

WINTRUST[®]

WEALTH MANAGEMENT

231 South LaSalle Street
13th Floor
Chicago, IL 60604

312-431-1700

www.wintrustwealth.com

www.whummer.com

March 27, 2017

RETIREMENT PLAN SERVICES PROGRAM BROCHURE

This wrap fee brochure provides information about the qualifications and business practices of Wayne Hummer Investments L.L.C. (“WHI”). If you have any questions about the contents of this Brochure, please contact us at 800-621-4477. 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.

WHI 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 about which you determine to hire or retain an Adviser.

Additional information about WHI also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

There were no material changes since our last ADV filing.

Additional information about Wayne Hummer Investments (the “Adviser”) is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with the Adviser who are registered, or are required to be registered, as investment adviser representatives of the Adviser.

Item 3 – Table of Contents

Item 1 – Cover Page	1
Item 2 – Material Changes.....	2
Item 3 – Table of Contents	3
Item 4 – Services, Fees, and Compensation	4
Item 5 – Account Requirements and Types of Clients.....	7
Item 6 – Portfolio Manager Selection and Evaluation.....	7
Item 7 – Client Information Provided to Portfolio Managers.....	16
Item 8 – Client Contact with Portfolio Managers	17
Item 9 – Additional Information	17

Item 4 – Services, Fees, and Compensation

Services

Wayne Hummer Investments, LLC (“WHI” and “Adviser”) provides a variety of investment management services to individual and institutional clients, including banks, investment companies, 401k plan providers, pension and profit sharing plans, trusts and business entities. These services are provided on a personalized basis with investment programs designed to reflect the individual client’s circumstances.

This brochure provides information about the Retirement Plan Services Program (“RPS” and the “Program”). The Program is provided to clients for an inclusive wrap fee. WHI also offers other wrap fee programs and investment advisory services through a relationship with Wells Fargo Advisors (“WFA”), pursuant to which WFA provides advisory and/or other services with respect to the WFA Programs. Brochures for these programs are delivered to clients participating in such programs and may be obtained by contacting WHI at the address or phone number indicated on the cover page of this brochure.

Retirement Plan Services Program

WHI offers a non-discretionary investment-consulting platform for participant directed retirement plans. Through this program, WHI offers initial and ongoing investment consulting services to Plan Sponsors, including investment policy statement review, asset style analysis and mutual fund search and selection.

Investment Consulting Fund Screening Program

For participant-directed retirement plan sponsor clients, WHI offers the Qualified Plan (QP) Investment Consulting Fund Screening Program.

Administrative Services

WHI may also assist the retirement plan and other institutional clients with certain administrative functions as described below. These are not investment advisory services and WHI does not assume status as a fiduciary under ERISA, the Investment Advisers Act of 1940 or any other applicable law or regulation in performing these services. WHI provides the following administrative services:

- **Board Education/Asset Classification** – WHI shall provide the Client with general financial and investment information relating to such concepts as diversification and asset classification with respect to various asset classes and historic rates of return.
- **Participant Education** – WHI shall provide the Client and/or its employees eligible to participate in Client’s Plan with general financial and investment information relating to such concepts as diversification, asset allocation and historic rates of return.
- **Provider Search Assistance.** WHI may assist plan sponsors in searches to retain third party service providers such as record keepers. This service may be provided to existing clients of WHI or on a one-time basis to plans that are not WHI. In doing so, WHI will:

1. evaluate the plan sponsor's needs,
 2. assist the plan sponsor in preparing a Request for Proposal ("RFP"),
 3. assist the plan sponsor in soliciting a reviewing responses from potential providers,
 4. assist the plan sponsor in selecting finalists, and
 5. provide the plan sponsor with an executive summary report to assist the plan sponsor in making its final decision.
- **Fee Benchmarking.** WHI may perform a comparative analysis of fees charged by third party service providers and the expenses of funds that are available to plan sponsors in order to allow them to evaluate the level of such fees that they pay relative to similarly structured and sized retirement plans. This service may be provided to existing clients of WHI or on a one-time basis to plans that are not WHI clients and WHI may retain third-party firms to assist it in providing this service. The service shall include the following:
 1. obtaining information from plan sponsor for preparation of Fee Benchmarking report, and
 2. preparation of and assistance in the review and evaluation of the Fee Benchmarking report with the plan sponsor.

Consultative Retirement Plan Services Program

WHI provides consultative retirement plan services to clients which generally includes the following:

1. Analyzing the plan expenses,
2. Setting guidelines for prudent investment practices,
3. Creating a diversified investment menu,
4. Educating plan participants,
5. Performing ongoing due diligence of investment managers and vendors,
6. And documentation of the due diligence process.

