anderson Rudnick Inv. Mgmt. Large Cap Core	45
Kayne Anderson Rudnick Inv. Mgmt. Small Cap Core	50
King Investment Advisors, Inc. Balanced Multi Cap Core (70/30)	55
King Investment Advisors, Inc. Mid-Cap Core	55

Knelman Asset Management Group, LLC Large Cap Growth	50
Laurel Capital Advisors Large Cap Core Equity	55
Lazard Asset Management Global Balanced	50
Lazard Asset Management Global Equity Select with Emerging Markets	50
Lazard Asset Management International Equity Select with Emerging Markets	50
Lazard Asset Management Large Cap Value	50
Lazard Asset Management Small-Mid Value	50
Lotsoff Capital Mgmt Large Cap Core Concentrated (50 Stock)	30
Lotsoff Capital Mgmt Small Cap Core (Transfer Only)	50
Lotsoff Capital Mgmt Small-Mid Cap Core	55
Mastrapasqua Asset Management Large-Mid Cap Growth	50
McDonnell Investment Mgmt Municipal Bonds - State Preferred	25
McDonnell Investment Mgmt Municipal Bonds - State Specific	25
McHugh Associates, Inc. Large Cap Growth	50
MFC Global-Sovereign Asset Mgmt. MFC Global-Sovereign Asset Mgmt Tax Transition Large Cap Core	45
Navellier & Associates Large Cap Growth	50
Navellier & Associates Mid Cap Growth	50
Navellier & Associates Small-Mid Cap Growth	50
Needelman Asset Mgmt Balanced	45
Needelman Asset Mgmt Large Cap Value	45
Nuveen Asset Management Municipal Bonds - State Preference	30
Nuveen Asset Management Municipal Bonds - State Specific	30
NWQ Investment Management Co., LLC Large Cap Value (Transfer Only)	45
NYLIM - Mackay Shields LLC Mid Cap Value	45
Oberweis Asset Mgmt Small Cap Growth (Transfer Only)	50
OFI Private Investments Inc. Baring International ADR	45
OFI Private Investments Inc. Gulf Large Cap Value	50
Popular Asset Management Popluar Asset Management Fixed Income Intermediate	30
Reed, Conner, & Birdwell, LLC Balanced	50
Rorer Asset Management Balanced Large Cap Core	50
Rorer Asset Management Large Cap Core	45
Roxbury Capital Mgmt, LLC Focus Equity Conc Growth	48
Roxbury Capital Mgmt, LLC Large Cap Growth Tax Aware	48
Roxbury Capital Mgmt, LLC Small-Mid	48
Seneca Capital Mgmt, LLC Growth with Ctrlld Risk	55
Seneca Capital Mgmt, LLC Tax Sensitive Growth	55
Sovereign Advisers Enhanced Cash	16
Sovereign Advisers Municipal - Taxable Blend	25
Sovereign Advisers Municipal Bond State Specific	30
Sovereign Advisers Municipal Bonds National	30
Sovereign Advisers Taxable Fixed Income	30
State Street Global Adv. Global Growth Opportunity Equity	60
State Street Global Adv. Socially Responsible	50
State Street Global Adv. Tax Aware Growth & Income Stock Dividend	70
State Street Global Adv. Tax Aware Growth Opps(Cash)	50
State Street Global Adv. Tax Aware Large Core	50
State Street Global Adv. TaxAware Growth Opps (Secs)	50

State Street Global Adv. US Large Core	50
TCW Investment Management Company Concentrated Core Equity	55
TCW Investment Management Company Large Cap Value	45
The Boston Company Asset Mgmt, LLC Large Cap Growth	50
Thornburg Investment Management Intermediate Term Municipals	35
Tradewinds Global Investors, LLC International Value Equity (ADR)	50
Transamerica Investment Mgmt, LLC Large Cap Growth	50
Trillium Asset Mgmt Corp. All Cap Equity Socially Responsible	55
Wentworth, Hauser, & Violich, Inc. International Equity	50
Wentworth, Hauser, & Violich, Inc. US Equity Mid Cap	50
Lockwood Asset Allocation Portfolio Lockwood Asset Allocation Model I	40
Lockwood Asset Allocation Portfolio Lockwood Asset Allocation Model II	40
Lockwood Asset Allocation Portfolio Lockwood Asset Allocation Model III	40
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Lockwood Investment Strategies LIS Fundamental Model A	50
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Lockwood Investment Strategies LIS Longevity Income Solution Cash Phase Model	50
Lockwood Investment Strategies LIS Longevity Income Solution Model A	50
Lockwood Investment Strategies LIS Longevity Income Solution Model B	50
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Lockwood Investment Strategies Lockwood Strategies Model I / Traditional - Taxable	75
Lockwood Investment Strategies Lockwood Strategies Model II / Traditional - Tax Deferred	75
Lockwood Investment Strategies Lockwood Strategies Model II / Traditional - Taxable	75
Lockwood Investment Strategies Lockwood Strategies Model II Incl Alternative Investments	75
Lockwood Investment Strategies Lockwood Strategies Model III / Traditional - Tax Deferred	75
Lockwood Investment Strategies Lockwood Strategies Model III / Traditional - Taxable	75
Lockwood Investment Strategies Lockwood Strategies Model III Incl Alternative Investments	75
Lockwood Investment Strategies Lockwood Strategies Model IV / Traditional - Tax Deferred	75
Lockwood Investment Strategies Lockwood Strategies Model IV / Traditional - Taxable	75
Lockwood Investment Strategies Lockwood Strategies Model IV Incl Alternative Investments	75
Lockwood Investment Strategies Lockwood Strategies Model V / Traditional - Tax Deferred	75
Lockwood Investment Strategies Lockwood Strategies Model V / Traditional - Taxable	75
Lockwood Investment Strategies Lockwood Strategies Model V Incl Alternative Investments	75

Lockwood Capital Management, Inc.
(formerly known as Lockwood Financial Services, Inc.)
10 Valley Stream Parkway
Malvern, PA 19355
(610) 695-9150

ADV, Part II
LIS, LAAP and LIS² Brochure

This brochure provides clients with information about Lockwood Capital Management, Inc. (“LCM”) (formerly known as Lockwood Financial Services, Inc.) and the investment services it offers. This information should be considered before one becomes a client of LCM. This information has not been approved or verified by a governmental authority.

December 2008

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**Lockwood Capital Management
Form ADV (LIS, LAAP and LIS² Brochure)**

I. ABOUT LCM

Lockwood Capital Management, Inc. (“LCM”) (formerly known as Lockwood Financial Services, Inc.¹) is an investment management company, based in Malvern, Pennsylvania. LCM offers three discretionary managed account products, Lockwood Investment Strategies (“LIS”), Lockwood Asset Allocation Portfolios (“LAAP”) and Lockwood Investment Strategies Longevity Income Solutions (“LIS²”), which are described fully below.

LCM is an U.S. Securities and Exchange Commission (the “SEC”) registered investment adviser, which provides a variety of investment advisory services to its clients, including the following services:

- (1) Develops investment strategies through a proprietary investment process, overseen by its Investment Advisory Committee (“IAC”);
- (2) Implements the investment strategies by selecting investment vehicles and executing portfolio transactions, as needed;
- (3) Serves as overlay manager for LIS, effective May 1, 2006;
- (4) Selects sub-advisers (“Sub-Adviser(s)”) for LIS who provide model portfolios and suggested securities for portions of certain strategies;
- (5) Monitors each Sub-Adviser for compliance with performance and risk relative to its target benchmark;
- (6) Through its affiliate, Lockwood Advisors, Inc., provides sponsor services in certain programs;
- (7) Provides monitoring of the client accounts (“Accounts”) by reviewing their respective performance and maintaining adherence to the stated strategy and objectives;
- (8) Furnishes reports to clients concerning Account activity, strategy and performance;
- (9) Serves as portfolio manager for a mutual fund and exchange-traded fund wrap product, LAAP;
- (10) Serves as portfolio manager for LIS²; and
- (11) Serves as a sub-manager to a mutual fund.

The LIS, LAAP and LIS² products are discretionary, multi-discipline managed account products housed in a single portfolio, available only through a Consultant, as described below.

