

# Lockwood Advisors, Inc. Managed360<sup>®</sup> Program Terms and Conditions

MANAGED360<sup>®</sup> | LOCKWOOD ADVISORS, INC.

## Overview

These Terms and Conditions ("Terms") are legally binding and are considered part of your Investment Advisory Agreement ("Agreement") with Lockwood Advisors, Inc. ("Lockwood"). Among other things, these Terms describe the roles of Lockwood, Pershing LLC ("Pershing"), a Lockwood affiliate, your advisor, and other services providers, and provide a description of the various investment options that comprise the Managed360 Program. Each of Lockwood and Pershing is a wholly-owned subsidiary of The Bank of New York Mellon Corporation ("BNY Mellon"). These Terms also include important disclosures, authorizations and legal terms.

For ease of reference, these Terms refer to Client as "you" or "your."

## I. Managed Account Services

### A. Roles of Lockwood, your Consultant and other service providers

(i) **Broker:** Broker is the introducing broker on your brokerage account(s). Broker introduced your Account(s) to Pershing. Depending on the program, Broker may be Pershing Advisor Solutions LLC ("PAS"), a Lockwood affiliate.

(ii) **Consultant:** Consultant is the investment advisory representative (or others authorized to act on behalf of the Advisor) of the investment advisory firm (the "Advisor") responsible for, among other things, assisting you in determining your investment objectives, developing a suitable investment plan and selecting one or more suitable investment options for your managed account ("Account").

(iii) **Lockwood:** Lockwood is the sponsor of the Managed360 Program. If you select one or more of the following investment options ("Lockwood Investment Options"), Lockwood will also serve as your discretionary investment manager:

- Lockwood AdvisorFlex Portfolios™ ("AFP")
- Lockwood Investment Strategies ("LIS")
- Lockwood WealthStart Portfolios ("WealthStart")
- Lockwood Asset Allocation Portfolios ("LAAP")
- Lockwood/American Funds Core Portfolios
- Lockwood Flexible Unified Managed Account ("Flexible UMA")
- Third Party Strategists Portfolios ("Strategists")

**Note:** For the SMA investment option, one or more Managers (defined below) serve as your discretionary investment manager(s).

Lockwood evaluates the Managers, Sub-Advisors, third party model providers and Strategists. Lockwood also evaluates the mutual funds, exchange-traded funds ("ETFs") and other investment vehicles used for each Lockwood Investment Option. Lockwood identifies, evaluates and implements these investment options, and conducts ongoing maintenance. Lockwood, in its sole discretion, may waive Account(s) minimums for the Lockwood Investment Options.

(iv) **Managers:** Generally, Managers provide discretionary investment management services based on your investment objectives.

(v) **Model:** Model is an asset allocation, or series of combinations of different asset classes.

(vi) **Pershing:** Pershing is the custodian for your Account(s). Pershing provides custodial statements at least quarterly for each Account(s). Consolidated performance reporting is available on-line through NetX Investor. See below for more information.

(vii) **Strategists:** Generally, Strategists provide non-discretionary management services by providing Lockwood with a model portfolio in accordance with a particular investment style.

(viii) **Sub-Advisors:** Generally, Sub-Advisors provide discretionary investment management services with respect to some or all of your assets in accordance with stated guidelines and objectives.

### B. Managed360 Program Descriptions/Authorizations

**Brochure.** Lockwood's Form ADV Part 2A, Appendix 1 Wrap Fee Program Brochure for the Managed360 Program ("Wrap Fee Program Brochure"), is incorporated into your Agreement by reference. The Wrap Fee Program Brochure provides an in-depth description of the Managed360 Program, including a description of Program fees, potential conflicts of interests, risks, and other important information. Please read it carefully.

**Mutual Funds/Investment Vehicles.** Some Managers may invest all or a portion of your assets in third-party or proprietary mutual funds and other investment vehicles. The mutual funds/investment vehicles may impose additional restrictions such as restrictions on investing in the mutual fund/investment vehicle outside of the Account(s) managed by the Manager. Please refer to the applicable mutual fund/investment vehicle prospectus for more information about its fees, risks and other important information.

### 1. Separately Managed Account (SMA) Investment Option

a. **Manager Selection.** Your Consultant will recommend one or more Manager(s) to you that your Consultant deems appropriate. You acknowledge that your Consultant has discussed the recommendations with you. In accordance with your independent deliberation, and in concurrence with your Consultant's recommendation, you have selected the Manager(s) indicated in the Agreement. You hereby instruct Lockwood to hire the selected Manager(s) on your behalf.

b. **Analysis.** Lockwood may provide written analysis of one or more Managers and their investment styles to your Consultant. You agree that the analyses do not constitute Lockwood's recommendation of the Manager(s) to you.

c. **Authority.** You hereby grant Lockwood the necessary authority to hire and fire the Manager(s) selected by you, on your behalf. All investment decisions will be made by the selected Managers. Lockwood does not have investment discretion under the SMA investment option and is not and will not be responsible for any day-to-day investment management decisions in connection with the SMA investment option.

d. **Investing Timeframe.** Each Manager employs its own timeframe for investing funds once Lockwood has turned over new assets to that Manager. You should consult each Manager's Form ADV Part 2A Brochure or other disclosure documents to determine the Manager's specific procedures. Lockwood is not responsible for any adverse effect caused by a Manager's failure to invest your funds on a timely basis.

e. **Options.** If you select an investment style in which a Manager uses investment options, you will be required to agree to specific, additional terms related to options transactions, as fully described in the applicable Options Agreement, which you will enter into with Broker.

