

Item 1 – Cover Page

# THURSTON, SPRINGER, MILLER, HERD & TITAK, INC.



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September 1, 2011

This Wrap Fee Program Brochure provides information about the qualifications and business practices of Thurston, Springer, Miller, Herd & Titak, Inc. If you have any questions about the contents of this Brochure, please contact us at 317-581-4003 or by email at [compliance@thurstonspringer.com](mailto:compliance@thurstonspringer.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Thurston, Springer, Miller, Herd & Titak, Inc. is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information which you can use to determine to hire or retain an Adviser.

Additional information about Thurston, Springer, Miller, Herd & Titak, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

Due to new SEC regulations, we are required to disclose changes to our Wrap Fee Brochure if they are materially different in structure and require certain new information that our previous Wrap Fee Brochure did not require. There have been no changes to this information, but the SEC has mandated that the format be changed to a plain English brochure rather than a check-the-box format.

In the future, this Item will discuss only specific material changes that are made to the Wrap Fee Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our Wrap Fee Brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Wrap Fee Brochures within 120 days of the close of our business fiscal year of June 30. We will further provide other ongoing disclosure information about material changes as necessary.

Upon request, we will provide you with a new Wrap Fee Brochure, at any time, without charge.

Currently, our Wrap Fee Brochure may be requested by contacting Lynette Herd, Chief Compliance Officer, at 317-581-4003 or [lynette@thurstonspringer.com](mailto:lynette@thurstonspringer.com).

Additional information about Thurston, Springer, Miller, Herd & Titak, Inc. is available via the SEC's web site, [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about persons affiliated with Thurston, Springer, Miller, Herd & Titak, Inc. who are registered, or are required to be registered, as Investment Adviser Representatives of the firm.

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## Item 4 – Services, Fees and Compensation

Assets under \$3,000,000							
Assets Under Management		Annual Fee		Assets Under Management		Annual Fee	
		Standard	Mutual Fund			Standard	Mutual Fund
2,900,000	2,999,999	0.8100	0.4050	1,400,000	1,499,999	0.9600	0.4800
2,800,000	2,899,999	0.8200	0.4100	1,300,000	1,399,999	0.9700	0.4850
2,700,000	2,799,999	0.8300	0.4150	1,200,000	1,299,999	0.9800	0.4900
2,600,000	2,699,999	0.8400	0.4200	1,100,000	1,199,999	0.9900	0.4950
2,500,000	2,599,999	0.8500	0.4250	1,000,000	1,099,999	1.0000	0.5000
2,400,000	2,499,999	0.8600	0.4300	900,000	999,999	1.0500	0.5250
2,300,000	2,399,999	0.8700	0.4350	800,000	899,999	1.1000	0.5500
2,200,000	2,299,999	0.8800	0.4400	700,000	799,999	1.1500	0.5750
2,100,000	2,199,999	0.8900	0.4450	600,000	699,999	1.2000	0.6000
2,000,000	2,099,999	0.9000	0.4500	500,000	599,999	1.2500	0.6250
1,900,000	1,999,999	0.9100	0.4550	400,000	499,999	1.3000	0.6500
1,800,000	1,899,999	0.9200	0.4600	300,000	399,999	1.3500	0.6750
1,700,000	1,799,999	0.9300	0.4650	200,000	299,999	1.4000	0.7000
1,600,000	1,699,999	0.9400	0.4700	100,000	199,999	1.4500	0.7250
1,500,000	1,599,999	0.9500	0.4750	Less than \$100,000		1.5000	0.7500