II. LCM AFFILIATES

LCM is an affiliate of Lockwood Advisors, Inc. (“Lockwood”), a leading provider of managed account products and services. LCM and Lockwood are also affiliated with Pershing LLC (“Pershing”) and Pershing Advisor Solutions LLC (“PAS”). LCM, Lockwood, Pershing

¹ The corporate name change was effective May 25, 2007.

and PAS are wholly owned subsidiaries of The Bank of New York Mellon Corporation (“BNY”).

To avoid potential conflicts of interest, LCM does not employ any investment management affiliates of BNY in the construction of the LIS, LAAP or LIS² portfolios. **Clients of LCM, however, may also be clients of affiliated investment advisers and such relationships and related transactions may occur without LCM’s knowledge.**

With respect to execution services, trades in the LIS, LAAP and LIS² portfolios are effected on an agency basis through Pershing, an affiliate of LCM, unless LCM determines that best execution may be provided through another broker-dealer.

LCM offers LIS, LAAP and LIS² on managed account platforms where its affiliate, Lockwood, serves as the sponsor of the wrap program, such as Managed Account Link and Managed Account Advisor, as well as on platforms where an unaffiliated broker-dealer or investment adviser serves as the sponsor of the wrap program, such as Lockwood’s Managed Account Command platform.

III. LCM CLIENTS

LCM offers its products to high net worth individuals, trusts, corporate entities, ERISA plans and other sophisticated investors through registered representatives, consultants, financial advisers and other investment professionals (“Consultants”). In certain instances, LCM offers its products to institutional clients (such as banks, broker-dealers, trust companies, investment advisers, and other financial institutions), which, in turn, offer the LCM products to their respective Clients through their Consultants.

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

The Consultant provides the Client with account opening paperwork, brokerage agreement(s), along with a copy of Lockwood’s (or the Sponsor’s in Managed Account Command) and LCM’s respective ADV Part II, Brochure. The Consultant submits the financial information, investment objectives and account forms to Lockwood, Pershing and any other broker-dealer, as needed. Lockwood reviews the information provided by the Client and once approved, opens an account for the Client’s managed account assets. Assets are custodied at Pershing, an affiliate of Lockwood and LCM.

LCM also reviews the account opening paperwork to determine whether the selected strategy is suitable for the Client. At any time, LCM may request additional information to verify the information provided by the Client. After LCM reviews and approves the account for trading, LCM is granted investment discretion by the Client and exercises such discretion in the day-to-day management of the account. LCM may, in its sole discretion, change Sub-Advisers

or investment vehicles, revise asset allocations within strategies and discontinue certain strategies, and accept certain of the Sub-Advisers' suggested securities.

To assist the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions, such as LCM, to obtain, verify, and record information that identifies each person who opens an account. When a Client applies to open an account, LCM will ask for the Client's name, address, date of birth and other information that will allow LCM to identify the Client. LCM may also ask to see a copy of the Client's driver's license or other identifying documents.

Each Client is requested to inform the Consultant and LCM, at least annually, of any changes in their financial condition or of any changes to investment restrictions which the Client wishes to impose. While there are no restrictions on the ability of the Client to contact and consult LCM personnel, it is generally preferred that the Client do so through, or together with, his/her Consultant.

IV. LCM'S PRODUCTS

A. LOCKWOOD INVESTMENT STRATEGIES ("LIS")

LIS is a discretionary, multi-discipline managed account product housed in a single portfolio with five core models. The five (5) core models span the risk/return spectrum from current income model to growth model within the context of a diversified portfolio. A Client may also choose from four (4) additional models which include exposure to non-traditional asset classes, as described more fully below. LCM, serving as the Portfolio Manager, determines asset allocation and selects both Sub-Advisers and specific investment vehicles for each investment style based on its proprietary modeling strategies, as well as its macroeconomic outlook and investment discipline.

LCM selects Sub-Adviser and/or investment vehicle(s), such as an exchange-traded fund ("ETF") or mutual fund, for each investment style. When selected for inclusion within the program, each Sub-Adviser electronically provides its model portfolio (buy-list) to LCM on a daily basis. An Overlay Manager combines each of the model portfolios into one Investment Strategies portfolio designed to perform and act similar to the target benchmark for the portfolio. The Overlay Manager gathers each of the portfolios and runs an optimization program that seeks to, minimize tax implications, and create better tracking to the target benchmark. The Sub-Advisers and investment vehicles currently employed in LIS portfolios are described in Exhibit A, hereto, and are subject to change at LCM's sole discretion.

Until April 30, 2006, Parametric Portfolios Associates served as the Overlay Manager for LIS. Effective May 1, 2006, LCM assumed the role of the Overlay Manager for all LIS portfolios. As the Overlay Manager, Parametric Portfolios Associates made quarterly 13f filing with the Securities and Exchange Commission through the first quarter of 2006. LCM made its initial 13f filing with the SEC in January 2006, and continues to make such quarterly filings.

When LCM selects investment vehicles for each investment style component of each of the portfolios, a number of factors are evaluated. Not only must the vehicle stand on its own investment merits, but it also must fit within the overall strategy. The amount allocated to an

investment style component may determine which instrument may be used to manage that portion of the portfolio. An instrument such as a mutual fund or ETF may be utilized to allow broad market exposure to be achieved for lower dollar values. A basket of individual securities supplied by a Sub-Adviser may be used for allocations where LCM seeks active securities selection. LCM reviews Sub-Adviser and investment vehicle combinations to determine the most effective combination of investments to satisfy the goals of the portfolio. LCM also pays considerable attention to fees, liquidity, investment minimums, and operational issues as they pertain to the implementation and inclusion of investment vehicles and Sub-Advisers in the portfolios.

LCM offers a series of strategies limited to traditional asset classes only (Traditional) and a series of Strategies that include traditional and non-traditional investment asset classes (Alternative) for implementation.

The LIS product is offered on Lockwood's three managed account platforms: Managed Account Link, Managed Account Advisor and Managed Account Command. On the Managed Account Command platform, where the financial institution is both the wrap sponsor and the broker of record, the financial institution may customize the name of LIS, while disclosing that LCM is the money manager.

Traditional Strategies:

LCM offers five (5) diversified, discretionary, investment portfolios that include allocations to traditional asset classes including, but not limited to U.S. Fixed Income, U.S. Large-Cap Equity, U.S. Small-Cap Equity, U.S. Mid-Cap Equity, Non-U.S. Equity and REITs.

The asset classes represented within the investment portfolios are comprised of:

Fixed Income: LCM employs a broad-based, passive approach for its fixed income allocation, represented by the Lehman Aggregate Bond Index, which has exposure to a diversified mix of corporate and government bonds. As market opportunities warrant, LCM may combine a core allocation to the Lehman Aggregate Bond Index with satellite allocations to various segments of the global fixed income market.

U.S. Large-Cap Equity: Due to market efficiencies, LCM takes a passive approach to the large-cap equity market, focusing on low-cost, broad-based investment vehicles, represented by the S&P 500 Index and the Russell 1000® Index. As market conditions warrant, LCM may overweight the large cap allocation to the growth or value style.

U.S. Small-Cap and Mid-Cap Equity: LCM generally employs an active approach in its allocation to small-cap and mid-cap stocks. This segment of the market, represented by the Russell 2000® Index and the Russell 2500® Index, is inherently more volatile than its large-cap counterpart and, therefore, often carries a lesser weight than the large-cap portion.

Non-U.S. Equity: LCM generally employs an active approach in its allocation to non-U.S. equity. The MSCI EAFE Index represents this asset class. The international allocation is incorporated for both diversification and capital appreciation potential. The asset class as a

whole has a relatively low correlation to domestic equity over time and, therefore, may help diversify the portfolio while providing potential for growth. As market opportunity warrants, LCM may include allocations to other international sub-asset classes, such as Emerging Markets and International Small-Cap Equity.

REITs: LCM generally employs a passive approach in its allocation to Real Estate Investment Trusts (REITs). The asset class is represented by the NAREIT-Equity Index, which has had a low correlation to the stock and bond markets. The allocation is intended to lessen overall portfolio volatility and provide income via its dividend yield.

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

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

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

Model I is the most conservative model, with the majority of the model allocated to fixed income and the balance to equities; Model V is the most aggressive model, with 100% of the model allocated to equities.

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

Alternative Strategies:

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

Based on proprietary research, LCM has defined the non-traditional investment class to include the following asset classes: convertible arbitrage, distressed securities, equity hedge, equity market neutral, event-driven, fund-of-funds, merger arbitrage, macro strategies and commodities.