Fees and Compensation

The fees for traditional Institutional Consulting Services are subject to a minimum fee per relationship. Fees may be charged quarterly and in advance or in arrears and may be based on a number factors. Factors include the size of the account and the number and range of advisory and client related services to be provided. The standard asset based fee schedule for participant directed retirement plans is as follows:

Fee As a Percent of Market Value

<u>Market Value of Account</u>	<u>Total Annual Fee</u>
First \$5,000,000	.75%
Next \$5,000,000	.65%
Next \$15,000,000	.50%
Next \$25,000,000	.35%
Next \$50,000,000	.25%
Next \$100,000,000	.10%
Over \$200,000,000	negotiable

In some instances, WHI agrees to fees which vary from its scheduled fees. Fees are negotiable and may vary from the above standard fee schedule.

Provider Search Assistance Fee

For single service engagements, a plan can be charged a one-time fee of \$5,000 - \$50,000 which will be billed upon completion of the service. For on-going consulting engagements, Provider Search Assistance fees may be charged in addition to the overall institutional services asset-based and/or hard dollar fee, as listed above.

Fee Benchmarking Fee

For single service engagements, a plan can be charged a one-time fee of \$3,500 - \$15,000 which will be billed upon completion of the service. For on-going consulting engagements, Fee Benchmarking fees may be charged in addition to the overall institutional services asset-based and/or hard dollar fee, as listed above.

ERISA Fee Disclosure for Qualified Retirement Plans

In accordance with new Department of Labor regulations under Section 408(b)(2) of ERISA, effective July 1, 2012, WHI is required to provide certain information regarding our services and compensation to assist fiduciaries and plan sponsors of those retirement plans that are subject to the requirements of WHI in assessing the reasonableness of their plan's contracts or arrangements with us, including the reasonableness of our compensation. This information (the services we provide as well as the fees) is provided to you at the outset of your relationship with us and is set forth in your advisory contract with us (including the Fee table, other exhibits and, as applicable, this document), and then at least annually to the extent that there are changes to any investment-related disclosures for services provided as a fiduciary under ERISA.

Unless agreed upon otherwise, you authorize us to deduct a quarterly fee calculated at the rate indicated in the Fee Schedule from your account. For the purposes of calculating program fees, "total account value" shall mean the sum of the long and short market value of all securities and mutual funds, if applicable. For mutual funds, we use the fund's most current net asset value, as computed by the fund company. In so doing, we will use information provided by quotation services believed to be reliable.

The initial fee is calculated as of the date that the account is accepted into the program and covers the remainder of the calendar quarter. Fees are based on the value of the assets in your Account, and WHI shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of your funds.

Whenever there are changes to the fee schedule, the schedule charges previously in effect shall continue until the next billing cycle.

Costs of Investing in Mutual Funds

In addition to program fees, as a shareholder of a money market, mutual fund or closed-end fund, you will bear a proportionate share of the fund's expenses, including investment management fees that are paid to the fund's investment adviser. WHI may receive fees from these mutual funds or closed-end funds. For more information about these funds, refer to their prospectuses.

Account Termination

Your account agreements may be terminated by either party at any time upon 30 days' advance written notice. If you terminate your Agreement, a pro rata refund will be made, less reasonable start-up costs. You have the right, within five (5) days of execution, to terminate the Client Agreement without penalty. Unless otherwise agreed upon by the Adviser, the client's written confirmation that it wishes to withdraw all assets from the plan shall be considered a written notice of termination of the Client Agreement by the client. In the event of cancellation of Client Agreements, fees previously paid pursuant to the fee schedule will be refunded on a pro rata basis, as of the date notice of such cancellation is received by the non-canceling party, less reasonable start-up costs.

Item 5 – Account Requirements and Types of Clients

WHI offers its services under this brochure to qualified plan providers and sponsors.

Item 6 – Portfolio Manager Selection and Evaluation

Portfolio Manager Selection

The investment policy guidelines of the plan are used to select Investment Managers based on a number of factors including overall level of experience and track record. Each Account is subject to periodic review for adherence to the investment objective and risk tolerance of the client. The investment returns, as compared with appropriate market benchmarks, are also periodically reviewed.

Evaluation

No less frequently than quarterly, you will be provided with an Account statement from the custodian reflecting any and all Account activity, including purchases and sales of securities. The Adviser will also provide you with a periodic review of the investment performance of your Account. The Adviser will discuss that review with you as deemed necessary in each case, provide answers to any questions, and discuss other factors deemed appropriate. The review will include an evaluation of Account activity and performance for the most recent quarter and the current year. This evaluation will include a measurement of, among other things, net investment earnings, Account additions and withdrawals, performance relative to one or more benchmarks, and asset allocation statistics. Performance reviews are prepared in accordance with industry standards.

