

Item 5. Fees and Compensation

PORTFOLIO MANAGEMENT

As compensation for our investment management services, we charge an advisory fee, which is stated as a percentage of our client's assets under our management. Our standard advisory fee schedules, which are based on the style of the strategy, are as follows:

MULTI-ASSET CLASS STRATEGY

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.80%	On the first \$2 million
0.70%	On the next \$3 million
0.60%	On the next \$5 million
Negotiable	On value over \$10 million

The minimum annual fee for our Multi-Asset Class Strategy is \$5,000.

EQUITY STRATEGY

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.90%	On the first \$2 million
0.80%	On the next \$3 million
0.70%	On the next \$5 million
Negotiable	On value over \$10 million

The minimum annual fee for our Equity Strategy is \$5,000.

BOND STRATEGY

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.70%	On the first \$2 million
0.60%	On the next \$3 million
0.50%	On the next \$5 million
Negotiable	On value over \$10 million

The minimum annual fee for our Bond Strategy is \$5,000.

PASSIVE MANAGEMENT STRATEGY: DOMESTIC EQUITIES

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.10%	On the first \$10 million
0.08%	On the next \$40 million
0.06%	On the next \$50 million
0.03%	On the next \$100 million
0.02%	On value over \$200 million

The minimum annual fee for our Domestic Equities Passive Management Strategy is \$10,000. Our Domestic Equities Passive Management fee schedule applies to strategies that replicate non-customized, domestic market cap-weighted indices (e.g., S&P MidCap 400).

PASSIVE MANAGEMENT STRATEGY: DIVIDEND GROWERS

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.10%	On the first \$10 million
0.08%	On the next \$40 million
0.06%	On the next \$50 million
0.03%	On the next \$100 million
0.02%	On value over \$200 million

The minimum annual fee for our Dividend Growers Passive Management Strategy is \$10,000.

PASSIVE MANAGEMENT STRATEGY: LOW VOLATILITY

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.15%	On the first \$10 million
0.12%	On the next \$40 million
0.09%	On the next \$50 million
0.06%	On the next \$100 million
0.03%	On value over \$200 million

The minimum annual fee for our Low Volatility Passive Management Strategy is \$15,000.

PASSIVE MANAGEMENT STRATEGY: LARGE CAP EQUAL WEIGHTED 30/70

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.10%	On the first \$10 million
0.08%	On the next \$40 million
0.06%	On the next \$50 million
0.03%	On the next \$100 million
0.02%	On value over \$200 million

The minimum annual fee for our LargeCap Equal Weighted 30/70 Passive Management Strategy is \$10,000.

PASSIVE MANAGEMENT STRATEGY: INTERNATIONAL EQUITIES

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.15%	On the first \$50 million
0.12%	On the next \$50 million
0.09%	On the next \$100 million
0.06%	On value over \$200 million

The minimum annual fee for our International Equities Passive Management Strategy is \$15,000.

PASSIVE MANAGEMENT STRATEGY: DOMESTIC FIXED INCOME

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.18%	On the first \$10 million
0.15%	On the next \$40 million
0.12%	On the next \$50 million
0.06%	On the next \$100 million
0.03%	On value over \$200 million

The minimum annual fee for our Domestic Fixed Income Passive Management Strategy is \$15,000.

PASSIVE MANAGEMENT STRATEGY: CUSTOM PORTFOLIOS

ANNUAL FEE	ASSETS UNDER MANAGEMENT
0.18%	On the first \$10 million
0.15%	On the next \$40 million
0.12%	On the next \$50 million
0.06%	On the next \$100 million
0.03%	On value over \$200 million

The minimum annual fee for our Custom Passive Management Strategy is \$15,000.

Our fees, including minimum annual fees, are negotiable and often differ from these standard fee schedules, particularly for newly developed strategies. In our sole discretion, we will increase or decrease our management fee and/or waive or adjust minimum annual fees based upon criteria such as the scope of the engagement, client longevity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, or account retention, among other things.

The amount of and specific manner in which we charge our fees are established in our written agreement with the client. For LSIA Wealth clients, we generally bill our fees on a quarterly basis in advance. For LSIA Institutional clients, we typically bill our fees on a quarterly basis in arrears. We ask all clients to authorize their designated custodian to deduct our fees directly from their custodial account, but will invoice clients directly if we do not receive such authorization. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee based on the

actual number of days in the applicable calendar quarter for which we were entitled to receive a fee.

Our standard agreements provide for termination by either our firm or the client by providing 30 days' written notice to the other party, but we will agree to other termination provisions from time to time. Based on the effective date of termination, we will promptly refund any prepaid, unearned fees, and any earned, unpaid fees will be due and payable.

Our fees for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and exchange-traded funds ("ETFs") to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. To the extent we invest client assets in mutual funds and/or ETFs, clients should review both the fees charged by the mutual funds or ETFs and our fees to fully understand the total amount of fees to be paid by the client with respect to advisory services being provided.

In addition to our advisory fees, clients are also responsible for the fees and expenses, if any, charged by custodians and broker-dealers. Such fees may include, but are not limited to, account maintenance fees, commissions and mark-ups/mark-downs for trade execution, any transaction charges, fees for duplicate statements and transaction confirmations, and fees for electronic data feeds and reports.

See *Item 12. Brokerage Practices* below for more information regarding brokerage.

SUB-ADVISORY ARRANGEMENTS

When we manage an account through a sub-advisory arrangement, we typically receive a portion of the fee charged by the account investment advisor or investment program sponsor, in accordance with the sub-advisory agreement between us and the account investment advisor/investment program sponsor. The fees paid to us through one sub-advisory relationship are not necessarily the same as fees paid to us through other sub-advisory relationships, and are based on many factors including the breadth and complexity of the services we provide, the amount of assets and style of the portfolios we manage or advise upon, and the negotiations between us and the account advisors/program sponsors.