LCM employs a fundamental valuation approach and employs a proprietary five-factor model to generate expected returns, risk and correlation for the traditional asset classes it includes in its investment strategies. A similar approach is employed to determine risks and correlations, and set return requirements for including the alternative asset class in the asset allocation decision. The following issues are among those considered for non-traditional assets: 1.) expected compensation for potential illiquidity, 2.) transparency and pricing of underlying securities, 3.) implementation costs/fees, and 4.) the use of leverage.

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

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

B. LOCKWOOD ASSET ALLOCATION PORTFOLIOS (“LAAP”)

LAAP is a discretionary, multi-discipline managed account product housed in a single portfolio. LCM, serving as the Portfolio Manager, determines asset allocation strategy and selects investment vehicles for each investment style component of the portfolios, based upon proprietary modeling strategies, macroeconomic outlook and investment research discipline. The five (5) LAAP models are:

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

Model I is the most conservative model, with the majority of the model allocated to fixed income and the balance to equities; Model V is the most aggressive model, with 100% of the model allocated to equities.

These portfolios may consist of open and closed-end mutual funds, exchange-traded funds and other types of securities, as determined by LCM, in its sole discretion. The securities currently employed in the LAAP portfolios are described in Exhibit B, hereto and are subject to change at LCM’s sole discretion.

The LAAP product is offered on Lockwood’s three managed account platforms: Managed Account Link, Managed Account Advisor and Managed Account Command. On the Managed Account Command platform, where the financial institution is both the wrap sponsor and the broker of record, the financial institution may customize the name of LAAP, while disclosing that LCM is the money manager.

C. LOCKWOOD INVESTMENT STRATEGIES LONGEVITY INCOME SOLUTIONS (“LIS²”)

LIS² is a discretionary, multi-discipline managed account product with three core models: conservative growth, moderate growth and growth. The securities in each core model are held in a single brokerage account in the name of the Client. LCM, serving as the Portfolio Manager, determines asset allocation and selects specific investment vehicles for each investment style based on its proprietary modeling strategies, as well as its macroeconomic outlook and investment discipline. The current model composition is attached hereto in Exhibit C.

Phoenix Guaranteed Income Edgesm

The three LIS² models have been designated for use with the Phoenix Guaranteed Income Edgesm (“Income Edgesm”) product issued by PHL Variable Insurance Company (“Phoenix”). Phoenix is not affiliated with LCM.

The Income Edgesm is an insurance certificate offered to investment advisory clients of LCM who have opened an LIS² Account. Subject to certain conditions, the Income Edgesm ensures predictable lifetime income payments by providing continuing income payments if the Account value is reduced to \$0 by withdrawals (if such withdrawals are limited in accordance with the terms of the Income Edgesm certificate) and/or poor investment performance while the Client (and in some cases, the Client and the Client’s spouse) are living. There is an annual fee for the Income Edgesm and there are limitations on the amount and timing of withdrawals, which are discussed in the Income Edgesm prospectus.

The Income Edgesm is offered through Phoenix’s affiliate, Phoenix Equity Planning Corporation (“PEPCO”), which is the principal underwriter of the Income Edgesm. The Income Edgesm is sold through MBSC Securities Corporation (“MBSC”), a broker-dealer and an affiliate of LCM. MBSC has entered into a sales and general agency agreement with PEPCO in order to offer the Income Edgesm to investment advisory clients of LCM. The Income Edgesm may only be purchased from registered representatives licensed with MBSC who are also licensed insurance agents of Dreyfus Service Organization, insurance agency and affiliate of LCM. The registered representative must also be appointed by Phoenix.

The Income Edgesm is a separate and distinct product from the LIS² Account. A Client may have an LIS² Account without purchasing an Income Edgesm. If a client subsequently becomes interested in purchasing an Income Edgesm, the client should first carefully review the Income Edgesm prospectus before making the purchase. Please note, however, that LCM also offers LIS, which is described in Section IV.A. herein and is an additional discretionary investment product that cannot be paired with an Income Edgesm. LCM invests LIS Accounts in individual securities in addition to pooled investment vehicles. This additional active security selection component may lead to higher performance in these Accounts as compared to the LIS² Accounts, which contain pooled-investment vehicles only.

Brief Description of the Income Edgesm

The Income Edgesm is designed for LCM clients participating in the LIS² product who intend to use the investments in their Account as a basis for a withdrawal program to provide income payments for retirement or other long-term purposes. The Income Edgesm provides certain insurance protection relating to the LIS² Account by ensuring that regardless of how the LIS² investments actually perform, the Client will have predictable lifetime income payments, subject to certain limitations described in the current Income Edgesm prospectus.

When a Client purchases an Income Edgesm, Phoenix establishes a “Retirement Income Base” for the Client. The amount of the Retirement Income Base is equal to the Client’s Account value on the certificate effective date. The Retirement Income Base may increase each time the Client makes additional contributions to the Account and each time the Client exercises the Annual Optional Increase on any certificate anniversary date. The Client’s “Retirement Income Amount” is equal to 5% of the Client’s Retirement Income Base and represents the maximum amount that may be withdrawn annually without reducing the Client’s Income Base after the Retirement Income Date. The “Retirement Income Date” is the later of the certificate effective date or the Client’s 65th birthday, or, if the Client owns the certificate jointly with his or her spouse, the younger spouse’s 65th birthday.

LCM has agreed to certain investment parameters (the “Parameters”) for the strategies eligible for use with the Income Edgesm, which, in certain circumstances, if exceeded, may result in the termination of the Income Edgesm.

The Income Edgesm prospectus contains detailed information about the risk factors associated with the Income Edgesm.

CLIENTS SHOULD CAREFULLY READ THE INCOME EDGEsm PROSPECTUS BEFORE PURCHASING AN INCOME EDGEsm .

LCM’s Advice Regarding the Income Edgesm

LCM may make suggestions to the Client that it believes are in the Client’s best interest regarding the Income Edgesm product. All decisions, however, regarding the Income Edgesm are the sole responsibility of the Client, in consultation with his or her Consultant and licensed insurance agent. The licensed insurance agents may consult with LCM regarding recommendations that the licensed insurance agent may make to the Client, including, but not limited to annual recommendations regarding whether Client should increase the amount of the Retirement Income Base if the Client’s LIS² account value has appreciated.

LIS² Investment Models

LCM selects an exchange-traded fund or funds (“ETF”) or mutual fund, for each investment style. LCM combines each of the investment vehicles into a portfolio designed to perform and act similar to the target benchmark for the portfolio. LCM runs an optimization program that facilitates tracking to the target benchmark. The investment vehicles currently employed in the LIS² portfolios are described in Exhibit C, hereto, and are subject to change at LCM’s sole discretion. LCM may substitute a comparable investment vehicle for an investment

vehicle listed in Exhibit C, in its sole discretion, if it is in the best interest of the Client. As noted above, LCM has agreed to certain investment parameters for the strategies eligible for use with the Income Edgesm, which, in certain circumstances, if exceeded, may result in the termination of the Client's Income Edgesm. In all instances, LCM shall take all such necessary actions as are in the best interests of the Client.

Strategies:

There are three (3) diversified, discretionary, investment portfolios that include allocations to traditional asset classes including, but not limited to U.S. Fixed Income, U.S. Large-Cap Equity, U.S. Small-Cap Equity, U.S. Mid-Cap Equity, Non-U.S. Equity and REITs.

The asset classes represented within the investment portfolios are comprised of:

U.S. Fixed Income: This asset class is represented by the Lehman Aggregate Bond Index, which has exposure to a diversified mix of corporate and government bonds. As market opportunities warrant, LCM may combine a core allocation to the Lehman Aggregate Bond Index with satellite allocations to various segments of the fixed income market.

U.S. Large-Cap Equity: LCM focuses on low-cost, broad-based investment vehicles, represented by the S&P 500 Index and the Russell 1000® Index. As market conditions warrant, LCM may overweight the large cap allocation to the growth or value style.

U.S. Small-Cap and Mid-Cap Equity: This segment of the market, represented by the Russell 2000® Index, the Russell 2500® Index, and the Russell Midcap® Index is inherently more volatile than its large-cap counterpart and, therefore, often carries a lesser weight than the large-cap portion.

Non-U.S. Equity: The MSCI EAFE Index represents this asset class. The non-U.S. allocation is incorporated for both diversification and capital appreciation potential. The asset class as a whole has a relatively low correlation to domestic equity over time and, therefore, may help diversify the portfolio while providing potential for growth.

