Firm Brochure

FinTrust Investment Advisory Services, LLC

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This Brochure provides information about the qualifications and business practices of FinTrust Investment Advisory Services, LLC. If you have any questions about the contents of this Brochure, please contact us at (864) 288-2849. 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.

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

Additional information about FinTrust Investment Advisory Services, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

There have been no material changes since our last brochure dated February 29, 2016.

Pursuant to SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Our Brochure may be requested by contacting us, at the numbers above.

Additional information about FinTrust Investment Advisory Services, LLC is also available via the SEC's website www.adviserinfo.sec.gov. The SEC's website provides information about any persons affiliated with FinTrust Investment Advisory Services, LLC who are registered, or are required to be registered, as investment adviser representatives of FinTrust Investment Advisory Services, LLC.

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Item 4 – Advisory Business, Services, Fees & Compensation

Introduction

FinTrust Investment Advisory Services, LLC is an investment advisor registered with the Securities and Exchange Commission ("SEC") pursuant to the Investment Advisors Act of 1940. FinTrust Investment Advisory Services, LLC ("FTIAS" or the "firm") was established as a registered investment adviser in March of 2006. FinTrust Investment Advisors, LLC ("FTIA" or the "Holding Company") is a 100% owner of FTIAS. Centillion Partners, Inc. ("Centillion") and PBAG, LLC ("PBAG") each own 50% of the Holding Company; Allen Gillespie and Phillip Brice each hold a 50% stake in Centillion Partners, Inc. In addition, Allen Gillespie and Philip Brice each own 50% of PBAG, LLC. Investment advisory representatives ("IARs") and other key personnel are eligible and participate in the firm's unit incentive plan. The value of the units is derived from the equity value of PBAG, LLC. Note that registration as an investment advisor with the SEC does not imply a certain level of skill or training. Please refer to item 10 for more information on FinTrust Brokerage Services, LLC ("FTBS"), an affiliated broker/dealer, and GNI Capital, Inc. ("GNI"), a registered investment advisor, both of which are under common control.

As of December 31, 2016 FTIAS managed $288,436,414 in client assets on a discretionary basis and $121,614,618 on a non-discretionary basis, while FinTrust Brokerage Services, LLC served $360,382,427 in non-managed client assets.

For its investment advisory clients, FTIAS services are made available primarily through individuals associated with FTIAS as investment advisory representatives ("IARs"). For more information about the IAR providing advisory services, clients should refer to the Brochure Supplement for the IAR. The Brochure Supplement is a separate document that is provided by the IAR along with this Brochure before or at the time client engages the FTIAS and the IAR. If client did not receive a Brochure Supplement for the IAR, the client should contact the IAR or FTIAS at fintrust@fintrustadvisors.com or 864-288-2849.

Types of Advisory Services

FTIAS presently offers the following types of advisory services:

I. FTIAS Investment Advisory (FTIAS-IA)
II. FTIAS Investment Consulting (FTIAS-IC)
III. FTIAS Retirement Plan Services (FTIAS-RPS)
IV. FTIAS Retirement & Financial Planning
V. FTIAS "Right Path" Financial Planning
VI. FTIAS Estate Reporting & Consulting Services;
VII. FTIAS LifeLock Identity Theft Protection

FTIAS offers its services on both a wrap fee and non-wrap fee basis. More information regarding FTIAS's Wrap Fee Program may be found in the firm's Wrap Fee Program Brochure.

FTIAS is related to FinTrust Brokerage Services, LLC ("FTBS"), a broker dealer registered with the Financial Industry Regulatory Authority ("FINRA"), and an IAR also may be registered with FTBS as a broker-dealer representative. Therefore, an IAR may be able to offer a client both investment advisory and brokerage services. Before engaging with an IAR, clients should take time to consider the differences between an advisory relationship and a brokerage relationship to determine which type of services best facilitate the

client's investment needs and goals. Client should speak to the IAR to understand the different types of services available through FTIAS and FTBS.

Required Minimum Distributions: As part of its services, FTIAS may also provide clients with estimates for required minimum distributions from retirement accounts, however, FTIAS does not provide tax advice, nor assume responsibility. It is recommended that the client review any RMD calculations with tax accountants, tax attorneys and other professional service providers.

I. FTIAS Investment Advisory (FTIAS-IA)

FTIAS, through its IARs, offers advisory services and portfolio management services based on the individual objectives of each specific client portfolio and may or may not represent the overall objectives of the clients' total investment assets. FTIAS-IA accounts are designed to provide discretionary management by an IAR of the firm. As a result, FTIAS recommends and employs various investment strategies. FTIAS assists each FTIAS-IA account client in formulating investment objectives and manages the account within established guidelines regarding, among other matters, diversification and designation of securities that may be purchased.

As part of this service, each client portfolio is tailored to their particular investment needs and circumstances. This includes discretionary investment management in accounts ("Separate Accounts") based on the client's investment needs and a risk strategy (from conservative to aggressive), which is selected in conjunction with the client and incorporated into the account agreement. The available risk strategies correlate to asset allocation models developed by FTIAS based on target allocations for various asset classes and sub-classes. FTIAS selects investments in the client's account that are consistent with the selected risk strategy and that pass a series of quantitative and qualitative filters. Depending on the specific engagement, the types of securities that the IAR may purchase and sell include, but are not limited to, mutual funds, ETFs, equities, options, and fixed income securities. Separate Accounts are periodically rebalanced toward their asset allocation targets.

II. FTIAS Investment Consulting (FTIAS-IC)

FTIAS, through its IARs, offers investment consulting services to clients. As part of its services, selected registered Investment Advisers ("Sub-Advisors"), mutual funds, exchanged traded funds, and other investment products are evaluated by the firm for client use. FTIAS-IC services may include assisting clients in identifying their investment objectives and matching personal and financial data with a select list of investment Sub-Advisors or investment products and funds that meet the FTIAS-IC criteria. The intent of the program is to have a selected list of high quality investment management firms, products, or funds from which one or more managers are selected to handle the day-to-day management of the client's account(s).

