

ADVISORY FEE SCHEDULE OVERVIEW

ANNUAL ADVISORY FEE

Advisory fees are billed quarterly and debited from the managed account. Clients may arrange other fee payment methods with FPLCM if they would like. We offer the following alternative payment methods:

- Annual fee (paid in full) via check
- Quarterly bill pay established via checking account provider

In addition to the Advisory Fee, clients may be subject to transaction fees associated with the purchase and/or sale of securities in your account. Please refer to the Custodian Comparison Chart for more information regarding transaction fees.

MODEL PORTFOLIO ACCESS

Our Model Portfolios have been created utilizing enhanced index funds, high-quality mutual funds and ETFs from fund companies, such as DFA, Vanguard, PIMCO, WisdomTree, Power Shares, First Trust and iShares. For more information regarding our [Model Portfolios](#), please visit our website.

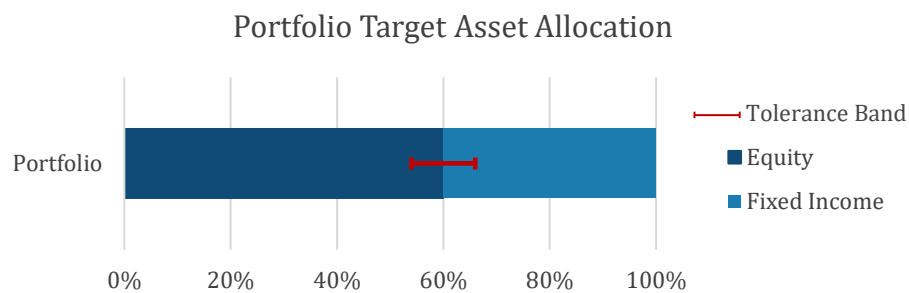
INVESTMENT POLICY STATEMENT

We construct an Investment Policy Statement for every client to provide the following:

- Establish a clear understand of the client's goals and objectives
- Report client risk evaluation results and summarize investment philosophy
- Offer guidance regarding the investment of assets incorporating your risk considerations, tax issues and time horizon
- Identify recommended target asset allocations, establishing a long-term approach

PORTFOLIO REBALANCING

We utilize a tolerance-based system for rebalancing when a position deviates too far from its target allocation. The tolerance-based system uses tolerance bands based on a specific percentage, typically 10% for major asset classes. The chart below shows an example of a portfolio allocated to 60% equities. The portfolio would only require equity rebalancing if the equity allocation exceeded the tolerance band threshold by either increasing to 66% or decreasing to 54% of the portfolio allocation.



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These rebalancing procedures also apply to sub-asset classes (20% tolerance band) in the allocation and our monitored daily by our portfolio management system. Typically, minor rebalancing is only necessary once every 9 to 12 months and does not cause significant capital gains issues.

PORTFOLIO REPORTING

We provide all clients quarterly performance reports for each portfolio through the Client Web Portal. Our performance reports are generated utilizing industry recognized Morningstar Office software. Performance of your accounts will be compared to a comparative benchmark index using the appropriate major indices.

CLIENT WEB PORTAL

The Client Web Portal allows FPL Capital Management to provide Morningstar reports and other files securely to clients. Clients can also view their detailed portfolio information and upload documents for advisor's review.

COMMUNICATIONS (REVIEWS & CALLS)

Year-End Reviews are scheduled in January.

Mid-Year Reviews are scheduled in July.

Quarterly calls can be scheduled at the client's convenience.

ASSET LOCATION

Implementing the model portfolios in a tax-efficient manner can enhance returns by utilizing an Asset Location strategy. Asset Location is the distribution of investments to the most tax-efficient account type based on the tax impacts of each investment.

The general concept is to place the least tax-efficient holdings into a tax-sheltered account and to hold the most tax-efficient securities in taxable accounts. For example, we recommend placing investments whose dividends are taxed as ordinary income into a non-taxable account to avoid higher ordinary income tax rates for the Client. In some cases, we may advise distributing holdings of a model across two different types of accounts.

INTERVAL FUND ACCESS

Interval mutual funds are a hybrid between traditional mutual funds and private funds. These funds are covered under the Investment Advisor Act of 1940 which requires them to meet the same standard for disclosure and diversification as traditional mutual funds. However, these funds have limited liquidity – investors may only sell or redeem their funds at the end of each quarter. Investors can typically invest daily, although some allow entry less frequently.

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The limited liquidity feature provides the managers with the ability to invest in less liquid investments, such as investing in private real estate or private credit funds. Many risk averse investors are attracted to these investments because they typically have low correlation and lower volatility than the capital markets.

OUTSIDE ASSET CONSULTATION

FPL Capital Management will coordinate recommended investment strategies across managed assets and non-managed (outside) assets, such as a workplace retirement plan.

CUSTOMIZED REPORTING

Customized reports are provided at the request of the Client.

PRIVATE FUND ACCESS

We provide our clients with access to private, non-traded securities. Many risk averse investors are attracted to these investments because they typically have low correlation and lower volatility than the capital markets. Private funds also have limited liquidity— the levels of liquidity are fund specific, ranging from quarterly to extended periods of time.

Private funds are typically only available to Accredited Investors or Qualified Purchasers. However, we have arranged for clients to have access to private funds through a few select investment firms while avoiding the high minimum investment requirements typically associated with these funds.

The three areas of private funds which we offer are:

- Private Credit Funds
- Private Equity Funds
- Private Equity Real Estate Funds

WEALTH MANAGEMENT SERVICES

Additional Wealth Management Services outside the scope of our investment management services, such as retirement planning, estate planning, liquidity solutions, business strategies, insurance needs and tax planning are available for an additional fee of \$150/hour.

ADDITIONAL INVESTMENT STRATEGIES

In addition to our model portfolios, we also offer individual stock portfolios. Individual stock portfolios take more time to monitor and manage than our model portfolios, resulting in additional fees for the client.

Also, we provide accommodations for transitioning the existing portfolios of new clients to our model portfolios. New clients find this service beneficial if there are significant gains built up in their current portfolios. There are additional fees for this service, as well.