REITs: The asset class is represented by the NAREIT-Equity Index, which has had a low correlation to the stock and bond markets. The allocation is intended to lessen overall portfolio volatility and provide income via its dividend yield.

The models, representing various levels of expected risk and return, offered within LIS² are Conservative Growth, Moderate Growth and Growth. The asset allocation ranges are shown in the table below.

		<u>Equity</u>	<u>Fixed</u>	<u>Cash</u>
Model A:	Conservative Growth	52.5% - 65%	35% - 47.5%	0% - 7.5%
Model B:	Moderate Growth	72.5% - 85%	15% - 27.5%	0% - 7.5%
Model C:	Growth	90% - 100%	0% - 10%	0% - 7.5%

LCM is a discretionary manager for the LIS² program portfolios and, in that capacity, may change the asset, style, and investment vehicle allocations within the LIS² portfolios at its discretion at any time, subject to the Parameters as agreed upon by LCM and the issuer of the Income Edgesm. The Parameters were required by Phoenix, as part of their hedging process. LCM, however, may change asset, style and investment vehicle allocations in a manner outside the Parameters if it believes it is in the Client's best interest to do so and in this event the Income Edgesm may terminate.

Pursuant to the Parameters, the permitted style allocation ranges are shown in the table below:

Style Allocation	Permitted Ranges					
	Model A		Model B		Model C	
Sub-asset Class	Min	Max	Min	Max	Min	Max
Large Cap U.S. Equity	21.00	45.00	28.00	60.00	35.00	75.00
Core	0.00	45.00	0.00	60.00	0.00	75.00
Value Tilt	0.00	35.00	0.00	45.00	0.00	55.00
Growth Tilt	0.00	10.00	0.00	15.00	0.00	20.00
Mid Cap U.S. Equity	6.00	24.00	8.00	32.00	10.00	40.00
Core	0.00	24.00	0.00	32.00	0.00	40.00
Value Tilt	0.00	18.00	0.00	24.00	0.00	30.00
Growth Tilt	0.00	6.00	0.00	8.00	0.00	10.00
Small Cap U.S. Equity	5.00	18.00	10.00	24.00	15.00	30.00
Core	0.00	18.00	0.00	24.00	0.00	30.00
Value Tilt	0.00	14.00	0.00	18.00	0.00	22.00
Growth Tilt	0.00	4.00	0.00	6.00	0.00	8.00
U.S. REITs	0.00	15.00	0.00	15.00	0.00	15.00
Non-U.S. Equity Developed						
Markets Only	9.00	24.00	12.00	32.00	15.00	40.00
Core EAFE	9.00	24.00	12.00	32.00	15.00	40.00
U.S. Fixed Income	35.00	47.50	15.00	27.50	0.00	10.00
U.S. Core Fixed Income	0.00	40.00	0.00	20.00	0.00	10.00
U.S. Shorter duration high quality	0.00	47.50	0.00	27.50	0.00	10.00
U.S. Longer duration high quality	0.00	20.00	0.00	15.00	0.00	10.00
U.S. Corporates high quality	0.00	40.00	0.00	20.00	0.00	10.00

LCM fees may be negotiable at the discretion of, and within the means of, LCM.

CLIENTS SHOULD CAREFULLY READ THE INCOME EDGEsm PROSPECTUS BEFORE PURCHASING AN INCOME EDGEsm.

D. SUBADVISER TO MUTUAL FUND

LCM serves as a Subadviser to the First Puerto Rico Strategic Growth Fund (the “Fund”), a non-diversified, open-end management investment company registered under the Puerto Rico Investment Companies Act.

The Fund is comprised of a maximum of three, separately managed pools of assets, or Portfolios. In compliance with specific provisions of Puerto Rico law, up to 80% of the assets of each Portfolio are managed by LCM, while at least 20% of the assets are invested in Puerto Rico issued equity and fixed income securities.

The investment adviser to the Fund is Santander Asset Management, which manages the Fund’s overall investment policy, strategic asset allocation, portfolio rebalancing and risk management of each Portfolio’s assets. Santander Securities, Inc. serves as the Fund’s distributor.

With respect to LCM’s role as a Subadviser to the Fund, LCM is compensated by Santander Asset Management. LCM receives, monthly in arrears, 35 (thirty-five) basis points of average weekly net assets of the Fund under management by LCM.

Persons considering investment in the First Puerto Rico Strategic Growth Fund should carefully review the Fund’s Prospectus. With respect to tax considerations, potential investors should review the Fund’s Prospectus and consult a qualified tax professional.

E. SPECIFIC DISCLOSURES

Investment vehicles used in LIS with Alternative Investments may use derivatives which are often more volatile than other investments and may magnify the vehicle’s gains and losses. An investment vehicle that uses derivatives could be negatively affected if the change in market value of its securities fails to correlate adequately with the values of the derivatives it purchased or sold. Investors considering these types of investments should have a long-term horizon.

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

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

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

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

Investment vehicles used in LIS, LAAP and/or LIS² may invest in inflation-indexed bonds and other fixed income securities. Bonds are subject to a variety of risks including interest rate, credit, and inflation risk.

Investment vehicles used in LIS, LAAP and/or LIS² may include ETF's. The Program Fees for LIS, LAAP and LIS² do not include fees or expenses that may be associated with individual ETFs, including, but not limited to, the ETF sponsor fee, the trustee fee, ETF custodian's fee, stock exchange listing fees, SEC registration fees, printing and mailing costs, audit fees, legal fees, licensing fees, marketing expenses and other operating expenses. For more information on these expenses refer to the ETF's prospectus. There are special risks associated with ETF's, such as:

- (1) ETF shares are not individually redeemable.
- (2) The market price of ETF shares may differ from the net asset value.
- (3) An active trading market for ETF shares may not exist and if it does exist, it may not be maintained over time.
- (4) Trading of ETF shares may be halted by regulators under certain circumstances.

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

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

Another significant risk factor affecting ETNs is liquidity. Upon issuance, the ETNs may not have an established trading market. There is no assurance that a trading market for the notes will develop or, if one develops, that it will be maintained. Although the issuers of the notes may apply to list certain issuances of notes on a national securities exchange, the notes may not meet the requirements. Even if there is a secondary market, it may not provide liquidity. While the issuers of the notes may make a market for the notes, they are not required to do so. If the notes are not listed on any securities exchange and the issuers of the notes were to cease acting as a market maker in the notes, it is likely that there would be no secondary market for the notes. All of these factors impact the overall liquidity of the notes and may impact the price received upon disposition of the notes.

Additional risks of investing in ETNs include limited portfolio diversification, price fluctuations, issuer default, uncertain principal repayment, and uncertain federal income tax treatment. Clients should consult their tax advisor regarding tax treatment. Investing in ETNs is not equivalent to a direct investment in an index or index components. The performance of the ETNs may vary from the actual performance of the underlying index and the performance of the underlying index components. By investing in ETNs, the owner does not have certain rights that investors in the underlying index or the underlying index components may have, such as stock voting rights. Upon sale or redemption of the ETN shares, the owner will be paid cash, and will have no right to receive delivery of any of the underlying index components or commodities or other assets underlying the index components. Similar to ETFs, ETNs have operating fees that will reduce the amount of return at maturity or on redemption, and as a result the owner may receive less than the principal amount of its investment upon sale or redemption of an ETN, even if the value of the relevant index has increased.

Investment vehicles used in LIS, LAAP and/or LIS² may include mutual funds. The Program Fees for LIS, LAAP and LIS² respectively do not include fees or expenses which may be associated with individual mutual funds, including, but not limited to, redemption fees, 12b-1 fees, expense ratios or other applicable regulatory fees. LCM's affiliates, Pershing and PAS, may receive fees from certain mutual fund families whose funds are employed in LIS, LAAP and/or LIS².

LCM conducts due diligence on all investment vehicles employed in LIS, LAAP and LIS² prior to including these vehicles in any portfolio.

It is important to remember that there are risks inherent in any investment, including the loss of principal, and there is no assurance that any asset class or index will provide positive performance over time. Asset classes and/or other investment strategies not included in LIS and/or LIS² may exhibit similar or superior characteristics and performance than those that are included

Clients must be United States residents to be accepted in either the LAAP or LIS² programs. In addition, Clients must be United States citizens to be accepted in the LIS² program.

