Request for Proposal 3527/05TO-S31 for Unclaimed Property Auditor Services

Your Partner in Unclaimed Property Resources

Nevada Office of the State Treasurer, Unclaimed Property Division

PART IA – Technical Proposal

Submission Deadline: March 27, 2018

KELMAR

Kelmar Associates, LLC
500 Edgewater Drive, Suite 525
Wakefield, MA 01880
781-213-6926
www.kelmarassoc.com

Kelmar Associates, LLC
500 Edgewater Drive
Suite 525
Wakefield, MA 01880
781-213-6926
www.kelmarassoc.com

Cover Letter

March 21, 2018

Ms. Teri Becker
Purchasing Officer
State of Nevada
Purchasing Division
515 E. Musser Street, Suite 300
Carson City, Nevada 89701

Re: Request for Proposal 3527/05TO-S31 for Unclaimed Property Auditor Services

Dear Ms. Becker:

Kelmar Associates, LLC (hereinafter "Kelmar" or the "Company") appreciates the opportunity to participate in Request for Proposal 3527/05TO-S31 for Unclaimed Property Auditor Services, issued on February 16, 2018, (hereinafter the "RFP") on behalf of the Office of the State Treasurer, Unclaimed Property Division (hereinafter the "State" or "Division"). Upon review of the RFP, Kelmar respectfully submits a proposal for the State's consideration to provide unclaimed property audit and compliance services per Nevada Revised Statutes (NRS) 120A and Nevada Administrative Code (NAC) 120A. Kelmar is enthusiastic about providing unclaimed property support services and is confident that it can assist the State in achieving its compliance goals.

Founded in October 2001, Kelmar is a Delaware limited liability company qualified to conduct business in the State of Nevada. As a professional services company working exclusively on behalf of government agencies, Kelmar is dedicated to assisting state governments with the administration and enforcement of their respective unclaimed property compliance programs. Having collectively worked hundreds of thousands of hours on unclaimed property audits involving general ledger and securities property types, inclusive of IRAs, rebates, gift cards, royalties, death benefits, and annuities, Kelmar's audit professionals are proficient at dealing with holder record keeping systems and protocols, compiling and collecting findings with minimal state intervention, identifying and resolving compliance issues in a collaborative manner with holders, and securing the confidence and satisfaction of state clients. Kelmar's unclaimed property audit services are conducted in an effective and professionally responsible manner, in accordance with all applicable federal, state, and local laws, rules and regulations, and accounting principles. With its unique methodology for identifying, examining, collecting, and reporting property, and the considerable experience of its staff members, as described herein, Kelmar offers the most comprehensive unclaimed property audit services in the industry.

Based on the Company's extensive knowledge of unclaimed property as a third-party unclaimed property audit service provider, Kelmar has prepared a Proposal designed to demonstrate the

KELMAR

Company's qualifications, experience, and ability to fulfil the Scope of Work outlined in this RFP. As instructed in the *General Submission Requirements*, Kelmar's Proposal consists of one PDF file of Part IA -Technical Proposal, one PDF file of Part II – Cost Proposal, and one PDF file of Part III – Confidential Financial Information, submitted through the State electronic procurement website https://NevadaEPro by the March 27, 2017, deadline. Kelmar's Proposal does not include any confidential technical information; however, in accordance with the requirements of Part III – Confidential Financial Information, Kelmar has provided its confidential financial statements. Kelmar's financial information therein is confidential and proprietary and has been conspicuously marked for protection from public disclosure pursuant to NRS 333.333 and the justification for confidential status provided in Attachment A – Confidentiality and Certification of Indemnification attached hereto and incorporated herewith in Section IV – State Documents of Kelmar's Technical Proposal.

As General Counsel & Member, I am legally authorized to commit Kelmar to the services and requirements as stated in this RFP, and warrant that the representations and affirmations contained within Kelmar's Proposal are true, accurate, and reliable for the purpose of the evaluation process. While I trust you will find all documents in order, should you have any questions or require further information concerning Kelmar's submission, please do not hesitate to contact the individuals listed below.

Authorized Representative:	Procurement Contact:	Contracting / Legal Contact:
Mr. David P. Kennedy General Counsel & Member 500 Edgewater Dr., Suite 525 Wakefield, MA 01880 781-928-9205 david.kennedy@kelmarassoc.com	Ms. Elizabeth Marciano-Mills Marketing Manager 500 Edgewater Dr., Suite 525 Wakefield, MA 01880 781-928-9220 elizabeth.marciano-mills@kelmarassoc.com	Ms. Catherine G. Zejnullahu Associate General Counsel 500 Edgewater Dr., Suite 525 Wakefield, MA 01880 781-928-9231 catherine.zejnullahu@kelmarassoc.com

On behalf of Kelmar, I thank you for your time and consideration in reviewing this Proposal.

Very truly yours,

David P. Kennedy
General Counsel & Member

Section I - Title Page

Part IA – Technical Proposal	
RFP Title:	Unclaimed Property Auditing Services
RFP:	3527
Vendor Name:	***Kelmar Associates, LLC***
Address:	***500 Edgewater Drive, Suite 525, Wakefield, Massachusetts 01880***
Opening Date:	March 27, 2018
Opening Time:	2:00 PM

Section II - Table of Contents

Cover Letter **2**
Section I - Title Page **4**
Section II - Table of Contents **5**
Section III - Vendor Information Sheet **6**
Section IV - State Documents **7**
Section V - Scope of Work **9**
2.1 Qualifications 9
2.2 Scope of Work 27
2.3 Enforcement Efforts 40
2.4 Joint Efforts with Participating States 40
2.5 Conflicts of Interest 41
2.6 Work In Progress Report 42
2.7 Acknowledgements 43
2.8 Holder Due Diligence & Subsequent Reporting 43
2.9 Unclaimed Property Report 45
2.10 Custody of Unclaimed Property 46
2.11 Delivery of Unclaimed Property 48
Section VI - Company Background and References **50**
3.1 Vendor Information 50
3.2 Subcontractor Information 61
3.3 Business References 62
Section VII - Proposed Staff Resumes **64**
3.4 Vendor Staff Resumes 64
Section VIII - Other Informational Material **67**

Section III - Vendor Information Sheet

The vendor information sheet shall be completed and signed by an individual authorized to bind the organization.

The completed and signed Vendor Information Sheet is attached hereto and incorporated herein immediately following this page of Kelmar's Technical Proposal. Kelmar confirms that the document is signed by an individual authorized to bind the Company to the representations made therein.

VENDOR INFORMATION SHEET FOR RFP 3527

Vendor Shall:

A) Provide all requested information in the space provided next to each numbered question. The information provided in Sections V1 through V6 shall be used for development of the contract;

B) Type or print responses; and

C) Include this Vendor Information Sheet in Section III of the Technical Proposal.

V1	Company Name	***Kelmar Associates, LLC***

V2	Street Address	***500 Edgewater Drive, Suite 525***

V3	City, State, ZIP	***Wakefield, Massachusetts 01880***

V4	Telephone Number		
	Area Code: ***781***	Number: ***213-6926***	Extension: ***N/A***

V5	Facsimile Number		
	Area Code: ***781***	Number: ***928-9259***	Extension: ***N/A***

V6	Toll Free Number		
	Area Code: ***888***	Number: ***953-5627***	Extension: ***N/A***

V7	***Contact Person for Questions / Contract Negotiations, including address if different than above***
	Name: ***Catherine Graham Zejnullahu***
	Title: ***Associate General Counsel***
	Address: ***500 Edgewater Drive, Suite 525, Wakefield, Massachusetts 01880***
	Email Address: ***catherine.zejnullahu@kelmarassoc.com***

V8	Telephone Number for Contact Person		
	Area Code: ***781***	Number: ***928-9231***	Extension: ***N/A***

V9	Facsimile Number for Contact Person		
	Area Code: ***781***	Number: ***928-9131***	Extension: ***N/A***

V10	***Name of Individual Authorized to Bind the Organization***	
	Name: ***David P. Kennedy, Esq.***	Title: ***General Counsel & Member***

V11	Signature ***(Individual shall be legally authorized to bind the vendor per NRS 333.337)***	
	Signature: David P. Kennedy	Date: ***March 21, 2018***

Section IV - State Documents

The State documents section shall include the following:

A. The signature page from all amendments signed by an individual authorized to bind the organization.

Not Applicable.

B. Attachment A – Confidentiality and Certification of Indemnification signed by an individual authorized to bind the organization.

The completed and signed Confidentiality and Certification of Indemnification is attached hereto and incorporated within this section of Kelmar's Technical Proposal. Kelmar confirms that Attachment A is signed by an individual authorized to bind the Company to the representations made therein.

C. Attachment B – Vendor Certifications signed by an individual authorized to bind the organization.

The completed and signed Vendor Certifications document is attached hereto and incorporated within this section of Kelmar's Technical Proposal. Kelmar confirms that Attachment B is signed by an individual authorized to bind the Company to the representations made therein.

D. Copies of any vendor licensing agreements and/or hardware and software maintenance agreements.

Kelmar is not proposing the application of any additional licensing, hardware, or software agreements. With that in mind, Kelmar's Technical Proposal does not include copies of any vendor agreements.

E. Copies of applicable certifications and/or licenses.

As Kelmar is a registered foreign corporation with the State of Nevada, Secretary of State's office, the following applicable certifications and/or licenses are *attached hereto and incorporated within this section of Kelmar's Technical Proposal:*

1. ***Nevada Business License 2018***

2. ***Certificate of Existence with Status in Good Standing issued by the Nevada Secretary of State 2018***

3. ***Nevada Annual Statement of Business Proof of Publication 2017-2018***

4. ***State of Nevada Certificate of No Amount Due issued by the Nevada Department of Taxation 2018***

ATTACHMENT A – CONFIDENTIALITY AND CERTIFICATION OF INDEMNIFICATION

Submitted proposals, which are marked "confidential" in their entirety, or those in which a significant portion of the submitted proposal is marked "confidential" **shall not** be accepted by the State of Nevada. Pursuant to NRS 333.333, only specific parts of the proposal may be labeled a "trade secret" as defined in NRS 600A.030(5). All proposals are confidential until the contract is awarded; at which time, both successful and unsuccessful vendors' technical and cost proposals become public information.

In accordance with the submittal instructions of this RFP, vendors are requested to submit confidential information in separate files marked "**Part IB Confidential Technical**" and "**Part III Confidential Financial**".

The State shall not be responsible for any information contained within the proposal. If vendors do not comply with the labeling and packing requirements, proposals shall be released as submitted. In the event a governing board acts as the final authority, there may be public discussion regarding the submitted proposals that shall be in an open meeting format, the proposals shall remain confidential.

By signing below, I understand it is my responsibility as the vendor to act in protection of the labeled information and agree to defend and indemnify the State of Nevada for honoring such designation. I duly realize failure to so act shall constitute a complete waiver and all submitted information shall become public information; additionally, failure to label any information that is released by the State shall constitute a complete waiver of any and all claims for damages caused by the release of the information.

This proposal contains Confidential Information, Trade Secrets and/or Proprietary information.

Please initial the appropriate response in the boxes below and provide the justification for confidential status.

Part IB – Confidential Technical Information			
YES		NO	DPK
Justification for Confidential Status			
N/A			

Part III – Confidential Financial Information			
YES	DPK	NO	
Justification for Confidential Status			
Kelmar's financial information submitted in response to RFP Part III – Confidential Financial Information is proprietary under § 333.020(5) NEV. REV. STAT. because it is confidential business information relating to the amount or source of any income, profits, losses, or expenditures of Kelmar, including data relating to cost or price submitted in support of a bid or proposal. Accordingly, Kelmar respectfully requests that its financial statements be withheld from disclosure under the Nevada Public Records Act (NEV. REV. STAT. § 239.010 et. seq.) pursuant to § 333.020(5)NEV. REV. STAT.			

Kelmar Associates, LLC
Company Name

Signature

David P. Kennedy, Esq.
Print Name

March 21, 2018
Date

This document shall be submitted in Section IV of vendor's technical proposal

ATTACHMENT B – VENDOR CERTIFICATIONS

Vendor agrees and shall comply with the following:

(1) Any and all prices that may be charged under the terms of the contract do not and shall not violate any existing federal, State or municipal laws or regulations concerning discrimination and/or price fixing. The vendor agrees to indemnify, exonerate and hold the State harmless from liability for any such violation now and throughout the term of the contract.

(2) All proposed capabilities can be demonstrated by the vendor.

(3) The price(s) and amount of this proposal have been arrived at independently and without consultation, communication, agreement or disclosure with or to any other contractor, vendor or potential vendor.

(4) All proposal terms, including prices, shall remain in effect for a minimum of 180 days after the proposal due date. In the case of the awarded vendor, all proposal terms, including prices, shall remain in effect throughout the contract negotiation process.

(5) No attempt has been made at any time to induce any firm or person to refrain from proposing or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal. All proposals shall be made in good faith and without collusion.

(6) All conditions and provisions of this RFP are deemed to be accepted by the vendor and incorporated by reference in the proposal, except such conditions and provisions that the vendor expressly excludes in the proposal. Any exclusion shall be in writing and included in the proposal at the time of submission.

(7) Each vendor shall disclose any existing or potential conflict of interest relative to the performance of the contractual services resulting from this RFP. Any such relationship that might be perceived or represented as a conflict shall be disclosed. By submitting a proposal in response to this RFP, vendors affirm that they have not given, nor intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, in connection with this procurement. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest shall automatically result in the disqualification of a vendor's proposal. An award shall not be made where a conflict of interest exists. The State shall determine whether a conflict of interest exists and whether it may reflect negatively on the State's selection of a vendor. The State reserves the right to disqualify any vendor on the grounds of actual or apparent conflict of interest.

(8) All employees assigned to the project are authorized to work in this country.

(9) The company has a written equal opportunity policy that does not discriminate in employment practices with regard to race, color, national origin, physical condition, creed, religion, age, sex, marital status, sexual orientation, developmental disability or handicap.

(10) The company has a written policy regarding compliance for maintaining a drug-free workplace.

(11) Vendor understands and acknowledges that the representations within their proposal are material and important, and shall be relied on by the State in evaluation of the proposal. Any vendor misrepresentations shall be treated as fraudulent concealment from the State of the true facts relating to the proposal.

(12) Vendor shall certify that any and all subcontractors comply with Sections 7, 8, 9, and 10, above.

(13) The proposal shall be signed by the individual(s) legally authorized to bind the vendor per NRS 333.337.

Kelmar Associates, LLC

Vendor Company Name

Vendor Signature

David P. Kennedy, Esq.

Print Name

March 21, 2018

Date

This document shall be submitted in Section IV of vendor's technical proposal

SECRETARY OF STATE

STATE OF NEVADA

NEVADA STATE BUSINESS LICENSE

KELMAR ASSOCIATES, LLC

Nevada Business Identification # NV20061245329

Expiration Date: August 31, 2018

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on June 21, 2017

Barbara K. Cegavske
Secretary of State

You may verify this license at www.nvsos.gov under the Nevada Business Search.

License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which by law cannot be waived.

SECRETARY OF STATE

STATE OF NEVADA

CERTIFICATE OF EXISTENCE WITH STATUS IN GOOD STANDING

I, Barbara K. Cegavske, the duly elected and qualified Nevada Secretary of State, do hereby certify that I am, by the laws of said State, the custodian of the records relating to filings by corporations, non-profit corporations, corporation soles, limited-liability companies, limited partnerships, limited-liability partnerships and business trusts pursuant to Title 7 of the Nevada Revised Statutes which are either presently in a status of good standing or were in good standing for a time period subsequent of 1976 and am the proper officer to execute this certificate.

I further certify that the records of the Nevada Secretary of State, at the date of this certificate, evidence, **KELMAR ASSOCIATES, LLC**, as a limited liability company duly organized under the laws of Delaware and existing under and by virtue of the laws of the State of Nevada since August 29, 2006, and is in good standing in this state.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on March 8, 2018.

Barbara K. Cegavske

Barbara K. Cegavske
Secretary of State

Electronic Certificate
Certificate Number: C20180308-0152
You may verify this electronic certificate online at **http://www.nvsos.gov/**

INITIAL/ANNUAL LIST OF MANAGERS OR MANAGING MEMBERS AND STATE BUSINESS LICENSE APPLICATION OF:

ENTITY NUMBER

KELMAR ASSOCIATES, LLC

E0640812006-1

NAME OF LIMITED-LIABILITY COMPANY

100403

FOR THE FILING PERIOD OF AUG, 2017 TO AUG, 2018

USE BLACK INK ONLY - DO NOT HIGHLIGHT

****YOU MAY FILE THIS FORM ONLINE AT www.nvsilverflume.gov****

Filed in the office of	Document Number
Barbara K. Cegavske Barbara K. Cegavske Secretary of State State of Nevada	**20170266255-66**
	Filing Date and Time **06/21/2017 8:12 AM**
	Entity Number **E0640812006-1**

(This document was filed electronically.)