Sub-Advisors, or other products and funds, selected for use by clients under the FTIAS-IC program need to meet several quantitative and qualitative criteria. Among the criteria that may be considered are the manager's experience, assets under management, performance record, client retention, the level of client services provided, investment style, buy and sell disciplines, capitalization level and the general investment process. In the case of separate account manager, each client must have a profile that matches the advisors stated objectives.

The recommendation of a Sub-Advisors, or other products and funds, by Adviser may be done on a discretionary or non-discretionary basis with the specific terms outlined in the Advisory Agreement. When

a client authorizes the Adviser to have the ability to select Sub-Advisors or other products and funds on a discretionary basis, the Adviser will have the authority to select and terminate Sub-Advisers, products, or funds without the client's specific approval.

The terms and conditions under which client shall engage a Sub-Advisor for a separate account arrangement shall be set forth in separate written agreements between the client and Adviser and the client and the designated Sub-Advisor. Clients shall generally not come in contact with Sub-Advisor and the Adviser shall serve as the communication conduit between the client and Sub-Advisor. Adviser shall provide information received from the client to the Sub-Advisors selected, including the client's financial and personal profile as well as any applicable client questionnaires and/or investment policy statements, or other similar documents. Sub-Advisors are granted investment discretion by the client to exercise discretionary trading authority for the day to day management of client accounts. A copy of the Sub-Advisors Form ADV or similar disclosure brochure will be provided to the client.

The firm may at any time terminate the relationship with a Sub-Advisor that manages clients' assets. Factors involved in the termination of a Sub-Advisor may include a failure to adhere to management style or clients' objectives, a material change in the professional staff of the Sub-Advisor, unexplained poor performance, and dispersions of client account performance or the firm's decision to no longer include the advisor as one of its preferred program managers.

Clients are advised and should understand that:

- An advisor's past performance is no guarantee of future results;
- There is a certain market and/or interest rate risk which may adversely affect any advisor's objectives and strategies, and could cause a loss in a client's account(s); and
- Client risk parameters or comparative index selections provided to the firm are guidelines only - there is no guarantee that they will be met or not be exceeded.

All accounts are managed by the selected independent Sub-Advisors. Information collected by FTIAS regarding selected managers is believed to be reliable and accurate but the firm does not independently review or verify it on all occasions. All performance reporting will be the responsibility of the respective Sub-Advisors. Such performance reports will be provided directly to the clients and the firm. The firm does not audit or verify that these results are calculated on a uniform or consistent basis as provided by an advisor directly to the firm or through the consulting service utilized by the advisor.

GNI Capital, Inc. is a related investment advisor under common control. FinTrust does not apply the same selection and review criteria to GNI Capital as it does to unaffiliated Sub-Advisors. GNI Capital, Inc. manages long-short portfolios and maintains a research department separate from FTIAS, and therefore GNI's and FTIAS's recommendations may conflict or occur ahead of one another. This practice is expected to have little impact on clients, as advice in each case is tailored to the specific needs, objectives, and time frames of the client. Because GNI Capital, Inc. is under common ownership with FTIAS, FTIAS will have an indirect financial benefit if IARs recommend and select a GNI Capital managed portfolio, instead of a portfolio designed by an unaffiliated Sub-Advisor. FTIAS and its IARs are constrained by fiduciary principals to act in the best interest of a client, however, clients should be aware of the potentially conflicting interests in evaluating the advice and services the client receives when utilizing GNI Capital for Sub-Advisory services.

III. FTIAS Retirement Plan Services (FTIAS-RPS)

FTIAS provides both fiduciary and non-fiduciary services as a consultant to plan sponsors, named fiduciaries, plan trustees, and plan committees relative to employee benefit plans, including, but not limited to, 401(k) plans, 403(B) plans, defined benefit plans, profit-sharing plans, money purchase pension plans and similar plans offered by sponsoring entities to their employees. In providing services to a plan and/or its participants, FTIAS's status is that of an investment adviser registered under the Investment Advisors Act of 1940, and is not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, FTIAS may act either as a non-discretionary fiduciary of the Plan as defined in Section 3(21) under ERISA, and/or as a discretionary fiduciary of the plan as defined in Section 3(38) under ERISA.

As part of these services, FTIAS will typically advise the plan fiduciaries on matters related to the plan. These consulting services, some of which are discussed below, may be provided separately or in combination with one another, and may involve the coordination of multiple vendors and/or third party advisors to the plan, depending on the needs of the sponsor. The specific details of any engagement to provide consulting services are agreed upon in writing prior to commencement of the engagement and are subject to the terms of the written investment consulting and advisory agreement. FTIAS may consult on a variety of plan matters, including, but not limited to:

- Plan governance issues, policies and procedures, board resolutions, committee charters, and the development or review of an Investment Policy Statement.
- Plan service provider reviews, evaluations and searches.
- Investment options: searches, recommendations, monitoring and review
- Employee education by providing general information on the funds available under the plan and other general investment information aimed at helping participants make better choices for themselves from among the alternatives available under the plan.
- Fee Benchmarking;
- Fiduciary file development and record keeping;

FTIAS may also provide other information aimed at assisting the plan committee in fulfilling its obligations to the plan, for example, information on pending or recent legislative changes that may impact the plan, plan participants and beneficiaries.

IV. FTIAS Retirement & Financial Planning

FTIAS, through its IARs, also will provide advice in the form of a customized Financial Plan. Clients will receive a written financial plan, providing the client with a detailed outline designed to achieve their stated financial goals and objectives.