Clients must be residents of the United States or Ontario, Canada to be accepted in the LIS program. Residents of Ontario, Canada must be “permitted clients” as defined in Ontario Securities Commission Rule 35-502 to be accepted in the LIS program.

LCM is a discretionary manager for the LIS, LAAP and LIS² programs portfolio and, in that capacity, may change the asset, style, and investment vehicle allocations within the LIS, LAAP and LIS² portfolios at its discretion at any time.

With respect to LIS, LAAP and/or LIS² portfolios which include mutual funds, a mutual fund selling agreement must be executed between the specific mutual fund company and the broker-dealer on the client’s account.

These products may cost the client more or less than purchasing similar services separately, assuming the services could be purchased directly from the various providers thereof. LCM fees may be negotiable at the discretion of, and within the means of, LCM.

V. PAYMENT FOR SERVICES

Through contractual arrangements with certain broker-dealers and investment advisers, LCM’s affiliate Lockwood may, where it deems appropriate, delegate some of its responsibilities to the broker-dealers and investment advisers pursuant to Rule 3a-4 of the Investment Company Act of 1940. When such delegations are made, Lockwood may pay a portion of its administrative fee indicated herein to the other broker-dealer or investment adviser.

The total fee assessed to the Client will vary depending on the services the Client selects. Typically, the Client fee will include the sponsor fee, LCM advisory fee and overlay manager fee (if applicable), Sub-Adviser fee (if applicable), the administrative fee clearing and custody fee and Consultant fee, as described below. Fees are calculated as an annual percentage of assets based on the value of the account. Fees are billed pro rata at inception of the account for the remainder of the calendar quarter and quarterly thereafter, unless indicated otherwise.

The Consultants set and charge fees independently and the fees charged by Consultants may vary accordingly. Unless the Client instructs otherwise, Lockwood generally debits the Client’s account for the fees charged by LCM, Lockwood, its clearing agent, and the Consultant and remits the fees to the respective parties accordingly.

In addition to the aforementioned, there may be other costs assessed which are not included in a variable rate bundled or wrap fee arrangement, such as dealer mark-ups, costs associated with the purchase and sale of certain mutual funds, odd-lot differentials, exchange or auction fees, transfer taxes, costs for transactions executed other than at Pershing, electronic fund and wire transfers, fees imposed on cash management accounts, trust services charges and other charges mandated by law. Further, interest will normally be charged on a debit balance in a Client account. If Pershing has custody of the assets, it will credit interest and dividends to the account.

VI. FEES AND COMPENSATION

A. LIS

Lockwood Investment Strategies are billed a Program Fee, subject to the following schedule:

<u>Account Size</u>	<u>Program Fee (in basis points)</u>
First \$500,000	75
Next \$500,000	55
Next \$4,000,000	40
Next \$5,000,000	35
Over \$10,000,000	30

In instances where Lockwood is serving as the Sponsor, the LIS fee may be househanded with other Lockwood accounts.

The Program Fee includes the LCM advisory and overlay manager fee, the Sub-Adviser fee, a sponsor fee, the administrative fee, and the clearing and custody fee. In addition to the Program Fee, the Consultant may add an advisory fee for his/her advisory services, subject to the applicable written agreement between the Company or its Consultant and the Client. The Program Fee does not include fees or expenses which may be associated with the underlying investment vehicles (such as, redemption fees, 12b-1 fees or expense ratios) or other regulatory fees.

The minimum initial investment to establish an LIS account is \$250,000.00. Depending upon the model or strategy chosen by the Client, a portfolio may typically hold between 5 and 300 securities. LCM reserves the right to waive the minimum initial investment requirement, in its sole discretion.

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

In instances where Lockwood is not serving as the sponsor of the program which houses the LIS account (such as, on the Managed Account Command platform), the Sponsor may include an administrative fee, in addition to the Program Fee. The Sponsor's administrative fee should be disclosed in the Sponsor's Schedule H. In certain instances, LCM may share a portion of its fee with the Sponsor to cover administrative services associated with sponsor activities, subject to the following schedule:

<u>Account Size</u>	<u>Basis Points to Sponsor</u>
First \$500,000	8
Next \$500,000	6
Next \$4,000,000	5
Next \$5,000,000	4
Over \$10,000,000	2

Accounts within the LIS program may be householded for billing purposes in Lockwood's Managed Account Link and Managed Account Advisor programs, only. LIS Accounts are billed quarterly in advance by Lockwood/LCM. Pershing shall provide monthly custodial statements for each Client Account. Consolidated performance reporting is available online.

B. LAAP

LAAP Accounts that are opened on or after January 19, 2008 are billed a Program Fee, subject to the following schedule:

<u>Account Size</u>	<u>Program Fee (in basis points)</u>
First \$500,000	40
Next \$500,000	35
Next \$4,000,000	30
Next \$5,000,000	25
Over \$10,000,000	20

In instances where Lockwood is serving as the Sponsor, the LAAP fee may be householded with other Lockwood accounts.

The Program Fee includes the LCM advisory fee, a sponsor fee, the administrative fee and the clearing and custody fee. In addition to the Program Fee, the Consultant may add an advisory fee for his/her advisory services, subject to the applicable written agreement between the Consultant's firm and the Client. The Program Fee does not include fees or expenses which may be associated with the underlying investment vehicles (such as, redemption fees, 12b-1 fees or internal expense ratios).

In instances where Lockwood is not serving as the sponsor of the program which houses the LAAP account (such as, on the Managed Account Command platform), the Sponsor may include an administrative fee in addition to the above-referenced Program Fee. The Sponsor's administrative fee should be disclosed in the Sponsor's Schedule H. In certain instances, LCM may share a portion of its fee with the Sponsor to cover administrative services associated with sponsor activities, subject to the following schedule:

<u>Account Size</u>	<u>Basis Points to Sponsor</u>
First \$500,000	3
Next \$500,000	2
Next \$4,000,000	1
Next \$5,000,000	1
Over \$10,000,000	1

The Program Fee may be negotiated, in LCM's sole discretion. It should be noted that certain firms may be subject to a negotiated LAAP Program Fee, which may be lower than the standard schedule, above.

The minimum initial investment is \$50,000.00, with minimum subsequent investments of \$1,000.00 each. LCM reserves the right to waive the minimum initial investment requirement, in its sole discretion. Accounts must be funded in cash. Each Client Account will be billed quarterly in advance. Pershing provides monthly custodial statements for each Client account. Consolidated performance reporting is available online through Lockwood workstations.

C. LIS²

LIS² Accounts are billed a Program Fee, subject to the following schedule:

<u>Account Size</u>	<u>Program Fee (in basis points)</u>
First \$500,000	50
Next \$500,000	45
Next \$4,000,000	40
Next \$5,000,000	35
Over \$10,000,000	30

The Program Fee includes the LCM advisory fee, a sponsor fee, the administrative fee, and the clearing and custody fee. In addition to the Program Fee, the Consultant may add an advisory fee for his/her advisory services, subject to the applicable written agreement between the Company or its Consultant and the Client. Generally, the Consultant's fee ranges from 0 to 1%. The Program Fee does not include fees or expenses which may be associated with the underlying investment vehicles or other regulatory fees.

The Program Fee does not include the Income Edgesm Fee that is paid to Phoenix from the Account, which is described in the Income Edgesm Prospectus. **CLIENTS SHOULD CAREFULLY READ THE INCOME EDGEsm PROSPECTUS BEFORE PURCHASING AN INCOME EDGEsm .**

The minimum initial investment to establish an LIS² Account is \$250,000.00. Accounts must be funded in cash.

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

Accounts within the LIS² program may be householded for billing purposes in Lockwood's Managed Account Link and Managed Account Advisor programs, only. LIS² Accounts are billed quarterly in advance by Lockwood/LCM. Pershing shall provide monthly custodial statements for each Client Account. Consolidated performance reporting is available online.

VII. BROKERAGE PRACTICES

Trades in the LIS, LAAP and LIS² portfolios are executed through LCM's affiliate, Pershing. All such trades are affected on an agency basis, unless prior client approval is obtained

for a principal trade, in accordance with the Investment Advisers Act of 1940, as amended. LCM may trade away from Pershing in order to achieve best execution.