## 2. Lockwood AdvisorFlex Portfolios (“AFP”)

AFP is a flexible mutual fund and ETF wrap account investment option, which includes three objectives-based strategies (Appreciation, Income and Preservation). Multiple Models are available for each strategy, as described in the Wrap Fee Program Brochure.

You may grant limited discretion to your Consultant to make changes to selections in your AFP account and to make other decisions relating to the AFP account on your behalf. Please refer to your agreement with your Advisor and/or Consultant for more information regarding the discretion you grant to your Consultant.

The minimum size for each AFP Account(s) is \$50,000, with minimum subsequent contributions of \$1,000 each.

## 3. Lockwood Investment Strategies (“LIS”)

LIS is a fixed multi-discipline wrap account investment option housed in a single portfolio. Lockwood determines asset allocation strategy and selects investment vehicles and third party model providers for each investment style component of LIS based on its proprietary approach to asset allocation, as well as its macroeconomic outlook and investment discipline. LIS consists of five core Models and four additional Models with exposure to non-traditional classes, as described in the Wrap Fee Program Brochure.

The minimum size for each LIS Account(s) is \$250,000, with minimum, subsequent contributions of \$2,500 each.

## 4. Lockwood WealthStart Portfolios (“WealthStart”)

WealthStart is a fixed wrap account investment option. Lockwood allocates your assets systematically across multiple asset classes and styles in a single portfolio. Assets are primarily invested in ETFs, but may be invested in other investment vehicles, such as mutual funds and closed-end funds. Lockwood determines the asset allocation strategy and selects investment vehicles for each investment style in the portfolio, based upon its proprietary approach to asset allocation, as well as its macroeconomic outlook and investment discipline. WealthStart consists of twelve core Models, as described in the Wrap Fee Program Brochure.

The minimum size for each WealthStart Account(s) is \$10,000, with minimum, subsequent contributions of \$1,000 each.

## 5. Lockwood Asset Allocation Portfolios (“LAAP”)

LAAP is a fixed wrap account investment option. Lockwood determines asset allocation strategy and selects investment vehicles for each investment style component of LAAP based on its proprietary approach to asset allocation, macroeconomic outlook and investment discipline. LAAP consist of five core Models, which may consist of mutual funds, ETFs and other types of investment vehicles, as determined by Lockwood. The Models are described in the Wrap Fee Program Brochure.

The minimum initial investment is \$50,000, with minimum subsequent investments of \$1,000 each.

## 6. Lockwood/American Funds Core Portfolios

Lockwood/American Funds Core Portfolios is a fixed wrap account investment option. Lockwood allocates client assets systematically across multiple asset classes and styles primarily using American Funds mutual funds and other select ETFs in a single Account(s). Lockwood determines the asset allocation strategy and selects investment vehicles for each investment style in the portfolio, based upon proprietary modeling strategies, economic outlook and investment research discipline.

Lockwood is solely responsible for the fund selection and construction of the Lockwood/American Funds Core Portfolios and neither American Funds Distributors, Inc. nor its affiliates are involved in such activities, nor

do American Funds Distributors, Inc. or its affiliates serve as investment adviser to your Account(s).

The Lockwood/American Funds Core Portfolios consist of three Models designed to align with key stages of the investor lifecycle, which may consist of open and closed-end mutual funds, exchange-traded funds and other types of securities, as determined by Lockwood in its sole discretion. The Models are described in the Wrap Fee Program Brochure.

The minimum initial investment is \$10,000, with minimum subsequent investments of \$1,000 each.

## 7. Lockwood Flexible Unified Managed Account (“Flexible UMA”)

Flexible UMA is a flexible multi-discipline wrap account investment option. Flexible UMA consists of investment options as determined by Lockwood, which include investment vehicles, Sub-Advisors, and third party investment models provided to Lockwood (including Strategists models)

The minimum size for each Flexible UMA Account(s) is \$50,000, with minimum subsequent contributions of \$1,000 each.

## 8. Third Party Strategists Portfolios (“Strategists”)

Strategists provide Lockwood with strategy specific model portfolios which, in turn, Lockwood uses to manage your Account(s). In accordance with your independent deliberation, and in concurrence with your Consultant’s recommendation, you select the Model(s) as indicated in the Agreement. Each of the Models is described in the Wrap Fee Program Brochure.

Lockwood will invest the assets in your Account(s) according to the Model you have selected. Lockwood will also periodically rebalance your Account(s) so that the assets you own are in line with the Model without receiving prior approval from you.

Once a particular Strategist notifies Lockwood of model portfolio changes, Lockwood will normally make corresponding changes to your Account(s), however, Lockwood reserves the right to not accept a particular change to a Model. For example, if a security is subject to a reasonable restriction you imposed, Lockwood will not purchase that security for your Account(s).