\$3,000,000 up to \$19,999,999							
Assets Under Management		Annual Fee		Assets Under Management		Annual Fee	
		Standard	Mutual Fund			Standard	Mutual Fund
19,000,000	19,999,999	0.6050	0.3025	7,250,000	7,499,999	0.7050	0.3525
18,000,000	18,999,999	0.6100	0.3050	7,000,000	7,249,999	0.7100	0.3550
17,000,000	17,999,999	0.6150	0.3075	6,750,000	6,999,999	0.7150	0.3575
16,000,000	16,999,999	0.6200	0.3100	6,500,000	6,749,999	0.7200	0.3600
15,000,000	15,999,999	0.6250	0.3125	6,250,000	6,499,999	0.7250	0.3625
14,000,000	14,999,999	0.6300	0.3150	6,000,000	6,249,999	0.7300	0.3650
13,000,000	13,999,999	0.6350	0.3175	5,750,000	5,999,999	0.7350	0.3675
12,000,000	12,999,999	0.6400	0.3200	5,500,000	5,749,999	0.7400	0.3700
11,000,000	11,999,999	0.6450	0.3225	5,250,000	5,499,999	0.7450	0.3725
10,000,000	10,999,999	0.6500	0.3250	5,000,000	5,249,999	0.7500	0.3750
9,750,000	9,999,999	0.6550	0.3275	4,800,000	4,999,999	0.7550	0.3775
9,500,000	9,749,999	0.6600	0.3300	4,600,000	4,799,999	0.7600	0.3800
9,250,000	9,499,999	0.6650	0.3325	4,400,000	4,599,999	0.7650	0.3825
9,000,000	9,249,999	0.6700	0.3350	4,200,000	4,399,999	0.7700	0.3850
8,750,000	8,999,999	0.6750	0.3375	4,000,000	4,199,999	0.7750	0.3875
8,500,000	8,749,999	0.6800	0.3400	3,800,000	3,999,999	0.7800	0.3900
8,250,000	8,499,999	0.6850	0.3425	3,600,000	3,799,999	0.7850	0.3925
8,000,000	8,249,999	0.6900	0.3450	3,400,000	3,599,999	0.7900	0.3950
7,750,000	7,999,999	0.6950	0.3475	3,200,000	3,399,999	0.7950	0.3975
7,500,000	7,749,999	0.7000	0.3500	3,000,000	3,199,999	0.8000	0.4000

\$20,000,000 and above							
Assets Under Management		Annual Fee		Assets Under Management		Annual Fee	
		Standard	Mutual Fund			Standard	Mutual Fund
\$100,000,000 and more		0.4000	0.1500	47,000,000	47,999,999	0.4734	0.2220
98,000,000	99,999,999	0.4025	0.1524	46,000,000	46,999,999	0.4772	0.2260
96,000,000	97,999,999	0.4050	0.1548	45,000,000	45,999,999	0.4810	0.2300
94,000,000	95,999,999	0.4074	0.1572	44,000,000	44,999,999	0.4848	0.2340
92,000,000	93,999,999	0.4099	0.1596	43,000,000	43,999,999	0.4886	0.2380
90,000,000	91,999,999	0.4124	0.1620	42,000,000	42,999,999	0.4924	0.2420
88,000,000	89,999,999	0.4149	0.1644	41,000,000	41,999,999	0.4962	0.2460
86,000,000	87,999,999	0.4174	0.1668	40,000,000	40,999,999	0.5000	0.2500
84,000,000	85,999,999	0.4198	0.1692	39,000,000	39,999,999	0.5050	0.2525
82,000,000	83,999,999	0.4223	0.1716	38,000,000	38,999,999	0.5100	0.2550
80,000,000	81,999,999	0.4248	0.1740	37,000,000	37,999,999	0.5150	0.2575
78,000,000	79,999,999	0.4273	0.1764	36,000,000	36,999,999	0.5200	0.2600
76,000,000	77,999,999	0.4298	0.1788	35,000,000	35,999,999	0.5250	0.2625
74,000,000	75,999,999	0.4322	0.1812	34,000,000	34,999,999	0.5300	0.2650
72,000,000	73,999,999	0.4347	0.1836	33,000,000	33,999,999	0.5350	0.2675
70,000,000	71,999,999	0.4372	0.1860	32,000,000	32,999,999	0.5400	0.2700
68,000,000	69,999,999	0.4397	0.1884	31,000,000	31,999,999	0.5450	0.2725
66,000,000	67,999,999	0.4422	0.1908	30,000,000	30,999,999	0.5500	0.2750
64,000,000	65,999,999	0.4446	0.1932	29,000,000	29,999,999	0.5550	0.2775
62,000,000	63,999,999	0.4471	0.1956	28,000,000	28,999,999	0.5600	0.2800
60,000,000	61,999,999	0.4496	0.1980	27,000,000	27,999,999	0.5650	0.2825
58,000,000	59,999,999	0.4521	0.2004	26,000,000	26,999,999	0.5700	0.2850
56,000,000	57,999,999	0.4546	0.2028	25,000,000	25,999,999	0.5750	0.2875
54,000,000	55,999,999	0.4570	0.2052	24,000,000	24,999,999	0.5800	0.2900
52,000,000	53,999,999	0.4595	0.2076	23,000,000	23,999,999	0.5850	0.2925
50,000,000	51,999,999	0.4620	0.2100	22,000,000	22,999,999	0.5900	0.2950
49,000,000	49,999,999	0.4658	0.2140	21,000,000	21,999,999	0.5950	0.2975
48,000,000	48,999,999	0.4696	0.2180	20,000,000	20,999,999	0.6000	0.3000

The fee schedule for the *Compass Account* program is as shown above. Fees will be charged in arrears and will be based on the value of the assets under management at the end of the calendar quarter. Accounts will also be charged a nominal transaction fee by the firm, in its capacity as a Broker/Dealer, to cover its transaction costs. All fees are negotiable. Either party may terminate the agreement at any time, with pro-rata fees being charged at termination.

