

ON A QUARTERLY BASIS, LOCKWOOD ADVISORS MAKES INQUIRIES OF THOSE PORTFOLIO MANAGERS THAT TRADE AWAY WITHIN THE LOCKWOOD WRAP PROGRAM.

EACH PORTFOLIO MANAGER IS ASKED TO RESPOND TO A SET OF QUESTIONS, SET FORTH BELOW.

ALL THE DATA HEREIN HAS BEEN DIRECTLY SUPPLIED BY THE PORTFOLIO MANAGER.

\*\*Minor text edits and data summation have been performed by Lockwood in some circumstance to keep the data in a uniform fashion for disclosure, as each Portfolio Manager provides details in various forms.

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***Section I: Frequency***

For each investment style, Portfolio Managers are asked to supply and confirm the frequency and volume of each style, for their trade aways:

- |       |                               |     |                                      |
|-------|-------------------------------|-----|--------------------------------------|
| (i)   | total number of trades        | vs. | total number trades done away;       |
| (ii)  | total numbers of shares/units | vs. | total number shares/units done away; |
| (iii) | total dollar value of trades  | vs. | total dollar value trades done away. |

***Section II: Total Cost***

Total of all added fees/costs associated with the stepped out trade.

(i.e. the mark-up, mark-down, added commissions, added fees, conversion fees or related costs)

***Section III: Assessment***

For EACH step out trade, please indicate the following:

- (i) Benefit Sought
- (ii) Benefit Realized

***Section IV: Conclusion***

An overall written assessment indicating if best execution was achieved (or not), with such conclusion explicitly in terms of the benefits sought/realized given the costs that were incurred.

Trade Away Disclosure  
covering the period  
April 1, 2018 - June 30, 2018

*ALL DATA HEREIN HAS BEEN DIRECTLY SUPPLIED BY THE MANAGER*

Manager's Style	Total Trades	Total Trades Away	Total Shares/Units	Total Shares/Units Away	Total Dollar Value of Trades	Total Dollar Value of Trades Away	Trade Away Cost
<b>Advisors Asset Management</b>							
U.S. Fixed Income Aggregate Bond	13	13	189,000	189,000	\$ 206,476.23	\$ 206,476.23	\$0
What was the benefit sought/realized for trading away? Was best execution realized?	Advisors Asset Management ("AAM") has a Best Execution requirement that forces us to evaluate all bonds available when executing trades and not direct trades to specific Broker Dealers or Custodians. To accomplish this, we leverage our contacts to determine the most beneficial price available on any given day when executing trades.						
<b>AllianceBernstein L.P.</b>							
U.S. Fixed Inc Int-Term Muni Bonds-Tax Aware	211	23	67,410	6,664	4,528,258	562,784	\$0
US Fixed - Nat. Muni's, Long-Term		8	33,705	3,332	2,264,129	281,392	\$0
What was the benefit sought/realized for trading away? Was best execution realized?	The Fixed Income SBU has established the Fixed Income Best Execution Committee, which is charged with, among other matters, reviewing brokerage activity. The Committee consists of senior members of the Fixed Income SBU as well as representatives from the Legal and Compliance Department and Operations. At its regular meetings, the Committee will review analyses and reports relating to broker performance and volume, trader documentation, discuss standards for counterparties and consider other matters relating to trade execution practices.						
<b>Allianz Global Investors U.S. LLC</b>							
U.S. Equity Small Cap Value	44	4	7,211	400	\$245,176	\$9,275	\$0
What was the benefit sought/realized for trading away? Was best execution realized?	Response received, but requested information pertaining to benefit sought/realized and their best execution practices was not received.						
<b>Atlanta Capital Management Company</b>							
U.S. Equity Small Cap Value	387	51	26,494	2,932	\$ 2,018,953	\$ 272,117	Response received but requested data not provided

What was the benefit sought/realized for trading away?  
 Was best execution realized?

Throughout the trading process, the Atlanta Capital trading desk, in the exercise of its reasonable judgment and in the client's interests taken as a whole, will determine if best execution is best maximized by executing directly with the sponsor or by trading away from the sponsor's desk and stepping back in to the sponsor with no additional fees (i.e. no commission fees, markup or markdowns). This decision is influenced by many factors including but not limited to market dynamics, stock specific characteristics, liquidity and execution capabilities of trading partners. Leveraging our relationship with our institutional broker/dealers allows access to "dark liquidity pools" that may reveal a natural contra trading partner. By merging the wrap order with our institutional block order and executing with a single broker, Atlanta Capital trading desk feels this process leads to better execution by limiting the number of trading partners working the same security which in turn significantly limits the possibility of information leakage and signals to the market of our position on a trade.