The minimum initial investments vary by Model. More information is available in the Agreement.

## C. Managed360 Program Fees, and Other Fees and Expenses

This Section provides general information regarding fees you pay to have your assets managed via the various investment options described above (“Program Fee” or “Fee”). The Program Fee covers program administration services provided by Lockwood, custody and clearing of transactions provided by Pershing, support services provided by Broker and, as applicable, for the management or advisory services provided by Lockwood, or the applicable Manager(s). With respect to the Strategists offering, certain Strategists charge a fee for their services, which is separate from and in addition to the Program Fee. With respect to the Flexible UMA offering, Sub-Advisers and certain third party model providers charge a fee for their services which are separate from and in addition to the Program Fee. Also with respect to the Flexible UMA offering, Lockwood charges a fee for certain Lockwood investment options, which is separate from and in addition to the Program Fee. Fees vary by investment option. For additional information regarding the fees applicable to your selected investment option(s), please refer to the Wrap Fee Program Brochure.

**Excluded Fees/Expenses.** The Program Fee does not cover services provided by your Consultant, which are separately negotiated with you, although the Consultant’s fee may also be paid from the Account(s) managed via the relevant investment option.

Also not included in the Program Fee are charges associated with securities transactions such as the following: (i) dealer markups, markdowns or odd-lot differentials; (ii) management fees, redemption fees, and operational expenses such as transfer agent, distribution (Rule

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12b-1), shareholder servicing, networking, recordkeeping expenses, levied by mutual funds, closed-end funds, UITs, ETFs, ETNs, real estate investment trusts, and other pooled investment vehicles; (iii) charges imposed by law; (iv) costs relating to trading in foreign securities (other than commissions otherwise payable to Lockwood or an affiliated person thereof); (v) other specialized charges, such as transfer taxes, exchange or auction fees and SEC transaction fees; and (vi) any brokerage commissions or other charges imposed by broker dealers or entities other than Pershing and the liquidation fee described below.

## **Additional Fees/Expenses.**

**Interest.** Lockwood or an affiliate will also charge interest on any outstanding loan balances to clients who borrow money from it.

**Account(s) Service Fees.** You also may be charged for specific Account(s) services, such as costs associated with temporary investment of your funds in a cash management Account(s), trust service charges, transfer on death, returned check fees, ACAT transfers, annual and termination fees for retirement Account(s), electronic fund and wire transfer charges.

**Mutual Fund Surcharge.** If your Account(s) holds mutual funds, the Account(s) may be charged a \$10.00 surcharge by Pershing for each purchase and sale transaction in the mutual funds of certain mutual fund families ("Mutual Fund Surcharge"). The Mutual Fund Surcharge is in addition to the Program Fee and will be listed on your brokerage statement.

**International Styles Fees/Expenses.** Managers that offer international investment styles may purchase or include securities on foreign exchanges ("Ordinaries"), which are converted to American Depositary Receipts ("ADRs") prior to being added to a your Account(s). If you select international investment styles, you may be charged certain hard dollar fees associated with the foreign exchange, taxes and other related fees. These fees typically include, but are not limited to, brokerage expenses, local market execution fees and taxes, exchange-specific taxes/stamp fees, duties/levies, ADR conversion fees, and/or additional settlement and custody charges. Pershing may assess a fee relating to the expenses for such transactions.

In addition, some non-U.S. jurisdictions may impose taxes on securities transactions. As an example, France has imposed a tax on transactions in eligible French equity securities, which includes Ordinaries and ADRs or similar securities representing French equity securities. If your Account(s) is invested in accordance with an investment style containing any securities subject to such a tax, your Account(s) will be assessed this tax, which will be remitted to the government of the applicable non-U.S. jurisdiction.

Pershing may use a third-party or an affiliated broker-dealer licensed in Canada, which entity may be paid execution fees for trade execution in Canada.

**Fee Debit Authorization.** You hereby authorize Lockwood to debit the Program Fee from each Account(s) at inception and quarterly thereafter, based on the value of the assets in the Account(s) on such dates. The Fee will be due on the date the relevant Account(s) is opened at Lockwood and will cover the period from such opening date through the final business day of that calendar quarter, prorated accordingly. Thereafter, the Fee shall be paid quarterly in advance.

**Valuation.** For the purposes of fees and valuation, securities will be valued at the closing price on the principal exchange on which they are traded, and will be based on the value of the relevant Account(s) as of the end of the previous quarter. All cash and securities in the relevant Account(s) will be included in determining the value of the Account(s) for the purpose of calculating the Fee. Investments not listed on a national securities exchange will be valued in a manner determined in good faith by Pershing by consulting other exchanges or valuation services.

**Order of Payments.** The Fee will be paid first out of free credit balances, if any, in the Account(s), second, from the liquidation or withdrawal by Lockwood of shares of any money market funds or balances in any money market account (which you hereby authorize), and to the extent that such

assets are insufficient to satisfy payment of the Fee, from the sale and liquidation of other Account(s) assets. Lockwood will not be liable for any loss or tax consequences as a result of selling Account(s) assets to satisfy your obligation to pay the Fee. Lockwood has the right to modify or change the fee schedule applicable to its services upon thirty (30) days' written notice to you.