The specific manner in which fees are charged is established in a client's written advisory agreement with us. We will generally bill our fees on a quarterly basis. Clients will be billed in arrears each calendar quarter. Clients may elect to be billed directly for fees or to authorize fees to be debited from their accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee. Upon termination of any agreement, any earned, unpaid fees will be due and payable.

Our fees are exclusive of transaction fees and other related costs and expenses, which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third parties, such as fees charged by managers, custodial fees, odd-lot differentials, transfer taxes, wire transfer and electronic funds fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee.

In its *Compass Account* Program, the firm and its Representatives use load-waived (no sales charge) funds and funds designed specifically for wrap accounts with no sales charge. The firm typically is compensated 25 basis points on all mutual fund assets under management pursuant to a distribution plan adopted under Rule 12b-1 of the Investment Company Act of 1940. The firm considers these fees to be part of their compensation. If such changes are made that result in the termination of this compensation, the firm will automatically increase its fee schedule by the same amount.

Services to be provided will include portfolio selection, execution services relative to all purchases and sales transactions and arrangement for custody services through the Advisor's clearing firm. Said custody services shall include crediting interest and dividends on said securities, crediting principal paid on called or matured securities, notification of tenders and exchanges, and the mailing of confirmations, statements and proxy notices.

This investment program may cost more or less than paying for services separately. Factors that have a bearing on the relative cost of the program include the number of transactions that take place in the account and the type of portfolio selected. Your Advisor receives compensation as a result of your participation in the program. The amount of this compensation may be more than what the person would receive if the client paid separately for investment advice, brokerage and other services. Therefore, the Advisor may have a financial incentive to recommend this program over other services. However, all employees must adhere to our Code of Ethics which mandates that customer interests shall always be placed above those of the Advisor.

Clients have the ability to purchase investment products that we recommend through other brokers or agents that are not affiliated with our firm.

### **Item 5 – Account Requirements and Types of Clients**

Thurston, Springer, Miller, Herd & Titak, Inc. provides portfolio management services to individuals, high net worth individuals, corporations and other business entities, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, estates and trusts.

Typically, managed accounts need to be valued at \$100,000 or greater to allow for efficiency and diversification. We may make an exception and permit a managed account to be opened for less than this amount.

## Item 6 – Portfolio Manager Selection and Evaluation

Thurston, Springer, Miller, Herd & Titak, Inc. does not select the Advisor for any client of the Compass Account Program. Potential clients for the program are typically either existing clients of a Representative of the firm or have been referred to a Representative by an existing client.

Neither the firm nor a third party reviews performance information.

### Advisory Business

Thurston, Springer, Miller, Herd & Titak, Inc. is a dually registered FINRA (Financial Industry Regulatory Authority) Broker/Dealer and SEC Registered Investment Adviser. The company began operations in January, 1981, as a Broker/Dealer and was registered with the state of Indiana as an Investment Adviser in May, 1992. The firm registered with the SEC as an Investment Adviser in 2004. The principal owner of the firm is James J. Titak.

The firm offers financial planning, estate planning, retirement planning, multi-generational planning, portfolio management and reviews and fee-based managed accounts utilizing its **Compass Account** program. This program is offered to our own clients; the firm may also act as a sub-adviser to clients of other Investment Advisers, utilizing the same program.

Clients that participate in the Compass Account program may choose a managed model account portfolio which they select based on their investment objective and risk tolerance. They may also choose to have their Advisory Representative invest in a portfolio composed of stocks, bonds, mutual funds and other investments of the Representative's choosing.

The Compass Account is a wrap-fee program, providing portfolio management services. The firm receives a portion of the wrap fee for our investment advisory services and a transaction fee for our services as a Broker/Dealer to offset the cost of the transactions.