ABOVE SPACE IS FOR OFFICE USE ONLY

☐ Return one file stamped copy. (If filing not accompanied by order instructions, file stamped copy will be sent to registered agent.)

IMPORTANT: Read instructions before completing and returning this form.

1. Print or type names and addresses, either residence or business, for all manager or managing members. A **Manager, or if none, a Managing Member** of the LLC must sign the form. *FORM WILL BE RETURNED IF UNSIGNED.*
2. If there are additional managers or managing members, attach a list of them to this form.
3. Return completed form with the fee of $150.00. A $75.00 penalty must be added for failure to file this form by the deadline. An annual list received more than 90 days before its due date shall be deemed an amended list for the previous year.
4. State business license fee is $200.00. Effective 2/1/2010, $100.00 must be added for failure to file form by deadline.
5. Make your check payable to the Secretary of State.
6. **Ordering Copies:** If requested above, one file stamped copy will be returned at no additional charge. To receive a certified copy, enclose an additional $30.00 per certification. A **copy fee of $2.00 per page** is required for **each additional copy** generated when ordering 2 or more file stamped or certified copies. Appropriate instructions must accompany your order.
7. Return the completed form to: Secretary of State, 202 North Carson Street, Carson City, Nevada 89701-4201, (775) 684-5708.
8. Form must be in the possession of the Secretary of State on or before the last day of the month in which it is due. (Postmark date is not accepted as receipt date.) Forms received after due date will be returned for additional fees and penalties. Failure to include annual list and business license fees will result in rejection of filing.

ANNUAL LIST FILING FEE: $150.00 LATE PENALTY: $75.00 (if filing late) **BUSINESS LICENSE FEE:** $200.00 LATE PENALTY: $100.00 (if filing late)

CHECK ONLY IF APPLICABLE AND ENTER EXEMPTION CODE IN BOX BELOW

☐ Pursuant to NRS Chapter 76, this entity is exempt from the business license fee. Exemption code: ☐

NOTE: If claiming an exemption, a notarized Declaration of Eligibility form must be attached. Failure to attach the Declaration of Eligibility form will result in rejection, which could result in late fees.

NRS 76.020 Exemption Codes

001 - Governmental Entity
005 - Motion Picture Company
006 - NRS 680B.020 Insurance Co.

NAME				
DAVID P KENNEDY	MANAGER OR MANAGING MEMBER			
ADDRESS	CITY	STATE	ZIP CODE	
500 EDGEWATER DRIVE SUITE 525	WAKEFIELD	MA	01880	
NAME				
MICHAEL J LEBLANC	MANAGER OR MANAGING MEMBER			
ADDRESS	CITY	STATE	ZIP CODE	
500 EDGEWATER DRIVE SUITE 525	WAKEFIELD	MA	01880	
NAME				
MARK S MCQUILLEN	MANAGER OR MANAGING MEMBER			
ADDRESS	CITY	STATE	ZIP CODE	
500 EDGEWATER DRIVE SUITE 525	WAKEFIELD	MA	01880	
NAME				
MARK X RUSSO	MANAGER OR MANAGING MEMBER			
ADDRESS	CITY	STATE	ZIP CODE	
500 EDGEWATER DRIVE SUITE 525	WAKEFIELD	MA	01880	

None of the managers or managing members identified in the list of managers and managing members has been identified with the fraudulent intent of concealing the identity of any person or persons exercising the power or authority of a manager or managing member in furtherance of any unlawful conduct.

I declare, to the best of my knowledge under penalty of perjury, that the information contained herein is correct and acknowledge that pursuant to NRS 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing in the Office of the Secretary of State.

X MICHAEL J LEBLANC

Signature of Manager, Managing Member or Other Authorized Signature

Title F FINANCIAL OFFICER AND MEM

Date 6/21/2017 8:12:56 AM

STATE OF NEVADA
DEPARTMENT OF TAXATION
Web Site: http://tax.nv.gov
1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, Nevada 89502
Phone: (775) 687-9999
Fax: (775) 688-1303

BRIAN SANDOVAL
Governor
JAMES DEVOLD
Chair, Nevada Tax Commission
WILLIAM D. ANDERSON
Executive Director

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone: (702) 486-2300 Fax: (702) 486-2373

HENDERSON OFFICE
2550 Paseo Verde Parkway, Suite 180
Henderson, Nevada 89074
Phone: (702) 486-2300
Fax: (702) 486-3377

CERTIFICATE OF NO AMOUNT DUE

March 19, 2018

KELMAR ASSOCIATES LLC
500 EDGEWATER DR STE 525
WAKEFIELD, MA 01880

Dear Elizabeth Sullivan:

Business Name: Kelmar Associates LLC
Sales / Use Tax Permit: 1016442637

Please be advised, as of this date and pursuant to NRS 360.525 the above referenced business does not have an outstanding Sales and Use tax liability with the Department of Taxation.

Sincerely,

Brian Smithwick, Revenue Officer II
Carson City District Office

Section V - Scope of Work

2.1 Qualifications

2.1.1 Vendor must possess knowledge and agree to comply with Nevada's unclaimed property law, NRS 120A, NAC 120A, and all federal legislation and court rulings regarding the Uniform Unclaimed Property Act of 1995 (**See Attachment H)**.

Kelmar possesses the requisite knowledge of, and agrees to comply with, Nevada's unclaimed property law, NRS 120A, NAC 120A, and all federal legislation and court rulings regarding the Uniform Unclaimed Property Act of 1995 outlined in Attachment H. Equipped with comprehensive knowledge of Unclaimed Property Law, Kelmar's experts serve as valuable resources for the Company's audit professionals, client states, and the unclaimed property industry at large. Kelmar believes that this depth of knowledge and experience is unequalled among service providers to state unclaimed property programs. To clearly demonstrate this depth of expertise and experience, enclosed below is a detailed description of Kelmar's knowledge of Unclaimed Property, including additional information regarding the Uniform Law Commission.

Knowledge of Unclaimed Property Law

It is Kelmar's experience that substantial legal resources are necessary to be able to perform unclaimed property audits of diverse industries. Kelmar is fortunate to employ legal experts collectively possessing hundreds of years of experience working specifically in the field of unclaimed property. Kelmar's attorneys, including Kelmar's CEO & President, General Counsel, Vice President & Chief Legal Counsel, Executive Consultant, three Associate General Counsels, one Junior Associate General Counsel, and one Junior Associate Attorney, are all well versed in Unclaimed Property Law. These experts have a thorough understanding of fundamental unclaimed property legal decisions and the foundation they establish for applying the unclaimed property law of each state. Most notably, two of Kelmar's legal experts each have spent more than three decades of their professional careers dedicated to the practical application of Unclaimed Property Law. This depth of knowledge held by Ms. Suzanne Darling and Mr. Lynden Lyman is further detailed below.

Kelmar Associate General Counsel Ms. Suzanne Darling has spent more than 30 years of her legal career in unclaimed property. Ms. Darling previously served as Assistant Attorney General and legal counsel to the Virginia Department of the Treasury from 1987 to 2002. In this capacity, she addressed all legal matters involving the Virginia unclaimed property program, including Delaware v. New York and other litigation. During her 14 years with Xerox (now Conduent), she was responsible for ensuring that audits were being conducted in compliance with state statutory requirements. While at Conduent, Ms. Darling closely tracked all unclaimed property legislation nationally and began preparing a weekly legislative update for both company and state administrator use, detailing

introduced and enacted legislation. As Associate General Counsel for Kelmar, she continues to follow legislative developments and provide similar weekly updates. Ms. Darling has also made presentations on unclaimed property legislation at each NAUPA annual conference since 2004.

Kelmar Executive Consultant Mr. Lynden Lyman has been involved in unclaimed property law and administration for the entirety of his 35-year career. He served as legal counsel to the Iowa State Treasurer (1984-1985). In this capacity, he addressed all legal matters involving the Iowa unclaimed property program, and was substantially involved in a 1984 overhaul of Iowa's Uniform Disposition of Unclaimed Property Act. He was the first attorney hired by recognized unclaimed property legal expert Mr. David Epstein in the creation of the Unclaimed Property Clearinghouse ("UPCH"), where Mr. Lyman held management positions for more than 25 years. During this period, he spearheaded state efforts to assume custody of unclaimed demutualization proceeds, and drafted the associated legislation enacted by most states. Since leaving UPCH in 2008, Mr. Lyman has been engaged by numerous states and Canadian provinces to review and draft legislation and administrative rules; prepare legal white papers; and act as an expert witness in unclaimed property litigation. Since 1986, he has been an editor of Unclaimed Property Law and Reporting Forms (published by Matthew-Bender & Co.) and has annotated every state and provincial law adopted during this period. He has written numerous articles and has presented at each NAUPA Annual Conference on legal matters since 2004.

For further information concerning the considerable unclaimed property experience of Kelmar staff, please refer to the Resumes of Kelmar Key Personnel. While all of Kelmar's Key Personnel are well versed in Unclaimed Property Law, Kelmar refers the State specifically to the resumes of the Company's legal experts attached hereto and incorporated within Section VII – Proposed Staff Resumes of its Technical Proposal. These individuals include Mark McQuillen, David Kennedy, Lynden Lyman, Brian Scanlon, Tim Cullen, Suzanne Darling and Catherine Zejnullahu.

Knowledge of Unclaimed Property Law and Audit Services

Working closely with Kelmar Executive and Examination Management, Kelmar's legal experts review all audit processes and procedures implemented by the Company to ensure compliance with Unclaimed Property Law, advise Kelmar's unclaimed property audit teams concerning the application and interpretation of unclaimed property laws, rules, and regulations; review merger and acquisition agreements, stock purchase, and asset and assumption agreements to determine the legal impact on matters affecting unclaimed property examinations; research and draft internal legal memoranda concerning emerging unclaimed property legal issues for the Company's Executive Management Committee; monitor relevant state and federal cases which affect Kelmar's client states; and routinely track legislation and regulations impacting clients' unclaimed property laws. Under the direction of Kelmar's Vice President of Legal, Brian Scanlon, and Unclaimed Property Law experts Lynden Lyman, Tim Cullen and Suzanne Darling, Kelmar's unclaimed property audit professionals proficiently address the nuances of unclaimed property examinations.

Knowledge of Unclaimed Property Law and Program Support

While Kelmar is not a law firm engaged in rendering legal services, Kelmar's experts routinely offer their extensive expertise when conferring with the Company's client states concerning unclaimed property legal issues that may arise during an examination and/or generally within the industry during the contract period. In such instances, Kelmar's experts in Unclaimed Property Law serve as a valuable resource to assist client states with conducting research, drafting responsive documents to holders, developing education and training, consulting on legislative initiatives, and drafting advisories that are used by each client states' respective attorney general's office for reference when researching and determining the states' positions on unclaimed property issues. For example, Kelmar Associate General Counsel Ms. Darling continues to distribute a weekly Legislative Alert email distribution to state unclaimed property administrators containing publicly available information on the latest legislative updates, regulatory changes, and statutory amendments across the country. Additionally, Kelmar's unclaimed property experts consult with counsel for Kelmar's client states in briefing and reviewing legal opinions received from holders under audit to determine the states' positions on such matters and routinely negotiate agreements with holders relating to the same. Furthermore, these individuals work with state attorney general's offices to clarify the application and interpretation of unclaimed property laws, rules, and regulations and assist client states with drafting legislation and regulations designed to update and/or interpret unclaimed property laws to enhance their respective unclaimed property compliance programs. Examples of topics researched and reviewed include the following:

- ***analysis of merger and acquisition agreement in determining holder liability and application of the priority rules;***
- ***analysis of rebate programs and structures in determining holder liability;***
- ***use of foreign entities to circumvent state unclaimed property laws;***
- ***federal preemption of state unclaimed property laws (e.g., ERISA, interstate commerce, etc.);***
- ***owner rights and holder liabilities associated with loyalty programs and other forms of "neo-currency";***
- ***state exemptions of unclaimed property types and their impact on applying the priority rules for taking custody of unclaimed property;***
- ***use of dormancy fees by holders of gift cards; and***
- ***factoring companies and the treatment of accounts receivable credits as unclaimed property liabilities.***

Knowledge of Unclaimed Property Law and Industry Support

As recognized experts in the field of unclaimed property, Kelmar's attorneys participate in industry conferences, provide training to state officials, and also attend meetings of the Uniform Law Commission.

- ***Industry Conferences: As leading authorities in unclaimed property, Kelmar attorneys and other staff members attend conferences hosted by organizations such as National Association of State Treasurers (NAST), National Association of Unclaimed Property Administrators (NAUPA), and the National Institute of Public Finance (NIPF). As a Corporate Affiliate Member of NAST, Kelmar often donates its time and efforts in support of these industry conferences. Kelmar employees are routinely well-represented at these events and often serve as presenters and/or panel speakers on various unclaimed property issues. For example, at recent NAST Treasury Management Training Symposiums, Kelmar Vice President & Chief Legal Counsel Brian Scanlon and Executive Consultant Lynden Lyman served on a panel of unclaimed property law experts to discuss and analyze recent legal decisions involving unclaimed property. Kelmar Associate General Counsel Timothy Cullen also recently served on a panel of experts to discuss the issues of interest to state unclaimed property programs concerning the Revised Uniform Unclaimed Property Act. Furthermore, Mr. Lyman formerly served on the NAST Membership Committee and the NAUPA Corporate Affiliate Board. Mr. Lyman is also a recipient of the NAUPA Lifetime Achievement Award, and the NAST Corporate Affiliate Award.***

- ***Statutory Training Sessions: Kelmar's attorneys are regular presenters at unclaimed property conferences and have provided training to numerous state officials on various unclaimed property topics, including relevant statutory authority and case law inclusive of U.S. Supreme Court decisions.***

- ***Uniform Law Commission (ULC): With respect to the ULC, Kelmar attended each semi-annual meeting from 2014 through 2016 for the ULC's drafting of the 2016 Revised Uniform Unclaimed Property Act. Kelmar provided significant support to the drafting committee's NAUPA advisors, both drafting and providing commentary on legislation. As states have considered enactment/revision of legislation, Kelmar has acted as a sounding board, provided preparation for hearings, and analyzed fiscal notes and other impacts.***

  Ms. Darling, was NAUPA's advisor to the drafting committee for the 1995 Uniform Unclaimed Property Act. Along with Deputy Attorney General Robert Krenkowitz of New Jersey, Ms. Darling drafted NAUPA's proposed model act for the Uniform Law Commission, which served as a basis for the 1995 Uniform Act. Additionally, in conjunction with noted unclaimed property attorney Paula Smith, Ms. Darling compiled a comprehensive comparative statutory analysis of all jurisdictions enacting the 1995 Uniform Act.

  Mr. Lyman served as special counsel/consultant to NAUPA from 2013-2017 and in this capacity was involved in the preparation of NAUPA legislation and position papers. He has written extensively on the various Uniform Acts. He has additionally served as an advisor to the Uniform Law Commission of Canada.

2.1.2 Vendor must possess previous experience providing unclaimed property auditing services for similar agencies. Provide documentation outlining previous experience, including at a minimum, the number of years providing these or similar services, average number of engagements per year and general qualifications of staff and supervisors performing audit functions.

Kelmar understands the importance of a vendor's previous experience providing unclaimed property auditing services for similar agencies in order to ensure capability and capacity to comply with contractual obligations resulting from this RFP. Kelmar possesses the requisite experience providing unclaimed property auditing services on behalf of state unclaimed property programs, and is widely recognized as one of the leading contract unclaimed property audit service providers in the United State. With a distinct business model, comprehensive support services, and multi-disciplined team of unclaimed property professionals, Kelmar has earned a reputation of reliability and trustworthiness that has altered the unclaimed property landscape and set the bar for excellence in providing third party unclaimed property services to state governments. Kelmar's comprehensive unclaimed property compliance services and industry-leading personnel resources described below demonstrate the Company's extensive experience, technical qualifications, and strategic organizational alignment for the performance of audit functions upon which the State can rely.

Unclaimed Property Compliance Services

Kelmar has been providing unclaimed property compliance services to state programs for 16 years, performing an average of 297 engagements per year over the past three years on behalf of its client states. Kelmar's extensive experience performing comprehensive unclaimed property examinations of business enterprises in every major industry has equipped its auditors with the technical expertise to identify, examine, and collect general ledger, life insurance, and securities unclaimed property liabilities attributed to a holder and identify new and emerging categories of unclaimed property as described below.