Conflicts of Interest

The directors, officers, employees and registered persons of the Adviser and its affiliated broker-dealer, WHI may purchase or hold securities that are recommended for purchase or sale to clients. Personal security transactions by persons associated with the Adviser, WHI are subject to the firm's Code of Ethics, which includes various reporting, disclosure and approval requirements, described in item 11 of the firms ADV Part 2A. The Code of Ethics applies not only to transactions by the individual, but also to transactions for accounts in which such person has an interest individually, jointly or as guardian, executor, or trustee or in which such person or the person's spouse, minor children or other dependents residing in the same household have an interest. Compliance with the Code of Ethics is a condition of employment.

Advisory Business

Wayne Hummer Investments, LLC ("WHI" and "Adviser") was founded in 1931 and is 100% owned by Wintrust Bank (formerly Northshore Community Bank & Trust), a subsidiary of Wintrust Financial Corporation.

WHI provides investment management services to individual and institutional clients on a personalized basis, reflecting the individual client's circumstances through the following programs:

- i. Wells Fargo Advisors Investment Advisory Services (collectively "the WFA programs")
 - Masters Investment Consulting Program ("Masters"),
 - Diversified Managed Allocations ("DMA"),
 - Network Investment Consulting Services ("Network"),
 - Private Investment Management ("PIM"),
 - Compass Advisory Program ("Compass Advisory"),
 - Asset Advisor,
 - FundSource,
 - Pathways
 - CustomChoice
- ii. Wintrust Navigator Personal Financial Planning
- iii. 403(b) Advisory Services
- iv. Variable Annuity Advisory Services
- v. WHI Institutional Advisory Services
- vi. Retirement Plan Services (RPS)

Wells Fargo Advisors Investment Advisory Services

The WFA Programs consist of separately managed account (i.e., "wrap") programs provided to clients for an inclusive fee, a mutual fund asset allocation program and discretionary investment advisory

services for an advisory fee with the client paying separately for brokerage. WHI also offers discretionary investment advisory services with the client paying for brokerage.

In offering the WFA Programs, WHI entered into an arrangement with Wells Fargo Advisors, LLC ("Wells Fargo Advisors"), an independent investment management firm and broker-dealer. Under the WFA Programs, (1) the Adviser and an investment adviser representative/Wayne Hummer Investments LLC ("WHI") Financial Advisor ("Adviser Representative") completes pertinent financial and demographic information regarding the client in order to develop an investment program that meets the client's goals and objectives; (2) the Adviser Representative forwards the client's information to Wells Fargo Advisors which analyzes such information and recommends an appropriate asset allocation and strategy, which may include use of various sub-managers and investment vehicles such as mutual funds, based on the client's goals and objectives, investment time horizon, tolerance for risk and other factors deemed pertinent to the client's individual situation; (3) for all Programs except Asset Advisor and CustomChoice, the sub-manager, Adviser Representative or the investment manager of the investment vehicle, as applicable, provides continuous investment management services on a discretionary basis with respect to the cash and securities in the client's accounts under the WFA Programs (the "Accounts"); (4) Wells Fargo Advisors, the sub-manager or Adviser Representative, as applicable, through First Clearing, LLC ("First Clearing"), Wells Fargo Advisors' affiliate and clearing firm, effects transactions in securities for the client's Accounts; and (5) First Clearing maintains custody of the client's assets under the Program. For the services offered under the WFA Programs (with the exception of Network), the client pays an all-inclusive fee out of which the Adviser pays itself, Wells Fargo Advisors, the sub-manager (as applicable) and First Clearing. In the case of Network, Wells Fargo Advisors may be compensated for its services either from a fee, which is payment for both the Network services and execution services, or through brokerage commissions. Network clients pay for the services of the sub-manager separately.

Each Program (with the exceptions of Asset Advisor and CustomChoice) is a discretionary asset allocation service. Pursuant to an Investment Management Agreement between the Adviser, Wells Fargo Advisors and the client; the client grants Wells Fargo Advisors, subject to the review of the Adviser and Adviser Representative, or Adviser in the case of PIM, discretionary authority to invest and reinvest all assets in the client's Account under one of the WFA Programs. Such discretion will be exercised in accordance with the client's goals and objectives, as discussed above. Accordingly, Wells Fargo Advisors or Adviser is empowered to buy, sell or to otherwise effect transactions in securities for the client's Accounts at any time and without prior consultation with the client and may delegate such authority to sub-managers. Pursuant to the Investment Management Agreement for Masters, DMA, Compass, Network, FundSource and Pathways Accounts, the Adviser will inform Wells Fargo Advisors of any changes to the client's financial information and investment objectives as provided to the Adviser by the client.