In general the plan will address any or all of:

- Personal: Family records, budgeting, personal liability, estate information and financial goals.
- Tax and Cash Flow: Income tax spending analysis and planning for past and future years.
- Death and Disability: Cash needs at death, income needs of surviving dependents, and estate planning.
- Retirement: Strategies and investment plans to help client achieve their retirement goals.
- Investments: Analysis of investment alternatives and their effect on a client's portfolio.

Information on clients will be gathered by in-depth personal interviews and review of personal financial information. Gathering data concerning current financial status, future requirements, risk appetite and goals is essential. Based upon this thorough review, a written plan is prepared for the client and it is recommended that the client review this plan with tax accountants, attorneys and other professional service providers.

V. "Right Path" Financial Planning

FTIAS offers the "Right Path" program designed to provide employees of sponsoring companies with specific, personalized financial planning advice. Under the program, an FTIAS representative meets with an employee (and spouse, if they wish) for a review and analysis of their individual financial situation, covering various areas selected by the employee, such as retirement planning, investment planning, education planning, tax planning, insurance planning and estate planning. FTIAS provides to the employee a report aimed at helping them determine whether they are on a path to meeting their financial goals.

The client retains the sole responsibility for determining whether to implement any recommendation made by the IAR and for placing any resulting transactions. FTIAS and the IAR do not provide ongoing consulting or management services, and do not have any discretionary authority with respect to the client's retirement plan assets. In addition, FTIAS and IAR do not provide any advice or recommendations regarding any participant loans from client's retirement plan assets.

VI. Estate Reporting & Consulting Services

FTIAS provides financial reporting and consulting services to the named Trustee or Personal Representative of estates as an information service.

FTIAS will, on behalf of the Client, prepare a consolidated financial report ("Report") for those asset accounts identified in the Estate Trustee and PR Data Collection Support Request Form and its authorized additions and changes. These Reports may include but are not limited to: (a) The identification of actively covered accounts and changes in account coverage; (b) A summary of all assets held in the covered accounts; (c) Consolidated and account specific activity for the reporting period; (d) Realized and unrealized gain/loss reporting; (e) Basic performance analysis; (f) A cross reference of security holdings; and (g) A summary of fees and commissions and account expenses.

Estate & PR Fiduciary Consulting Services – May include review meetings with estate trustee or PR for purposes including but not limited to (a) the identification of accounts and assets owned (b) the title on accounts and assets owned (c) the beneficiaries on accounts and assets owned (d) identification of custodians and contact information (e) custodial account and claim form preparation (f) account activity reporting related to interest, dividends, and fees and expenses to assist in tax preparation (g) preparation of beneficiary and custodian communications.

The service provided by FTIAS is an information service meant to be utilized by the Client and the Client's investment, legal and accounting advisors to better understand and manage the Client's financial assets. FTIAS may be contracted separately under an Investment Advisory Agreement for investment advisory services.

VII. FTIAS LifeLock Identity Protection

FTIAS provides clients the opportunity to sign up for identify protection products and services through a referral agreement with LifeLock. LifeLock offers various plan levels including: LifeLock, LifeLock Advantage Service, LifeLock Standard Service, LifeLock Ultimate, and LifeLock Ultimate Plus.

Item 5 – Fees and Compensation

FTIAS presently offers the following types of advisory services:

I. FTIAS Investment Advisory (FTIAS-IA)
II. FTIAS Investment Consulting (FTIAS-IC)
III. FTIAS Retirement Plan Services (FTIAS-RPS)
IV. FTIAS Retirement & Financial Planning
V. FTIAS "Right Path" Financial Planning
VI. FTIAS Estate Reporting & Consulting Services
VII. FTIAS LifeLock Identify Theft Protection

I. FTIAS Investment Advisory and Fees (FTIAS-IA)

As compensation for investment advisory services, FTIAS receives an advisory fee typically based on the value of assets under management. The amount of the fee will be set out in the client agreement executed by the client at the time the relationship is established. The advisory fee is set according to the following fee schedule:

Exclusively Fixed Income

Separate Account Size	Annual Fee Rate
$10 million or less	up to .40%
Above $10 million	negotiable

Non-Fixed Income

Separate Account Size	Annual Fee Rate
First $3,000,000	up to 1.5%
$3,000,000 and above	up to 1%
Above $10 million	negotiable

For Separate Accounts of $10 million or less, FTIAS does not normally consider its management fee to be negotiable, however FTIAS reserves the right in its discretion, based on factors FTIAS deems relevant, to agree to a management fee for any particular client that varies from the fee set forth in the table above and which may be lower or higher than fees charged to another client with a similar sized account. In certain situations, minimum account fees may apply that may exceed the fees in the schedule above. Relevant factors that may lead to a variation in fees include, for example, the size and scope of the client's overall relationship with FTIAS and its affiliates and the fees that the client's account was charged at another firm prior to transferring to FTIAS.

Separate Account fees are charged quarterly in advance or in arrears, as stated in the client agreement, and are calculated by multiplying the fair market value of the assets in the Account as of the last trading day of each calendar quarter by the annual fee and then dividing that result by four, which represents each quarter. Fair market value of assets for this purpose is normally equivalent to the amount reflected on custodial account statement, although on occasion adjustments will be necessary to reflect such items as interest accrued but not yet paid. Securities for which fair market values are not readily available are

valued in good faith by FTIAS. Fees are paid to FTIAS directly from the client's Separate Account. Fees are reflected on client statements in the month charged. In addition, the client's custodian sends to the client, at least quarterly, an account statement which reflects the activity in the account, including fee payments.

Account agreements for Separate Accounts may be terminated by either party upon written notice without penalty. If a client terminates his participation in the Program within five business days of inception, the client will receive a full refund of the Fee. Fees will be prorated based on the number of days the Account is under FTIAS's management for any Agreement that comes into effect or is terminated during a quarter.