**Householding.** If you have more than one Account(s) managed via investment options, those Account(s) may be "household" for purposes of calculating the Fee. A "household" is generally a group of Account(s) having the same address of record or same Social Security number. Individual Retirement Accounts ("IRAs"), SIMPLE IRAs and other personal retirement Account(s) generally may be combined for householding purposes; however, other retirement plan Account(s) subject to ERISA and charitable remainder trusts may not be included. Fees for Account(s) that may be householded are subject to negotiation and Lockwood's approval. Lockwood calculates a household fee by totaling the market value of all the Account(s) in the household and charging the Account(s) according to the applicable fee schedule(s). The fee rate for each account in a household is determined by the aggregated assets of the household and the fee schedule assigned to each account. The fee rate is then applied to the market value of the account to determine the fee charged.

**Additions/Withdrawals.** You are permitted to make additions to your Account(s) at any time, which may result in a prorated fee adjustment. You are permitted to withdrawal assets at any time. Pershing will deliver withdrawn assets to you promptly after the appropriate clearing time. No Program Fee adjustment will be made for interim, partial withdrawals. However, in the event the Account(s) is terminated by either party in writing, fees paid for that quarter will be prorated on a daily basis and any unearned portion returned to you.

**Manager Administrative Fee.** For the SMA investment option, Lockwood may charge Managers (not you) an administrative fee ("Administrative Fee") to cover expenses associated with the portfolio accounting system, billing support provided to Managers, tax lot or performance reporting and other administrative services provided by Lockwood. The Administrative Fee is four (4) basis points (0.04%) for fixed income Managers and six (6) basis points (0.06%) for equity/balanced Managers, based on the market value of the assets managed by the Manager. The Administrative Fee is paid by the Manager to Lockwood and is not charged to your Account(s).

## **D. Authorizations**

The following authorizations are in addition to, and not in lieu of, any other authorizations set forth in the Agreement.

Subject to any limitations set forth in the Agreement, you hereby grant to each Manager (including Lockwood when it acts in the capacity as a Manager) and Sub-Advisor, as applicable, complete and unlimited trading authorization with respect to your Account(s), and, with respect to Sub-Advisor(s), the portion of your Account that it manages with the power to invest and reinvest securities, financial instruments, cash or other investments in accordance with your investment objectives to the extent consistent with the relevant Lockwood or SMA Investment Option you have selected. You also hereby appoint each Manager (including Lockwood when it is acting in the capacity as a Manager), and Sub-Advisor, as applicable as your agent and attorney-in-fact with respect to your assets it manages pursuant to the Agreement. Investments may be made in securities and financial instruments of any kind (to the extent consistent with the relevant investment option) and except as designated in your reasonable investment restrictions, if any.

For all purchases and sales, you hereby authorize Broker to follow all of your Managers' (including Lockwood when it is acting in the capacity of Manager) and Sub-Advisors' instructions in the same manner and with the same force and effect as you might or could do with respect to such purchases and sales, as well as with respect to all other things necessary or incidental thereto. This trading authorization is a continuing one, and will remain in full force and effect until terminated by you or Lockwood.

You hereby authorize Pershing and Broker to accept and act upon instructions concerning your Account(s) from your Consultant without inquiry or investigation only as authorized under the terms of this Agreement and pursuant to any Letter of Authorization (“LOA”) that you complete, sign and submit.

## **E. Letter of Authorization Error Resolution**

You agree to notify Lockwood of any error in implementing the request set forth in a LOA no later than forty-five (45) days after Lockwood receives the LOA, regardless of whether you sent the LOA or your Consultant sent it under the terms of a limited power of attorney. Upon receipt of the error notification, Lockwood will conduct its standard error resolution process. If you do not notify Lockwood of an error within this forty-five (45) day period, Lockwood shall not be responsible for any liability relating to the error or for error resolution. Nonetheless, Lockwood seeks to correct errors affecting Account(s) in a fair and timely manner and seeks in all instances to act in your best interest.

## **F. Investment Strategy Proposal**

You acknowledge and agree that if you receive an Investment Strategy Proposal (“Proposal”), that the Proposal is not a contract. Rather, the Proposal is intended to be a summary of an investment philosophy and process, providing guidance for you, your Consultant and the Managers. The investment strategy described in the Proposal should reflect your desired investment goals and philosophy in terms of an investment objective. Your investment strategy should be reviewed periodically in relation to your economic and financial situation and investment objectives. It is understood that there can be no guarantee about the attainment of any particular goals or investment objectives.

The Proposal Summary, which is part of the Proposal, includes a summary of your investment selections as well as the applicable fee schedule(s). The Proposal Summary may be incorporated by reference and become part of your Agreement.

You understand and acknowledge that the Proposal is based on information you provided with respect to your current financial situation and needs. You also understand that you should contact your Consultant when your financial situation or investment objectives change, to discuss what, if any, changes would be appropriate at such time. Circumstances that would trigger a re-evaluation of your portfolio may include, but are not limited to: retirement, loss of employment, change in income, inheritance, marriage, divorce, birth of a child or a child entering college.