For the PIM, Asset Advisor and CustomChoice Programs, an Adviser Representative acts as portfolio manager for the Account. Asset Advisor and CustomChoice are non-discretionary programs pursuant to which the Adviser, acting through the client's Adviser Representative, will make investment recommendations based on the client's information. The Adviser may not implement such recommendations without obtaining the client's prior approval.

The investment management services provided by WHI and/or Wells Fargo Advisors under each Program include:

- Assessment of the client's investment needs and objectives
- Investment policy planning
- Development of an asset allocation strategy designed to meet the client's objectives
- Recommendations on suitable style allocations
- Identification of appropriate sub-managers, investment vehicles, asset classes and/or securities suitable to the client's goals
- Evaluation of sub-managers, investment vehicles, asset classes and/or securities meeting style and allocation criteria
- Engaging selected sub-managers and/or investing in selected investment vehicles, asset classes and/or securities on behalf of the client (for all Programs except Asset Advisor)
- Ongoing monitoring of performance of individual sub-managers, investment vehicles, asset classes and/or securities
- Review of the Accounts to ensure adherence to policy guidelines and asset allocation
- Recommendations for rebalancing of the Accounts, if necessary
- Reporting of the Accounts' performance and progress
- Avoidance of wash sale rule violations
- Fully integrated back office support systems, including custody, trade execution and confirmation and statement generation through First Clearing Corp., an affiliated broker/dealer of Wells Fargo Advisors.

Wells Fargo Advisors may retain sub-managers to manage the Accounts. In some cases, sub-managers construct a model portfolio which is used to invest client assets. The Adviser will provide the client with a copy of each applicable sub-manager's Part 2A of Form ADV or disclosure brochure. Client's contact source is the Adviser Representative and sub-managers are generally not required to make themselves available to individual clients. The WFA Programs (with the exception of Asset Advisor, which is a non-discretionary program) are intended to comply with Rule 3a-4 under the Investment Company Act of 1940. Rule 3a-4 sets forth certain requirements for programs that offer discretionary portfolio management services to a large number of clients if clients with similar investment objectives receive the same investment advice or hold the same or substantially the same securities in their accounts. Each Account is managed on the basis of the client's individual financial situation. Each client has the opportunity to select the Account's investment objective and impose reasonable restrictions on the management of the assets in the Account. In addition, clients are contacted annually by the Adviser in order to confirm the accuracy of information regarding the client and are notified quarterly by the Adviser to contact the Adviser with any changes to the Account's investment objective or investment restrictions.

Wintrust Navigator Personal Financial Planning

We provide financial planning services that typically involve a variety of advisory services regarding the management of a client's financial resources based upon an analysis of their individual needs. Financial planning services include, but are not limited to, cash flow management, retirement planning, tax planning, risk management, education funding, estate planning, and more. Our financial planning services can range from broad, comprehensive financial planning consisting of three or more of these services that is based on an ongoing relationship or hourly consulting for a specific project.

Comprehensive financial planning involves working one-on-one with us over an extended period of time. The comprehensive financial planning process focuses on the client's goals and values around

money. During the process, we require the client to provide an adequate level of information and supporting documentation in order for us to provide advisory services. Once the client's information is reviewed and analyzed, we create a broad based or modular plan and present the summary of our recommendations to the client. The client is under no obligation to act on our financial planning recommendations, but the success of your plan is contingent on your engagement in the process and following through on the recommendations.

If it is determined the comprehensive financial planning approach is not suitable or does not meet the needs of a particular client, then a limited scope engagement is available. Our hourly rate will apply for any limited scope engagement. For a limited scope engagement, the scope of services will be agreed to in advance and an approximate range of hours will be provided.

Financial planning services include, but are not limited to:

☒ **Cash Flow and Debt Management (2-10 hours):**

We will conduct a review of your income and expenses to determine your current surplus or deficit along with advice on prioritizing how any surplus should be used or how to reduce expenses if they exceed your income. Advice may also be provided on which debts to pay off first based on factors such as the interest rate of the debt and any income tax ramifications. We may also recommend what we believe to be an appropriate cash reserve that should be considered for emergencies and other financial goals, along with a review of accounts (such as money market funds) for such reserves, plus strategies to save desired amounts.

☒ **College Savings (2-10 hours):**

Includes projecting the amount that will be needed to achieve college or other post-secondary education funding goals, along with advice on ways for you to save the desired amount. Recommendations as to savings strategies are included, and, if applicable, we may review your financial picture as it relates to the best way to contribute to grandchildren.

☒ **Employee Benefits Optimization (2-10 hours):**

We may provide review and analysis as to whether you, as an employee, are taking the maximum advantage possible of your employee benefits. This will include a review of the benefits program, identifying savings maximization using the company match, and tracking of additional benefits such as stock options and restricted stock awards.