VIII. OTHER MATTERS AFFECTING ACCOUNTS

A. Proxies

LCM employs the services of Risk Metrics Group, formerly known as Institutional Shareholder Services (“ISS”) to assist with the voting of proxies for clients who have delegated that function to LCM. LCM personnel download electronic files from the proxy voting service, which contain information regarding company meetings and proxy proposals and the accounts and shares of record held by clients. This information is then reconciled with the firm’s own records in order to ensure that all shares entitled to vote will be voted.

Votes are cast electronically through the proxy voting services. Any votes that cannot be cast through the system are voted online using proxyvote.com and then input to the proxy voting service system for recordkeeping and reporting. Records are retained in accordance with regulatory requirements.

Clients can contact LCM to find out how their proxies were voted. In addition, LCM will provide a copy of their Proxy Voting policy upon written request.

B. Rebalancing

LCM may change the style allocation, Sub-Advisers or investment vehicles used to manage a portion of the portfolio without receiving instructions signed by the Client in each case. In the event of an asset allocation change, LCM rebalances the portfolio accordingly. During the life of the portfolio, LCM may change the investment vehicles used within the portfolio to attempt to achieve more effective tracking to an index, or make an allocation to a specific sector or characteristic, such as International Small-Cap, or Real Estate Investment Trusts (REITs) or fixed income duration.

C. Tax Considerations

For taxable portfolios in the LIS Traditional Strategies, LCM will consider tax implications when implementing changes in the portfolios when motivated by investment reasons. LCM will, from time to time, use various strategies, when appropriate, to lessen the potential tax impact on taxable Traditional Strategies portfolios when transactions are triggered for investment reasons, such as changes in asset class forecasts, Sub-Adviser changes, investment vehicle changes, and market drift. The following methods may be used to address tax costs:

- Recognize that the characteristics of taxable return assumes converting ordinary income into long-term capital gains
- Delay the recognition of gain or income for longer periods of time
- Use losses to offset gains where desirable

Tax implications for taxable portfolios in the LIS Traditional Strategies are evaluated within the risk control parameters. LCM may also consider tax implications when implementing investment changes in taxable portfolios in the LIS Strategies with Alternative Investments.

D. Potential Conflicts of Interest

On the MAL and MAA platforms, LCM serves as the money manager, while its affiliate, Lockwood, serves as the sponsor.

As a subsidiary of BNY, LCM has a large number of investment advisory affiliates; LCM does not include any affiliated investment advisory firms in LCM's investment process. LCM's affiliate, Pershing, provides clearing and custody services for LIS and LAAP accounts. Trading is performed on an agency basis.

LCM's affiliates, Pershing and PAS, may receive fees from certain mutual fund families whose funds are employed in LIS, LAAP and/or LIS².

Certain employees of LCM's affiliates may be invested in LIS, LAAP and/or LIS².

E. Trade Rotation Policy

LCM has adopted a trade rotation policy which is applicable to the products described herein. LCM uses the CheckFree APL trading system ("APL") to allocate the trades made in the products described herein. LCM utilizes the random method in APL in the event of a partial fill, whereby APL randomly allocates shares to accounts until all shares are allocated.

F. Written Supervisory Procedures

LCM has adopted written supervisory procedures to govern its operations.

IX. PERFORMANCE PRESENTATION STANDARDS

All accounts are included in a composite after the account has been managed in that style for one full calendar quarter; a composite is created after five accounts meet this criterion. A terminated account is excluded from a composite as of the end of the last full month of management prior to the termination date. The performance of a terminated account remains in the composite for the period prior to the end of the last full month of management before the termination date. Performance is calculated according to the Modified Dietz Method. An interval return is calculated each time there is an asset or cash flow of 10% or greater and at each month end. Performance is calculated monthly, or in intervals as described in the aforementioned sentence, and linked geometrically. Returns for periods greater than one year are annualized. Performance is calculated on a total return basis, which includes realized gains, unrealized gains, and interest and dividend income. Cash is included in the calculation of total return performance. Accrual accounting is used to recognize interest and dividend income. Trade date account is used. Cash flows are day-weighted and portfolios are revalued on flows over 10%. Individual account returns are time-weighted. Composite returns are asset-weighted using beginning of period weightings.

X. COMPLIANCE

A. COMPLIANCE PLAN

LCM has adopted an Investment Advisory Compliance Plan (the “Plan”), pursuant to Rule 206(4)-7 of the Advisers Act. The Plan addresses the following topics:

- (1) advertising
- (2) adviser’s compliance program/annual reviews
- (3) advisory agreements
- (4) agency cross transactions
- (5) anti-money laundering
- (6) best execution
- (7) books and records obligations
- (8) compliance program
- (9) conflicts of interest
- (10) continuing education
- (11) customer complaints
- (12) corporate records
- (13) custody
- (14) directed brokerage
- (15) disaster recovery
- (16) due diligence
- (17) e-mail and other electronic communications
- (18) ERISA
- (19) error resolution
- (20) fiduciary duty
- (21) Form ADV/disclosure document
- (22) Gifts and Entertainment
- (23) Government Contracts
- (24) Insider Trading
- (25) material compliance event
- (26) New Accounts
- (27) Oversight of subadvisers
- (28) Personal Securities Transactions & Records
- (29) Principal Trading
- (30) Privacy
- (31) Proxy Voting
- (32) Regulatory Reporting
- (33) Soft Dollars
- (34) Solicitor Arrangements
- (35) Supervision/Internal Controls
- (36) Trade Errors
- (37) Trading Practices
- (38) Wrap Fee Adviser

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

B. CODE OF ETHICS

LCM has adopted a Code of Ethics (“Code”) pursuant to Rules 204A-1 and 204-2 of the Advisers Act. The Code is distributed to all personnel and periodic training is provided to employees. A copy will be provided to any client upon request.

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

- (1) fiduciary duties;
- (2) confidentiality duties;
- (3) gift policy;
- (4) trading policy;
- (5) reporting, review and record-keeping obligations; and
- (6) avoidance of conflicts of interest.

LCM will provide a copy of the Code to any client or prospective client, upon request.

C. BEST EXECUTION POLICY

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

XI. LCM PERSONNEL

LCM generally requires that its investment professionals have at least a college degree and typically looks for advanced degrees or other professional designations, such as CFA or appropriate experience in lieu of education. The following individuals comprise Lockwood’s investment team:

James J. Seuffert

Director

James J. Seuffert, born in 1958, is a member of the Board of Directors of Lockwood Capital Management, Inc., a member of its Investment Committee and a Managing Director of Pershing LLC. Mr. Seuffert is directly responsible for all sales, operations, technology, relationship and account management functions as they pertain to the delivery of turnkey and private-label managed account solutions to Pershing’s customers.

Mr. Seuffert is recognized as one of the primary contributors to the development of the fee-based consulting industry. Mr. Seuffert and his long-time colleague, Leonard A. Reinhart, founded the Lockwood® family of companies in 1995. Mr. Seuffert started his career in 1980 at E.F. Hutton’s Consulting Services Division. During his 15-year tenure there, he helped inaugurate many innovative programs that made professional investment management consulting accessible to individuals, as well as institutional investors. In 2005, the Money Management Institute honored Mr. Seuffert with a Pioneer Award in recognition of his significant contributions to the

managed account industry during his 25-year career. Mr. Seuffert holds a Bachelor of Science degree in Business and Finance from Mount St. Mary's College. He is Series 7 and 24 licensed.

Donald Robinson

President, Chief Investment Officer

Donald Robinson, born in 1958, is *President and Chief Investment Officer* for Lockwood Capital Management, Inc., and since Lockwood's founding in 1995, he has been responsible for directing its investment advisory and research process. In this capacity, he has led the development and oversees the implementation of the firm's proprietary asset allocation, capital markets analysis, and investment strategy protocols. Mr. Robinson's career in the financial services industry began in 1981. He has served as Chief Investment Officer of a major Wall Street brokerage firm, as Vice President in the Pension Consulting Group at Chase Manhattan Bank, and as Investment Officer in the analytical services division at Northern Trust Company. A former Chairperson of TUCS (Trust Universe Comparison Service), Mr. Robinson has published several articles on global indexing and risk management. He is a member of the Chicago Quantitative Alliance and the New York-based QWAFEFW (Quantitative Work Alliance for Applied Finance, Education, and Wisdom). An alumnus of Arizona State University, from which he earned a Bachelor of Science degree in Business Administration, Mr. Robinson also earned his Master of Business Administration in Finance at Loyola University of Chicago. He is Series 7 registered and has more than 25 years of investment experience.