**Boyd Watterson Asset Management, LLC**

U.S. Fixed High Yield Bonds								
U.S. Fixed Income Aggregate Bond								
U.S. Fixed Income Interm Muni Bonds - State Specific								\$0
U.S. Fixed Income Intermediate-Term Muni Bonds								

Response received but requested data not provided

What was the benefit sought/realized for trading away?  
 Was best execution realized?

Response received, but requested information pertaining to benefit sought/realized and their best execution practices was not received.

**Brandes Investment Partners, L.P.**

Global Balanced	27	7	37,622	10,243	\$ 716,410	\$ 187,633	\$0.02 cps avg.
US Value	9	0	10,572	-	\$ 374,103	\$ -	\$0
European Equity	71	35	84,971	52,240	\$ 1,135,070	\$ 722,742	\$0.015 cps avg.
Global Equity	29	7	84,861	48,133	\$ 3,308,788	\$ 1,495,834	\$0.02 cps avg.
Global Small-Mid	61	37	128,662	97,830	\$ 2,016,943	\$ 1,345,170	\$0.02 cps avg.
International Equity	127	67	367,267	260,714	\$ 6,352,228	\$ 4,637,817	\$0.015 cps avg.
Emerging Markets Opportunities	77	25	111,776	58,994	\$ 791,836	\$ 395,102	16.78 bps avg.

What was the benefit sought/realized for trading away?  
 Was best execution realized?

Response received and details regarding the benefit sought/realized and manager best execution practices are available upon request.

**Delaware Investments**

U.S. Equity Large Cap Growth	36	2	205,388	4,228	\$ 13,853,825.60	\$ 471,482.38	\$0.02 cps
U.S. Equity Large Cap Value	3	2	89,824	37,222	\$ 6,361,660.02	\$ 2,810,772.80	\$0.02 cps

In many wrap fee programs, clients direct [Manager] to execute trades for their accounts through the program sponsor, subject to [Manager's] duty of best execution. [Manager] trades away from the sponsor in all of the strategies available to wrap program clients, and in the Fixed Income, International ADR, Large Cap Value and Small Cap Value strategies, [Manager] trades away from the sponsor with respect to greater than a majority of the portfolio driven trades. [Manager] will trade away when it reasonably believes that another broker-dealer will provide better execution than would be the case if the transaction were executed through the sponsor. If a client seeks to use a strategy in which [Manager] trades away frequently, the client should consider whether the wrap program is an appropriate option, given that the client will be incurring some redundant costs. Client's should review [Manager's] ADV for more detailed information about the costs associated with their trading away activities.

[Manager] considers various factors, including the liquidity of the security, the time that orders will be sent and the possibility of information leakage resulting in worse prices when trades are placed with multiple sponsors, and the need for timely execution when determining whether to trade away from the sponsor. Other broker-dealers may provide [Manager] with brokerage and research services related to non-wrap program trading, so please refer to Delaware's ADV for more information.

What was the benefit sought/realized for trading away?  
Was best execution realized?

#### Eagle Asset Management

Special Fixed Income	27	27	88,664	88,664	\$	87,625.72	\$	87,625.72	\$0
Total Return Muni Fixed	84	84	1,235,000	1,235,000	\$	1,449,783.08	\$	1,449,783.08	\$0
U.S. Balanced Large Cap Core	10	10	64,000	64,000	\$	48,141.63	\$	48,141.63	\$0
U.S. Fixed Income Intermediate-Term Gov/Corp Bonds	198	198	624,000	624,000	\$	530,845.65	\$	530,845.65	\$0
US Balanced Core (50/50)	199	199	1,012,000	1,012,000	\$	868,386.44	\$	868,386.44	\$0

What was the benefit sought/realized for trading away?  
Was best execution realized?

Response received, but requested information pertaining to benefit sought/realized and their best execution practices was not received.

#### Invesco Advisers, Inc.

International Equity Core Markets Growth	226	7	6,074	329		\$82,633		\$4,837	\$0.02 cps
Real Estate Investment Trust	21,777	479	271,509	117,543		\$11,622,549		\$4,792,204	

**Benefit Sought:** Invesco's policy and fiduciary obligation is to seek best execution on each transaction undertaken on behalf of its clients. Traders may aggregate orders (for accounts that allow aggregation) and may trade away from WRAP sponsors when seeking best execution. Invesco's best execution process includes choosing a broker and executing the trade in such a manner that the total costs or proceeds in the transaction are the most favorable under the circumstances.