☒ **Business Owner (5-30 hours):**

If you are a business owner, we may consider and or recommend the various benefit programs that can be structured to meet both business and personal retirement goals. In addition, we will make recommendations regarding succession planning, disability, and retirement plans for employees.

☒ **Estate Planning (5-30 hours):**

This usually includes an analysis of your exposure to estate taxes and your current estate plan, which may include whether you have a will, powers of attorney, trusts and other related documents. Our advice also typically includes ways for you to minimize or avoid future estate taxes by implementing appropriate estate planning strategies such as the use of applicable trust.

We always recommend that you consult with a qualified attorney when you initiate, update, or complete estate planning activities. We may provide you with contact information for attorneys who specialize in estate planning when you wish to hire an attorney for such purposes. From time to time, we will participate in meetings or phone calls between you and your attorney with your approval or request.

☒ **Financial Goals (5-25 hours):**

We will help clients identify financial goals and develop a plan to reach them. We will identify what you plan to accomplish, what resources you will need to make it happen, how much time you will need to reach the goal, and how much you should budget for your goal both in the short term and the long term.

☒ **Risk Management (2-10 hours):**

A risk management review may include an analysis of your exposure to major risks that could have a significant adverse impact on your financial picture, such as premature death, disability, property and casualty losses, or the need for long term care planning. Advice may be provided on ways to minimize such risks and about weighing the costs of purchasing insurance versus the benefits of doing so and, likewise, the potential cost of not purchasing insurance ("self-insuring").

☒ **Investment Analysis (5 – 25 hours):**

This may involve developing an asset allocation strategy to meet clients' financial goals and risk-tolerance, providing information on investment vehicles and strategies, reviewing employee stock options, as well as assisting you in establishing your own investment account at a selected broker/dealer or custodian. The strategies and types of investments we may recommend are further discussed in Item 8 of this brochure.

☒ **Retirement Planning (5–30 hours):**

Our retirement planning services typically include projections of your likelihood of achieving your financial goals, typically focusing on financial independence as the primary objective. For situations where projections show less than the desired results, we may make recommendations, including those that may impact the original projections by adjusting certain variables (i.e., working longer, saving more, spending less, taking more risk with investments).

If you are near retirement or already retired, advice may be given on appropriate distribution strategies to minimize the likelihood of running out of money or having to adversely alter spending during your retirement years.

☒ **Tax Planning Strategies (5–30 hours):**

Advice may include ways to minimize current and future income taxes as a part of your overall financial planning picture. For example, we may make recommendations on which type of account(s) or specific investments should be owned based in part on their "tax efficiency," with consideration that there is always a possibility of future changes to federal, state or local tax laws and rates that may impact your situation. We recommend that you consult with a qualified tax professional before initiating any tax planning strategy, and we may provide you with contact information for accountants or attorneys who specialize in this area if you wish to hire someone for

such purposes. We will participate in meetings or phone calls between you and your tax professional with your approval.

WFA does not sponsor or advise WHI in creating Financial Plans.

Implementation

If a client retains us to implement a financial plan, our advisory personnel also design and construct an investment portfolio that is consistent with the client's financial objectives. As part of this service, the applicable Financial Advisor will recommend specific investments to be included in the client's portfolio. While determined in large measure by the specific client's goals/objectives, our portfolio design philosophy is a process of strategic asset allocation among three asset classes: fixed income, equities and alternative investments.

As part of a financial plan, a Financial Advisor may recommend changes to a client's health, life, disability or long-term care insurance coverage. Clients may elect to implement the insurance advice by purchasing a policy through one of our representatives in such capacity as a licensed insurance agent of various insurance agencies or companies.

Brokerage Execution will be conducted through WFCS with WHI as introducing broker. Brokerage commissions may be accessed. Transactional fees are in addition from Financial Planning Fees. See items 11 and 12 for more information on conflicts of interest and brokerage practices.

403(b) Advisory Services

The Program consists of WHI providing non-discretionary investment advisory services to individuals using third party custodians for which the client may also pay administrative and custodial fees.

Under the program, the Investment Advisor Representative ("IAR") meets with prospective clients to discuss the benefits of participating in their employer sponsored 403(b) retirement plan. Once they decide to participate, IAR will begin by assessing their retirement goals, along with their risk tolerance. These findings help to determine the best investment strategy and portfolio mix. IAR will then discuss these recommendations with the client and obtain their approval of the investments. IAR will continue to monitor the portfolio, meeting with the client regularly to review their investment goals and risk profile. With client approval, IAR may make changes as necessary.

A portion of the fees or commissions charged for the program described will be paid to the Adviser Representative in connection with the management of accounts as well as for providing client-related services within the program. This compensation may be more or less than the Adviser Representative would receive if compensated by commissions and applicable sales charges as paid by the mutual fund companies in which you are invested.

