

I. Introduction

This disclosure document (this “Disclosure Document”) provides an overview of the fees and other compensation charged for or otherwise related to investment advisory programs (each, an “Investment Program”) provided by Private Client Services, with respect to certain employee benefit plans that participate in an Investment Program. This Disclosure Document is intended to include the information required by the Department of Labor regulation under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), which is commonly known as the service provider fee disclosure rules (referred to as the “408(b)(2) Regulation”). You may access the full text of the Department of Labor’s final 408(b)(2) Regulation at <http://www.dol.gov/ebsa/pdf/2012-02262-PI1.pdf>.

This Disclosure Document should be read in conjunction with the investment program account or client agreement you executed or will execute when entering into the Investment Program, as amended from time to time, and including schedules and attachments thereto (“Investment Program Agreement”), and disclosures (including Form ADV disclosure documents (“Form ADV”)), which provide detailed information regarding each of the Investment Programs, fees, personnel, other business activities and financial industry affiliations, and potential conflicts of interests (collectively referred to as “Client Documents”).

The information in this Disclosure Document reflects our current arrangements for the investment advisory services provided under the Investment Programs. Your plan may also receive services from other Private Client Services affiliated businesses and non-affiliated service providers, such as a third party administrator. To the extent that your plan receives services from Private Client Services that are outside of the scope of the services covered by this Disclosure Document, please refer to the disclosure documents specifically relating to those services. For example, if your plan has a brokerage account with Private Client Services, please see the “*Private Client Services ERISA Section 408(b)(2) Disclosure Document Brokerage Services*” which is located at www.pcsbd.net. For services and related fees and expenses associated with services provided by parties not affiliated with Private Client Services, please refer to the disclosure documents provided by those service providers or contact them directly.

II. Explanation of Services:

A general description of investment advisory services for each Investment Program can be found in Item 4.A.4 of the Form ADV (*Types of Advisory Services Offered*). The level and the type of investment advisory service (e.g., discretionary or nondiscretionary) provided to your plan depends on the selected Investment Program. For a complete description of the services under your plan’s Investment Program, please see your Client Documents.

III. Explanation of Status/Capacity:

In providing the services contemplated under the Client Documents, Private Client Services is acting as a fiduciary under ERISA in accordance with the terms and conditions of your plan’s Investment Program Agreement.

IV. Direct Compensation:

Means payments made directly by the plan for services rendered to the plan. Pursuant to the Client Documents, your plan is directly charged an investment advisory fee for each Investment Program it selects. The Investment Program fee is an annual asset-based fee, which is deducted periodically from the assets held in your plan's account in accordance with your Investment Program Agreement. Upon termination of your Investment Program Agreement, only the fees through the termination date are charged to your plan's account. For the standard fee schedule applicable to each Investment Program, see the fee description under each Investment Program in Item 4.A.4 of the Form ADV (*Types of Advisory Services Offered*). The fee schedule applicable to your plan for an Investment Program is set forth in the Fee Schedule in your Investment Program Agreement.

If your plan participates in an Investment Program through which it selects one or more third-party investment advisers or sub-advisers (i.e., not affiliated with Private Client Services), please see the ERISA Section 408(b)(2) disclosure document of such third-party investment advisers or sub-advisers. Their ERISA Section 408(b)(2) disclosure documents, if applicable and as provided by such third-party advisers, are included as part of, or attached to the end of, their respective Form ADVs, which are available under their names on the same website where your Private Client Services Form ADV is posted.

V. **Indirect Compensation:**

Means compensation received from sources other than directly from the plan or plan sponsor. In certain circumstances, the payment of indirect compensation may depend on several factors, including the elapsed time period during which securities are held in your plan's account, and decisions made by the plan with respect to trade execution. The following describes potential sources of indirect compensation that Private Client Services may receive in connection with its provision of services under the Investment Programs listed above.

Mutual Fund Investments: Private Client Services may receive compensation from mutual funds and their affiliates (such as 12b-1 fees, shareholding servicing fees, and revenue sharing fees) in connection with client investments in shares of such mutual fund (referred to as "Fund Fees"). To the extent Private Client Services receives any Fund Fees with respect to any assets held in any of the Investment Programs, Private Client Services credits the client's account that generated them in the amount of such Fund Fees received by it. *For more information, refer to the "Compensation from Funds" section of the Form ADV and your Investment Program Agreement.*

VI. **Additional disclosures regarding compensation that may be received by Private Client Services or related parties including sub-contractors**

Private Client Services or a related party, including a sub-contractor, may receive other forms of compensation not disclosed above. Generally, these payments are not attributable to any individual account or client.