The targeted asset allocation contained in the Proposal is simply one of several possible asset mixes that may be suitable for you. The universe of possible asset classes that may be included in the targeted asset allocation is limited to those asset classes that are included in the tools used to create the Proposal. Therefore, other asset classes that may be suitable for your financial situation may not be included in the targeted asset allocation. In addition, the investment selections presented in the Proposal are examples of how you may choose to implement the targeted asset allocation. There may be other investments that may be more appropriate to implement your investment strategy.

## **G. Trading Acknowledgment and Trading Services**

You hereby acknowledge that Managers you select may select Pershing, a Lockwood affiliated broker-dealer, for trade execution. For third-party Managers, you acknowledge that Lockwood has no involvement in any Manager’s selection.

You further acknowledge and agree that trades may be executed on a principal basis, unless your Account(s) is an IRA account or subject to ERISA. Lockwood monitors third-party Managers’ ability to achieve best execution with respect to such trades.

Unless you direct otherwise, you hereby instruct your Manager(s) (including Lockwood if acting as Manager) to use the execution services of Broker via Pershing to effect transactions for the purchase and/or sale of securities and other investments. However, if a Manager reasonably believes in good faith that another broker or dealer will provide better

execution considering all factors, which may include the total price (including commissions) being lower than it believes is obtainable through Broker, then it may execute elsewhere. In particular, some third-party Managers have historically executed all or a portion of their trades for fixed-income, foreign or small cap securities or strategies with broker-dealers other than Pershing. If a Manager executes trades with a broker-dealer other than Pershing, the expenses of transaction-related services provided by that other broker-dealer will cause your Account(s) to incur commissions, mark-ups, mark-downs, or other additional trading costs that are in addition to the Program Fee. Lockwood is not responsible for any such decision by a third-party Manager.

You may direct that one or more of the Managers utilize the services of one or more particular broker-dealers. In that case, you acknowledge that you may not always be charged the lowest available fee, that such arrangement may affect the Managers’ ability to negotiate commissions, obtain volume discounts or achieve best execution for broker-directed Account(s) in some transactions, and, as noted above, you will incur trading costs that are in addition to the Program Fee.

Where Lockwood’s affiliate, PAS serves as Broker there may be a conflict of interest in selecting PAS to serve as broker and perform execution services. By the same token, because management of the Account(s) occurs via a bundled fee arrangement, the use of PAS should not result in additional fees to you.

## **H. Clearing and Agent Custodian**

Pershing will act as custodian for the Account(s) and will credit the Account(s) with dividends and interest paid on securities held in the Account(s) and with principal paid on called or matured securities in the Account(s).

Your Consultant will normally provide you with notices about margin requirements or other matters related to your Account(s). Pershing may notify you directly if, in Pershing’s judgment, market conditions, time constraints, regulatory requirements or other circumstances require it.

## **I. Sweep Vehicles**

Cash balances in any amount are subject to periodic sweeps into a money market fund, FDIC-insured bank deposit product or other short term cash vehicle (“Sweep Options”), some of which may be affiliated with Lockwood. Your Broker selects the universe of available Sweep Options from which you may choose. Pershing has entered into agreements with money market fund companies and FDIC-insured bank deposit products service providers (“Sweep Option Providers”) to provide the available Sweep Options. Pershing receives fees and/or other compensation from Sweep Option Providers in connection with the FDIC-insured Sweep Options. Pershing does not receive fees or compensation in connection with the available non FDIC-insured Sweep Options. At the time your Account(s) is opened, you will receive a separate prospectus that provides important information about your selected Sweep Option, including a description of any relevant fees and/or expenses.

## **J. Communications, Confirmations and Statements**

Lockwood, Broker, the Managers and Sub-Advisors (as applicable) are authorized to rely on the financial and other information that you provide. Consistent with Rule 3a-4 under the Investment Company Act of 1940, as amended, you and Lockwood agree as follows:

- a. At least annually, Lockwood or another person Lockwood designates will seek to contact you to determine whether there have been any changes in your financial situation or investment objectives, and whether you wish to impose any reasonable restrictions on the management of the Account(s) or reasonably modify existing conditions;
- b. At least quarterly, Lockwood or another person Lockwood designates will notify you in writing to contact them if there have been any changes in your financial situation or investment objectives, or if you wish to impose any reasonable restrictions on the management of your Account(s) or reasonably modify existing restrictions. They will also let you know how to contact them;

- c. Personnel of Managers (including Lockwood when acting as a Manager) who are knowledgeable about the Account(s) and its management will be reasonably available to you for consultation; and
- d. Broker, Pershing, and/or Lockwood will make available trade confirmations, statements and reports to your Consultant, who will review the progress in meeting your investment objective.

## II. Non-Managed Account Services

### Performance Link

If made available through your Advisor, Lockwood may provide Performance Link functionality to you, which allows for consolidated performance reporting, both quarterly and on-demand, of managed Account(s) and brokerage Account(s). Reports are available in hard copy or electronically through NetX Investor. In conjunction with your Consultant, you select the performance benchmark to be applied to the affected Account(s).