Unless agreed upon otherwise, you authorize us to deduct a monthly fee calculated at the rate indicated in the Fee Schedule from your account, in advance. For the purposes of calculating program fees, "total account value" shall mean the sum of the long and short market value of all securities and mutual funds, if applicable. In valuing the account, we will use the fund's most current net asset value, as computed by the fund company. In so doing, we will use information provided by quotation services believed to be reliable.

The initial fee is calculated as of the date that the account is accepted into the program and covers the remainder of the calendar quarter. Subsequent fees will be determined for calendar quarter periods and shall be calculated on the value of the account on the last business day of the prior calendar quarter.

No fee adjustment will be made during any fee period for appreciation or depreciation in the value of the assets in your account during that period. Your account will be charged or refunded a prorated quarterly fee on any net additions or net withdrawals in the account during a month. Fees will be assessed in the month following the net addition or net withdrawal. Fees are based on the value of the assets in your Account, and WHI shall not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of your funds.

Whenever there are changes to the fee schedule, the schedule charges previously in effect shall continue until the next billing cycle.

We may perform advisory services for other clients as well. Depending on circumstances, advice given or actions taken for those clients may differ from the advice given for other clients. In addition, we may, but are not obligated, to purchase or sell or recommend for purchase or sale, any security which we may purchase or sell for our own accounts or for the account of any other client.

Variable Annuity Advisory Services

The Program consists of WHI providing investment advisory services to individuals using Variable Annuity Contracts. These are no load, fee based RIA Variable Annuities for which there are no surrender charges and any policy can be liquidated at any time.

We may provide non-discretionary advisory services for the subaccounts within previously purchased variable annuities. With your consent, you authorize us to reallocate subaccounts according to your chosen investment objectives. We will review your stated investment objectives to provide suitable and appropriate recommendations for the management of the assets. Please be aware that withdrawals may cause the subaccount value to fall below the required minimum and may impair the achievement of your stated investment objectives.

The advisory fee paid by you represents compensation for the subaccount management services provided. The fee calculation is based on the contract value of the variable annuity on the last day of each calendar quarter. You may authorize us to process a withdrawal from your Contract to pay the investment advisory fee by signing a Registered Investment Advisory Fee Withdrawal Authorization form.

For Qualified Contracts, withdrawals to pay registered investment advisory fees will not be treated as distributions for tax purposes, and therefore will not be reported on a Form 1099-R.

Our firm and its associated persons may receive additional non-cash compensation from the variable annuity product sponsor. Such compensation may not be tied to the sale of any variable products. Compensation may include such items as gifts valued at less than \$100 annually, an occasional dinner, a ticket to a sporting event, reimbursement in connection with educational meetings, marketing or advertising initiatives. Sponsors may also pay for advisors education or training events.

We may perform advisory services for other clients as well. Depending on circumstances, advice given or actions taken for those clients may differ from the advice given for other clients. In addition, we may, but are not obligated, to purchase or sell or recommend for purchase or sale, any security which we may purchase or sell for our own accounts or for the account of any other client.

WHI Institutional Advisory Services

The Program consists of WHI providing discretionary investment advisory services to Wintrust Financial Corporation using third party custodians for which the client may also pay brokerage commissions.

Under the Program, (1) the Portfolio Manager completes pertinent financial and demographic information regarding the client in order to develop an investment program that meets the client's goals and objectives; (2) the Portfolio Manager analyzes such information and recommends an appropriate asset allocation and strategy based on the client's goals and objectives, investment time horizon, tolerance for risk and other factors deemed pertinent to the client's individual situation; (3) the Portfolio Manager provides continuous investment management services on a discretionary basis with respect to the cash and securities in the client's accounts ("Account") under the Program.

Pursuant to an Investment Management Agreement between the Adviser and the client; the client grants WHI discretionary authority to invest and reinvest all assets in the client's Account. Such discretion will be exercised in accordance with the client's goals and objectives, as discussed above.

The investment advisory services provided by WHI under this Program include:

- Assessment of the client investment needs and objectives
- Investment policy planning
- Development of an asset allocation strategy designed to meet the client objectives
- Recommendations on suitable style allocations
- Identification of appropriate investment vehicles, asset classes and/or securities suitable to the client goals
- Evaluation of investment vehicles, asset classes and/or securities meeting style and allocation criteria
- Investing in selected investment vehicles, asset classes and/or securities on behalf of the client
- Ongoing monitoring of performance of investment vehicles, asset classes and/or securities
- Review of the Accounts to ensure adherence to policy guidelines and asset allocation
- Recommendations for rebalancing of the Accounts, if necessary
- Reporting of the Accounts' performance and progress
- Avoidance of wash sale rule violations

WFA does not sponsor or advise WHI under the Financial Planning, Institutional, 403(b) advisory, and Retirement Plan Services programs.