General Ledger Examination Services

Kelmar's compliance experts collectively possess hundreds of years of general ledger unclaimed property examination experience. The Company's general ledger audit teams are uniquely skilled and consist of individuals with experience in public accounting, auditing, project management, consulting, legal, and financial services. The combined knowledge and experience of Kelmar's general ledger examiners have enabled the Company to offer the most comprehensive general ledger examination services in the industry since 2001, including the following property-specific services:

- ***Life Insurance Examination Services: Kelmar's general ledger experts include a specialized team of insurance specialty professionals who are well versed on issues involving non-compliance and underreporting of insurance property categories. Kelmar's insurance specialty professionals have extensive experience examining large and mid-sized life insurance companies for unclaimed property. Kelmar's insurance team continuously and methodically tracks and analyzes all regulatory actions,***

industry group directives, and insurance company disclosures promulgated in this area. This industry experience and expertise allows Kelmar to offer its state clients unsurpassed insurance audit services.

- ***Specialty Property Examination Services: Kelmar also boasts a dynamic audit services team focused on unique general ledger property types. New and emerging categories of unclaimed property evolve from changes in the marketplace, industry trends, and advancements in technology. Kelmar's ability to address unique property types associated with specific industries including, without limitation, Preneed Funeral and Cemetery Trusts, Consumer Rebates, Gift Card/Stored Value Card Programs, Loyalty/Reward Programs and other forms of "neo-currency" further distinguishes the Company from other third party contract auditors.***

  - ***Preneed Funeral and Cemetery Liabilities: Under the leadership and direction of Ms. Suzanne Darling and Mr. Lynden Lyman, Kelmar is now offering unclaimed property examination services for preneed funeral and cemetery liabilities, an area of unclaimed property that has historically been overlooked by states and heavily underreported or not reported at all. This emerging property type was part of an audit initiative that was previously conducted by Conduent (formerly Xerox Unclaimed Property Clearinghouse or ACS Unclaimed Property Clearinghouse), and which has subsequently been assigned to Kelmar by a number of states authorizing reviews. The preneed audit initiative was jointly developed, and subsequently managed and overseen, by Ms. Darling and Mr. Lyman, who both joined Kelmar in July of 2017 with the voluntary removal of Conduent from the unclaimed property marketplace. Ms. Darling and Mr. Lyman previously worked closely with the states authorizing the preneed examinations and dealt directly with the holders under review. Ms. Darling and Mr. Lyman also coordinated a steering committee of states to address the concerns of holders, identify and resolve issues not covered by existing law, and otherwise direct the preneed audits. Mr. Lyman presented to the North American Death Care Regulators Association on the preneed audit initiative, and both he and Ms. Darling serve as recognized experts in this emerging area of unclaimed property. While it has been intimated by some that there is no substantive difference between performing a life insurance audit and performing a preneed audit, this view fails to take into account the very significant variations in state preneed laws (which form the substantive basis for the underlying property right), as well as the contractual rights created in preneed arrangements. Under the direction of Ms. Darling and Mr. Lyman, Kelmar's audit professionals will proficiently address these nuances and ensure the continuity of the states' preneed audit initiative.***

  - ***Consumer Rebates: Kelmar's audit professionals have extensive experience successfully performing rebate audits. This is an area where Mr. Lyman has particular expertise, having directed the Conduent rebate initiative since 2004 resulting in successful collections of substantial sums of unclaimed property for the states. With Mr. Lyman's expertise, the Company seeks to further expand its specialty audit service offerings in this area. Kelmar has now assumed virtually all***

of Conduent's rebate exams for the states that have made reassignments to other audit firms. A number of these rebate audits are well underway (with some having reached settlement stage), and the holders and their advocates have been working closely with Mr. Lyman from the beginning. In addition to the fact that Kelmar is able to resume these audits immediately with no disruption to holders, this is a complex area (operationally as well as legally) in which Mr. Lyman is highly knowledgeable and where the interests of all states will be served through his continued involvement.

Securities Examination Services

Kelmar began conducting securities examinations on behalf of state governments in 2010. The Company's securities experts collectively possess decades of unclaimed securities examination experience with each supervising professional having more than 15 years of hands-on experience reviewing the records of holders, transfer agents, mutual fund custodians, and brokerage firms. Utilizing firsthand knowledge of the record-keeping practices and operational protocols of holders, their transfer agents, and brokers, Kelmar's securities professionals issue pointed document requests and swiftly interpret the large amount of automated data provided in response. As a result, Kelmar is able to identify unclaimed property liabilities attributed to issuers who have historically under-reported or never reported unclaimed securities liabilities, including common stock and other active CUSIPs, Employee Stock Purchase Plans, Restricted Stock Plans, mergers and acquisitions, bond issuances, Individual Retirement Accounts ("IRAs"), and self-directed IRAs.

- ***IRAs are unique types of audits that require a thorough understanding of the Internal Revenue Code, as well as the nuances of each state's unclaimed property law. The failure to correctly identify and report unclaimed IRAs can result in a substantial risk of loss for owners and their heirs, as well as potential liability for contract audit firms and, possibly, state programs. Kelmar fully understands all of the necessary protocols required to properly perform an IRA audit. In addition to the IRA audits already being conducted by Kelmar, the Company assumed additional IRA audits as a result of Conduent exiting the unclaimed property audit business. Ms. Darling developed Conduent's IRA audit protocols and is knowledgeable of the issues involved in each of Conduent's IRA audits, which will help ensure a smooth transition and timely completion of any reassigned IRA exams. Additionally, the size and complexity of IRA records require substantial IT capabilities, which Kelmar possesses, and the sufficiency of Kelmar's data security protocols have already been reviewed, tested, and approved by several IRA holders.***

Additional Audit Services

In addition to the unclaimed property examination services outlined above, the Company routinely provides unclaimed property consultation and advisory services to assist client states in the administration of their respective unclaimed property programs. Such assistance may include consultation on strategies for encouraging compliance and/or educational training sessions for state staff or the holder community. Additional costs may

be associated with Kelmar's consultation and advisory services depending on the nature, complexity, and frequency of a client state's request. If awarded a contract resulting from this RFP, Kelmar would be happy to discuss any of the additional services sought by the State that are described below.

- ***Program Strategies: Identifying process improvements and developing best practices improves unclaimed property compliance. Understanding the reasons for noncompliance and under compliance is essential when developing new compliance initiatives. In offering these services to its client states, Kelmar first focuses its attention on a review of the state's current compliance challenges, including a review of industry trends, audit selection best practices, evaluation of voluntary disclosure agreements, the enforcement and application of relevant state and federal laws governing the escheatment of unclaimed property, and emerging unclaimed property legal issues. Once this assessment is complete, Kelmar works to develop best practices and assist with the production of new materials, training seminars, etc.***

- ***Reporting Patterns: Kelmar's experience examining emerging property categories enables it to help states assess reporting patterns and increase compliance across all property types. Emerging categories of unclaimed property have evolved from changes in the marketplace, industry trends, and advances in technology. Addressing unique property types such as those associated with Preneed Funeral and Cemetery Trusts, Consumer Rebates, Gift Card/Stored Value Card Programs, and other forms of "neo-currency" can help increase the amount of unclaimed property reported to client states.***

- ***Training Services: Upon request, Kelmar often provides training services to its client states' auditors related to Kelmar's comprehensive unclaimed property auditing processes and procedures. Kelmar's training programs are available in a variety of formats, including on-site training sessions, interactive webinar presentations, and via the development of published materials. Trainings occur on mutually agreed upon dates and times.***

- ***Holder Education: Despite best efforts to encourage compliance, sometimes holders fail to comply with state unclaimed property requirements due to a lack of understanding of the correct application of unclaimed property law, regulations, and policies specific to each state. Increasing industry awareness can be effective in bringing more holders into compliance. With this in mind, Kelmar can help develop customized holder training modules targeted to address compliance challenges. Trainings occur on mutually agreed upon dates and times.***

- ***Further Legal Trends Analysis: The unclaimed property landscape is always evolving and states must ensure that statutes and regulations are up to date with the trends and current transactions in the marketplace. Three such trends include the use of stored value cards, Outsourcing & Offshoring, and E-Commerce as described below.***

    - ***Stored Value Cards: One such trend to consider is the expanded use of stored value cards beyond their historical purpose as a gift from one person to another. States***

must determine whether to focus on the medium (i.e. the plastic card) or on the underlying obligation for which the card was issued. The use of prepaid cards has expanded significantly as the cards are now used as payroll cards, government benefit cards, rebates, corporate expense cards, etc.

More than 30 states have created a full or partial exemption for gift certificates and/or gift cards. Of those states, 11 have specifically provided for a full or partial exemption of stored value cards. For those states that have some type of exemption (like Nevada), the states should not only be clear in their intent but also monitor and audit whether holders are improperly taking advantage of an exemption. For example, states that expressly exempt gift certificates and gift cards should monitor whether holders apply the gift card exemption to other types of prepaid cards, perhaps inappropriately. Additionally, when a state specifically defines a stored value card, the state should clearly indicate whether it intends to exempt all non-gift stored value cards, as the answer is often unclear.

- ***Outsourcing / Offshoring Liabilities: Some holders and opportunistic unrelated third parties attempt to outsource or "offshore" liabilities resulting from commercial transactions in the holders' ordinary course of business. A current outsourcing and offshoring trend, similar to the more mature gift card management company, includes models where holders outsource or offshore their unpaid checks to related entities oversees or unrelated third parties. In instances when holders offshore unpaid check liabilities to related foreign entities they seek to create jurisdictional issues in terms of the states' unclaimed property programs being able to audit, identify, and collect any unclaimed property. In the other instances where holders outsource to unrelated third parties, the unrelated third party purportedly assumes the liability and unclaimed property reporting responsibility but does not report the property because it is organized overseas which, in the holders' view, creates a jurisdictional issue even if name and address information for the apparent owners is maintained.***

  Kelmar encourages states to continue challenging outsourcing and offshoring models to the extent it prevents unclaimed property from being returned to rightful owners or reported to the states as unclaimed property (for the states to attempt to return the property to rightful owners). In so doing, Kelmar has worked with its client states on audit strategies in instances when outsourcing and offshoring are presented in the course of examinations.

- ***E-Commerce: The dictionary definition of "e-commerce" is a commercial transaction conducted electronically on the internet. Internet sales have grown by almost one hundred percent in the past five years and currently represent approximately twelve percent of all retail sales in the United States. Perhaps not by coincidence there has been an approximately sixty percent uptick in smart phone users over the same five year period that has at least in part contributed to the growth of e-commerce. Other technological advances, enhancements in secured payment methods, and inexpensive or free and speedy delivery options have also been large contributors to the uptick. To highlight this, the country's largest***

internet company for e-commerce also saw a sixty percent increase in terms of sales to unique account holders during the same period. With the huge growth in e-commerce come unclaimed property considerations and potentially new types of potential unclaimed property related to virtual accounts and evolving digital currencies.

Beyond Compliance – Program Support Solutions

Kelmar is committed to working closely and cooperatively with state administrators to facilitate the implementation of any enhancements or modifications to improve compliance and streamline program processes and procedures. In addition to its unclaimed property compliance services, Kelmar offers comprehensive unclaimed property program support, including the next generation in unclaimed property management systems and industry-leading process management solutions. Kelmar's KAPS® unclaimed property management system builds on three generations of unclaimed property systems and utilizes proven and industry standard technologies to provide a scalable, configurable, and manageable unclaimed property solution for unclaimed property programs. Kelmar's Client Information Services division also provides client states with unclaimed property program operation support, including claims processing and call center, holder reporting, securities reconciliation, and owner outreach. A range of support options is offered from a full outsource solution to limited overflow services. These services are delivered by an established team of nine full time employees and several temporary employees all of whom are led by a Director with over 16 years of unclaimed property operational experience. Additional staff members are also available on an as needed basis to accommodate specific program goals.

Personnel Resources: Staff Qualifications, Strategic Alignment and the Performance of Audit Functions

Staff Qualifications

Kelmar's talented workforce, including acknowledged experts and innovators in the unclaimed property industry, have work experience with every major unclaimed property stakeholder class in the industry. Some have worked as unclaimed property compliance officers for holders; others have represented holders in advocacy audit defense roles; still others are former state employees whose job responsibilities ranged from unclaimed property auditing to administrating a state's entire unclaimed property program. Along with professional experience and formal education, Kelmar's licensed professionals routinely take continuing education courses to meet their respective licensing credit requirements, and keep current with the latest reporting and accounting standards. Kelmar also offers internal training on project management and leadership, audit policies and procedures, and developments in unclaimed property statutory, regulatory, administrative, procedural, and legal concepts. Kelmar maintains research and reference materials that are widely recognized as authoritative sources within the field of unclaimed property, and provides its professionals with access to these resources.

These diverse backgrounds uniquely qualify Kelmar's professionals and afford them insight and sensitivity to holder unclaimed property audit concerns, while balancing the Company's primary responsibilities to client states. Moreover, Kelmar's extensive experience performing unclaimed property examinations of business enterprises in every major industry has provided its auditors a thorough understanding of the accounting practices utilized by holders, allowing for an efficient and accurate review of all records. Kelmar also possesses a sophisticated legal team of experts in the field of unclaimed property law who assist its audit teams with legal matters arising during the examination process. Having dedicated hundreds of thousands of hours to completing unclaimed property audits on behalf of state governments, Kelmar's professionals are experts in all phases of the compliance process, including the review, analysis, and processing of records, the creation and assembly of reports, and the collection and transfer of property due and owing to state governments. These qualifications are further highlighted below:

- ***Kelmar's extensive knowledge of how holders (through public accounting firms) conduct "self-audits" or "voluntary disclosures" enables client states to better evaluate, and make informed decisions about, self-determinations of escheat liability.***

- ***The Company has extensive experience reviewing data extracted from various ERP software systems utilized by large corporations, including but not limited to: Oracle, JD Edwards, Microsoft Dynamics GP, SAP, PeopleSoft, Enterprise, AS400 and IFS. In addition, Kelmar has worked with various holders to successfully extract automated data from homegrown ERP systems. Such data includes but is not limited to general ledger information (summary and detail level), sub-ledger information (summary and detail level – e.g., accounts receivable, disbursement, cash receipts, etc.), various reporting modules (e.g., financial statements, electronic check registers, customer information, account reconciliations, etc.).***

- ***Similarly, Kelmar has extensive experience reviewing data extracted from the various data and recordkeeping systems of transfer agents. Each transfer agent produces its own distinct reports for outstanding shareholder account population extracts, debit and credit activity for accounts associated with holding funds for shareholders, mail returned by the post office, and the current contact dates located within each account. Through years of experience, Kelmar is aware of, and able to quickly identify, areas where there could be misrepresentation within the data pulls and documentation presented to Kelmar for its review. Furthermore, Kelmar has extensive experience reviewing the varied data provided by brokerage houses.***

- ***Kelmar possesses the technical capability to report and deliver unclaimed property due and owing to client states via an electronic media format. Since commencing operations in October 2001, Kelmar has prepared and filed several thousands of automated unclaimed property reports to its client states. These filings of holder-approved and state-compliant reports evidence Kelmar's ability to process information pertaining to all types of unreported unclaimed property liabilities, produce and submit those reports required by governmental agencies, and remit records timely using the NAUPA format.***

Strategic Alignment

Kelmar's size and structure foster professional development of Kelmar's personnel and allow professionals across all tiers of the organization with expertise in a particular industry or property type to collaborate on examinations of holders and ensure uniformity and audit best practices. Additional benefits include, without limitation, the following:

- ***A multi-level team review process throughout each phase of an exam is performed at each level of the audit team and then reviewed by a more senior professional. Before an exam is permitted to advance to the next phase, there are multiple layers of quality reviews and sign-offs required and memorialized. These signoffs are typically evidenced by internal memos that require a signoff by Senior Management.***

- ***Kelmar's experience has shown that the more time-intensive tasks related to completing an exam are those tasks that are typically found to be routine in nature and less complicated to complete. Consequently, these basic time-intensive tasks can be "leveraged down" to Associates and Data Specialists which allows Kelmar's more experienced professionals to dedicate their time toward the completion of specialized, more complex examination assignments while ensuring that qualified supervisory personnel review and approve the work performed by more junior individuals.***

- ***Kelmar assigns audits to professionals that have prior unclaimed property audit experience within the targeted industry type and who have prior experience conducting audits on behalf of the client states engaged in the exam. This strategy enables Kelmar's auditors to work more efficiently due to their familiarity with unclaimed property issues associated with specific industries as well as the specific client state's unclaimed property laws and regulations. Likewise, the process allows Kelmar to build familiarity between client states and auditors to foster better and more frequent communications tailored to the format and frequency that each client state prefers.***

The Performance of Audit Functions

Kelmar's organizational structure ensures that all the Company's audit professionals receive the appropriate management and direction, professional training and education, and administrative and technical support essential to the delivery of superior unclaimed property services. This structure is further supported by the Company's specialty group infrastructure, which includes key personnel and audit legal support to verify that each client state's respective unclaimed property laws, regulations, and administrative policies are implemented and followed throughout the examination process. By assigning audit professionals from each tier of Kelmar's organizational structure to an examination, Kelmar ensures that its examination assignments are managed appropriately and completed timely in conformity with all participating state requirements. Likewise, since Kelmar's examinations are performed by teams of solely internal personnel, quality replacement personnel are readily available in the event that supervisory personnel or audit leads are unavailable due to unforeseen circumstances. To further illustrate Kelmar's organizational structure and the Company's ability to deliver the services sought by the