Marketing Support, Conferences, Sales Meetings, and Similar Activities: Private Client Services may receive marketing and training support payments, conference subsidies, and other types of financial and non-financial compensation and incentives from mutual fund companies, insurance and annuity companies and other investment product distributors, investment advisers, broker-dealers and other vendors to support the sale of their products and services to Private Client Services clients. These payments may include reimbursement for Private Client Services' participation in sales meetings, seminars and conferences held in the normal course of business. These payments may also include reimbursements for

costs and expenses incurred by Private Client Services in sponsoring conferences, meetings, and similar activities. These payments are received by Private Client Services in connection with all of its client accounts and are not dependent on or related to the amount of assets invested in your investment advisory account. Because they are based on all of Private Client Services' client accounts, they cannot reasonably be allocated to any particular account. The providers independently decide what they will spend on these types of activities and do not share this information with Private Client Services subject to regulatory guidelines and Private Client Services policies. The amount of any expense reimbursement or payment to Private Client Services is dependent on which activities Private Client Services participates in or sponsors, the amount of that participation and other factors and is determined by the provider.

Receipt of Gifts, Gratuities and Nonmonetary Compensation by Private Client Services: From time to time, third-party vendors (such as investment product distributors and providers, mutual fund companies, investment advisors, insurance and annuity companies, broker-dealers, wholesalers, etc.) may provide Private Client Services with non-monetary gifts and gratuities, such as promotional items (i.e., coffee mugs, calendars or gift baskets), meals, sporting events, and access to certain industry related conferences or other events (collectively, "gifts"). Private Client Services has implemented policies and procedures to comply with current regulations intended to ensure that Private Client Services and its employees worldwide avoid actual or perceived conflicts of interest when giving or receiving gifts and entertainment from relevant parties, and comply with all applicable laws and regulations including the U.S. Bank Bribery Act and the U.S. Foreign Corrupt Practices Act. Under the Private Client Services policy, the maximum value that may generally be received by any individual in any calendar year for a gift is \$100.00, and for meals and entertainment the maximum is \$250.00 per event. Entertainment must be appropriate, customary and reasonable and clearly not meant to influence Private Client Services business or serve as a "quid pro quo" for it to be accepted by Private Client Services. To the extent any gift, gratuity or non-monetary compensation is paid to or received by Private Client Services, Private Client Services believes it is insubstantial with respect to any account or client.

Solicitation Arrangements: Private Client Services may enter into arrangements with third parties who solicit clients for Private Client Services' investment management products. Under such agreements, third parties may refer or solicit clients and receive compensation for such services. As a result of these arrangements, fees paid by clients may differ from the prevailing retail rate, but in every arrangement with a third party solicitor, the structure of the third party solicitation agreement, including the compensation payable to the solicitor, will be disclosed fully to the client as required by applicable law. Please consult these separate disclosures for information on the solicitation arrangements relevant to your plan, if any.

Pershing: Private Client Services has retained Pershing, a non-Private Client Services related entity, to act as its clearing firm and to provide certain custody and clearing services to Private Client Services clients. Pursuant to the agreement entered into between Private Client Services and Pershing, there may be payments between the parties that are asset based and, for that reason, not disclosed herein. *For more information regarding Private Client Services' arrangements with Pershing, see the "Private Client Services ERISA Section 408(b)(2) Disclosure Document Brokerage Services" available at www.pcsbd.net.*

VII. Termination Fees:

There is no additional fee charged upon termination of an Investment Program Account, but account transfer or wire fees may apply under your brokerage agreement. *For more information regarding fees applicable*

to your brokerage account, see the “Private Client Services ERISA Section 408(b)(2) Disclosure Document Brokerage Services” available at www.pcsbd.net.

The foregoing are the services and transactions (and applicable fees) that may be offered to plan clients in connection with the Investment Programs. Certain services or transactions referenced or discussed herein or otherwise provided with respect to your advisory account may not require an ERISA prohibited transaction exemption or may be covered by an exemption other than Section 408(b)(2) of ERISA and, as such, are not covered by this Disclosure Document.

If you have any questions concerning this 408(b)(2) Disclosure Document, or if you need a copy of your Client Documents, please contact your Private Client Services advisory representative.

Securities and Advisory products and services offered through Private Client Services, Member FINRA, SIPC and a Registered Investment Advisor. Home Office located at 2225 Lexington Road, Louisville, KY 40206 (502) 451-0600