All advisory services are tailored to the specific financial goals and individual needs of each client. Clients meet with their Investment Advisory Representative and complete an application which captures their personal and financial information, investment objectives and risk tolerance. Based on that information, the Advisory Representative will recommend an investment program which may consist of individual stocks, mutual funds, bonds or other investments. Clients may impose restrictions on investing in certain securities or types of securities.

Assets Under Management (Discretionary):	\$104,053,686
Assets Under Management (Non-discretionary):	-0-
Date Amounts Calculated:	June 30, 2011

## Performance-Based Fees and Side-By-Side Management

Thurston, Springer, Miller, Herd & Titak, Inc. does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).

## Methods of Analysis, Investment Strategies and Risk of Loss

We select securities that we believe have the potential to generate a favorable return based on our perception of the associated risk.

The methods of analysis utilized by the firm and its Advisory Representatives may include charting, fundamental analysis, technical analysis or cyclical analysis.

### Charting

Charts are used to analyze a wide array of securities and attempt to forecast future price movements. The word “securities” refers to any tradable financial instrument or quantifiable index such as stocks, bonds, commodities, futures or market indices. Any security with price data over a period of time can be used to form a chart for analysis. Charts provide an easy-to-read graphical representation of a security’s price movement over a specific period of time. A graphical historical record makes it possible to spot the effect of key events on a security’s price, its performance over a period of time and whether it’s trading near its highs, near its lows, or in between.

### Fundamental

The **fundamental analysis** approach is primarily concerned with value; it examines factors that determine a company’s expected future earnings and dividends as well as the continued dependability of those earnings and dividends. It then attempts to put a value on the stock accordingly. Therefore, an investor who uses this approach seeks out stocks that are a good value; in other words, stocks that are priced low relative to their perceived value. The assumption is that the stock market will later recognize the value of the stock and its price will consequently increase.

### Technical

The investor who uses **technical analysis** attempts to predict the future price of a stock or the future direction of the market based on past price and trading volume changes. This approach assumes that stock prices and the stock market follow discernible patterns, and if the beginning of a pattern can be identified, then the balance of the pattern can also be predicted well enough to yield positive returns. When using technical analysis on a specific security, you are looking for price patterns, price fluctuations and trends.

### Cyclical

Some industries are **cyclical**, that is, their fortunes go through a series of ups and downs. These cycles can last for several years. There are many industries like automotive, airlines, steel, paper, heavy machinery, tools, etc. that experience cycles in their performance. Given the up and down trends of the economy, it is logical to attempt to take advantage of it and invest cyclically. A cyclical investor has to figure out when a market sector is likely to go up or down on a long-term basis. Such



an investor should not be concerned about short-term volatility. The holding period in this strategy can be a few months to many years.

The investment strategies utilized may include a buy and hold strategy, rebalancing, asset allocation and value investing, utilizing long or short term purchases, trading, short sales in an attempt to hedge risk, transactions on margin or option writing, including covered options, option purchases or spreading strategies.

The primary types of securities recommended are mutual funds, bonds and equities.

Investing in securities involves risk of loss that clients should be prepared to bear. The following is a summary of certain risks in investing:

**Call Risk:** Call risk is the risk that, during a period of falling interest rates, the issuer may redeem a security by repaying it early, which may reduce income if the proceeds are reinvested at lower interest rates.

**Credit Risk:** Credit risk refers to the possibility that the issuer of a security will not be able to make payments of interest and principal when due. Changes in an issuer's credit rating or the market's perception of an issuer's creditworthiness may also affect the current value of an investment in that issuer.

**Equity Securities Risk:** Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions.

**Selection Risk:** Selection risk is the risk that the securities selected will underperform the markets or relevant indices.

**Small Cap and Emerging Growth Securities Risk:** Small cap or emerging growth companies may have limited product lines or markets. They may be less financially secure than larger, more established companies. They may depend on a more limited management group than larger capitalized companies. They are also subject to substantially greater volatility due to limited liquidity.

**Mid Cap Securities Risk:** The securities of mid cap companies generally trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of large capitalization companies.

**Emerging Markets Risk:** Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U. S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets.

**Interest Rate Risk:** Interest rate risk is the risk that prices of bonds and other fixed-income securities will increase as interest rates fall and decrease as interest rates rise.

## **Voting Client Securities**

As a matter of firm policy and practice, Thurston, Springer, Miller, Herd & Titak, Inc. does not have any authority to and will not vote proxies on behalf of advisory clients. Clients retain the responsibility for voting proxies for any and all securities maintained in client portfolios. We may provide advice to clients regarding the voting of proxies. Proxies and other solicitations will be provided by the custodian of the assets.