**Benefit Realized:** Invesco's 2Q18 Transaction Cost Analysis sub-committee (a sub-committee of the Global Trading Oversight Committee "GTOC") met on August 16, 2018. All transaction cost data for the 2Q18 was reviewed by the Invesco Trading Research team and the Transaction Cost Analysis sub-committee. No outliers were identified related to the Lockwood account. The committee concluded that Best Execution was achieved / realized during the 2Q18.

What was the benefit sought/realized for trading away?  
Was best execution realized?

#### Lazard Asset Management

Global Balanced Core Markets Value	19	2	1,674	429	\$	94,519	\$	10,402	
Global Equity Core Markets Value	19	2	141,937	44,792	\$	8,217,216	\$	1,075,634	
International Equity Broad Markets Value	19	14	31,480	24,347	\$	554,973	\$	464,814	
International Equity Core Markets Value	12	8	70,969	50,575	\$	1,821,422	\$	1,412,354	0.03% of Notional Amount
International Equity Regional Europe	17	10	70,367	50,258	\$	1,944,444	\$	1,393,478	
U.S. Equity Large Cap Value	35	0	4,333	-	\$	2,974,774	\$	-	

US Equity Concentrated	32	4	1,235,729	141,201	\$	79,605,737	\$	9,330,176
International Equity Emerging Markets	17	9	721,335	364,388	\$	9,068,141	\$	5,174,000

What was the benefit sought/realized for trading away? Was best execution realized? Lazard Asset Management LLC seeks to execute transactions for Clients in such a manner that the Client's total cost or proceeds in each transaction is the most favorable under the circumstances in accordance with its duties pursuant to SEC guidance regarding best execution.

**Legg Mason Private Portfolio Group, LLC**

Balanced Income 70/30	6	6	181	181	\$	13,737	\$	13,737
Global Equity Core Markets Value	143	23	55,902	43,764	\$	1,069,326	\$	777,810
International Equity Core Markets Value	397	15	148,022	105,602	\$	2,339,390	\$	1,696,411
Legg Mason All Cap Blend Portfolios (MDAO)	86	47	1,029	990	\$	43,228	\$	38,205
Multi Cap Growth	196	3	16,291	10,150	\$	786,076	\$	471,402
U.S. Equity All Cap Value	37	37	11,074	11,074	\$	406,269	\$	406,269
U.S. Equity Large Cap Growth	65	12	9,389	8,485	\$	453,519	\$	386,156

Ranges from \$0 to \$0.02 per share

What was the benefit sought/realized for trading away? Was best execution realized? As is more fully described in Item 12 of Legg Mason Private Portfolio Group, LLC's (LMPPG), Form ADV brochure, LMPPG executes all or substantially all "model change" trades on behalf of its managed account program clients as an aggregated block trade through a single broker-dealer instead of executing such trades with each client's sponsor firm or designated broker as LMPPG believes that handling such trades in such manner enhances its ability to obtain best execution for client accounts. Item 12 of LMPPG's Form ADV brochure also describes the trade cost analysis that LMPPG does on significant block trades in an effort to monitor that the block trading method utilized by LMPPG is consistent with its obligation to seek best execution for client transactions. The trade cost analysis includes any implied commissions paid as such charges are reflected in the total security price or proceeds.

**Lord, Abnett & Co., LLC**

U.S. Fixed Income Long-Term Municipal Bonds	Response received but requested data not provided							\$0
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What was the benefit sought/realized for trading away? Was best execution realized? Trades away from Lockwood do not incur any additional costs and typically provide the opportunity to reduce transaction costs. For selling bonds, each year we complete trades with over one hundred dealers so we can put them in competition to produce the best bid rather than relying on just one firm to provide liquidity. Similarly when we buy bonds we have access to the same number of dealers so we are able to select from the full range of new issues and bonds offered in the secondary market. Lord Abnett does not mark up or charge commission for trades, so we do not collect any profits from completing the transactions. The dealers we trade with include the size of their commission in the net price they are paying us so we do not control their markup but are able to monitor them through municipal bond market data in order to make sure they are fair. Commissions are typically smaller for larger institutional size trades and when dealers are put in competition for business, but we review the net prices to us to determine if the bid or offer is attractive for our clients. Any commissions that are charged generally come from the client's custodian, if they are charged at all.

**Madison Investment Advisors, LLC**

U.S. Fixed Income Intermediate-Term Corporate Bonds	27	27	214,000	214,000	\$	210,848	\$	210,848	\$0
U.S. Fixed Income Intermediate-Term Gov't Bonds	21	12	170,000	170,000	\$	166,900	\$	166,900	\$0
U.S. Fixed Income Intermediate-Term Gov/Corp Bonds	621	621	5,898,000	5,898,000	\$	5,802,088	\$	5,802,088	\$0

What was the benefit sought/realized for trading away?  
Was best execution realized?