Other Fees

In addition to FTIAS's management fee, clients with Separate Accounts will also incur or bear other charges imposed by the custodian of their account or by other third parties, including FTBS, see Affiliated Broker-Dealer section below and Item 12 Brokerage Practices for more information, relating to their account or transactions effected in the account. Such charges may include, but not be limited to, brokerage commissions, ticket charges, wire transfer charges, custodial fees, activity fees, termination fees, postage and handling fees and other transaction or account related fees and charges, and contingency fees related to securities class action lawsuit and litigation recoveries.

To the extent a client's assets are invested in mutual funds or other types of funds, the client will also be subject to other fees and charges as a fund shareholder, none of which are refundable and which are in addition to the management fee paid to FTIAS. Those will include fees and charges imposed on shareholders by the fund or imposed on the fund and borne indirectly by shareholders, as disclosed in the fund's prospectus. All fund shares (including all money market fund shares in which a client's assets may be temporarily invested) bear a management fee charged to the fund by the fund's investment adviser, as well as other internal fees and charges known as the expense ratio, including in some cases 12b-1 fees. In addition, some mutual funds may also impose on shareholders other fees and charges, such as sales loads, purchase or redemption fees, transfer taxes, and wire transfer and electronic fund fees. FTIAS and/or its IARs may participate in such fees that are charged to the client.

Affiliated Broker-Dealer

FTBS may serve as the broker-dealer on transactions in FTIAS-IA accounts held in custody at NFS. In such case, FTBS may charge the client account charges and transaction charges in connection with trade execution through NFS. The transaction charges will be clearly stated in the client agreement executed by the client at the time the relationship is established and will be provided on client confirmations. FTIAS does not reduce its advisory fees to offset commissions and brokerage compensation. FTBS does not share these fees with IARs, however, IARs who participant in the firm's unit incentive plan would receive an indirect benefit, which may create a conflict of interest. Clients have the option to purchase investment products recommended by FTIAS through another broker or agent. Therefore, Client hereby acknowledges that Client is under no obligation to implement brokerage service transactions through FTBS, and may implement FTIAS's recommendations through other brokers, dealers, or agents.

II. FTIAS Investment Consulting and Fees (FTIAS-IC)

Fees are outlined in each respective manager's ADV disclosure document or a fund's prospectus. The firm will be paid an on-going fee based upon a percentage of each client's assets under management with respect to each advisor or fund. Each client will receive a copy of such an advisory agreement or prospectus which will disclose the fee. For separate account sub-advisors, the firm negotiates each sub-

advisor fee directly, as a result, the firm may have a potential conflict of interest to recommend selections of management styles and advisors that would result in a lower percentage of advisory fees. The firm will make all recommendations independent of such fee consideration and based solely on its obligations to consider a client's objectives and needs.

The minimum account size will vary from Sub-Advisor to Sub-Advisor for separate account managers. All such minimums will be disclosed in the respective advisors ADV disclosure document. The firm may have the ability to negotiate such minimums. A client may terminate his relationship in accordance with the respective managers' disclosure documents. If a client terminates his participation in the Program within five business days of inception, the client will receive a full refund of the Fee. Pre-paid fees will be refunded in accordance with the respective manager's agreement and disclosure documents.

III. FTIAS Retirement Plan Services (FTIAS-RPS)

For ongoing consulting services, FTIAS is paid a fee based on a percentage of assets in the plan, in accordance with the following table:

Asset Level	Annual Fee On	Annual Fee Rate
$0-2,000,000	First $2 million	0.60%
$2,000,000-5,000,000	Next $3 million	0.50%
$5,000,000-10,000,000	Next $5 million	0.30%
$10,000,000-15,000,000	Next $5 million	0.15%
$15,000,000-25,000,000	Next $10 million	0.10%
Over $25,000,000	Above $25 million	0.05%

For plans where FTIAS serves as an ERISA Section 3(38) advisor, FTIAS follows its Investment Advisory Fee Schedule, previously detailed in this section (Item 5, Section I).

FTIAS's fee may be paid by the sponsoring company or from plan assets. Unless otherwise arranged with the account custodian, fees are charged quarterly and calculated by multiplying the fair market value of the assets by the applicable rate(s) for each asset level and then dividing that result by four. Securities for which fair market values are not readily available are valued in good faith by FTIAS.

FTIAS does not normally consider its management fee to be negotiable, however FTIAS reserves the right in its discretion, based on factors FTIAS deems relevant, to agree to a management fee for any particular client that varies from the fee set forth in the table above and which may be lower or higher than fees charged to another client with a similar sized account. In certain situations, minimum account fees may apply that may exceed the fees in the schedule above.

FTIAS's fees are negotiated on a case-by-case basis if the client chooses to be billed on a one-time or alternate basis other than ongoing. In the case of some ERISA plans, certain FTIAS personnel receive, in their capacity as registered representatives of a broker-dealer, 12b-1 fees paid out by mutual funds in which the ERISA plan's assets are invested. For those plan clients, any fees owed to FTIAS for retirement plan pension consulting services are waived or offset on a dollar-for-dollar basis to the extent of the 12b-1 fees paid.

Either party may terminate an agreement for retirement plan consulting services without penalty at any time upon not less than 30 days prior written notice. If an agreement is terminated during a calendar

quarter, FTIAS's fee will be prorated as of the termination date and any pre-paid unearned fees will be refunded.

Other Fees

In addition to FTIAS's consulting fee, clients with will also incur or bear other charges imposed by the custodian of their account or by other third parties including contingency fees related to securities class action lawsuit and litigation recoveries. To the extent a client's assets are invested in mutual funds or other types of funds, the client will also be subject to other fees and charges as a fund shareholder, none of which are refundable and which are in addition to the management fee paid to FTIAS. Those will include fees and charges imposed on shareholders by the fund or imposed on the fund and borne indirectly by shareholders, as disclosed in the fund's prospectus. All fund shares (including all money market fund shares in which a client's assets may be temporarily invested) bear a management fee charged to the fund by the fund's investment adviser, as well as other internal fees and charges known as the expense ratio, including in some cases 12b-1 fees. In addition, some mutual funds may also impose on shareholders other fees and charges, such as sales loads, purchase or redemption fees, transfer taxes, and wire transfer and electronic fund fees.