## **Item 7 – Client Information Provided to Portfolio Managers**

Thurston, Springer updates your financial and personal information every three years. This information shall be shared with your Advisory Representative. Your Advisory Representative may also, from time to time, review and update information during the course of your periodic meetings. Should your financial or personal information change, you should notify your Advisor.

## **Item 8 – Client Contact with Portfolio Managers**

There are no restrictions placed on clients' ability to contact and consult with their portfolio managers.

## **Item 9 – Additional Information**

### **Disciplinary Information**

As a Registered Investment Adviser, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our firm or the integrity of our management. We have no such events.

### **Other Financial Industry Activities and Affiliations**

Thurston, Springer, Miller, Herd & Titak, Inc., in addition to being a Registered Investment Adviser, is a registered Broker/Dealer with FINRA (Financial Industry Regulatory Authority) and an Introducing Broker with the National Futures Association. The firm is securities licensed in the 48 Continental United States and the District of Columbia in addition to being insurance licensed in multiple states.

### **Code of Ethics**

Thurston, Springer, Miller, Herd & Titak, Inc. has adopted a Code of Ethics for all employees of the firm, describing its high standards of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All employees at our firm must acknowledge receipt of the terms of the Code of Ethics upon hire, then annually, or as amended.

Thurston, Springer, Miller, Herd & Titak, Inc.'s clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Lynette Herd.

It is our policy that the firm will not affect any principal or agency cross securities transactions for advisory accounts. We will also not cross trades between advisory accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated Broker-Dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a Broker-Dealer or has an affiliated Broker-Dealer.

### **Participation or Interest in Client Transactions and Personal Trading**

We will not cause accounts over which we have management authority to effect transactions in securities in which we, our affiliates and/or clients, directly or indirectly, have a material financial interest. Our employees and persons associated with our firm are required to follow our Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Thurston, Springer, Miller, Herd & Titak, Inc. and its affiliates, on a regular basis, trade the same securities in their own accounts which are recommended to and/or purchased for our clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees are always subordinate to those of our clients and will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of our clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between the firm and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with our obligation of best execution. In such circumstances, the affiliated and client accounts will share costs equally and receive securities at a total average price. We will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro-rata basis. Any exceptions will be explained on the order. If it is not possible to aggregate the

purchase and sale of securities, we make certain that there is no favoritism shown to any employee, client or group of clients in the allocation process. If there is any security transacted on the same day for you and your Advisor, the Advisor will receive the least favorable price.

### **Review of Accounts**

Clients should set an appointment to have their portfolio reviewed on at least an annual basis to determine the appropriateness of the account in light of the activity and the client's investment objectives. More frequent reviews should take place if you have a change in objectives or a change in the value or type of assets to be managed. At all times during the duration of the contract the Advisor shall be available to meet with a client by appointment during normal business hours. Reviews will be conducted by the individual Advisor assigned to the client account.

The nature and frequency of reports to clients will be determined by discussions with each individual client on a case-by-case basis. Each client will receive at least quarterly (monthly if there is activity) a statement from our clearing firm if assets are domiciled there and either monthly or quarterly from any mutual fund or variable annuity company if assets are held other than with our clearing firm.

### **Client Referrals and Other Compensation**

Thurston, Springer, Miller, Herd & Titak, Inc. does not, directly or indirectly, compensate any person for client referrals.

Some of the mutual funds and annuity companies that we recommend to clients make payments to Broker/Dealers. Such payments may be distributed pursuant to a distribution plan adopted under Rule 12b-1 of the Investment Company Act of 1940, as amended, or pursuant to another arrangement such as marketing support. Because of these compensation arrangements, a conflict of interest may exist regarding the recommendation of particular investments for client accounts. However, in accordance with our Code of Ethics, we intend to fully comply with those standards of fiduciary duty that require that we act solely in the clients' best interests when making investment recommendations. It is not uncommon that we would attempt to receive compensation from providers in the form of additional basis points for new and existing assets under management.

Our Adviser Representatives have been and likely will be invited in the future to attend mutual fund company sponsored conferences for educational purposes. The fund company may reimburse and pay for the travel and other related expenses incurred by our Adviser Representatives to attend such conferences. In addition, mutual fund companies also may pay for certain expenses incurred by Adviser Representatives or the firm in connection with dinners or events for clients and other miscellaneous expenses that may be incurred in relation to the event.