State in this RFP, descriptions of Kelmar's Executive Management, Audit Teams, Specialty Group Infrastructure and Legal Support are provided below:

- ***Executive Management and Examination Management: Kelmar's Executive and Examination Management Teams comprised of the Company's Executive Officers, Vice Presidents, Executive Consultant, and Directors play key roles in determining Kelmar's corporate policies and procedures, and are supported by Kelmar's legal support team, senior audit professionals and specialty service personnel.***

  - ***Chief Executive Officers are regarded nationally as experts in the field of unclaimed property and include two of the Big Four's former National Practice Leaders for Unclaimed Property, as well as the former Director of Audit and Compliance for the Commonwealth of Massachusetts' Unclaimed Property program. Each Chief Executive Officer is responsible for providing the necessary leadership and direction to achieve the highest level of unclaimed property services to client states. These individuals accept personal responsibility for setting, monitoring and maintaining Kelmar's professional standards. Chief Executive Officers ultimately oversee all Compliance Services, including each phase of the examination process, and specifically the identification, examination, collection, and transfer of all unclaimed property types. Responsibilities of the Chief Executive Officers include, without limitation, the following:***

    - ***providing strategic direction to the organization and ensuring staff accountability;***
    - ***establishing industry standards of excellence in the delivery of all areas of client service (e.g., auditing, consulting, system design and implementation, litigation support, etc.);***
    - ***partnering with client states to foster trust and respect within the holder community;***
    - ***participating in National Association of State Treasurers (NAST) / National Association of Unclaimed Property Administrators (NAUPA) Conferences, State Auditor Training and Holder Educational Seminars;***
    - ***monitoring Kelmar's overall performance to ensure client state expectations are met and/or exceeded; and***
    - ***overseeing quality controls throughout the collection and transfer of unclaimed property liabilities from holders to client states and state custodians, to ensure adherence with prescribed timelines.***

  - ***Executive Consultant works closely with Kelmar's Executive Management Team to ensure appropriate protocols are employed in all audit operations in order to facilitate efficient and professionally responsible examinations on behalf of the Company's client states. In his capacity as special advisor, Mr. Lynden Lyman works in Kelmar's Wakefield, Massachusetts location to address issues of***

unclaimed property law and administration presented by Kelmar's client states as well as holders under examination. As mentioned earlier in Kelmar's Technical Proposal, Mr. Lyman will remain directly involved in audits of particular industries and industry-specific property types, including consumer rebates and preneed trust liabilities. Mr. Lyman's unclaimed property experience and technical knowledge represents an invaluable resource for Kelmar. He has worked with every unclaimed property program in the United States (including Nevada) as well as several Canadian provinces, and is a recognized authority in the field of unclaimed property with more than 35 years of experience in unclaimed property law, compliance, and program administration.

- ***Kelmar Vice Presidents have extensive experience in the field of unclaimed property management and are responsible for the management, oversight, and effective operations of each of Kelmar's business lines, including Compliance Services. The Vice President of Compliance Services ensures that examinations assigned by the Company's client states are performed consistently and with the highest degree of skill and professionalism in compliance with all applicable laws, regulations, policies, and professional standards. The primary function of a Vice President at Kelmar is to ensure that, in all operational and technical areas, Kelmar's commitment to quality, timeliness, integrity, and professional ethics is met. Responsibilities of a Vice President include, without limitation, the following:***

  - ***ensuring that the industry standards of excellence in the delivery of all areas of client service (e.g., auditing, consulting, system design and implementation, litigation support, etc.) established by Kelmar Executives are met or exceeded;***
  - ***managing and directing Company resources effectively and efficiently and providing clear direction to reporting managers and staff;***
  - ***strategic planning to ensure overall process improvement and successful development and deployment of new systems and client services;***
  - ***ensuring the quality and timely completion of all unclaimed property examinations;***
  - ***presenting regularly to Kelmar's Executives and participating in industry conferences and seminars;***
  - ***monitoring and reviewing unclaimed property legislative changes for client states;***
  - ***working with the Executives in developing strategies to generate the efficient collection and transfer of unclaimed property from holders to states.***

- ***Kelmar Directors are dedicated entirely to the oversight and strategic direction of audits assigned under their charge from a technical, time-management, client communications, and professional ethics perspective. Directors possess significant unclaimed property examination experience and expertise, each offering***

a unique skill set that enhances the performance of Kelmar's services. Responsibilities of Directors include, without limitation, the following:

- ***communicating, both verbally and in writing, the status of all audits assigned;***
- ***controlling the quality and consistency of audits assigned to ensure adherence to best practices during the identification, examination, collection, and transfer of unclaimed property liabilities;***
- ***supervising and mentoring audit teams to ensure proper development of team members;***
- ***contributing to improvements in the Company's exam procedures and standards; and***
- ***understanding the impact of all relevant unclaimed property statutes, regulations, and case law affecting the performance of audits.***

■ ***Audit Teams: Kelmar's audit teams are comprised of Senior Managers, Audit Managers, Senior Associates, Associates, and Data Specialists. The details below outline the responsibilities of these individuals.***

□ ***Senior Managers provide direct oversight and guidance to Kelmar's audit staff, resulting in completion of all audits assigned in an accurate and timely manner while maintaining the Company's high standards of professional ethics. Notably, each Senior Manager is responsible for performing tasks inclusive of the following:***

- ***reviewing audit work papers and supporting documentation for overall technical correctness;***
- ***providing high-level analysis on the more complex areas of an unclaimed property audit;***
- ***creating innovative solutions to manage large volumes of holder data;***
- ***proactively communicating with holders, advocates, and states to resolve time delays;***
- ***overseeing Audit Managers, approving audit work and preliminary and final reports of audit findings; and***
- ***escalating issues to Executive Management when appropriate.***

□ ***Audit Managers participate in all phases of the unclaimed property examinations and oversee the audit team. Each Audit Manager is responsible for performing tasks inclusive of the following:***

- ***performing detailed analysis of audit related information to derive preliminary and final reports of examination;***

- *developing audit work papers and supporting documentation for review by Senior Managers;*
- *conducting audit related meetings and conference calls with holders and advocates; and*
- *overseeing Senior Associates and Associates inclusive of reviewing initial memoranda and preliminary holder record review.*

□ ***Senior Associates participate in all phases of the examination, including the review and analysis of audit related information, discussions with holders and advocates, and the preparation of audit document requests, memoranda, and reports.***

□ ***Associates participate in all phases of the examination, including the review and analysis of audit related information, the preparation of memos and audit status reports, and the review of data entry work product.***

□ ***Data Specialists are responsible for data input resulting from the holder's production of documents throughout the examination process. Data Specialists are not responsible for holder correspondence and are closely monitored and supervised by supervising audit team members.***

■ ***Specialty Group Infrastructure: In addition to its experienced auditors, the Company has established several specialty groups to aid in ensuring that audit assignments are completed accurately, timely, and in compliance with applicable state and federal laws as well as the Company's state contract requirements. These specialty groups include:***

□ ***Research: A research group provides Kelmar's audit teams with key publicly-available information that is relevant to conduct an efficient and effective exam of unclaimed property. This team also assists with identifying holders who are subject to report under the unclaimed property laws of the Company's client states.***

□ ***Remediation and Reporting: A fully dedicated internal remediation and reporting team with decades of experience in reconciling unclaimed liabilities, preparing examination materials, and coordinating the prompt remittance of property and NAUPA reports to Kelmar's client states.***

□ ***Statistical Sampling: A fully dedicated internal statistical sampling expert supports the audit teams by applying widely-accepted and state approved statistical sampling techniques to help make accurate conclusions of any potential unclaimed property liabilities in a manner that does not put any undue burden on the holder. This same expert also performs regression analysis and other forms of data analysis upon request.***

□ ***Information Technology: A fully staffed IT department, led by Kelmar's Director of Information Services, ensures the security and confidentiality of all records stored, created, collected, maintained and/or transmitted in connection with the***

examination process. The IT department also seeks to use the latest available technology to assist the audit teams in becoming more efficient by eliminating manual tasks wherever possible.

- ***Client Business Administration: A sophisticated Client Business Administration (CBA) group is responsible for exam research and invitations to join exams, general client communications, monthly Work in Progress (WIP) reports and monitoring client satisfaction with Kelmar's examination services. CBA is also responsible for participating and contributing, where possible, to outside unclaimed property organizations that are important to Kelmar's client states. For example, Kelmar often donates its time and efforts to NAST and has presented at NAST conferences. As a corporate affiliate of NAST, Kelmar employees are routinely well-represented at NAST/NAUPA conferences.***

- ***Finance: A dedicated Finance department, led by Kelmar's Chief Financial Officer and supported by Kelmar's Controller and several staff accountants, is responsible for financial and operational reporting and analysis, planning and budgeting, cash management and business policies, controls and procedures. Among the primary responsibilities of Finance at Kelmar are: (1) assisting with the preparation of Kelmar's Internal Financial Statements; (2) providing financial data and working with Kelmar's outside accountant; (3) assisting the Company with controlling costs (e.g., ensuring that employee expense reimbursement requests adhere to Company policies); (4) administering unclaimed property collected from holders and coordinating the remittance of property to Kelmar's client states; and (5) implementing appropriate accounting controls and segregation of duties over billing and collections related to unclaimed property.***

- ***Legal Support: Kelmar's fully staffed Legal Department includes Kelmar's CEO & President, General Counsel, Vice President & Chief Legal Counsel, Executive Consultant, three Associate General Counsels, one Junior Associate General Counsel, and one Junior Associate Attorney. These individuals are experts in unclaimed property law and serve as an invaluable resource to the Company's audit professionals and client states alike.***

  - ***Legal Compliance: Kelmar's attorneys are well versed in the unclaimed property laws of the states, including the Nevada Revised Statutes (NRS) 120A and Nevada Administrative Code (NAC) 120A. These legal experts also have extensive knowledge of all applicable state and federal case law, including specifically the landmark U.S. Supreme Court decisions: Texas v. New Jersey, 380 U.S. 518 (1965), Pennsylvania v. New York, 407 U.S. 206 (1972), and Delaware v. New York, 507 U.S. 490 (1993). They have a thorough understanding of these fundamental legal decisions and the foundation they establish for applying the unclaimed property law of each state. Notably, Ms. Darling was counsel of record for the Commonwealth of Virginia in Delaware v. New York, where she participated in all phases of the case, including depositions and oral arguments. As legal experts in the field of unclaimed property, Kelmar's attorneys have presented at numerous conferences and***

provided training to various state officials on relevant statutory, legislative, and case law topics. Working closely with Kelmar's Executive and Examination Management, Kelmar's legal department also reviews all audit processes and procedures implemented by the Company to ensure compliance with Kelmar's state contracts and all applicable laws inclusive of state and federal unclaimed property statutes, regulations, administrative codes, case law, and examination protocols.

- ***Audit Support: Kelmar's attorneys perform a variety of responsibilities, including, but not limited to, providing legal advice to Kelmar's unclaimed property audit teams concerning the application and interpretation of unclaimed property laws, rules, and regulations; reviewing merger and acquisition agreements, stock purchase, and asset and assumption agreements to determine the legal impact on matters affecting unclaimed property examinations; researching and drafting internal legal memoranda concerning emerging unclaimed property legal issues for the Company's Executive Management Committee; monitoring relevant state and federal cases which affect Kelmar's client states; and routinely tracking legislation and regulations impacting clients' unclaimed property laws. These individuals also work with holders to address issues of confidentiality, privacy, and data security, and routinely negotiate agreements with holders relating to these issues. In addition, Kelmar's attorneys work with state attorney general's offices to clarify the application and interpretation of unclaimed property laws, rules, and regulations in order to provide guidance to Kelmar's unclaimed property audit teams. These individuals also consult with counsel for Kelmar's client states in briefing and reviewing legal opinions received from holders under audit to determine the states' positions on such matters. Kelmar further bolstered its audit support capabilities and hired Suzanne Darling who joined Kelmar as Associate General Counsel. Ms. Darling has extensive experience supporting unclaimed property examinations of holders in all industries. As explained earlier in Kelmar's Technical Proposal, some of her more recent focuses have been and will continue to be on preneed trust liabilities and IRA holders. Ms. Darling will also remain actively involved in tracking and reporting on unclaimed property legislation. As Executive Consultant, Lynden Lyman, an attorney with more than 35 years of unclaimed property experience, will also serve as a valuable resource to Kelmar's legal department (and client states) when addressing unclaimed property legal matters during the delivery of audit services involving preneed, IRA, and other audits.***

- ***Consulting Services: While Kelmar is not a law firm engaged in rendering legal services to its client states, members of Kelmar's legal department routinely offer their extensive expertise when conferring with the Company's client states concerning unclaimed property legal issues that may arise during an examination and/or generally within the industry during the contract period. In such instances, the Company's attorneys assist Kelmar's client states with conducting research, drafting responsive documents to holders, developing education and training, consulting on legislative initiatives, and drafting advisories that are used by each client state's respective attorney general's office for reference when researching***

and determining the states' positions on unclaimed property issues. Examples of topics researched and reviewed include the following:

- ***analysis of merger and acquisition agreement in determining holder liability and application of the priority rules;***
- ***analysis of rebate programs and structures in determining holder liability;***
- ***use of foreign entities to circumvent state unclaimed property laws;***
- ***federal preemption of state unclaimed property laws (e.g., ERISA, interstate commerce, etc.);***
- ***owner rights and holder liabilities associated with loyalty programs and other forms of "neo-currency";***
- ***state exemptions of unclaimed property types and their impact on applying the priority rules for taking custody of unclaimed property;***
- ***use of dormancy fees by holders of gift cards;***
- ***analysis of special purpose entities in determining unclaimed gift card liabilities (e.g., GIFTCO's); and***
- ***factoring companies and the treatment of accounts receivable credits as unclaimed property liabilities.***

While Kelmar's approach is consistently applied by its auditors, Kelmar's structure and size offer flexibility to incorporate each client state's respective unclaimed property laws, regulations, and administrative policies into its audit processes. With the experienced professional resources described above, the examination processes and procedures outlined in Section 2.2 Scope of Work that follows, and the qualifications listed in response to provision 3.1.9 (Company background/history and why vendor is qualified to provide the services described in this RFP), Kelmar is well equipped to provide the highest quality unclaimed property auditor services in the industry and will successfully deliver the required services sought by the State.

2.2 Scope of Work

2.2.1 Identification and Collection of Unclaimed Property

2.2.1.1 Vendor shall undertake to identify and collect all types of unclaimed property from persons, firms and entities ("holders"), that have never reported or have improperly reported to the State of Nevada, or have in their possession unclaimed property ("property") that is subject to report and delivery under NRS 120A.

Kelmar shall undertake to identify and collect all types of unclaimed property from holders that have never reported or have improperly reported to the State of Nevada, or have in their possession property that is subject to report and delivery under NRS 120A. Equipped with a comprehensive and efficient means of examining the compliance of holders with state unclaimed property laws that is exclusive to Kelmar, the Company has the technical capability and resource capacity to identify and collect unclaimed property that has met the State's statutory requirements.

Kelmar maintains an examination manual as well as comprehensive work plans detailing the procedures to be used throughout the examination process. Kelmar's distinct examination methodology has been developed over the course of 16 years performing state-mandated audits of holders of unclaimed property, and provides a comprehensive and efficient means of examining the compliance of holders with states' unclaimed property laws. Kelmar's comprehensive work plans for general ledger, securities, and life insurance related examinations (hereinafter collectively referred to as the "Work Plan") include customized methodologies for determining compliance, analyzing records, collecting, reporting, and delivering property, as well as Kelmar's established internal controls and security for funds and records under Kelmar's control in administering such examination services. The Work Plan details Kelmar's audit methods, materials, techniques, procedures, and processes (collectively Kelmar's "examination processes"). The Work Plan also includes details of Kelmar's management and oversight of each phase of the examination process. A copy of the complete confidential Work Plan with document samples can be provided to the State upon request. A high-level summary of Kelmar's Work Plan methodology is set forth below in response to the provisions of Section 2.2 Scope of Work.

2.2.1.2 The State of Nevada reserves the right to participate in or restrict its participation in an audit of any holder.

Kelmar acknowledges the State's right to patriciate in or restrict its participation in an audit of any holder, and shall abide by the State's determination in all matters.