IV. FTIAS Retirement & Financial Planning

Depending upon the scope of the engagement and specific requests by the client, the firm will charge on an hourly rate of $250 per hour with a minimum of $2500 per engagement. The fees will be negotiated prior to contracting with the client, and the agreed upon fee payable upon completion of the services provided. Fees may be charged in advance and/or in arrears of service. The client may terminate its arrangement at any time, in writing, and will be refunded a portion of the fee based upon a pro-rated calculation related to the time and expense expended by the firm. The firm typically waives any financial planning fees for investment management and advisory clients.

V. FTIAS "Right Path" Financial Planning

The program is typically offered free of charge to employees of the sponsoring company. FTIAS's fee for this service is paid by the sponsoring company at the end of each month in arrears. FTIAS is paid a flat per diem rate agreed to with the sponsoring company for each day that an FTIAS representative spends meeting with employees. Actual out-of-pocket travel expenses may be charged.

Services provided by FTIAS as part of the "Right Path" program do not constitute ongoing or continuous services. Rather, FTIAS's services under the program conclude and terminate upon presentation to and review with the employee of a one-time report outlining FTIAS's conclusions and recommendations in the areas selected by the employee. "Right Path" participants who wish to engage FTIAS for services beyond the program must enter into a separate written agreement with FTIAS for the services desired.

VI. FTIAS Estate Reporting & Consulting Services

Depending upon the scope of the engagement and specific requests by the client, the firm will charge on an hourly rate of $250 per hour with a minimum of $2500 per engagement. FTIAS does not normally consider its fee to be negotiable, however FTIAS reserves the right in its discretion, based on factors FTIAS deems relevant, to agree to a fee for any particular client that varies from the fee set forth. The fees will be negotiated prior to contracting with the client, and the agreed upon fees may be charged in advance and/or in arrears of service.

VII. FTIAS LifeLock Identity Theft Protection

FTIAS provides clients the opportunity to sign up for identify protection products and services through a referral agreement with LifeLock. FTIAS is paid a three year referral fee which is a percentage of the cost of the service from LifeLock.

FinTrust Referral Fee Schedule is as follows:

LifeLock 25% 12% 12%
LifeLock Advantage Service 20% 6% 6%
LifeLock Standard Service 25% 12% 12%
LifeLock Ultimate 18% 5% 5%
LifeLock Ultimate Plus 18% 5% 5%

GENERAL ADVISORY FEES DISCLOSURE

Certain FTIAS personnel are also Registered Representatives of FinTrust Brokerage Services, a registered broker-dealer. In that capacity, they may be paid commissions, brokerage fees, 12b-1 fees or other fees or payments for their brokerage clients, which may include clients who are also clients of FTIAS. These arrangements pose a conflict of interest for those individuals to the extent they have a financial incentive to recommend such sales or other transactions to the client based on the compensation received, rather than on the client's needs. However, FTIAS and its personnel are constrained by fiduciary principles to act in the client's best interest. In addition, periodic reviews, as detailed in Item 13, are done to ensure that investments are suitable for a client's objectives and risk tolerance. Clients have the option to purchase investment products recommended by FTIAS through another broker or agent. Therefore, Client hereby acknowledges that Client is under no obligation to implement brokerage service transactions through FTBS, and may implement FTIAS's recommendations through other brokers, dealers, or agents.

Wrap Fee Program Fees and Compensation

FTIAS also offers its services under a Wrap Fee Program. Clients in the Wrap Fee Program ("Program") pay a single annualized fee, based upon a percentage of the market value of all Program assets, for participation in the Program. The Program may cost clients more or less than purchasing such services separately. The maximum fee charged for the Program shall not exceed 2.5% annually. The Program Fee includes the FTIAS's management fee, the management fee for each selected Sub-Advisor, if any, trading costs, and annual custodial fees. The maximum fee retained by Sub-Advisors in the Program shall not exceed 1.00% of the assets under management. Transaction fees relating to the execution of securities transactions within the Account are paid by FTIAS. This does not cover commission costs for trades affected by other broker-dealers, markups or markdowns for principal trades of fixed income securities by the approved custodian, or other fees described below.

FTIAS, in its sole discretion, may negotiate fees with individual clients based on the client's individual financial situation, complexity, and assets under management. The specific fee charged to each client for the Program will be outlined in, or attached to, the Investment Advisory Agreement ("IAA"). Some clients may pay a fixed percentage fee while other clients may pay a fee based on a tiered schedule. The wrap fee may also vary by custodian.

Program fees are billed on a quarterly (calendar) basis. The first bill shall be calculated and pro-rated according to the date ("inception date") of executing the Investment Advisory Agreement and shall be

payable at the end of the calendar quarter in which the initial meeting between FTIAS and the client takes place. The inception bill shall be based upon a percentage of assets in the client's Account as of the inception date. This fee portion shall be referred to as the "inception fee".

At the same time the inception fee is calculated, FTIAS will also calculate, in advance, the next quarter's fee based upon a percentage of assets contained in the client's Account as of the last business day of that calendar quarter. This fee amount will be calculated by assessing one quarter (1/4) of the total annual percentage charged against the assets in the client's Account. A prorated inception fee shall be charged for the initial partial quarter in which the account is opened. Thereafter, each quarterly fee shall be calculated, in advance, based upon the dollar amount of assets in the client's Account as of the last business day of the previous calendar quarter.

Program Fees are automatically deducted from the client's Account. Clients must provide the approved custodian with authorization to have fees deducted directly from the Account and paid to FTIAS. The authorization shall remain valid until a written revocation of the authorization is received by the approved custodian. Adviser shall submit instructions to custodian to deduct the calculated fee. It is FTIAS and client's responsibility to verify the accuracy of FTIAS's fee calculation and custodian will not determine whether the fee has been properly calculated.