David Feldman

Director of Investments

David Feldman, born in 1961, is the *Director of Investments* responsible for managing the investment process for Lockwood Capital Management, Inc.'s (LCM) discretionary investment programs, including manager selection and portfolio construction, as well as playing a lead role in new product development and the publication of investment commentary and analysis. He is also a member of LCM's Investment Committee. Prior to joining LCM in 2005, he was a Vice President at MetLife in the Structured Risk Solutions area, responsible for \$20 billion of stable value products. Mr. Feldman has served as Head of Investments for the defined contribution businesses at MetLife and Dreyfus. He started his career with Chase Manhattan Bank in the Pension Trust area, before moving into an Investment Officer role at Chase Investors Management Corporation. Mr. Feldman earned a Bachelor of Science in Aerospace Engineering from the University of Michigan and a Master of Business Administration with a concentration in Finance from New York University's Stern School. He is Series 3, 6, 7, 24, 26, and 63 registered and has more than 25 years of investment experience.

Anthony Destro, CFA®

Investment Analyst

Anthony Destro, born in 1973, is an *Investment Analyst* responsible for developing and maintaining Lockwood Capital Management, Inc.'s evaluation and research opinions on investment components of its portfolio strategies. He joined Lockwood in 1998 and most recently served as a Senior Research Analyst responsible for managing and maintaining

Lockwood Advisors, Inc.'s evaluation and research opinions on investment managers. Mr. Destro earned a Bachelor of Arts in Economics from Rutgers University and a Master of Business Administration in Finance from Temple University. He is a Chartered Financial Analyst[®] (CFA[®]) charterholder and is a member of the CFA Institute and the CFA Society of Philadelphia. Mr. Destro is also a Level II Chartered Alternative Investment Analyst[®] (CAIA[®]) candidate. He is Series 7, 24, and 66 registered and has more than 10 years of investment experience.

Shannon Ferguson

Assistant Portfolio Manager

Shannon Ferguson, born in 1979, is an *Assistant Portfolio Manager* responsible for assisting in portfolio strategy management and maintaining Lockwood Capital Management, Inc.'s (LCM) evaluation and research opinions on portfolio strategies. Prior to joining LCM in April 2007, Ms. Ferguson served as Supervisor of Trading and Investment Analysis at AdvisorPort, Inc. Ms. Ferguson earned a Bachelor of Arts in Journalism and Mass Communications from the University of New Mexico. She is Series 6 and 7 registered and has more than six years of investment experience.

Brian Kraus, CFA[®]

Portfolio Manager

Brian Kraus, born in 1979, is a *Portfolio Manager* responsible for supporting Lockwood Capital Management, Inc.'s (LCM) macroeconomic analysis and active manager selection. Previously, Mr. Kraus worked as an Investment Analyst for LCM and a Research Analyst in the Lockwood Advisors, Inc. (Lockwood) Investment Research Group. Prior to joining Lockwood, Mr. Kraus was a Due Diligence Analyst at an alternative investments firm, where he was responsible for the analysis and monitoring of hedge fund managers within the firm's multi-strategy fund of funds. Mr. Kraus earned a Bachelor of Arts in History from Fairfield University. He is a Chartered Financial Analyst[®] (CFA[®]) charterholder and is a member of the CFA Institute and the CFA Society of Philadelphia. He is Series 7 and 66 registered and has more than seven years of investment experience.

David Little, CFP[®]

Assistant Portfolio Manager

David Little, born in 1971, is an *Assistant Portfolio Manager* responsible for assisting in portfolio strategy management and maintaining Lockwood Capital Management, Inc.'s evaluation and research opinions on portfolio strategies. Mr. Little most recently served as a Research Analyst responsible for managing and maintaining Lockwood Advisors, Inc.'s (Lockwood) evaluation and research opinions on investment managers. Prior to joining Lockwood, he served as a Financial Consultant with A.G. Edwards & Sons, where he provided investment advice to clients to help them achieve specific financial objectives. Mr. Little earned a Bachelor of Arts in Criminal Justice and Sociology from Bloomsburg University and has earned the Certified Financial Planner[®] designation. He is Series 7, 63, and 65 registered and Resident Agent licensed. Mr. Little has more than 14 years of investment experience.

Sandra Robinson

Director of Portfolio Management Operations

Sandra Robinson, born in 1949, is *Director of Portfolio Management Operations* responsible for overseeing daily operations for Lockwood Capital Management, Inc. Since joining the firm, she has served as Manager of Reconciliation, Performance Reporting, and Investment Money Manager training. Most recently, Ms. Robinson served as Project Manager responsible for supporting internal operations initiatives. Prior to joining Lockwood in 1997, Ms. Robinson worked for Radnor Capital Management as Operations Manager and as Supervisor of the Commission Department for one of Fidelity's brokerage divisions. Ms. Robinson attended Oakland University majoring in Business Administration and is Series 7 registered. Ms. Robinson has more than 17 years of industry experience and is a member of the Money Management Institute Standards Committee.

Margaret Rydesky

Senior Operations Specialist

Margaret Rydesky, born in 1952, is a *Senior Operations Specialist* with Lockwood Capital Management, Inc. Previously, she served as a Supervisor of New Account Opening. Ms. Rydesky has a wide-ranging background in operations, and has lent her expertise to the testing and quality assurance of new operations technologies. Prior to joining Lockwood in 1999, Ms. Rydesky worked for The Final Touch Accessory Company. Ms. Rydesky is Series 7 registered and has more than eight years of industry experience.

Joe Scavetti

Director of Trading, Operations and Risk Management

Joe Scavetti, born in 1968, is a member of LCM's Investment Committee and the *Director of Trading, Operations and Risk Management* and is responsible for the supervision of portfolio trading and operations for Lockwood Capital Management, Inc. (LCM). In addition, Mr. Scavetti is responsible for the quantitative analysis that supports LCM's factor risk models and portfolio optimization protocols. He most recently served as Senior Project Manager primarily responsible for the design and maintenance of the Lockwood proposal application, including the algorithms used to support its recommendations. Prior to joining Lockwood in 1997, Mr. Scavetti worked for Gruntal & Co. as a Supervisor in its managed money division. He attended Villanova University and is Series 7 and 66 registered. Mr. Scavetti has more than 16 years of investment experience.

Kristine Schwork, CFA[®], CIMA[®]

Senior Investment Analyst

Kris Schwork, CFA[®], born in 1967, is a *Senior Investment Analyst* and is responsible for developing and maintaining Lockwood Capital Management, Inc.'s evaluation and research opinions on investment components of its portfolio strategies. Ms. Schwork previously worked for Trinity Investment Management, a wholly owned subsidiary of OppenheimerFunds, conducting equity research analysis. Ms. Schwork holds a Bachelor of Arts in Economics from Bucknell University. She holds the Certified Investment Management Analyst[®] (CIMA[®])

designation, the Chartered Financial Analyst® (CFA®) designation, and is a member of the CFA Institute, the CFA Society of Philadelphia, and the Investment Management Consultants Association. Ms. Schwork is Series 7, 24, 63, and 65 registered and has more than 19 years of investment experience.

Scott Shellhamer

Head Trader

Scott Shellhamer, born in 1966, is the *Head Trader* responsible for management of the trading operations of Lockwood Capital Management, Inc. (LCM). Prior to joining LCM, Mr. Shellhamer was the Head of Equity Trading for Geewax, Terker & Company. Previously, he was the Head Trader and a Partner at Pilgrim Baxter & Associates. Mr. Shellhamer began his career as an Equities Trader at Trinity Investment Management Corporation, a wholly owned subsidiary of OppenheimerFunds, and worked as a Securities Trader at The Travelers Investment Management Company. He has served as a member of the NASD Market Regulation Committee. Mr. Shellhamer graduated from The Pennsylvania State University with a Bachelor of Science in Finance and a minor in Economics. He is Series 7 registered and has more than 20 years of investment experience.

Michelle Logue

Chief Compliance Officer

Michelle Logue, born in 1967, is the *chief compliance officer* of LCM. She has been with Lockwood since September 2004. Her previous experience includes senior compliance roles at Investec and PMG Capital. Michelle holds a B.A. and M.B.A. from Eastern University and the Series 7, 24, 65, 63, 4 and 55 licenses.