2.2.1.3 Prior to beginning any audit, the Vendors shall:

A. Draft and submit to the Nevada Unclaimed Property Division an engagement letter which defines agreed upon procedures, at a minimum:

1. All holders, including all subsidiaries or affiliated holders, included in the scope of the audit, identified by both FEIN and Legal Name;
2. Time period of records to be examined;
3. Specific scope of types of records and/or transactions to be audited;
4. Audit selection criteria used;

5. Frequency and/or timing of reporting identified unclaimed property during an audit;
6. Anticipated begin date of audit; and
7. Anticipated time to complete audit;

Upon contract award resulting from this RFP, and prior to beginning any audit, Kelmar shall perform the authorization and commencement processes summarized below, including drafting and submitting to the Nevada Unclaimed Property Division an engagement letter which defines agreed upon procedures.

As part of its examination services, Kelmar often identifies and proposes for audit potential holders of unclaimed property who may have failed to report and/or deliver unclaimed property due and owing to a client state pursuant to unclaimed property law or regulation.

- ***<u>Audit Selection</u>: Kelmar conducts research of a specific holder or industry group in order to identify and propose appropriate candidates for its client state. Kelmar's analysts research, identify, and propose potential holders who may have unclaimed property and who have either never reported unclaimed property, or who have improperly reported unclaimed property to a client state. The Nevada Unclaimed Property Division can utilize this research in conjunction with its own internal review of reporting histories to determine those candidates to select for audit. Kelmar has extensive experience and expertise in identifying unclaimed property liabilities of holders across numerous industries.***

- ***<u>Authorization</u>: Kelmar issues written authorization requests to those states where research has indicated the holder may have unclaimed property due and owing. Kelmar's Examination Authorization Request includes a summary sheet with relevant details regarding the proposed holder(s) which is customized for each state client. Prior to beginning any audit on behalf of the State, Kelmar shall draft and submit to the Nevada Unclaimed Property Division an engagement letter to include: (1) All holders, including all subsidiaries or affiliated holders, included in the scope of the audit, identified by both FEIN and Legal Name; (2) Time period of records to be examined; (3) Specific scope of types of records and/or transactions to be audited; (4) Audit selection criteria used; (5) Frequency and/or timing of reporting identified unclaimed property during an audit; (6) Anticipated begin date of audit; and (7) Anticipated time to complete audit.***

Kelmar's identification, research, and authorization processes are overseen by Senior Manager Ms. Stephanie Borusiewicz whose resume is attached hereto and incorporated herein by reference in Section VII – Proposed Staff Resumes of Kelmar's Technical Proposal.

B. Not begin any audits pursuant to the contract until after the engagement letter, with agreed upon procedures, has been accepted and signed by the Nevada Unclaimed Property Division.

Kelmar shall not begin any audits pursuant to a contract resulting from this RFP until after the engagement letter, with agreed upon procedures, has been accepted and signed by the Nevada Unclaimed Property Division. Upon receipt of the State's authorization, Kelmar commences with the assigned examination.

2.2.1.4 In conjunction with the identification and collection of property, the Vendor shall:

A. Audit the records of holders or potential holders to identify with specificity the unclaimed property that should be reported and delivered to the state;

Upon contract award resulting from this RFP and in conjunction with the identification and collection of property, Kelmar shall audit the records of potential holders to identify unclaimed property that should be reported and delivered to the State. With proper authorization, Kelmar shall examine the books of selected holders to determine compliance with unclaimed property law. All examinations are performed by Kelmar in accordance with the respective unclaimed property statutes, regulations, and administrative protocols of the states authorizing the review (inclusive of NRS 120A) as well as relevant state and federal court rulings including specifically the U.S. Supreme Court rulings of Texas v. New Jersey, 380 U.S. 518 (1965), Pennsylvania v. New York, 407 U.S. 206 (1972), and Delaware v. New York, 507 U.S. 490 (1993). Kelmar diligently maintains independence in mental attitude in accordance with AICPA Professional Standards AU Section 220 and ensures its auditors are not only independent in fact but also avoid situations that may lead others to doubt their independence.

- ***<u>Commencement</u>: Subsequent to receiving written authorization from a client state to conduct an examination of a holder, Kelmar contacts the holder to arrange an opening conference. Once contact has been established, Kelmar explains the examination process to the holder and addresses any initial concerns or questions raised. Additionally, at this time, Kelmar provides the Initial Document Request, Exam Orientation Process Guide (including frequently asked questions and information on accessing Kelmar's EPortal for transmitting information throughout the audit), and any other state handouts that are required to be produced prior to the opening by any state participating in the examination. In the event a state offers an alternative form confidentiality agreement, Kelmar provides the same for the holder's consideration.***

- ***<u>The Opening Conference</u>: During the opening conference, Kelmar provides the holder with an introduction to the examination process. During the discussion Kelmar provides the holder with information including, without limitation, a list of all states authorizing Kelmar to conduct the review, identification of the scope***

of the examination, the property types subject to review, the time period covered by the review, a description of the exam phases and proposed time-line, and the applicable state unclaimed property laws, rules, and regulations. To aid the holder in further understanding the examination process, Kelmar provides the holder with an Examination Overview Document.

- ***<u>Review, Analysis and Identification of Unclaimed Property</u>: Kelmar follows established examination processes and procedures to review, analyze, and identify overdue and unreported unclaimed property escheatable to states authorizing the examination in accordance with their respective unclaimed property laws. In so doing, Kelmar's examination processes and procedures are customized for the type of review (i.e. general ledger, securities, death benefits)[1]; summaries of which are provided below.***

  - ***<u>Work Plan: General Ledger Examination</u>: Kelmar will request each identified entity's general ledger. The examination team will analyze all data collected. Follow-up data requests are issued and Kelmar will analyze and process the data provided in each property category.***

    - ***PHASE I. Planning and Development of Examinations: Kelmar's assigned audit team reviews relevant publicly available information regarding the holder under review and issues an Initial Document Request to the holder for non-publicly available information for a general ledger unclaimed property examination. Kelmar also creates and distributes to the holder the Task Management Report ("TMR") to be utilized throughout the examination to identify and track specific tasks, responsible parties, and associated deadlines.***

    - ***PHASE II. Preliminary Data Collection (within each identified legal entity): Based on the information derived from Phase I of the review, Kelmar sends Document Request Two to the holder to identify the relevant property categories by legal entity and the specific accounts to be reviewed in detail within each such property category for a general ledger unclaimed property examination. Kelmar also issues an Account Detail Request focusing on the historical unclaimed property filings in all states for a general ledger unclaimed property examination.***

[1] Kelmar has a dedicated team of auditors that work on examinations involving emerging or specialty property types of unclaimed property including preneed funeral and cemetery trusted liabilities ("preneed"), consumer rebates, stored value cards, and loyalty reward program points. In reviewing these emerging property types, Kelmar utilizes a combination of general ledger, securities, and life insurance examination procedures. Kelmar's preneed exams, for example, incorporate audit procedures used in general ledger exams as well as data rehabilitation, death master file (DMF) matching, and address verification methodologies used in life insurance examinations and securities examinations. In the preneed exams, Kelmar will also utilize procedures and policies derived from discussions with the steering committee of states formed to address unique industry issues and preneed matters, holder concerns, and the states' application of their respective unclaimed property laws.

- ***PHASE III. Preliminary Analysis: Analysis of all data collected in the first two (2) phases.***

- ***PHASE IV. Secondary Data Requests: Kelmar prepares and distributes an Account Detail Request to the holder for the specific accounts by property type, identified through the preliminary analysis detailed in Phases II and III above for a general ledger unclaimed property examination, which typically include Accounts Receivable (AR) Detailed Trial Balances, related AR policies and procedures; and Disbursement Account Analysis Detail.***

- ***PHASE V. Secondary Data Analysis: Upon receipt of the transaction detail requested in Phase IV, Kelmar analyzes and processes the data provided in each property category in order to identify those transactions with the highest likelihood of representing potential unclaimed property.***

□ ***<u>Work Plan: Securities Specific Examination</u>: Kelmar's securities team reviews holder supplied procedures, agreements, and prior escheatment reports; analyzes shareholder registration data; performs merger and acquisition testing; and confirms the integrity of the critical data elements supplied.***

- ***PHASE I. Preliminary Data Collection: Having been authorized by a client state(s) to conduct a review of the holder, and completed the initial stages of the examination, Kelmar's securities team establishes contact with the holder's investor relations personnel and issues an Initial Document Request ("IDR") to the holder for a securities unclaimed property examination which is tailored to the corporate history of each holder for securities and brokerage accounts. Kelmar also creates and distributes to the holder the Task Management Report ("TMR") to be utilized throughout the examination to identify and track specific tasks, responsible parties, and associated deadlines.***

- ***PHASE II. Preliminary Records Analysis: First, Kelmar reviews procedures, agreements, and prior escheatment procedures from the holder; next, Kelmar analyzes shareholder registration data and distributes Document Request Two to the holder containing follow-up questions and test population of accounts for a securities unclaimed property examination; and then Kelmar performs merger and acquisition testing.***

- ***PHASE III. Secondary Records Analysis: When test data is received it is analyzed in order to confirm the integrity of the critical data elements supplied.***

□ ***<u>Work Plan: Insurance Specific Examination</u>: Kelmar's unclaimed property audits of life insurance companies focus on a) unpaid death benefits owed***

to beneficiaries of life insurance policies and annuity contracts, as well as deceased or inactive retained asset account owners (hereinafter referred to as the "Death Benefit Audit") and b) all other general ledger and securities property types including other IN property type codes.

- ***PHASE I. Preliminary Data Collection and Analysis: Kelmar focuses on developing a general understanding of the insurance company's products, record keeping systems, as well as policies and procedures around paying death claims. The Life Insurance - Initial Document Request ("LI-DR1") is provided to the holder identifying those legal entities on the organizational chart that offer life insurance policies and annuity contracts.***

- ***PHASE II. Secondary Data Collection and Analysis: Based on the information derived from the first phase of the review, Kelmar prepares a Life Insurance - Second Document Request ("LI-DR2") for the holder that focuses on the insurance company's policy data for the purpose of identifying unpaid death benefits owed to beneficiaries of life insurance policies and annuity contracts, as well as deceased or inactive retained asset account owners.***

For information regarding the experience and expertise of Kelmar's key personnel involved throughout the examination processes described above, please refer to the resumes attached hereto and incorporated herewith in Section VII – Proposed Staff Resumes of Kelmar's Technical Proposal.

- ***<u>Supplemental Examination Procedures and Practices</u>: Kelmar has operational policies and procedures (including quality controls) applied to all examinations. Throughout the conduct of the review, Kelmar follows supplemental examination procedures and practices relating to: (A) records verification; (B) dormancy and reporting periods; (C) holder bankruptcies; (D) the nonexistence of owners' addresses and the use of estimation techniques; (E) methodology of estimation techniques and other compliance techniques; (F) quality control initiatives; (G) treatment of confidential information; and (H) Record Retention. Notably, the policies and procedures relating to estimation are generally inapplicable to Kelmar's securities and life insurance examinations. These practices are briefly addressed below:***

  - ***<u>Records Verification:</u> Kelmar utilizes customized procedures to verify the accuracy and completeness of a property holder's records largely through the use of existing and readily accessible records.***

  - ***<u>Dormancy and Reporting Periods</u>: Kelmar's internal Legal department, through various legal resources, monitors states' unclaimed property statutes for modifications to dormancy periods and reporting periods.***

- ***Bankruptcies Procedures**: If, at any time before or during the course of an examination, Kelmar learns that a holder has filed for bankruptcy, Kelmar shall, within seven calendar days of discovery of the event, notify the State of the bankruptcy filing.*

- ***Nonexistence of Owners' Addresses and Use of Estimation Techniques**: Kelmar will follow the states' unclaimed property laws and all relevant state and federal court rulings, including specifically, the holdings of the U.S. Supreme Court in Texas v. New Jersey, 380 U.S. 518 (1965), Pennsylvania v. New York, 407 U.S. 206 (1972), and Delaware v. New York, 507 U.S. 490 (1993), and any applicable federal legislation when determining which state has the right to escheat property.*

- ***Methodology of Estimation Techniques**: In the event that records do not exist or owner names and addresses are non-existent, Kelmar shall obtain the State's written approval prior to utilizing any sampling, projection, and/or estimation technique to determine unclaimed property due to the State.*

- ***Quality Control Initiatives**: Kelmar follows a number of quality control procedures throughout the examination process to ensure that all audits are performed consistently in a high quality, professional, and competent manner. These initiatives include monthly discussions regarding exam progression approval and available personnel, established review processes, data validation processes, audit legal support, IT security, dedicated Quality Control, and established custody and liquidation controls. Additionally, Kelmar's protocols undergo an annual external quality control review by an independent auditing vendor. Additional information regarding these resources and measures has been provided in Kelmar's response to Provision 3.1.9 beginning on page 55 of Kelmar's Technical Proposal.*

- ***Treatment of Confidential Information**: Kelmar understands that all materials and information provided to Kelmar by the State or acquired by Kelmar on behalf of the State shall be regarded as confidential information in accordance with federal and state law, and ethical standards. Kelmar expends significant resources to maintain the security and confidentiality of all records and findings created, obtained, and/or stored in connection with any and all examination services rendered. Additional information regarding Kelmar's Written Information Security Program, EPortal, Secure Email, Confidentiality and Non-Disclosure Agreements, and Business Continuity Plan can be provided to the State upon request.*

- ***Record Retention**: Kelmar has adopted a comprehensive Record Retention Program which includes secured encrypted back-up and storage in compliance with all applicable state and federal laws. Kelmar's professionals take extensive measures to properly document the audits performed through the creation of comprehensive audit working papers. Such working papers*

include but are not limited to planning information, findings, calculations, analysis, and summarization. Kelmar retains all audit work papers and documentation in accordance with the retention periods contained within its state contracts and in compliance with applicable state laws.

Once the records review and analysis phases of the examination are completed, Kelmar's audit professionals proceed with the due diligence, remediation, and remittance processes critical in identifying the unclaimed property liabilities of a holder. All audits follow the same procedures for due diligence, remediation, collection, and remittance of the unclaimed property described below.

B. Advise holders that all property reported and remitted must conform to Nevada reporting requirements;

Upon contract award resulting from this RFP and following completion of the examination process described above, Kelmar shall advise holders that all property reported and remitted must conform to Nevada reporting requirements, including the holder due diligence and subsequent reporting requirements of RFP Section 2.8. Kelmar's approach for due diligence and remediation is further described below.

During the due diligence and remediation process, Kelmar remains in close communication with the holder in order to receive and review documentation that remediates preliminary assessment liabilities. Once the final population of dormant accounts is identified in an exam, the holder is provided with a report of preliminary exam findings detailing the preliminary unclaimed property liability amount in cash and shares. The holder is given the opportunity to review, reconcile, remediate, and perform due diligence as required under the applicable unclaimed properly laws of each state participating in the examination. To ensure the holder understands its due diligence obligations, Kelmar's auditors provide the holder with copies of each participating state's respective due diligence requirements. For insurance holders of unpaid death benefits, Kelmar provides the holder with the DMF match results and specific remediation and due diligence guidelines. The property holder shall provide confirmation of the date of due diligence mailing as well as the items mailed. In the event that a holder refuses to conduct due diligence or deliver property, Kelmar promptly notifies the states participating in the examination.

At this stage, Kelmar validates that accounts have been appropriately removed from findings as a result of holders re-establishing contact with owners. Kelmar's dedicated team of subject matter experts facilitates the extraction, normalization, and retention of the name and address registration data which is critical in identifying the unclaimed property liabilities of a holder. With an emphasis on data security and the protection of personal information, this group has been charged with the creation and development of a proprietary escheatment platform that facilitates the exam process.

Upon the expiration of due diligence and the completion of remediation, Kelmar informs the holder of penalty and interest laws of the states participating in the examination; advises the holder of the continuing obligation to report unclaimed property and that all future reports of unclaimed property are to be filed directly with the appropriate states; and prepares and presents a *Report of Examination* ("ROE") to each state participating in the review for its review and approval.

For information regarding the experience and expertise of Kelmar's key personnel involved throughout the collection and delivery/remittance process, please refer to the resumes of Mr. Rodney Dominique and Mr. Anthony D'Alleva attached hereto and incorporated herewith in Section VII – Proposed Staff Resumes of Kelmar's Technical Proposal.

The reconciliation processes undertaken by Kelmar ensure that every component of a final assessment is fully supported and traceable back to the holder's books and records. This also aids in ensuring that the final demand for payment consists solely of past due property. Notably,* all findings in connection with Kelmar's examination of holders and the demands for payment of the unclaimed property on behalf of the State shall be made pursuant to Nevada reporting requirements. *Please refer to Section 2.8 beginning on page 43 of Kelmar's Technical Proposal for additional information concerning Kelmar's application of the State's holder due diligence and subsequent reporting requirements.