100% of the trades we conduct for sponsor program accounts invested in our fixed income strategies are conducted as step-out transactions to avoid conflicts with principal/agency status of sponsor firms and to ensure best execution for clients. When we step-out trades for fixed income accounts, trading lists are sent to multiple dealers in order to get best execution. Dealers are not paid a fee for bond transactions, but instead are compensated by the bid/ask spread. As such, there are no additional costs beyond the bid/ask spread that are charged as a result of step-out fixed income transactions. We seek to buy/sell full positions, but markets occasionally require us to buy/sell partial positions. In such cases, allocation post-trade occurs and we will apply securities/proceeds pro rata across effected accounts. By aggregating the purchases or sales of a broader base of clients, including those who use other brokers and/or custodians, we may be able to find additional bonds available in larger blocks, resulting in better overall prices. We believe to have achieved best execution for the trades we conducted on behalf of Lockwood accounts invested in our fixed income strategies at no additional cost to clients.

**Natixis Advisors, L.P.**

U.S. Fixed Income Inter-Term Gov/Corp Bonds	567	18	3,303,000	1,900,000	3,241,732	1,858,967	Ranges from \$0 to \$0.36 in total transaction fees
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What was the benefit sought/realized for trading away?  
Was best execution realized?

Response received, but requested information pertaining to benefit sought/realized and their best execution practices was not received.

**Nuveen Asset Management, LLC**

US Fixed Taxable Long Term	544	19	2,568,505	2,617,164	\$ 69,127,562	\$ 52,672,123	\$0
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What was the benefit sought/realized for trading away?  
Was best execution realized?

Response received, but requested information pertaining to benefit sought/realized and their best execution practices was not received.

**NYLIM - Mackay Shields LLC**

Convertibles All-Cap Core	161	21	Not provided	516,002	Not provided	\$ 661,717.93	\$0
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What was the benefit sought/realized for trading away?  
Was best execution realized?

The MacKay Shields convertible strategy employs the use of trade-aways for the majority of the trading done for all clients across all sponsor platforms. This is not limited to a particular quarter or a period of time, but has been and will be consistent as part of our trading strategy. The portfolio composition of convertible bonds varies between 80% and 90% of the model portfolio with the remainder being convertible preferred stock. We trade all the listed preferred that have sufficient liquidity with the sponsor platforms but trade the bonds exclusively with market makers with whom MacKay Shields has an established relationship with the convertible trading desks and who make markets for our securities. This is a specialized product and we aggregate the securities across accounts as well as sponsor firms to build larger blocks and get better pricing for all of our clients. Because many of the convertible bonds are difficult to execute, we employ this strategy to achieve best execution. As these transactions are mainly bonds or over the counter preferred stock there were no additional mark ups or commissions on these transactions beyond the structure of the customary bid / offer prices and we believe that these transactions were executed on behalf of our clients in such a manner that the clients' total cost or proceeds in each transaction was the most favorable under the circumstances. It should be noted that in seeking to maintain best execution on behalf of our clients, we may consider factors beyond simply price, commission rates or spreads, including the full range and quality of a broker's services in placing brokerage. These factors might include, among other things, the value of research provided, execution capability, financial responsibility, and responsiveness.

**Pacific Income Advisers**

U.S. Fixed Income Intermediate-Term Gov/Corp Bonds	92	60	1,178,000	1,126,000	\$ 1,154,852.00	\$ 1,103,754.00	\$0
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U.S. Fixed Income Total Return Gov/Corp Bonds	51	0	92,000	-	\$	91,065.00	\$	-	\$0
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What was the benefit sought/realized for trading away? [Manager] does not track benefits sought/realized, so I was unable to provide this information; however, [Manager] does have a best execution policy in place. [Manager] believes that we have achieved best execution for our clients by choosing the best price available for our trades, from brokers who are able to execute and settle trades in a timely manner.

Was best execution realized?

**Polen Capital Management, LLC**

U.S. Equity Large Cap Growth	1,741	617	92,595	11,846		\$12,160,849.57	\$1,799,592.91	\$0
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What was the benefit sought/realized for trading away? [Manager] believes we are better positioned to seek best execution for the Lockwood accounts when we can aggregate them with other accounts we manage, for no extra monetary cost. This reduces the risk of information leakage to the market, the potential price impact from the delay of having to execute trades at multiple sponsors, and the potential performance dispersion that could result from such delays. However, it is difficult for [Manager] to quantify this "benefit" (e.g., there is no single approach to placing Lockwood in a separate part of our trade rotation and, even if there were, [Manager] would not be able to predict whether the price would have been higher or lower). Again, given no costs were incurred as a consequence of our trading away, we believe we have been able to seek best execution for the accounts by trading away.