Assets Under Management

Total program assets calculated as of 12/31/2016.

Discretionary

Institutional	\$2,360,372,000
PIM	\$485,265,415

<u>Discretionary (third party managed)</u>	
Allocation Advisors	\$24,499,088
Compass Advisory	\$8,838,254
DMA	\$11,097,202
Fundsource	\$241,234,746
Masters	\$15,310,758
Network	\$19,440,563
<u>Non-Discretionary</u>	
Asset Advisor	\$581,563,011
CustomChoice	\$90,209,558
RPS	\$1,200,000,000

Performance Based Fees and Side-by-Side Management

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

Methods of Analysis, Investment Strategies and Risk of Loss

For Retirement Plan Services, Wayne Hummer Investments recommend managers and review allocation blends that have been reviewed and approved by us. In rare instances, you may need an asset class that is not followed by us. RPS will research and select an appropriate manager for you. We will only recommend non-affiliated managers, but at your request may include affiliated managers, and notify you regarding the affiliation, accordingly.

Risk of Loss

All investments shall be at your risk exclusively, and you must understand that we do not guarantee any return on the investments recommended or advised upon.

Clients should consider their objective and risk tolerance carefully and understand that investing in securities involves risk of loss that clients should be prepared to bear.

Item 7 – Client Information Provided to Portfolio Managers

You must provide an investment policy statement to your RPS representative. This policy should outline your investment objectives, financial circumstances, risk tolerance and any restrictions you may wish to impose on your investment activities. You agree to inform us in writing of any material change in your financial circumstances that might affect the manner in which your assets should be invested. Your RPS representative will be reasonably available to you for consultation on these matters, and will act on any changes in your Profile deemed to be material or appropriate as soon as practical after we become aware of the change.

Item 8 – Client Contact with Portfolio Managers

Your contact for information and consultation regarding your program accounts is your RPS representative.

Item 9 – Additional Information

Disciplinary Information

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

Other Financial Industry Activities and Affiliations

WHI is owned by Wintrust Bank (formerly Northshore Community Bank & Trust), a subsidiary of Wintrust Financial Corporation (Wintrust), a financial holding company based in Rosemont, Illinois. Wintrust engages in the business of providing traditional community banking services, primarily in the Chicago metropolitan area and southeastern Wisconsin, and operates other financing businesses on a national basis through several non-bank subsidiaries. Additionally, Wintrust offers an array of wealth management services. The Company conducts its businesses through three segments: community banking, specialty finance and wealth management. The Company provides community-oriented, personal and commercial banking services to customers located in the greater Chicago, Illinois and southern Wisconsin metropolitan areas through its 15 wholly owned banking subsidiaries (collectively, the Banks).

Affiliated companies related by common ownership or control include:

- **Wealth Management**
 - Great Lakes Advisors, LLC – SEC Registered Investment Advisor based in Chicago, IL. A wholly owned subsidiary of Wintrust Financial Corporation
 - The Chicago Trust Company, N.A
- **Community Banking**
 - Lake Forest Bank & Trust Company
 - Hinsdale Bank & Trust Company
 - Wintrust Bank (formerly North Shore Community Bank & Trust Company)
 - Libertyville Bank & Trust Company
 - Barrington Bank & Trust Company, N.A.
 - Crystal Lake Bank & Trust Company, N.A.
 - Northbrook Bank & Trust Company
 - Schaumburg Bank & Trust Company, N.A.
 - Village Bank & Trust
 - Beverly Bank & Trust Company, N.A.
 - Town Bank

- Wheaton Bank & Trust Company
- State Bank of The Lakes
- Old Plank Trail Community Bank, N.A.
- St. Charles Bank & Trust Company
- **Specialty Finance**
 - First Insurance Funding

Contractual Relationships:

- First Clearing, LLC (“FC”) – A wholly owned subsidiary of Wells Fargo Advisors, Inc. FC is a Broker/Dealer and Clearing Firm for which WHI is Introducing broker.