C. Prepare and submit to the Nevada Unclaimed Property Division reports of property in accordance with the requirements of the statute, NRS 120A and the Nevada Administrative Code (NAC) 120A and as stated in the agreed upon procedures;

Upon contract award resulting from this RFP and following completion of the due diligence and remediation process described above, Kelmar shall prepare and submit to the Nevada Unclaimed Property Division reports of property in accordance with the requirements of the statute, NRS 120A and the Nevada Administrative Code (NAC) 120A and as stated in the agreed upon procedures, including the unclaimed property report requirements of RFP Section 2.9. Kelmar's approach for reporting and remittance is described below.

Kelmar has automated its reporting functions to utilize information that is maintained, in real time, in its audit management system. For example, as also noted in response to provision 2.6.1, Kelmar has developed a standard suite of internal and external reports that includes its Work in Progress Reports as well as customized status reports for client states. In addition, the Report of Examination (ROE) summarizes audit findings and a Property Detail Summary identifies holder name, mailing address, FEIN, contact person information, state of incorporation, principal place of business, exam schedule, description of records to be examined, and type of audit. Once the property is received by Kelmar on behalf of a client state, Kelmar reconciles the delivery with the ROE and provides an Examination

Closing Package which consists of the ROE with reconciliation statement, the NAUPA Report, and an invoice statement for services rendered described below.

- ***Report of Examination (ROE): As explained above, the ROE acts as a summary of findings and also details the property types and entitlements reviewed including merger and acquisition entitlement rates and dates where applicable. Each ROE created shall conform to the State's specifications, including a summary containing confirmation of each securities transaction either by a physical certificate, electronic transfer form, or statement indicating the transfer to Nevada Unclaimed Property, as well as a summary of all stock or mutual funds delivered which include the name, the CUSIP, and the total number of shares by issue.***

- ***Unclaimed Property Report (NAUPA Report): Upon delivery of the property, Kelmar shall forward all unclaimed property electronically in the format prescribed by the State. Kelmar's Unclaimed Property Reports conform to the NAUPA standards, in a format acceptable to the State as outlined in RFP Section 2.9.2, including (as available), but not limited to, holder name, address, contact, and FEIN; owner/beneficiary names, addresses, social security or federal tax identification numbers; property types, unique property identifier, amount of property; CUSIP and certificate numbers, bond and coupon numbers with call date, value of shares and valuation date, description of securities, and date of last transaction.***

  Kelmar will determine the value of securities traded on an exchange or in the over-the-counter market based on the closing price of the security on the date that shares are remitted. All securities valuations are performed using Standard & Poor's Interactive Data database, which is a recognized resource in determining the valuation of securities. All valuations are examined by a Kelmar Audit Manager who conducts an independent Quality Assurance review to ensure the accuracy of the valuation. The State shall be notified of the value of the shares and the valuation date.

  As the current NAUPA format may not include space for special policy data that a client state may need in order to validate and pay claims for death benefits in an efficient manner, Kelmar also provides its client states with a customized report to compliment the NAUPA file that includes beneficiary information derived from any life insurance policies, annuity contracts, or retained asset accounts to validate and pay claims in an efficient manner.

- ***Invoice: Finally, the Examination Closing Package includes an invoice for Kelmar's services, including the fee from the net unclaimed property reported. Kelmar shall adhere to the State's requirements for payment, billing, and timeliness of billing.***

Having overseen the creation of thousands of electronic files remitted to state abandoned property units in NAUPA format, Kelmar's Senior Manager of Reporting

and Remittance, Mr. Andrew Harmon, is responsible for overseeing the processing, reporting, and filing of all reports associated with Kelmar's securities and life insurance examinations. Mr. Harmon works closely with Kelmar's Controller, Ms. Elizabeth Sullivan, in coordinating the remittance of property to Kelmar's client states, submitting an invoice for payment of services, and implementing appropriate accounting controls and segregation of duties over billing and collections related to unclaimed property. For information regarding the experience and expertise of Mr. Harmon and Ms. Sullivan, please refer to the resumes enclosed herewith in Section VII – Proposed Staff Resumes of Kelmar's Technical Proposal.

Please refer to Section 2.9 and Section 2.11 of Kelmar's Technical Proposal beginning on page 45 and page 48 respectively for additional information concerning Kelmar's application of the State's unclaimed property report and delivery requirements.

D. Request holders and their agents to deliver to the Vendor, or the Vendor's custodian, property deemed owing under NRS 120A; and

Pursuant to a contract award resulting from this RFP, Kelmar shall request that holders and their agents deliver property deemed owing under NRS 120A to Kelmar, or Kelmar's custodian.

The reconciliation processes undertaken by Kelmar ensure that every component of a final assessment is fully supported and traceable back to the holder's books and records. This also aids in ensuring that the final demand for payment consists solely of past due property. Kelmar's processes and procedures for collection of cash and securities property are described below.

Once the holder has been given sufficient time to review the final findings in the ROE, Kelmar instructs the holder to remit both cash and securities property due and owing as identified in the ROE and advises the holder that the holder is responsible for paying all claims up to the time that both the final report has been agreed to and the holder has delivered the property. Where a client state seeks to collect property directly from the holder, Kelmar instructs the holder to remit both cash and securities property directly to the client state in accordance with the state's holder reporting instructions. In instances where a client state has directed Kelmar to collect the unclaimed property in trust for the state and perform custodial services in whole or part, Kelmar demands delivery of the respective property from the holder after receipt of the client state's approved ROE.

- ***<u>Cash Property Collection</u>: All cash property (inclusive of cash derived from securities property) delivered to Kelmar is segregated into separate interest bearing bank accounts held in trust for Kelmar's client states. Kelmar presently utilizes Boston Private Bank & Trust ("Boston Private") as its bank and receives monthly statements for each client state escrow account.***

- ***<u>Securities Property Collection</u>: In connection with the performance of custodial services for securities property on behalf of its client states, Kelmar utilizes the services of Wells Fargo, First Clearing LLC ("Wells Fargo"). Kelmar maintains a custodial account for the benefit of its client states and collects securities and reconciles the remittance to the total unclaimed property due and owing to each state participating in the review. Once reconciled, Kelmar transfers the securities from the Wells Fargo account held in trust for a client state to the appropriate designated state custodial account. All property delivered by holders to Wells Fargo is segregated into a separate account or accounts for each client state and is not commingled with any other unclaimed property in safekeeping with Kelmar or its custodian. Securities are transferred through DTC (as long as the security is DTC eligible) and include all book entry and dividend reinvested shares at a single transaction upon remittance of the holder report.***

Kelmar's Reporting Manager is responsible for the management of Kelmar's short-term custody portfolio, including reconciling the remittance of shares and cash received by holders and coordinating the remittance of securities related property to Kelmar's state clients. For information regarding the experience and expertise of Kelmar's Reporting Manager involved in these processes, please refer to the resume of Ms. Marsela Strakosha enclosed herewith in Section VII – Proposed Staff Resumes of Kelmar's Technical Proposal.

Please refer to Section 2.10 beginning on page 46 of Kelmar's Technical Proposal for additional information concerning Kelmar's application of the State's unclaimed property custody requirements.

E. Forward the property to Nevada Unclaimed Property Division or its designee.

If awarded a contract resulting from this RFP, Kelmar shall adhere to the State's procedures and requirements to ensure proper transfer of property to the State and shall ensure that the property is forwarded to the Nevada Unclaimed Property Division or its designee in accordance with the unclaimed property delivery requirements outlined in RFP Section 2.11. Please refer to Section 2.11 beginning on page 48 of Kelmar's Technical Proposal for additional information concerning Kelmar's application of the State's unclaimed property delivery requirements.

2.2.1.5 The State Treasurer's Office reserves the right to request the vendor to conduct audits which include local Nevada businesses in addition to nationwide audits. The vendor should ensure any costs or additional resources it may require to conduct local audits in addition to national audits is represented accurately and completely within its proposal.

Kelmar acknowledges the State Treasurer's Office right to request that the vendor conduct audits which include local Nevada businesses in addition to nationwide audits. In so doing,

Kelmar confirms that any costs or additional resources required to conduct such local audits in addition to national audits are represented accurately and completely within its Proposal documents.

2.3 Enforcement Efforts

2.3.1 If a holder fails or refuses to report and deliver unclaimed property, the Vendor shall advise the Nevada Unclaimed Property Division, in writing, of the holder's failure or refusal within 30 days of the date the Vendor requested the reporting and delivery of property. Written notice is to be delivered via email to UPAudit@nevadatreasurer.gov.

Pursuant to a contract award resulting from this RFP, and in the event a holder refuses to cooperate with the terms of the examination, Kelmar shall advise the Nevada Unclaimed Property Division, in writing, of a holder's failure or refusal to report and deliver unclaimed property within 30 days of the date Kelmar requested the reporting and delivery of property. In accordance with the State's enforcement requirements, written notice shall be delivered via email to UPAudit@nevadatreasurer.gov.

Kelmar goes to great lengths to complete examinations within a reasonable amount of time and strives to ensure that the examination does not disrupt a holder's customary business activities. Kelmar also strives to keep its client states apprised of the progress throughout the examination. If at any point in the examination a holder does not cooperate by refusing to produce records or to report or deliver property, Kelmar promptly notifies the affected states participating in the review.

2.4 Joint Efforts with Participating States

2.4.1 The State acknowledges that the Vendor may perform the services required under this contract concurrently with its performance of similar services for other states having similar requirements in connection with their respective unclaimed property laws.

Kelmar understands the State's acknowledgement of joint efforts with participating states. While each state is limited to authorizing an examination solely on its behalf, as a third party vendor providing audit services on behalf of its client states, Kelmar routinely performs state mandated unclaimed property examinations concurrently for multiple states. Undertaken with a common objective and examination process, such multi-state audits provide an efficient and reliable means of reviewing a holder's records while incorporating the unique requirements of each state's respective unclaimed property statute, regulations, rules, administrative protocols, and contractual requirements. These joint efforts also serve to unite more rightful owners with their lost and/or abandoned property.

2.5 Conflicts of Interest

2.5.1 The Unclaimed Property Agent shall maintain independence in mental attitude in accordance with AICPA Professional Standards AU Section 220. The Vendor(s) should not only be independent in fact but should avoid situations that may lead others to doubt their independence.

Kelmar acknowledges that as the unclaimed property agent for the State it shall maintain independence in mental attitude in accordance with AICPA Professional Standards AU Section 220, and should not only be independent in fact but should avoid situations that may lead others to doubt its independence. Kelmar is not engaged in any activities that may constitute a conflict of interest or the appearance of a conflict of interest. By working exclusively on behalf of state governments, Kelmar has eliminated even the perception of a conflict of interest in its professional relationships with states, holders, and third party holder advocates alike. This unwavering commitment to independence allows Kelmar to produce an accurate and objective work product in accordance with AICPA Professional Standards AU Section 220, upon which its client states can rely.

Kelmar consistently strives to maintain the highest level of professional integrity in its business and professional relationships with the states, holders, and third party holder advocates. Kelmar believes that its appearance of independence and objectivity would be compromised by representing itself in any capacity other than professionals who conduct state-authorized audits of holders. As a result, the Company never has, and never will, contract with holders or their agents to perform voluntary compliance initiatives such as unclaimed property reporting preparation services for holders, other unclaimed property services for holders, owner location services for business or individuals, or electronic processing of unclaimed property account information for business for a fee.

Notwithstanding the foregoing, Kelmar understands the vital role that voluntary holder compliance has within the unclaimed property industry and has participated at the request of its client states in numerous holder education conferences and compliance seminars with the stated objective of increasing holder voluntary compliance. In this regard, Kelmar's extensive knowledge of how holders (through Public Accounting Firms) conduct "self-audits" or "voluntary disclosures" allows its client states to better evaluate self-determinations of escheat liability. Likewise, Kelmar is mindful that the primary overriding objective of state-authorized audits of holders is to increase voluntary compliance in the holder community. With this in mind, Kelmar takes numerous measures to educate holders under review of their obligations under the respective statutes of client states participating in the examination. In so doing, Kelmar points out common compliance pitfalls and highlights deficiencies in reporting procedures and/or records retention practices, all of which aids holders in ensuring future voluntary compliance.

Furthermore, the Company has implemented internal employee policies governing Independence, Insider Trading, and Conflicts of Interest as part of Kelmar's unwavering commitment to independence. All Kelmar employees are required to comply with these policies and receive annual training concerning these obligations. All Kelmar personnel are also required to complete annual financial disclosure forms and undergo conflicts

checks in connection with each examination assignment. By avoiding situations that may lead others to doubt its independence, and by implementing the appropriate internal controls, Kelmar eliminates even the appearance of a conflict of interest.

2.6 Work In Progress Report

2.6.1 The Vendor shall provide the Unclaimed Property Division a monthly Work in Progress report that describes the status, including percentage of completion for each Federal Employer Identification Number, of all audits in process. The report will include the audit identification for each audit presented on the report. Reports are to be delivered via email to UPAudit@nevadatreasurer.gov. (Provide sample Work in Progress reports).

Kelmar acknowledges the State's Work In Progress report requirements, and upon contract award resulting from this RFP, Kelmar shall provide the Unclaimed Property Division with a monthly Work in Progress report that describes the status of all audits in process, including percentage of completion for each Federal Employer Identification Number, and the audit identification for each audit presented on the report. In accordance with the State's requirements, reports shall be delivered via email to UPAudit@nevadatreasurer.gov.

From the start of an examination, Kelmar follows an approach based on transparency and open communication to ensure that its examination methodology is applied consistently, with accuracy, in accordance all applicable state requirements. Kelmar is committed to keeping its client states apprised of the progress throughout an examination and maintains comprehensive written documentation of the examination for review by its client states. Kelmar's audit work papers are thoroughly designed and organized in such a manner that a client state can easily review and evaluate Kelmar's audit processes, the work performed, and the findings that result from an examination performed by Kelmar on its behalf.

Within 30 days of the commencement of the exam, and every 30 days thereafter, Kelmar provides its client states with a Work In Progress Report ("WIP") that sets forth the status of the examination. Although Kelmar has automated and streamlined its status reporting methodology using a standard report approach for all Kelmar client states, the WIP report can be customized to include additional data points as needed at the request of a client state. Alternatively, supplemental reports can also be provided monthly, quarterly or at some other interval as needed. Kelmar will re-confirm WIP report content upon the award of contract resulting from this RFP to ensure that the content, format, and delivery method of the WIP report meet the specifications of the State. A sample Work in Progress report is attached hereto and incorporated herewith in Section VIII - Other Informational Material of Kelmar's Technical Proposal under Tab A.

2.7 Acknowledgements

2.7.1 The Nevada Unclaimed Property Division has the final and sole authority to decide who, if anyone will represent the Division in the unlikely event more than one Vendor or another state wants to identify and collect unclaimed property from the same holder.

Kelmar acknowledges Nevada Unclaimed Property Division's final and sole authority to decide who, if anyone will represent the Division in the unlikely event more than one vendor or another state wants to identify and collect unclaimed property from the same holder, and shall abide by the State's decision.

2.7.2 The Nevada Unclaimed Property Division may approve or disapprove authorization to attempt to identify and locate unclaimed property from any holder without offering justification for such denial. The Division may also, after authorization has been granted to conduct an audit of a holder, suspend or terminate the examination on behalf of the state regardless of whether it has commenced, for any reason, including legislative or judicial action which causes delay that prevents performance, or an unforeseen or uncontrollable event, and without offering justification for such suspension or termination.

Kelmar acknowledges that the Nevada Unclaimed Property Division may approve or disapprove authorization to attempt to identify and locate unclaimed property from any holder without offering justification for such denial. Kelmar further acknowledges that after authorization has been granted to conduct an audit of a holder, the Division may suspend or terminate an examination on behalf of the State regardless of whether it has commenced, for any reason, including legislative or judicial action which causes delay that prevents performance, or an unforeseen or uncontrollable event, and without offering justification for such suspension or termination.

2.8 Holder Due Diligence & Subsequent Reporting

2.8.1 The Vendor shall advise each holder in writing of the provisions of the Nevada statute for notifying owners of their property. Provide samples of documentation provided holders. NRS 120A.560(5) requires written notice be sent to owners or apparent owners not more than 120 days or less than 60 days before filing the report if the following is applicable:

2.8.1.1 If it is unknown whether the last known address is known to be accurate.

2.8.1.2 The claim of the apparent owner is not barred by a statute of limitations.

2.8.1.3 The value of the property is $50 or more.

Upon contract award resulting from this RFP, and after the final population of dormant accounts is identified in an exam, Kelmar shall advise each holder in writing of the provisions of the Nevada statute for notifying owners of their property.

