***- Confidential Report -***

#### Level of Client Services

**Based on the amount of your assets we manage, you are a Level 4 client**

You are entitled to various services depending on your account size(s). We have four general tiers, or levels, of financial services:

• Level 1: Accounts under $100,000

• Level 2: Accounts from $101,000, to $250,000

• Level 3: Accounts from $251,000 to $500,000

• Level 4: Accounts over $500,000

We will automatically upgrade your Level when your account reaches the higher threshold. We will only downgrade your Level if your account size falls below a threshold due to withdrawals. We will not downgrade your account due to market fluctuations.

Any product or service (e.g., written financial plans) that you are not automatically entitled to may be purchased for an additional fee. Please refer to the Client Agreement for prices and fees.

**Level I Services**

**Accounts under $100,000**

1.0 Identify your personal financial objectives and priorities with personal meetings, the use of

comprehensive fact finding questionnaires, and follow-up phone calls. Identify and clarify your

personal objectives and priorities. Analyze and quantify your personal risk limits, return

expectations, constraints, and preferences. Analysis of your overall financial situation,

investments, and risk management (insurance policies).

1.1 Develop and prioritize strategies and tactics for achieving your objectives.

1.2 Manage investment portfolio(s) according to the Model determined by your risk-tolerance

category (found by our Investment Fact Finder).

1.3 Generate one retirement report annually upon the completion of the Retirement Fact Finder.

1.4 Generate Morningstar reports on currently held and recommended stocks and mutual funds.

1.5 Our staff will be available during normal business hours to respond to your questions and

requests. While normal business hours are weekdays from 8:00 AM to 4:30 PM Pacific Time

(when daylight savings time is in affect), we will monitor voice- and e-mail during off hours.

Please note that investment trading instructions will not be executed via e-mail or messaging.

1.6 In-person meetings up to twice per year to discuss concerns and changes.

1.7 Discuss economic, investment, financial, and market conditions.

1.8 No charge for phone calls. Toll-free number for long distance calls.

1.9 Newsletters and other mailings of interest.

1.10 Routine client service work.

1.11 Online access to your investment account information.

1.12 Monthly investment portfolio statements showing all transactions, and other account activity

(deposits/withdrawals/dividends/interest/capital gains/sales/purchases/distributions/settlements).

Generate reports showing portfolio holdings by asset (share and dollar amounts) and whether

dividends and capital gains distributions are reinvested into the mutual fund or retained as cash.

1.13 Evaluate and recommend changes in your cash flow including spending, gifting, investments,

and income tax withholding.

1.14 Review and recommend changes as needed.

1.15 Annual rebalancing of investment asset classes.

**Level Two Services**

**Accounts Between $100,000 and $250,000**

2.0 All Level One Services listed above, unless noted below.

2.1 Manage investment portfolio(s) on a personalized basis according to our five-asset class tool.

Determine custom asset allocation guidelines based on your personal circumstances.

2.2 Semi-annual rebalancing of investment asset classes.

2.3 In-person meetings up to four times per year to discuss concerns and changes.

# Level Three Services

## Accounts From $250,000 to $500,000

3.0 All Level Two Services listed above, unless noted below.

3.1 Manage investment portfolio(s) on a personalized basis according to our eight-asset class tool.

Determine custom asset allocation guidelines based on your personal circumstances. Other assets

you may hold elsewhere may be included in the asset allocation report (e.g., your 401(k) plans).

3.2 Quarterly rebalancing of investment asset classes.

3.3 401(k) planning and allocation for active employees.

3.4 In-person meetings up to six times per year to discuss your concerns and changes.

3.5 Joint meetings with other advisors such as attorneys and CPAs.

3.6 Analysis of stock options and their tax implications.

3.7 Quarterly performance review of investment accounts.

- Time weighted rate of return: Year to date / Last 12 months / Inception of account to date

- The four above rates of return compared to benchmark economic indexes.

3.8 Calculate required minimum distributions for IRAs under our management.

3.9 Provide a discussions of estate planning basics and coordination with your attorneys.

# Level four Services

## Accounts Over $500,000

4.0 All Level Three Services listed above, unless noted below.

4.1 Create and maintain a personalized Investment Policy Statement (IPS).

4.2 Perform custom in-depth asset allocation analysis to help reduce risk and increase return.

4.3 Perform investment research and analysis of investments you’re interested in, including a cursory

evaluation of stocks.

4.4 Unlimited (within reason) in-person meetings to discuss any concerns or possible changes.

We recommend personal meetings no less than twice per year.

4.5 If you don’t having a working relationship with an attorney, CPA, or mortgage broker, we can

help you select one.

4.6 On an annual basis, analyze and provide IRR (internal rates of return) for any rental real estate

properties you may hold.

4.7 Review of all insurance, wills, estate plans, etc.

4.8 The following financial planning reports upon completion of the pertinent Fact Finder:

- Family Budgeting and Cash Flow (income and expense) Report

- Net Worth Statement

- College Funding Report(s)

- Retirement Planning and Forecasting Reports

- Disability Analysis

- Long-term Care Analysis (nursing home insurance)

- Survivors' Needs Analysis (life insurance reports)

- Estate Planning Summary (detailed reviews are available for additional fees)

- Rental Real Estate Analysis

- Other Custom Reports.