Account statements sent at least quarterly by custodian will indicate all amounts disbursed from the Account and the total amount of the Program Fee paid directly to FTIAS. Upon FTIAS's receipt of the Program Fee, FTIAS shall compensate the custodian and Sub-Advisors their portion of the total fee.

Other Fees

Clients shall be assessed other fees by parties independent from FTIAS and Sub-Advisors. Clients may incur, relative to certain investment products (such as mutual funds), charges imposed directly at the investment product level such as mutual fund short-term redemption fees and other marketing/administrative fees. While brokerage commission and transaction fees are wrapped into the Program fee, clients shall be separately responsible for Securities and Exchange Commission and exchange fees, transfer taxes, odd lot differentials, margin interest, and any other similar costs or charges to the extent applicable regarding the custody and administrative services provided through the approved custodian.

Cash balances in the account may be invested in money market instruments, including mutual funds that have agreements to pay compensation to FTIAS or custodians. A client will pay a proportionate share of all money market fund expenses, including management fees. Occasionally, open or closed end mutual funds may be used that generate fees payable to FTIAS or the clearing agent. Exchange Traded Funds (ETFs) and similar funds may have internal fees that are included in the investment results.

Other Fee Disclosures

The Program may cost a client more or less than purchasing the services separately. Factors bearing on the relative cost of the Program that would be relevant when considering the alternative of purchasing the services offered in the Program separately include the trading activity in a client's account and the corresponding brokerage commissions that would be charged for execution of trades, and the fees charged for investment advisory services under the Program.

The cost of non-wrapped investment advisory services may be lower than investment advisory services provided under the wrap program. Because FTIAS may receive more compensation from a client from the

client's participation in the Program than if the client received advisory services and brokerage services separately, FTIAS may have a financial incentive to recommend the Program to clients over other types of advisory services. FTIAS may give advice to others that may be different from the advice given to Program clients. A non-wrapped pricing arrangement may be more cost effective for accounts that do not experience frequent trading activity.

The person recommending the program to the client receives compensation as a result of the client's participation in the program. The amount of this compensation may be more than what the person would receive if the client participated in other programs of the sponsor or paid separately for investment advice, brokerage, and other services. This person may therefore have a financial incentive to recommend the Program over other programs or services.

Although FTIAS believes its fees are reasonable in light of the services provided, clients should be aware that such fees may be more or less than the fees and commissions associated with brokerage services purchased separately. The comparison is dependent upon a number of factors, including the frequency of brokerage activity in the client's account, the size of the account under management, and any negotiated fee arrangements with respect to the account. An investor should consider these factors prior to opening an account.

Item 6 – Performance-Based Fees and Side-By-Side Management

FTIAS 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).

Item 7 – Types of Clients

FTIAS provides portfolio management services to individuals, corporations and business entities, retirement and profit-sharing plans, charitable institutions, foundations, endowments, estates and trusts.

As a condition for opening a Separate Account, the account assets must be in the custody of an independent custodian with whom FTIAS has an electronic interface capability. The minimum for investment in an FTIAS Investment Advisory account is typically $100,000, but the minimum amount may vary under certain circumstances. For FTIAS Investment Consulting Accounts, please refer to the respective manager brochure for account minimum information.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. In order to manage the risks associated with investing, our investment process seeks to combine financial planning principals and processes with modern portfolio theory investment principals and processes.

The client process begins with the development of an understanding of the client, using financial planning principals. Advisors use any information provided by the client, including but not limited to, information regarding financial goals, resources, attitudes, age, experiences, investment time horizon and cash flow needs to assess the client's risk profile and investment objectives in determining an appropriate plan for the client's assets.

The investment process begins with the development of risk, return, and correlation expectations for a variety of asset classes and strategies or risk premia. A risk premium is the minimum amount of money by which the expected return on a risky asset must exceed the known return on a risk-free asset in order

to induce an investor to own it rather than the risk free asset. The estimates for risks, returns, and correlations are developed from an analysis of historical data, Monte Carlo analysis, fundamental and scenario analysis. The data is combined in order to develop a range of asset allocation models.

The client information is then combined with investment information in order to develop a recommendation and investment plan tailored to the client's individual needs within the asset allocation parameters.

The next step in the process involves implementation within client portfolios. IARs may use a variety of security types and methods including but not limited to mutual funds, exchange traded funds, closed end funds, individual equities, individual fixed income securities, and options. IARs may also use a variety of security analysis methods including fundamental analysis, technical analysis, charting or cyclical analysis. Information for this analysis may be drawn from financial newspapers and magazines, research materials prepared by others, annual reports, corporate filings, prospectuses, company press releases and corporate ratings services. For any risks associated with Investment Company products, please refer to the prospectuses for additional details about these risks.

Our investment approach constantly keeps the risk of loss in mind and thus encourages broad diversification across asset classes, sectors, securities, investment strategies, liquidity profiles, and economic environments. The risks considered include, but are not limited to:

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. Some of the primary risks of investing are summarized below:

- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Credit Risk:** The risk of loss of principal stemming from a borrower's failure to repay a loan.
- **Market Risk**: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Alternative Strategy Mutual Fund**: Certain mutual funds invest primarily in alternative investments and/or strategies. Investing in alternative mutual funds may not be suitable for all investors and involved special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential liquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry. These types of funds tend to have higher expense ratios than more traditional mutual funds. They also tend to be newer and have less of a track record of performance history.
- **Closed-End Funds**: Client should be aware that closed-end funds may not be readily marketable. In an effort to provide investor liquidity, the funds may offer to repurchase a certain percentage of shares at net asset value on a periodic basis. Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds.
- **Exchange-Traded Funds (ETFs**): ETFs are typically investment companies that are legally classified as open end mutual funds or UITs. However, they differ from traditional mutual funds, in particular, in that ETFs shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publically-traded companies. ETFS shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity, and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as an investment company under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, in particular those that invest in commodities, are not registered as an investment company. ETFs may be closed and liquidated at the discretion of the issuing company.
- **Exchange-Traded Notes (ETNs)**: An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets, for example, commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. However, an ETN is not a mutual fund and does not have a net asset value; the ETN trades at the prevailing market price. Some of the more common risks of an ETN are as follows. The repayment of the principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay. In addition, the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and may therefore carry specific risks. ETNs may be closed and liquidated at the discretion of the issuing company.
- **Leverage and Inverse ETFs, ETNs and Mutual Funds**: Leveraged ETFs, ETNs, and mutual funds, sometimes labeled "ultra" or "2x" for example, are designed to provide a multiple of the underlying index's return, typically on a daily basis. Inverse products are designed to provide the opposite of the return of the underlying index, typically on a daily basis. These products are different from and can be riskier than traditional ETFs, ETNs, and mutual funds. Although these products are designed to provide returns that generally correspond to the underlying index, they

may not be able to exactly replicate the performance of the index because of funds expenses and other factors. This is referred to as tracking error. Continual resetting of returns within the product may add to the underlying costs and increase tracking error. As a result, this may prevent these products from achieving their investment objective. In addition, compounding of the returns can produce a divergence from the underlying index over time, in particular for leveraged products. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. Because of these distortions, these products should be actively monitored, as frequently as daily, and may not be appropriate as an intermediate or long-term holding. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. These products may not be diversified and can be based on commodities or currencies. These products may have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs, and mutual funds.

- **Options**: Certain types of option trading are permitted in order to generate income or hedge a security held in FTIAS-IA accounts; namely, the selling (writing) of covered call options or the purchasing of put options. Client should be aware that the use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. In such case, the security may be called away and the IA account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold.
- **High-Yield Debt**: High yield debt is issued by companies or municipalities that do not qualify for "investment grade" ratings by one or more rating agencies. The below investment grade designation is based on the rating agency's opinion of an issuer that it has a greater risk to repay both principal and interest and a greater risk of default than those issuers rated investment grade. High yield debt carries greater risk credit risk than investment grade debt. There is the risk that the potential deterioration of an issuer's financial health and subsequent downgrade in its rating will results in a decline in market value or default. Because of the potential inability of an issuer to make interest and principal payments, an investor may receive back less than originally invested. There is also the risk that the bond's market value will decline as interest rates rise and that an investor will not be able to liquidate a bond before maturity.

Item 9 – 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 FTIAS or the integrity of FTIAS's management. FTIAS has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

FTIAS is under common control with GNI Capital, Inc. ("GNI"), which is also registered as a Registered Investment Adviser. FTIAS and GNI Capital, Inc. share certain personnel and on occasion serve the same clients.

FinTrust Brokerage Services (FTBS) is a registered broker/dealer and member of FINRA. FTBS is also under common control with FTIAS. Principals and advisors of FTIAS may be registered representatives of FTBS. FTBS also provides institutional clients like mutual funds, banks, hedge funds and insurance companies research and trade execution services. FTIAS may utilize or recommend certain of the funds managed by the institutional clients of FTBS which may create a conflict of interest. However, FTIAS and its personnel are constrained by fiduciary principles to act in the client's best interest. In addition, periodic reviews are done to ensure that investments are suitable for a client's objectives and risk tolerance and that

investments continue to meet FTIAS's investment criteria. Client is under no obligation to implement brokerage service transactions through FTBS, and may implement FTIAS's recommendations through other brokers, dealers, or agents. Client may also place reasonable restrictions on a FTIAS-IA managed accounts. FTBS also publishes equity research, which may limit or restrict FTIAS's ability to trade in certain securities while the firm may be in possession of material non-public information.

When applicable, Investment Advisor Representatives may recommend broker/dealer transactions for advisory clients. All related compensation is separate from advisory services. On average individual Investment Advisor Representatives and the principals of FTIAS spend 15%-25% of their time on other such activities. If a trade error were to occur, it may result in profit or loss to the firm. The firm has controls in place to limit such trade errors. IARs will not participate in any profits resulting from such errors.

FTIAS recommends that clients establish brokerage accounts with National Financial Services, Inc. ("NFS") or Charles Schwab & Co., Inc. ("Schwab"), both FINRA registered broker-dealers, to maintain custody of clients' assets and to effect trades for their accounts. Although FTIAS may recommend that clients establish accounts at NFS or Schwab, it is the client's decision to custody assets at NFS or Schwab. FTIAS is independently owned and operated and not affiliated with NFS or Schwab.

Item 12 includes additional details regarding brokerage practices and related disclosures.

Item 11 – Code of Ethics

FTIAS has adopted a Code of Ethics pursuant to SEC rule 204A-1 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, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at FTIAS must acknowledge the terms of the Code of Ethics annually, or as amended.

Advisors of FTIAS may buy or sell securities that are recommended to clients. FTIAS's employees and persons associated with FTIAS are required to follow the Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of FTIAS and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for FTIAS's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of FTIAS 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 FTIAS's clients. In addition, the Code requires pre-approval of many transactions. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between FTIAS and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with FTIAS'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. FTIAS 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.

FTIAS's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Allen Gillespie at our main number.