Kelmar is well versed in the requirements of NRS 120A.560(5) and shall inform the holder that written notice must be sent to owners or apparent owners not more than 120 days or less than 60 days before filing the report if the following three criteria are applicable: 1) it is unknown whether the last known address for the property is known to be accurate; 2) the claim of the apparent owner is not barred by a statute of limitations; and/or 3) the value of the property is $50 or more. Kelmar shall advise the holder that the notice shall include the following information: 1) apparent owner name; 2) apparent owner last known address; 3) type of account or other property; 4) partial account number or other information sufficient to identify account; 5) the amount; and 6) a statement that the property will be turned over to the State for custody if the apparent owner does not claim it within the period set forth in the notice.

To facilitate the holder's understanding of its due diligence obligations, Kelmar provides the holder with a listing of the due diligence requirements for each state, including Nevada's requirements under NRS 120A.560 (5), and shall also provide the holder with a copy of the State's Unclaimed Property Reporting Booklet, which, at present time, includes a sample due diligence letter for guidance. Samples of the due diligence documentation provided to the holder at this stage of the examination are attached hereto and incorporated herewith in Section VIII - Other Informational Material of Kelmar's Technical Proposal under Tab B.

For additional information describing Kelmar's due diligence and subsequent reporting methodology, please refer to Section 2.2.1.4B beginning on page 35 of Kelmar's Technical Proposal.

2.8.2 The Vendor shall require each holder to file with the Nevada Unclaimed Property Division an affidavit stating that the holder has complied with NRS 120A.560(5).

Pursuant to a contract award resulting from this RFP, and after advising the holder of its due diligence obligations under NRS 120A.560(5), Kelmar shall verify that the holder has complied with the law and shall require each holder to file an affidavit with the Nevada Unclaimed Property Division stating that the holder has compiled with 120A.560(5).

2.8.3 The Vendor, upon completion of the initial review or examination of a holder's records, must instruct the holder to file all future reports with the State of Nevada, pursuant to Nevada reporting requirements.

Pursuant to a contract award resulting from this RFP, and upon completion of the initial review or examination of a holder's records, Kelmar shall instruct the holder to file all future reports with the State of Nevada, pursuant to Nevada reporting requirements.

Kelmar shall also instruct holders to file a "Nil" or "Negative" report with the State, if required, if there is no property to be reported in the report year(s) following completion of Kelmar's examination and reporting.

2.9 Unclaimed Property Report

2.9.1 The Vendor shall provide reports of the property to be forwarded to the Division in a format prescribed by the Division pursuant to NRS 120A and NAC 120A. The Division will provide reporting instructions, and specifications needed for automated reporting.

Kelmar acknowledges the State's report requirements, and upon contract award resulting from this RFP, Kelmar shall provide unclaimed property reports to the Division in a format prescribed by the Division pursuant to NRS 120A and NAC 120A. Kelmar shall also adhere to the automated reporting instructions and specifications provided by the Division.

2.9.2 Reports will include the following information:

2.9.2.1 Holder name;

2.9.2.2 Holder address;

2.9.2.3 A holder contact, familiar with the records processed and the property transferred;

2.9.2.4 Federal Employer Identification number of the holder;

2.9.2.5 Owners' names;

2.9.2.6 Owners' last known addresses;

2.9.2.7 Owners' social security numbers or Federal Tax Identification numbers;

2.9.2.8 Types of property;

2.9.2.9 Any unique property identifier or number used by the holder (for example, an account number or a birth date);

2.9.2.10 Amount of the property;

2.9.2.11 CUSIP number, and certificate numbers for any securities, if applicable;

2.9.2.12 Bond numbers and coupon numbers accompanied with call date, if applicable;

2.9.2.13 Value of the shares and the valuation date;

2.9.2.14 Description of any securities, including maturity dates, interest rates, and interest or dividends due, if applicable; and

2.9.2.15 Date of the last transaction with the owner with respect to the property.

Kelmar acknowledges the State's report requirements, and upon contract award resulting from this RFP, Kelmar shall provide the State with reports that include the information specified in provisions 2.9.2.1 through 2.9.2.15. For additional information describing Kelmar's unclaimed property report and delivery methodology, please refer to Section 2.2.1.4C beginning on page 36 of Kelmar's Technical Proposal.

2.10 Custody of Unclaimed Property

2.10.1 If the Vendor does not provide financial custodial services, the Vendor shall enter into an agreement with a custodian to provide these services for the Vendor. Indicate if custodial services are provided by the Vendor or by an outsourced custodial service.

As part of its delivery and reporting services, Kelmar has partnered with Boston Private Bank & Trust Company and Wells Fargo Advisors, LLC / First Clearing, LLC to provide short-term custodial services. In so doing, Kelmar is able to receive and reconcile unclaimed property that has been identified as due and owing to its client states as a result of Kelmar's compliance examinations. Below are details concerning Kelmar's custodial resources.

- ***Boston Private Bank & Trust Company ("Boston Private") serves as Kelmar's banking custodian and is a leading provider of fully integrated wealth management, trust, and private banking services. Boston Private provides deposit and cash management services, such as debit card and ATM services, online banking, wire transfers, liquidity management, escrow services, fund transfer services, and sweep accounts, as well as checking, money market, and certificates of deposit accounts; residential mortgage services; commercial and industrial lending services; and investment management and trust services. For more than 25 years, Boston Private has taken a highly personalized approach to serving the complex financial needs of individuals, families, business owners, private partnerships, nonprofits, and community partners. Headquartered in Boston, Boston Private has 25 offices located in Boston, San Francisco, San Jose, and Los Angeles.***

- ***Wells Fargo Advisors, LLC / First Clearing, LLC ("Wells Fargo") is both a clearing firm and a brokerage firm providing custody and brokerage services for unclaimed property, along with retail brokerage services to investment broker-dealers and their financial professionals in the United States. Wells Fargo is one of the nation's premier financial services firms, serving and advising clients nationwide through more than 15,000 Financial Advisors. Wells Fargo serves as the custodial and liquidation agent for a number of state unclaimed property departments and works closely with state clients developing customized solutions to meet specific custodial service needs. State clients include, without limitation, Arkansas, California, Georgia, Idaho, Minnesota, South Carolina, and Washington. Wells Fargo's years of experience allow it to act as a prudent advisor and problem solver to unclaimed property managers. Its***

services include the following: periodic and on-demand reporting; recordkeeping; sales; claims processing; received securities; mutual funds; core custody services; corporate actions; and tax reclaim.

2.10.2 The custodian shall:

2.10.2.1 Segregate into a separate account or accounts all property delivered by holders.

2.10.2.2 Acknowledge that the Division has all rights of a third party beneficiary with respect to the benefit and enforcement of these provisions, and that these provisions may only be amended with the written consent of the Division.

2.10.2.3 In the event an outsourced custodial service is utilized, the contract must include the provisions of Sections 2.10.2.1 and 2.10.2.2 of this RFP, and must be submitted to the Nevada Unclaimed Property Division, along with any subsequent amendments. Provide all current contracts.

Upon contract award resulting from this RFP, and in the event the Administrator elects to utilize Kelmar's outsourced custodial services, Kelmar shall ensure that the custody of unclaimed property on behalf of the State is performed in accordance with the requirements of this section, including ensuring that its custodians segregate all property delivered by holders into a separate account or accounts. Currently, all cash property (inclusive of cash derived from securities property) delivered to Kelmar is segregated into separate interest bearing bank accounts at Boston Private held in trust for Kelmar's client states. Similarly, all securities property delivered to Kelmar is segregated into separate custodial accounts at Wells Fargo in trust for each of its client states. Copies of Kelmar's contracts with its custodians are attached hereto and incorporated herewith in Section VIII - Other Informational Material of Kelmar's Technical Proposal under Tab C.

For additional information describing Kelmar's collection methodology, please refer to Section 2.2.1.4D beginning on page 38 of Kelmar's Technical Proposal.

2.10.3 The Vendor shall advise the holder that the holder is responsible for paying all claims up to the time that both a final report has been agreed to and the holder has delivered the property to the Vendor.

Upon contract award resulting from this RFP, Kelmar shall advise the holder that the holder is responsible for paying all claims up to the time that both a final report has been agreed to and the holder has delivered the property to Kelmar.

2.10.4 The Vendor or its custodian, shall not pledge, assign, hypothecate or otherwise encumber property without the prior written consent of the Division, nor shall the Vendor take any ownership position in any securities constituting property.

Upon contract award resulting from this RFP, and in the event the Administrator elects to direct Kelmar to take possession of property on the State's behalf pursuant to Section 2.11.2, Kelmar agrees that neither the Company nor its custodian, Wells Fargo, First Clearing LLC, shall pledge, assign, hypothecate or otherwise encumber property without the prior written consent of the Division, nor shall Kelmar take any ownership position in any securities constituting property.

2.11 Delivery of Unclaimed Property

2.11.1 The Vendor shall reconcile the report with the holder and deliver all property with the reconciled report to the Nevada Unclaimed Property Division within 60 days from receipt of any property by the custodian.

Upon contract award resulting from this RFP, Kelmar shall reconcile the report with the holder and deliver all property with the reconciled report to the Nevada Unclaimed Property Division within60 days from receipt of any property by the custodian. The Company shall adhere to the State's procedures and requirements to ensure proper transfer of property to the State. Notably, in the event a holder delays the remittance of securities and/or cash property for more than 30 days after receipt of Kelmar's request to report and deliver the property, Kelmar shall notify the State accordingly.

2.11.2 Certificates for securities must be registered, if at all possible, in the name of Nevada Unclaimed Property. Those certificates that cannot be transferred must be delivered to Nevada Unclaimed Property in the nominee or original owner's name. Except for securities that are required to be certificated, all securities must be electronically transferred directly from the Holder or the Holder's transfer agent, to a designated custodial securities account held by the Administrator, unless instructed otherwise by the Administrator.

Kelmar acknowledges that certificates for securities must be registered, if at all possible, in the name of Nevada Unclaimed Property. Those certificates that cannot be transferred must be delivered to Nevada Unclaimed Property in the nominee or original owner's name. Except for securities that are required to be certificated, all securities must be electronically transferred directly from the holder or the holder's transfer agent, to a designated custodial securities account held by the Administrator, unless instructed otherwise by the Administrator. Kelmar confirms that it shall adhere to the State's delivery requirement of Section 2.11.2 if awarded a contract resulting from this RFP.

In the event the State desires to alter its practice and instead, authorize Kelmar to collect and reconcile securities property on behalf of the State, Kelmar stands ready, willing, and able to do the same as described in detail in Kelmar's response to Section 2.2.1.4D and Section 2.10 of Kelmar's Technical Proposal beginning on page 38 and page 46 respectively. With that in mind, where Kelmar is required to collect and remit securities property on behalf of its client states, Kelmar receives the shares from the holder in trust

for the client state and then reconciles and transfers the securities into the state's nominee. All securities are transferred via book-entry, including dividend reinvestment as a single transaction, where DTC eligible.

2.11.3 The original date that certificates are registered in the name of Nevada Unclaimed Property or our nominee name, or credited in book entry form, must be retained, and must become a part of all reports relating to such certificates.

Kelmar acknowledges that the original date that certificates are registered in the name of Nevada Unclaimed Property or its nominee name, or credited in book entry form, must be retained, and must become a part of all reports relating to such certificates. Kelmar confirms that it shall adhere to the State's delivery requirements of Section 2.11.3 if awarded a contract resulting from this RFP.

2.11.4 A complete delivery of property consists of the following:

2.11.4.1 Unclaimed Property Report (NAUPA report, submitted online).

2.11.4.2 A confirmation of each securities transaction either by a physical certificate, electronic transfer form or a statement indicating the transfer to Nevada Unclaimed Property.

2.11.4.3 Summary of all stock or mutual funds delivered which include the name, the CUSIP and the total number of shares by issue.

Kelmar acknowledges that a complete delivery of property consists of the items outlined in provisions 2.11.4.1, 2.11.4.2, and 2.11.4.3 and shall adhere to the State's delivery requirements of Section 2.11.4 if awarded a contract resulting from this RFP. For additional information describing Kelmar's unclaimed property report and delivery methodology, please refer to Section 2.2.1.4C beginning on page 36 of Kelmar's Technical Proposal.

2.11.5 Each holder delivery shall be separate.

Kelmar acknowledges that each holder delivery shall be separate and shall adhere to the State's delivery requirement if awarded a contract resulting from this RFP.

Section VI - Company Background and References

Vendors shall place their written response(s) to ***Section 3, Company Background and References*** in ***bold/italics*** immediately following the applicable RFP question, statement and/or section. This section shall also include the requested information in **Section 3.2, Subcontractor Information**, if applicable.

3.1 Vendor Information

3.1.1 Vendors shall provide a company profile in the table format below.

Question	Response
Company name:	***Kelmar Associates, LLC***
Ownership (sole proprietor, partnership, etc.):	***Limited Liability Company***
State of incorporation:	***Delaware***
Date of incorporation:	***October 2, 2001***
# of years in business:	***16 Years***
List of top officers:	***Mr. Mark S. McQuillen*** ***Chief Executive Officer,*** ***President & Member*** ***Mr. Michael J. LeBlanc*** ***Chief Financial Officer & Member*** ***Mr. Mark X. Russo*** ***Chief Administrative Officer & Member*** ***Mr. David P. Kennedy*** ***General Counsel & Member***
Location of company headquarters, to include City and State:	***Wakefield, Massachusetts***
Location(s) of the office that shall provide the services described in this RFP:	***Wakefield, Massachusetts*** ***Rockland, Massachusetts***

Question	Response
	Wilmington, Delaware
Number of employees locally with the expertise to support the requirements identified in this RFP:	***Although Kelmar does not have employees located in the State of Nevada, the Company is committed to supporting the requirements identified in this RFP and is prepared to perform physical examination of documents locally in Nevada as needed.***
Number of employees nationally with the expertise to support the requirements in this RFP:	***Kelmar's workforce includes 146 full time employees, of which two-thirds are dedicated to performing unclaimed property audit functions.***
Location(s) from which employees shall be assigned for this project:	***Wakefield, Massachusetts***

3.1.2 A Nevada-based business may apply for a five percent (5%) preference on its proposal. This preference may apply if a business has its principal place of business within Nevada. This preference cannot be combined with any other preference, granted for the award of a contract using federal funds, or granted for the award of a contract procured on a multi-state basis. To claim this preference a business must submit a letter with its proposal showing that it qualifies for the preference.

Kelmar acknowledges the State's Nevada-based business preference for this RFP. As the Company is not a Nevada-based business, nor does it have a principal place of business within the State of Nevada, Kelmar does not claim preference.

3.1.3 **Please be advised**, pursuant to NRS 80.010, a corporation organized pursuant to the laws of another state shall register with the State of Nevada, Secretary of State's Office as a foreign corporation before a contract can be executed between the State of Nevada and the awarded vendor, unless specifically exempted by NRS 80.015.

Kelmar acknowledges the requirements of NRS 80.010 and maintains active registration with the State of Nevada, Secretary of State's Office as a foreign corporation. As evidence of the Company's registration, copies of applicable certifications and/or licenses are attached hereto and incorporated within Section IV – State Documents of Kelmar's Technical Proposal.

3.1.4 The selected vendor, prior to doing business in the State of Nevada, shall be appropriately licensed by the State of Nevada, Secretary of State's Office pursuant to NRS76. Information regarding the Nevada Business License can be located at http://nvsos.gov.

Question	Response
Nevada Business License Number:	***NV20061245329***
Legal Entity Name:	***Kelmar Associates, LLC***

Is "Legal Entity Name" the same name as vendor is doing business as?

Yes	✓	No	

If "No", provide explanation.

Not Applicable.

3.1.5 Has the vendor ever been engaged under contract by any State of Nevada agency?

Yes	✓	No	

If "Yes", complete the following table for each State agency for whom the work was performed. Table can be duplicated for each contract being identified.

Question	Response
Name of State agency:	***Office of the State Treasurer***
State agency contact name:	***Ryan Merchant***
Dates when services were performed:	***June 2006 – Present*** ***While the contract has expired, Kelmar is actively finishing unclaimed property exams on behalf of the State of Nevada.***
Type of duties performed:	***Unclaimed Property Auditor Services***
Total dollar value of the contract:	***$831,159.68 as of March 8, 2018***

3.1.6 Are you now or have you been within the last two (2) years an employee of the State of Nevada, or any of its agencies, departments, or divisions?

Yes		No	✓

If "Yes", please explain when the employee is planning to render services, while on annual leave, compensatory time, or on their own time?

Not Applicable.

If you employ (a) any person who is a current employee of an agency of the State of Nevada, or (b) any person who has been an employee of an agency of the State of Nevada within the past two (2) years, and if such person shall be performing or producing the services which you shall be contracted to provide under this contract, you shall disclose the identity of each such person in your response to this RFP, and specify the services that each person shall be expected to perform.

Not Applicable.

3.1.7 Disclosure of any significant prior or ongoing contract failures, contract breaches, civil or criminal litigation in which the vendor has been alleged to be liable or held liable in a matter involving a contract with the State of Nevada or any other governmental entity. Any pending claim or litigation occurring within the past six (6) years which may adversely affect the vendor's ability to perform or fulfill its obligations if a contract is awarded as a result of this RFP shall also be disclosed.