Other industry activities include:

- **Investment Company (Mutual Fund) Managers**
GLA acts as an investment adviser to Managed Portfolio Securities Trust: Great Lakes Small Cap Opportunity Fund (“Small Cap”), Great Lakes Bond Fund (“Bond”), Great Lakes Large Cap Value Fund (“Large Cap Value”) and Great Lakes Disciplined Equity Fund (“Large Cap Systematic”) for which Great Lakes Advisors renders investment advisory services for a fee. When appropriate, recommendations may be given directing Wrap Account assets into these or other investment companies.
- **Insured Bank Deposits**
Additionally, all accounts that are under the custody of FC typically will participate in a “sweep program” for the automatic purchase and redemption of cash balances in connection with free credit balances and to satisfy debit balances in the custodial brokerage accounts (net of free credit balances). Through Insured Bank Deposits Program (IBD), available cash balances in a Wayne Hummer brokerage account (“Brokerage Account”) are automatically deposited into one or more interest-bearing, bank deposit accounts established at Wintrust banks (“Program Banks”) and insured by the Federal Deposit Insurance Corporation (“FDIC”). In this event, the Adviser will waive or refund the pro rata portion of its quarterly wrap fee attributable to that portion of the client’s Account for the period of time such assets are deposited.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

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

WHI’s employees and persons associated with the Adviser are required to follow the Code of Ethics. Compliance with the Code of Ethics is a condition of employment. Subject to satisfying this policy and applicable laws, officers, directors and employees of the Adviser and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for WHI’s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the

employees of the Adviser 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 materially not interfere with the best interest of the Adviser's 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, and to reasonably prevent conflicts of interest between WHI and its clients.

WHI anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which the Adviser has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which the directors, officers, employees and registered persons of the Adviser and its affiliated broker-dealer, WHI, may purchase or hold securities that are recommended for purchase or sale to clients. Personal securities transactions by persons associated with the Adviser and WHI are subject to the firm's Code of Ethics, which includes various reporting, disclosure and approval requirements, described in summary below, in order to prevent actual or potential conflicts of interest with transactions recommended to clients. The Code of Ethics applies not only to transactions by the individual, but also to transactions for accounts in which such person has an interest individually, jointly or as guardian, executor, or trustee or in which such person or the person's spouse, minor children or other dependents residing in the same household have an interest.

In accord with SEC rules relating to recordkeeping by investment advisers and Rule 17j-1 promulgated under the Investment Company Act of 1940, the Adviser and WHI require prompt reports of all covered transactions. Each entity further requires that all brokerage account relationships be disclosed, that the entities receive duplicate confirmations of transactions and custodial account statements, and annual certifications of compliance with the Code of Ethics from all covered persons. Transactions in government securities, bank certificates of deposit, and shares of unaffiliated open-end mutual funds are excluded from the reporting requirements.

In addition to reporting and recordkeeping requirements, the Code of Ethics imposes various substantive and procedural restrictions on covered transactions. These include the following:

1. Certain securities transactions must be submitted by "Investment Personnel" (generally, a person who makes decisions regarding the purchase or sale of securities by or on behalf of an advisory client) for pre-approval by the Adviser's Ethics Committee.
2. Purchases or sales by Investment Personnel of securities (other than de minimis trades) are prohibited for a period of seven days before and after an account of an advisory client that the Investment Personnel manages trades in that security.
3. Subscriptions by Investment Personnel to any initial public offering are prohibited.
4. Certain short-term trades of Investment Personnel are subject to review by the Adviser's Ethics Committee, which may require disgorgement of profits. Purchases of certain private placement securities require approval of the Ethics Committee.

As part of its responsibilities, the Adviser's Ethics Committee monitors and verifies compliance of covered persons with the requirement of the Code of Ethics, and reports apparent violations to the Adviser's senior management. Under the Code of Ethics, the Ethics Committee has the authority to require reversal or adjustment of a personal transaction, or the disgorgement of a profit realized on a transaction in personal investment activities and those carried out for clients. The Ethics Committee also may recommend to management the imposition of more severe sanctions, including suspension of personal investing privileges, or termination of employment, in the case of certain types of violations.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with WHI's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. WHI 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.

WHI's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the WHI Compliance Department at 800-621-4477.

Review of Accounts

Clients receive an account statement from their Custodian on no less than a quarterly basis showing all transactions, receipt of sale proceeds, dividend and interest income, and payments for security purchases and other disbursements. Clients may also request a portfolio performance review at any time. The review consists of performance reports that reflect assets held, income for the period, and increases or decreases in the market value of the account. Other information may be provided which lists each of the holdings in an account priced at the close of a specified date, the market value, unit and aggregate cost of each holding, the interest/dividends paid, and yield.

Client Referrals and Other Compensation

From time to time WHI enters into agreements, which comply with Rule 206(4)-3 and other requirements of the Investment Advisers Act of 1940, providing for the payment of a portion of the advisory fee to employees of the Adviser or Adviser Affiliates who secure clients for the Adviser. Additionally, the Adviser may enter into agreements with independent contractors or firms not affiliated with the Adviser ("Solicitors") for the promotion of investment advisory services to qualified prospects. These solicitors may receive a retainer payment and/or a percentage of the fee to be paid to the Adviser as disclosed in the Solicitor's Agreement. Solicitor payments will not increase the overall fee charged to clients.

Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about the Adviser's financial condition. WHI has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.