XII. LCM PRIVACY POLICY

Protecting Your Privacy

This notice applies to individuals who obtain or apply for a financial product or service for personal, family, or household purposes, or have done so in the past, from Lockwood Capital Management, Inc. It describes our policies and practices for collecting, disclosing, and safeguarding “nonpublic personal information,” which may include financial or other customer information.

This notice replaces all previous notices of our consumer privacy policy, and may be amended at any time. We’ll keep you informed of changes as required by law.

INFORMATION WE COLLECT AND SHARE

We collect a variety of nonpublic personal information about you, which may include:

- Information we receive from you, as provided, for example, on applications or other forms.
- Information about your transactions with us, our affiliates, and others. (Our affiliates include financial service providers such as banks, securities broker-dealers, investment advisors, insurance agencies, and transfer agents.)
- Other information we receive from affiliates and nonaffiliated third parties, including credit reporting agencies.

We disclose this information only as required or permitted by law. For example, we may share information with affiliates or nonaffiliated third parties that provide services to us, in order to process your transactions and service your accounts. We may also share information with those who perform marketing services on our behalf, or financial institutions with whom we have joint marketing agreements that provide for the confidentiality and security of customer information. When necessary, we also disclose customer information to regulatory agencies, law enforcement agencies, courts, or parties to lawsuits.

CONFIDENTIALITY AND SECURITY OF NONPUBLIC PERSONAL INFORMATION

We are careful to restrict access to your nonpublic personal information. Our employees, and in certain cases nonaffiliated third parties, have limited access to customer information based on their responsibilities. This access enables them to assist you in completing transactions, offer you additional financial services, and resolve any customer service issues that may arise. All employees are instructed to follow the confidentiality guidelines provided in our Code of Conduct, which is strictly enforced. We maintain physical, electronic, and procedural safeguards that comply with federal standards to safeguard nonpublic personal information.

EXHIBIT A

Sub-Advisers and Investment Vehicles Used in LIS Portfolios as of January 15, 2009

Lockwood Investment Strategies / Traditional - Tax Deferred Accounts

Investment Vehicle	Style
S&P Depository Receipts ("SPDRs") ETF	U.S. Equity - Large Cap Core
iShares Russell 1000 Value ETF	U.S. Equity - Large Cap Value
iShares Russell Mid Cap Index ETF	U.S. Equity - Mid Cap Core
Penn Capital Management	U.S. Equity - Mid Cap Core
iShares Russell Mid Cap Value ETF	U.S. Equity - Mid Cap Value
Boston Advisors, LLC	U.S. Equity - Small Cap Core
Riverbridge Partners	U.S. Equity - Small Cap Growth
iShares MSCI EAFE ETF	International Equity – Developed Mkts
William Blair International Small Cap Fund	International Equity – Small Cap
Vanguard European ETF	International Equity - Regional -Europe
Vanguard Emerging Markets ETF	International Equity - Emerging Mkts
iShares MSCI Pacific ex-Japan	International Equity - Regional –Asia ex Japan
SPDRs Barclays International Treasury Bond ETF	International Fixed Income
Vanguard Total Bond Mkt Fund	U.S. Fixed Income - Aggregate
iShares Barclays 1-3 yr Treasury ETF	U.S. Fixed Income - Short-Term Treasuries
iShares Barclays 1-3 yr Credit ETF	U.S. Fixed Income - Short-Term Credit

Lockwood Investment Strategies / Traditional - Taxable Accounts

Investment Vehicle	Style
S&P Depository Receipts ("SPDRs") ETF	U.S. Equity - Large Cap Core
iShares Russell 1000 Value ETF	U.S. Equity - Large Cap Value
iShares Russell Mid Cap Index ETF	U.S. Equity - Mid Cap Core
Penn Capital Management	U.S. Equity - Mid Cap Core
iShares Russell Mid Cap Value ETF	U.S. Equity - Mid Cap Value
Boston Advisors, LLC	U.S. Equity - Small Cap Core
Riverbridge Partners	U.S. Equity - Small Cap Growth
iShares MSCI EAFE ETF	International Equity – Developed Mkts
William Blair International Small Cap Fund	International Equity – Small Cap
Vanguard European ETF	International Equity - Regional -Europe
Vanguard Emerging Markets ETF	International Equity - Emerging Mkts
iShares MSCI Pacific ex-Japan	International Equity - Regional –Asia ex Japan
SPDRs Barclays International Treasury Bond ETF	International Fixed Income
Vanguard Total Bond Mkt Fund	U.S. Fixed Income - Aggregate
iShares Barclays 1-3 yr Treasury ETF	U.S. Fixed Income - Short-Term Treasuries
iShares Barclays 1-3 yr Credit ETF	U.S. Fixed Income - Short-Term Credit

Lockwood Investment Strategies / Alternative Investments

Investment Vehicle	Style
S&P Depositary Receipts ("SPDRs") ETF	U.S. Equity - Large Cap Core
iShares Russell 1000 Value ETF	U.S. Equity - Large Cap Value
iShares Russell Mid Cap Index ETF	U.S. Equity - Mid Cap Core
Penn Capital Management	U.S. Equity - Mid Cap Core
iShares Russell Mid Cap Value ETF	U.S. Equity - Mid Cap Value
Boston Advisors, LLC	U.S. Equity - Small Cap Core
Riverbridge Partners	U.S. Equity - Small Cap Growth
iShares MSCI EAFE Index ETF	International Equity – Developed Markets
Vanguard European ETF	International Equity - Regional -Europe
Vanguard Emerging Markets ETF	International Equity - Emerging Mkts
iShares MSCI Pacific ex-Japan	International Equity - Regional –Asia ex Japan
SPDRs Barclays International Treasury Bond ETF	International Fixed Income
Vanguard Total Bond Mkt Fund	U.S. Fixed Income - Aggregate
iShares Barclays 1-3 yr Treasury ETF	U.S. Fixed Income - Short-Term Treasuries
iShares Barclays 1-3 yr Credit ETF	U.S. Fixed Income - Short-Term Credit
JP Morgan Multi-Cap Market Neutral Fd	Alternative Investments - Equity Mkt Neutral
Absolute Strategies Fund	Alternative Investments – Multi-Strategy
iPath DJ-AIG Commodity Index ETN	Alternative Investments - Commodities

EXHIBIT B

Investment Vehicles Used in LAAP Portfolios as of January 15, 2009

Lockwood Asset Allocation Portfolios	
Investment Vehicle	Style
S&P Depositary Receipts ("SPDRs") ETF	U.S. Equity - Large Cap Core
iShares Russell 1000 Value ETF	U.S. Equity - Large Cap Value
iShares Russell Mid Cap Index ETF	U.S. Equity - Mid Cap Core
iShares Russell Mid Cap Value ETF	U.S. Equity - Mid Cap Value
iShares Russell 2000 Index ETF	U.S. Equity - Small Cap Core
iShares MSCI EAFE ETF	International Equity - Developed Mkts
Thornburg International Value Fund	International Equity - Developed Mkts
William Blair International Small Cap Fund	International Equity - Small Cap
SPDRs Barclays International Treasury Bond ETF	International Fixed Income
Vanguard Total Bond Mkt Fund	U.S. Fixed Income - Aggregate
iShares Barclays 1-3 yr Treasury ETF	U.S. Fixed Income - Short-Term
iShares Barclays 1-3 yr Credit ETF	U.S. Fixed Income - Short-Term Credit

EXHIBIT C

Investment Vehicles Used in LIS² Portfolios as of January 15, 2009

Lockwood Investment Strategies Longevity Income Solutions

Investment Vehicle	Style
S&P Depositary Receipts ("SPDRs") ETF	U.S. Equity - Large Cap Core
iShares Russell 1000 Value ETF	U.S. Equity - Large Cap Value
iShares Russell Mid Cap Index ETF	U.S. Equity - Mid Cap Core
iShares Russell Mid Cap Value ETF	U.S. Equity - Mid Cap Value
iShares Russell 2000 Index ETF	U.S. Equity - Small Cap Core
iShares MSCI EAFE ETF	Non-U.S. Equity Developed Mkts
Vanguard Total Bond Market ETF	U.S. Fixed Income – Aggregate
iShares Lehman 1-3 yr Treasury ETF	U.S. Fixed Income – Short-Term
iShares Lehman Short Treasury Bond ETF	U.S. Fixed Income – Short-Term