Item 12 – Brokerage Practices

For FTIAS managed accounts, the firm generally introduces accounts to Schwab and NFS, through FTBS a correspondent or introducing broker dealer. NFS and Schwab generally do not charge separately for custody services but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through NFS or Schwab or that settle into NFS or Schwab accounts. NFS and Schwab also make available to FTIAS and FTBS other products and services that benefit FTBS and FTIAS but may not benefit its clients' accounts. Some of these other products and services assist FTIAS in managing and administering clients' accounts. These may include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of FTIAS's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of FTIAS's accounts, including accounts not maintained at NFS or Schwab

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

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

Advisors may suggest broker/dealer services to clients. Factors for such recommendation would be when transaction compensation is seen as a benefit to the client. For Broker/Dealer services, the Adviser or its associated persons may receive compensation for such transactions, where such compensation is separate and distinct from Adviser's compensation related to its investment advisory services. Commissions paid to the Advisor for broker/dealer services may be higher or lower than those obtainable from other brokers in return for those products and services. From time to time, associated persons of Adviser may recommend that clients buy or sell securities or investment products that the Adviser also owns. In such circumstances, Adviser shall adhere to the Code of Ethics.

Certain FTIAS personnel are also Registered Representatives of FinTrust Brokerage Services, a registered broker-dealer. In that capacity, they may be paid commissions, brokerage fees, 12b-1 fees or other fees

or payments for their brokerage clients, which may include clients who are also clients of FTIAS. These arrangements pose a conflict of interest for those individuals to the extent they have a financial incentive to recommend such sales or other transactions to the client. In addition, those FTIAS personnel may receive, in their capacity as registered representatives, 12b-1 fees paid out by mutual funds in which ERISA plan assets are invested, in the case of certain ERISA plans for which retirement plan consulting services are provided. This poses a conflict of interest to the extent those personnel have a financial incentive to recommend investment alternatives that pay out 12b-1 fees. To address this, pension plan clients where 12b-1 fees are paid out to FTIAS personnel as registered representatives, any fees owed to FTIAS for retirement plan consulting services are waived or offset on a dollar-for-dollar basis to the extent of the 12b-1 fees paid.

Item 13 – Review of Accounts

Accounts are assigned to Investment Advisors who are responsible for performing periodic reviews and consulting with the respective client. Ongoing reviews of markets, sectors and individual securities are conducted by the respective advisors in their capacity as portfolio managers. Periodically, the members of the FTIAS investment committee meet to review portfolio holdings and suggest to the other members any changes that may need to be made. In depth quantitative reviews of mutual funds are performed not less than quarterly. If existing fund holdings fail certain quantitative criteria, a more in-depth qualitative review will be conducted.

Following Advisor reviews, reports are prepared to assist principals in supervising and monitoring the accounts. Factors that are considered include, but are not limited to the following: investment objectives, targeted allocation, current allocation, suitability, performance, number of trades, monthly distributions, concentrated positions, diversification, and outside holdings. Client agrees to inform the firm in writing of any material changes to the information included in the questionnaire or any other change in the client's financial circumstances that might affect the manner in which client's assets should be invested. Client may contact the firm during normal business hours to consult with the firm concerning the management of the client's account(s).

At least quarterly, clients receive from the account custodian statements that detail account positions, transactions and values. Additionally, clients receive periodic reports that detail account value and performance. Item 15 contains information regarding the custody reports provided.

Item 14 – Client Referrals and Other Compensation

FTIAS, in some instances, may compensate third-party solicitors for client referrals. The solicitor's agreements entered into by FTIAS comply with rule 206(4)-3 promulgated under the Investment Advisors Act of 1940. A FTIAS client who is solicited will receive an additional disclosure document specifically describing the arrangement and the compensation paid to the solicitor. Solicitors' fees will be based on FTIA's normal fee schedule; you will not be charged any additional fees or expenses as a result of the referral.

Item 15 – Custody

Clients should receive statements at least quarterly from NFS or Schwab, or other qualified custodian that holds and maintains your investment assets. FTIAS urges you to carefully review such statements and compare the official custodial records to the account statements that we may provide you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

FTIAS usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Clients must authorize such discretion in the advisory agreement. When selecting securities and determining amounts, FTIAS observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to FTIAS in writing.

Item 17 – Voting Client Securities and Legal Proceedings

FTIAS will vote proxies and take actions related to legal proceedings on securities held in the Account in accordance with the terms of the client's Investment Advisory Agreement. Pursuant to its proxy voting policies and procedures, FTIAS takes steps to see that proxies are voted on securities held in client accounts where authority to vote proxies has not been expressly reserved to the client in the advisory agreement or other documentation. It is FTIAS's aim to see that proxies are voted in the best interest of its clients. To that end, FTIAS has retained an outside service company to provide proxy research and proxy voting services for FTIAS and its clients. Absent unusual circumstances, FTIAS relies on this company in recommending how to vote and in ensuring that proxies are voted in a manner consistent with the guidelines described in the company's U.S. Proxy Voting Guidelines (the "Guidelines"). To the extent the Guidelines do not address a proxy issue, the company will vote that proxy in the best interest of FTIAS's client.

Material conflicts of interest could arise between FTIAS and its clients in voting proxies on behalf of client accounts. However, FTIAS aims to mitigate or eliminate any such conflicts by using the services of the outside company, an independent proxy voting service, to analyze and make recommendations on how to vote client proxies.

FTIAS has contracted with a third party, Securities Class Actions Services, LLC in order to facilitate client recoveries related to securities litigation in order to see that clients receive any securities related recoveries to which they are entitled. Securities Class Actions Services, LLC provides this service to FTIAS clients in return for a contingency fee of 20% of any recoveries.

Upon request, clients may also obtain from us a copy of how we voted or securities litigation actions taken, if applicable, our proxy voting policies, and a copy of the Guidelines.

Item 18 – Financial Information

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

Privacy Policy

We collect nonpublic personal information about you from the following sources: Information we receive on applications or other forms and information about your transactions with our affiliates, others, or us. We do not disclose any non-public information about our current or former customers to any non-affiliated 3rd parties, except as permitted by law or in order to provide the current services. Our employees have limited access to your personal information based on their responsibilities to provide

products or services to you. Be assured that we maintain physical, electronic and procedural safeguards in compliance with federal standards to protect your information. Private client information will not be disclosed for any purposes of marketing and/or solicitation of business.

Upon instruction from you we will share information with parties you authorize.