To access the Performance Link functionality, you: (i) must have at least one managed Account(s) on the Lockwood Platform; (ii) hereby represent to Lockwood that you are either the primary account holder of the Account(s), or that you are empowered to make decisions for the Account(s), either through a grant or power of attorney or in your capacity as trustee for the Account(s) pursuant to a trust document; and (iii) hereby certify to Lockwood that the actions you take in requesting consolidated performance reporting of managed and brokerage Account(s) do not violate any money laundering provisions of the U.S. Patriot Act, or any other applicable provision of federal or state law.

The fee for Performance Link functionality is on a per Account(s) basis (based on Account Level Assets) as follows:

First \$500,000.....	0.03%
Next \$500,000.....	0.02%
Over \$1,000,000.....	0.00%

The minimum fee charged per quarter per Account(s) is \$35. The maximum fee paid per quarter per Account(s) is \$62.50.

Lockwood will also accept the following types of requests for Performance Link Account(s): address change, termination, Consultant/Advisor fee change, withdraw security in-kind, single and periodic disbursements.

You understand and acknowledge that Lockwood provides no investment advice, brokerage or other services, with respect to the brokerage Account(s).

You hereby authorize your Consultant to take all necessary actions on your behalf to provide Lockwood with a list of your brokerage Account(s) which you desire to be included in a consolidated performance report and performance benchmark to be applied, as described above. You further authorize your Consultant to take all necessary actions on your behalf to notify Lockwood whether the Performance Link fees, as described above, will be paid by the Consultant or paid from the brokerage Account(s) or the Account(s).

## III. Other Legal Provisions

### A. Client Acknowledgments and Authorizations

You hereby acknowledge that (i) **all investments carry risks, including the risk of loss of money invested**; (ii) you are aware of the long-term nature of the investment of your assets and possible losses inherent in the transactions in which the Managers and Sub-Advisors, as applicable, will engage on your behalf and that you are financially capable of bearing such losses; (iii) you have sufficient additional resources beyond the assets being managed by the Managers and Sub-Advisors, as applicable; and (iv) you have not received any written or verbal guarantees of performance or representations based upon prior Account(s) or transactions as an inducement to enter into this Agreement.

You hereby acknowledge that certain transactions may trigger insider reporting, "suspicious activity" reporting and other reporting and notification requirements.

You further acknowledge that you will notify Lockwood promptly if you have filed, or are required to file, any report or notification with respect to your ownership of assets being managed by the Managers and Sub-Advisors, as applicable, (e.g., Schedule 13D under the Securities Exchange Act of 1934, as amended, "Exchange Act").

You acknowledge that you have reviewed the fees you are being charged and have determined that they are appropriate. You understand and acknowledge that the fees may be higher than what a different Manager, Sub-Advisor, Strategist, third party model provider, Broker or custodian would charge for a similar combination of services, or which would be charged if any advisory or brokerage services were being provided separately.

Section 11(a) of the Exchange Act generally does not allow a member of a national securities exchange (e.g., Pershing) to effect transactions on that exchange for, among other things, an Account(s) over which it or its associated person (e.g., Lockwood) exercises investment discretion (a covered account) unless an exception applies, such as Rule 11a2-2(T). That Rule permits an exchange member (e.g., Pershing), subject to certain conditions, to effect transactions for covered Account(s) by arranging for an unaffiliated exchange member to execute the transactions directly on the exchange floor. You hereby authorize Pershing to charge a fee in connection with any transaction it effects that is executed in accordance with Section 11(a) and Rule 11a2-2(T) thereunder (each, a "Section 11(a) Transaction"). You further authorize Pershing to pay out any portion of such fee to others in connection with any Section 11(a) Transaction.

With respect to assets custodied by Pershing on your behalf, you acknowledge that income and capital gains or distributions to you from your Account(s) may be taxable in your home jurisdiction. You represent that you have sought out tax advice in this regard.

### B. ERISA Account(s)

If you are a retirement plan subject to ERISA, Lockwood acknowledges that on these Account(s) for which it acts as investment manager, it, as well as any Manager selected by you, are fiduciaries as that term is defined under ERISA.

### C. Proxies

If you retained proxy voting authority in the Agreement, neither Lockwood nor Managers are obligated to take any action with respect to the voting of proxies. If you are a retirement plan subject to ERISA, the Manager (including Lockwood when acting as Manager), will be responsible for voting proxies and reporting to the plan unless you expressly retain that right.

### D. Liability

Lockwood shall not be liable for any error of judgment or mistake of law or for any loss suffered by you in connection with the matters to which this Agreement relates, provided that nothing in this Agreement shall be deemed to protect or purport to protect Lockwood against any liability to you by reason of willful misfeasance, bad faith or gross negligence on its part in the performance of its duties or by reason of Lockwood's reckless disregard of its obligations and duties under this Agreement.

### E. Indemnification

You shall indemnify and hold Lockwood harmless against any and all claims, costs, damages, liabilities, judgments and expenses, including the fees, costs and expenses of counsel, experts or other consultants retained by Lockwood ("Losses"), which result from claims, actions, suits, subpoenas, demands or other proceedings brought against or involving Lockwood which directly relate to or arise out of Lockwood's performance of the matters to which this Agreement relates (except for costs, damages, liabilities, judgments or expenses that have directly resulted from Lockwood's own willful misfeasance, bad faith or gross

negligence in the performance of its duties or by reason of Lockwood's reckless disregard of its obligations and duties under this Agreement).