Was best execution realized?

**Principal Global Investors, LLC**

Spectrum Preferred	641	36	13,005	5,626		329,701	140,841	\$0
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What was the benefit sought/realized for trading away? \*Spectrum seeks to step out trades in order to facilitate the implementation of model revisions in a timely manner utilizing best efforts to achieve best execution. Most often these changes are most ideally executed immediately after a new security has been priced and begins trading in the secondary market. During this time period liquidity is at its optimum thereby ensuring complete execution of trades. Spectrum bears all the costs of these stepout executions with no mark ups, mark downs or commissions added to execution price. [Manager] indicated Benefit sought: "Implement Change in timely manner while liquidity is optimal and ensuring best execution." [Manager] indicated Benefit Realized: "Achieved"

Was best execution realized?

**Riverfront Investment Group LLC**

Moderate Growth & Income	62	13	45,608	43,040		\$2,597,399	\$2,435,347	\$0 **Net
ETF Moderate Growth & Income	82	13	6,918	5,750		\$391,491	\$323,520	\$0 **Net
Dynamic Equity Income	1184	13	697,443	644,030		\$36,272,753	\$32,947,180	\$0 **Net
ETF Dynamic Equity Income	652	11	212,171	76,491		\$4,343,900	\$3,925,842	\$0 **Net
Global Allocation	589	10	129,567	96,840		\$6,776,814	\$4,847,187	\$0 **Net
ETF Global Allocation	402	10	65,880	57,727		\$3,305,586	\$2,878,794	\$0 **Net
Global Growth	98	10	23,113	22,670		\$1,112,211	\$1,078,595	\$0 **Net
ETF Global Growth	177	10	12,205	11,142		\$590,940	\$529,752	\$0 **Net

What was the benefit sought/realized for trading away? Total Trades and Total Trade Away were not supplied by the Manager. Response received and details regarding the benefit sought/realized and manager best execution practices are available upon request.

Was best execution realized?

**Thornburg Investment Management, Inc.**

International Equity Broad Markets Value	136	104	23,975	19,593	\$	505,308.03	\$	355,375.68	Ranges from (\$0.02) credit per share to \$0.25 cost per share
U.S. Equity All Cap Value	77	26	12568	5432	\$	326,405.56	\$	83,986.43	

Prior to conducting each “stepped out” trade, Thornburg conducts an analysis to assess whether each proposed “stepped out” trade appears to be in the best interest of the client relative to the services provided that would be provided by the wrap sponsor if the wrap sponsor were to execute the trade. In conducting its analysis, Thornburg considers relevant factors, including but not limited to:

- the average daily volume of the security to be traded relative to Thornburg’s total order size;
- whether other Thornburg strategies will be simultaneously trading the same security;
- if the security to be traded is an ADR, whether the ADR or non-ADR line will provide more liquidity;
- availability of the wrap program sponsor’s trade desk when Thornburg seeks to execute trades during non-US trading hours;
- whether Thornburg is able to access natural/block liquidity;
- whether there are time constraints to execute the trade quickly, since trading through wrap program sponsors will typically cause the additional time to trade;
- whether the security’s price is volatile;
- whether information leakage to high frequency traders or other market participants caused by the wrap sponsors’ trading, may cause the security’s price to move unfavorably.

What was the benefit sought/realized for trading away?  
Was best execution realized?

WCM Investment Management							
1	1	Not provided	\$0				
What was the benefit sought/realized for trading away? Was best execution realized?	Response received, but requested information pertaining to benefit sought/realized and their best execution practices was not received.						

\*\* 'Net' indicates that the Portfolio Manager could not identify the exact cost as the execution prices netted any mark-up/down into the execution price.

^ Certain documentation that is physically mailed to clients, such as confirmations and statements, may result in additional charges and fees. In certain circumstances, if a manager trades away and the client is set up to receive paper confirmations, the added paper fees are imbedded in the cost of the transaction.

† Repeated failure of a Portfolio Manager to respond to requests for trade away information or if Lockwood determines the Manager is not complying with its best execution obligations, will be escalated to Lockwood’s Investment Committee and may result in the Portfolio Manager being removed from the Lockwood sponsored programs.