Nothing in this Agreement shall be construed as a waiver of any rights you may have under federal or state securities laws or ERISA.

## **F. Non-Assignability**

This Agreement may not be assigned by a party without the consent of all parties, which may be obtained by negative consent, and then only in accordance with the provisions of the Investment Advisers Act of 1940, as amended ("Advisers Act").

## **G. Governing Law**

This Agreement is made and shall be governed and construed under the laws of the Commonwealth of Pennsylvania.

## **H. Effective Date**

The Effective Date shall be the date of acceptance by Lockwood.

## **I. Communication**

All written communication to you shall be to the address you designate. All written communication to Lockwood shall be to:

Lockwood Advisors, Inc.  
760 Moore Road  
King of Prussia, PA 19406

## **J. Termination**

**By You.** Notwithstanding any other provision in this Agreement, you shall have the right to terminate this Agreement without penalty within five (5) business days after acceptance by Lockwood. You may also terminate this Agreement at any time upon five (5) business days' written notice to Lockwood. If you terminate this Agreement within one (1) year of the Effective Date, Lockwood may charge a liquidation fee of \$300 per Account(s).

### **By Lockwood.**

**General:** Lockwood may, in its sole discretion, terminate this Agreement upon prior written notice to you. In such instances, Lockwood shall not be liable to you for any resulting loss incurred by you.

**Termination of Unfunded Account(s):** You acknowledge and agree that this Agreement will be automatically terminated by Lockwood without prior notice if the Account(s) has had a zero balance for more than six months (an "Unfunded Account"). The Unfunded Account, however, will remain open at Pershing. Once an Account has been terminated, funding of the Account at Pershing will no longer be recognized by Lockwood and Lockwood and its affiliates will not be held responsible for Account(s) trading delays that may result. Further, Lockwood will not provide any additional monthly communications to you or the Consultant regarding terminated Unfunded Account(s). It is recommended that if you have Unfunded Account(s), contact your Consultant to terminate the Unfunded Account at Pershing. You shall notify your Consultant if you wish to keep Unfunded Account(s) open for future funding or if you wish to reopen terminated Account(s). New account paperwork is required and other procedures for reactivating the Account(s) must be followed.

**Effect of termination.** Upon termination of this Agreement, Lockwood shall not be under any obligation to recommend any action with regard to the investments in your Account(s). Upon termination, it shall be your exclusive responsibility to issue instructions in writing regarding any assets held in the Account(s). Lockwood does not charge for securities delivered in kind.

## **K. Terminated and Unmanaged Account(s)**

If any of your Account(s) remain unmanaged, or following termination any Account(s) still holds assets, for more than sixty (60) days and you have not provided written instructions to Lockwood or Pershing regarding the disposition of the assets in the Account(s), Lockwood shall have the right to liquidate the Account(s) and send you the proceeds.

You hereby acknowledge and agree that Lockwood and Pershing shall not be responsible for any loss or tax consequences as a result of selling Account(s) assets.

## **L. Amendment**

This Agreement may be modified by Lockwood upon thirty (30) days' prior notice to you.

## **M. Manager Registration and Affiliated Managers**

Lockwood represents to you that Lockwood and all parties hired to manage these Account(s) on your behalf, including the Managers and Sub-Advisors, as applicable, are registered as investment advisers under the Advisers Act or under applicable state laws, or exempt from such registration. Managers, Strategists, third party model providers, and Sub-Advisors may be affiliates of Lockwood and may include Lockwood, which shall be disclosed in the Wrap Fee Program Brochure.

## **N. Authorized Signers**

You represent that the person who signs this Agreement is authorized to negotiate terms and to enter into agreements on your behalf. If the signer is a trustee or fiduciary, it represents that the investments are within the scope authorized by the appropriate trust or other legal document or authority. The duly authorized signer(s) who have signed this Agreement hereby certify that the applicable trust or plan documents legally allow the trust or plan to invest in stocks and/or bonds, mutual funds, exchange traded funds and other financial instruments and securities. Further, the signer(s) certify that the documents allow investment discretion to be delegated to an investment adviser or other party and that the trust or plan is authorized to hire such investment advisors. The signers are the only authorized signers necessary to enter into this investment advisory relationship.

## **O. Force Majeure**

Lockwood shall not be liable for any delay or failure to perform its respective obligations under this Agreement, or loss caused, directly or indirectly, to the extent resulting from any circumstances beyond its reasonable control which may include, without limitation, pandemics, riots, sabotage, insurrection, fires, flood, storm, explosions, earthquakes, failures or fluctuations in electrical power or telecommunications systems, Internet failure, acts of God or nature, war, both declared and undeclared, government action, or acts of terrorism.

## **P. Use of Electronic Media**

In connection with matters related to this Agreement and the services to be performed by the parties hereunder, each party agrees that (i) a signature, contract, or other record in electronic form will have the same legal effect, validity and enforceability as a signature, contract, or other record in written or non-electronic form; and (ii) a contract formed by means of an electronic signature will have the same legal effect, validity and enforceability as a contract formed by means of a written signature. For example, when an individual authorized to act on behalf of a party clicks on "I agree", "I consent" or other similarly worded "button" or entry field with a mouse, keystroke or another computer device and causes evidence of such agreement or consent to be transmitted electronically to another party, such party will be deemed to have executed and delivered that agreement or consent. You hereby consent to the use of electronic records or media to deliver any information or documents that are required by applicable law to be provided or made available by Lockwood, Managers and Sub-Advisors "in writing" or otherwise related to the services to be provided pursuant to this Agreement.

You have the right to opt-out of your consent to the use of electronic records or media upon notice to Lockwood (and Lockwood's reasonable opportunity to act thereon). Additional fees may apply.

## **Q. Confidential Information**

All information furnished by Lockwood, Managers and Sub-Advisors to you, and all information furnished by you to them, will be treated as

confidential. You agree that Lockwood may share confidential information provided by you with affiliates of Lockwood, and third parties not affiliated with Lockwood (i) in order to meet their respective obligations hereunder, or (ii) as otherwise permitted by applicable law and by Lockwood's privacy policies, or (iii) for the purpose of managing, delivering or making available products and services of Lockwood's affiliates. You further agree that Lockwood may share such confidential information in response to a request by a court, government agency or self-regulatory agency, or as necessary to establish rights or enforce obligations hereunder. Notwithstanding anything else contained herein, any party hereto (and each employee, agent or representative of such party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure relating to the Account(s) and this Agreement, and all materials of any kind (including opinions or other tax analyses) that are provided to the party relating to such tax treatment and tax structure, except to the extent that maintaining such confidentiality is necessary to comply with any applicable or federal or state securities laws.

## **R. Acknowledgments**

You hereby acknowledge that you have received the Lockwood Advisors, Inc. Form CRS and Wrap Fee Program Brochure, as well as the Form CRS and Form ADV Part 2A Brochure for any third-party Managers or Sub-Advisors selected by you.

You acknowledge that you have thoroughly reviewed, understood and agree to this Agreement, including these Terms.

## **S. Entire Agreement**

This Agreement (including these Terms and all documents incorporated into the Agreement by reference) represents the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all prior agreements, discussions, correspondence or negotiations between the parties with respect to such subject matter.

## **T. Severability**

If any term of this Agreement, or part thereof, not essential to the commercial purpose of this Agreement shall be held to be illegal, invalid or unenforceable by a court of competent jurisdiction, then it is the intention of the parties that the remaining terms hereof, or part thereof, shall constitute their agreement with respect to the subject matter hereof and all such remaining terms, or parts thereof, shall remain in full force and effect. To the extent legally permissible, any illegal, invalid or unenforceable provision of this Agreement shall be replaced by a valid provision that will implement the commercial purpose of the illegal, invalid or unenforceable provision.

## **U. ARBITRATION**

**THIS AGREEMENT CONTAINS A PREDISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT THE PARTIES AGREE AS FOLLOWS:**

**A. ALL PARTIES TO THIS AGREEMENT ARE GIVING UP THE RIGHT TO SUE EACH OTHER IN COURT, INCLUDING THE RIGHT TO A TRIAL BY JURY, EXCEPT AS PROVIDED BY THE RULES OF THE ARBITRATION FORUM IN WHICH A CLAIM IS FILED.**

**B. ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION AWARD IS VERY LIMITED.**

**C. THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS, AND OTHER DISCOVERY IS GENERALLY MORE LIMITED IN ARBITRATION THAN IN COURT PROCEEDINGS.**

**D. THE ARBITRATORS DO NOT HAVE TO EXPLAIN THE REASON(S) FOR THEIR AWARD UNLESS, IN AN ELIGIBLE CASE, A JOINT REQUEST FOR AN EXPLAINED DECISION HAS BEEN SUBMITTED BY ALL PARTIES TO THE PANEL AT LEAST 20 DAYS PRIOR TO THE FIRST SCHEDULED HEARING DATE.**

**E. THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.**

**F. THE RULES OF SOME ARBITRATION FORUMS MAY IMPOSE TIME LIMITS FOR BRINGING A CLAIM IN ARBITRATION. IN SOME CASES, A CLAIM THAT IS INELIGIBLE FOR ARBITRATION MAY BE BROUGHT IN COURT.**

**G. THE RULES OF THE ARBITRATION FORUM IN WHICH THE CLAIM IS FILED, AND ANY AMENDMENTS THERETO, SHALL BE INCORPORATED INTO THIS AGREEMENT.**

### **ARBITRATION AGREEMENT**

**ANY CONTROVERSY BETWEEN YOU AND LOCKWOOD SHALL BE SUBMITTED TO ARBITRATION BEFORE THE FINANCIAL INDUSTRY REGULATORY AUTHORITY OR ANY OTHER NATIONAL SECURITIES EXCHANGE ON WHICH A TRANSACTION GIVING RISE TO THE CLAIM TOOK PLACE (AND ONLY BEFORE SUCH EXCHANGE).**

**NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PREDISPUTE ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION; OR WHO IS A MEMBER OF A PUTATIVE CLASS WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL; (I) THE CLASS CERTIFICATION IS DENIED; (II) THE CLASS IS DECERTIFIED; OR (III) THE CUSTOMER IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN.**

**THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA GOVERN.**