Does any of the above apply to your company?

Yes		No	✓

If "Yes", please provide the following information. Table can be duplicated for each issue being identified.

Question	Response
Date of alleged contract failure or breach:	***Not Applicable.***
Parties involved:	***Not Applicable.***
Description of the contract failure, contract breach, or litigation, including the products or services involved:	***Not Applicable.***
Amount in controversy:	***Not Applicable.***

Question	Response	
Resolution or current status of the dispute:	***Not Applicable.***	
If the matter has resulted in a court case:	Court	Case Number
	Not Applicable.	***Not Applicable.***
Status of the litigation:	***Not Applicable.***	

3.1.8 Vendors shall review and provide if awarded a contract the insurance requirements as specified in **Attachment D, Insurance Schedule for RFP 3527**.

Kelmar has reviewed Attachment D and shall provide the insurance requirements specified therein if awarded a contract resulting from this RFP. In satisfaction of the Insurance Schedule for RFP 3527, Kelmar has procured comprehensive general liability, umbrella, crime and fidelity insurance, errors and omissions insurance, cyber insurance and worker's compensation coverage as evidenced by the chart enclosed below. If awarded a contract resulting from this RFP, Kelmar shall provide the State with its Certificate of Insurance reflecting the required terms.

Insurance Type	*Carrier*	*Term / Renewal*	*Coverage Limits / Deductibles*
Crime/D&O/EPL & Fiduciary	***Federal Insurance Company*** ***Policy#: 8241-4520***	***9/25/2017 - 9/25/2018***	***D&O $3,000,000 occurrence / $5,000,000 aggregate $25,000 deductible*** ***EPL $5,000,000 occurrence / $5,000,000 aggregate $35,000 deductible*** ***Fiduciary $3,000,000 occurrence / $5,000,000 aggregate / no deductible*** ***Crime $5,000,000 occurrence / $5,000,000 aggregate $50,000 deductible***

Errors & Omissions	***Gemini Insurance Company*** ***Policy #: VCPL080115***	***9/25/2017 - 9/25/2018***	***$5,000,000 occurrence /*** ***$5,000,000 aggregate*** ***$25,000 deductible***
Excess E&O	***Ironshore Specialty***	***9/25/2017 - 9/25/2018***	***$5,000,000 occurrence / $5,000,000 aggregate***
Umbrella	***CNA, Inc.*** ***Policy #: B5092208738***	***9/25/2017 - 9/25/2018***	***$5,000,000*** ***$10,000 deductible***
General Liability	***CNA, Inc.*** ***Policy #: B5092208691***	***9/25/2017 - 9/25/2018***	***Per Occurrence $2,000,000*** ***General Aggregate $4,000,000*** ***With $1,000 deductible on injury / $2,500 property loss***
Cyber Insurance	***Endurance*** ***Policy #: PRO10004231002***	***9/25/2017 - 9/25/2018***	***$10,000,000 Network & Prof. Svs*** ***$5,000,000 Security Breach Costs / $50,000 deductible***
Worker's Comp. Insurance	***The Hartford*** ***Policy #: 76WEGLU0291***	***4/1/2016 - 4/1/2017***	***As determined by state statute***

3.1.9 Company background/history and why vendor is qualified to provide the services described in this RFP. Limit response to no more than five (5) pages.

Kelmar is a professional services company working exclusively on behalf of government agencies to help them effectively manage their unclaimed property program operations. The Company was founded on the premise that by undertaking a thorough examination of the books and records of a holder, and creating an impeccable work product, it could dramatically increase unclaimed property regulatory compliance for client states without engaging in conflicted relationships involving contracts with holders and/or their agents. Throughout the years, Kelmar has refined its distinct examination approach and created a comprehensive full scope examination process to conduct compliance audits involving

multi-billion dollar national and international companies across a range of industries. The Company recognizes that states have sole authority for issuing unclaimed property assessments, and in turn equips its clients with a finished work product that conclusively supports the unremediated property identified as a result of a full scope examination of the books and records of a holder of unclaimed property. By implementing and routinely evaluating best practices and technological innovations for its processes, Kelmar ensures accuracy and completeness of all records, books, supporting documents, and information associated with an audit. The best practices and technology resources described below allow Kelmar to provide the highest quality unclaimed property auditor services without compromising contract and legal compliance.

- ***Holder Cooperation: Kelmar's holder cooperation strategies include educating holders under audit of their reporting responsibilities and providing guidance on common compliance pitfalls. Experience has taught Kelmar that the best means for ensuring timely completion of the examination and encouraging holder cooperation comes from a combination of: (1) thoroughly explaining the examination process to ensure holder understanding; (2) reviewing the purpose of document requests and how the information will be analyzed; (3) narrowly tailoring document requests to only those records reasonably related to the examination; (4) offering the holder options for providing the information requested inclusive of secure electronic records transfer; (5) assisting with data extraction inclusive of identifying relevant fields, reports, and queries; and (6) reasonably accommodating quarter and year-end close accounting obligations and regulatory reporting requirements of the holder. Kelmar's unclaimed property examinations have been thoughtfully aligned to avoid disruption to a holder's business practices, and include the approaches described below.***

  - ***Kelmar offers suggestions to holders to provide readily available information in a format that ensures maximum efficiency when providing and processing information. The Company does not request that a holder create or recreate records, but simply asks holders to provide readily available information in a format that ensures maximum efficiency when reviewing and processing the information. By way of example, Kelmar requests a complete Federal Tax Return Form 1120 from the holder, including consolidating income statement, balance sheet, and cost of goods sold schedules for all entities within the organization, as well as those disregarded for federal tax purposes. This information allows Kelmar to quickly and efficiently eliminate entities from review that do not have the potential for unclaimed property in the states participating in the examination.***

  - ***Kelmar accepts records in any electronic format the holder supplies. This permits an efficient transfer of data and expedited review. For example, working with electronic files for cash disbursement records as opposed to exclusively working with paper copies of bank reconciliations, outstanding check lists, etc. has the following advantages: (a) avoids manual keying of outstanding checks (Kelmar actually double keys these to identify any key stroke errors); (b) expedites timeline for selecting transactions for holder remediation (as used in this RFP response, remediation means the holder's research to rebut a potential presumption of***

abandonment); (c) reduces rather significantly the selection of "false positives" (i.e., checks that are not unclaimed property because they were reissued or were voided for cause); and (d) allows for a more rapid analysis of the holder's policies surrounding voids and potential write-offs of outstanding checks.

- ***Obtaining electronic files also enables Kelmar to employ licensed data mining software. This software has resulted in saving literally hundreds of hours in processing time on some Kelmar audits. For example, by using advanced data mining software, Kelmar was able to effectively analyze a series of very complex data sets, with nearly 100 million transactions, in just a few days.***

- ***Another Kelmar method for ensuring timely completion of examinations is to provide the holder with options and avenues for providing requested information, including the ability to easily transfer information to Kelmar's secure EPortal, to the holder's own FTP site, or to advocate sites that meet industry security standards.***

- ***Kelmar also expedites examinations by traveling to holder facilities to either retrieve or process the information. In instances where the holder has indicated that requested information is available, but there are issues with logistics or data format, Kelmar has rented photocopy equipment when a holder has not made such equipment available, and has rented microfiche and tape-reading equipment for historical information maintained only in these older media forms. From experience, holders that initially require Kelmar to obtain or review information on-site often shift to providing the information remotely once Kelmar establishes its willingness and ability to complete on-site data gathering and processing.***

- ***<u>Quality Controls</u>: Kelmar's internal controls are designed and implemented by its Executive Management and executed by its Directors and Senior Managers, who are responsible for the establishment of more specific internal control policies and procedures for personnel responsible for the Company's functions. Examples of Kelmar's quality control procedures for an accurate and comprehensive finished work product upon which the State can rely include, but are not limited to, the following:***

  - ***Open Communication: Kelmar recognizes the importance of open communication and consistently confers with its client states as to their position with respect to relevant federal, state, or local case law, which may impact a Kelmar state mandated examination. Kelmar's Client Business Administration group is dedicated to addressing client needs and ensuring superior service. To further foster client connections, Kelmar assigns dedicated Client Relationship Managers ("CRMs") to its client states. The CRM's are responsible for collaborating with the audit teams engaged on the client state's examinations to facilitate routine updates to state officials concerning examination matters, and generally serving as the state's dedicated resource at Kelmar. Such open and frequent communication not only ensures that Kelmar's client states are adequately apprised of the status of all holder reviews, but also ensures process transparency and satisfactory contract***

compliance. Kelmar's CRM assignments are tailored to the State's needs as well as the CRM's knowledge and experience in a particular property category.

- ***Examination Assignments: Kelmar assigns examinations to teams that have prior unclaimed property audit experience within the targeted industry type and prior experience conducting examinations on behalf of the client states engaged in the audit. This control measure enables Kelmar's audit teams to work more efficiently due to their familiarity with unclaimed property issues associated with specific industries as well as the specific client state's unclaimed property laws and regulations. Likewise, the process allows Kelmar to build familiarity between client states and audit teams to foster better and more frequent communications tailored to the format and frequency preferred by each client state.***

- ***Task Management: Kelmar's experience has shown that the more time-intensive tasks related to completing an examination are those that are typically routine in nature and less complicated to complete. Consequently, each audit team has the ability to "leverage down" basic, time-intensive tasks to Associates and Data Specialists which allows Kelmar's more experienced professionals to dedicate attention to more specialized and complex examination assignments, while ensuring that qualified supervisory personnel review and approve the work performed by more junior individuals.***

- ***Review Process: All document requests and resulting analysis are reviewed and approved by the Manager or Senior Manager overseeing the examination. Before an exam is permitted to advance to a new phase signaling the completion of an examination milestone, such as identifying in-scope entities, finalizing property types for review and preparing the Reports of Examination or Summary of Audit Findings, there are multiple layers of quality reviews and sign-offs required. These signoffs are typically evidenced by internal memoranda and workpapers that are reviewed and approved by Senior Management.***

- ***Data Validation: Kelmar generally receives records from holders in electronic form; however, if physical records are received from the holder, two audit staff members will independently enter the information. A comparison is then generated and any inconsistencies are identified and remedied. A supervisor performs a final quality check and reviews the data to validate that it was entered accurately by cross-referencing original source documentation. For example, Kelmar will reconcile information back to a general ledger or tax return balance.***

- ***Exam Oversight: Kelmar's Senior Management meets with audit teams at least once per month to discuss progress on each examination assignment and the availability of personnel to perform work required for its client states to ensure timelines are met. These discussions focus on work performed, holder cooperation, and state communications. Likewise, required memoranda which must be approved by Senior Management at specified junctures throughout the examination are addressed. Kelmar's audit teams are separately monitored and evaluated by the***

Company's Executive Management. Executive Management meets regularly to review all active examinations to ensure consistency across audit teams, and to monitor the time spent on examination assignments.

- ***IS Security: Kelmar is committed to protecting data and information stored at all physical locations and within its data centers and networks. The Company has adopted information security industry best practices to define the development and implementation of its information security program, including routinely testing and monitoring information security controls to ensure compliance and eliminate risks. Annual security assessments ensure that Kelmar's information security practices meet and/or exceed industry standards and all legal and regulatory requirements.***

- ***<u>Technology Resources</u>: While holder records are never merely processed through a mechanized routine and each finding is based upon a thorough examination of the books and records of the examination subject, Kelmar is committed to maximizing the use of technology to assist in the identification of unclaimed property liabilities and rightful owners. By leveraging technology, Kelmar maximizes efficiencies and eliminates manual tasks wherever possible. Below are details of how Kelmar leverages technology resources to deliver superior service to its client states.***

  - ***Utilizing various programming capabilities and data conversion tools, Kelmar's Information Systems experts support Kelmar's audit teams. In so doing, audit teams are able to accept holder records in any electronic format supplied by the holder, without causing any disruptions to the holder's regular business activities.***

  - ***As indicated above, Kelmar licenses data mining software that has resulted in saving hundreds of hours in processing time on audits. Kelmar has also created templates, reporting standards, and project management tools utilized throughout the audit process to increase efficiency and ensure firm consistency.***

  - ***The Company employs a dedicated team of subject matter experts whose sole function is to facilitate the extraction, normalization, and retention of the name and address registration data which is critical in identifying the unclaimed property liabilities of a holder. With an emphasis on data security and the protection of personal information, this group is charged with the creation and development of a proprietary escheatment platform that facilitates the examination process.***

  - ***Kelmar has developed a proprietary java-based software application which serves as an internal repository for recordkeeping and reporting. The application utilizes a relational database management system (RDBMS) to securely store and maintain all critical data elements received from holders. The database is managed within Kelmar's business continuity process which includes regularly scheduled backups. Where applicable, properties that are determined dormant under state law are exported directly from the proprietary system into standard NAUPA II format.***

- ***To meet the demands of the ever-changing world of data security, and to comply with the highest degree of information security and regulatory compliance, Kelmar regularly implements state-of-the-art information technology software and security features, including, without limitation, a secure EPortal server to facilitate the transmission and retrieval of holder and state records and reports, secured and encrypted email, computer and network encryption protocols developed and endorsed by the Department of Defense, full disk encryption, complex password protection for all electronic devices and user accounts and files, antivirus and antispyware software, patch management, the latest intrusion prevention and detection software programs, extensive firewalls and access systems, and around the clock daily monitoring of all systems. Likewise, all audit records are stored in Kelmar's secure data center which is audited annually and is SSAE-16 compliant.***

- ***As an enhancement to its audit services, and a complement to its unclaimed property expertise, Kelmar utilizes available tools and techniques to positively identify decedents and verify dates of death as part of its Death Master File ("DMF") matching procedures. Such tools are provided by industry leaders LexisNexis® and The Berwyn Group to assist auditors with applying both exact and non-exact matching algorithms (also referred to as "fuzzy logic matches") to those items with incomplete data that do not result in an exact DMF match, or to comply with the terms of various Global Resolution Agreements and/or other settlement terms that specifically require the use of such searches. Notwithstanding the use of these tools, no duties associated with a client state contract are delegated to these vendors. Kelmar's auditors exclusively perform all aspects of the life insurance audits, and maintain full discretion throughout the DMF matching process up to and including determining which DMF matches constitute audit findings.***

While Kelmar's approach is consistently applied by its auditors, Kelmar's experience, structure, and size offer flexibility to incorporate each client state's respective unclaimed property laws, regulations, administrative policies, systems, procedures, and technology into its audit processes and to identify and timely adapt to any changes in order to comply therewith. In recent years, some of Kelmar's state clients have made changes to their unclaimed property laws and/or guidelines for conducting unclaimed property examinations. In those cases, Kelmar has had lengthy discussions with state unclaimed property administrators and program staff members in order to fully understand the changes and how such changes impact the manner in which Kelmar conducts examinations on behalf of the respective states. In some cases, these changes have led to changes in Kelmar-prepared materials that it shares with holders at the outset of examinations. In other cases, it has led to updates in terms of audit process or methodology changes. Kelmar embraces change and dedicates all necessary planning and implementation resources to help ensure smooth transitions during times of change in order to meet the needs of its client states.

3.1.10 Provide a brief description of the length of time vendor has been providing services described in this RFP to the public and/or private sector.

Since 2001, Kelmar has had the privilege of providing unclaimed property auditor services to client states across the country. For more than 16 consecutive years, Kelmar has been committed to fulfilling its mission to help increase unclaimed property regulatory compliance by serving as the states' partner in unclaimed property resources. The Company currently performs unclaimed property auditor services, similar to those described in this RFP, on behalf of 44 state unclaimed property programs. With the depth of experience and unique methodology described throughout this Technical Proposal, Kelmar has completed hundreds of unclaimed property examinations in recent years on behalf of client states, resulting in hundreds of millions of dollars of unreported or under-reported unclaimed property remittances. Kelmar has identified, collected, processed, and remitted unclaimed property, while experiencing consistent growth in the number of client states represented, state-mandated examinations performed, and scope of property types reviewed. The information provided herein illustrates that Kelmar is a qualified, capable, and reliable resource to: manage multi-state unclaimed property compliance examinations on behalf of multiple state unclaimed property programs; timely compile and collect findings with minimal state intervention; identify and resolve compliance issues in a collaborative manner with holders; and secure the confidence and satisfaction of client states, including the State of Nevada. Kelmar welcomes the opportunity to deliver unclaimed property auditor services to the Division and is confident that the State will experience favorable results from contracting with Kelmar.

3.2 Subcontractor Information

Subcontractors are defined as a third party, not directly employed by the contractor, who shall provide services identified in this RFP. This does not include third parties who provide support or incidental services to the contractor.

3.2.1 Does this proposal include the use of subcontractors?

Yes		No	✓

If "Yes", vendor shall:

3.2.1.1 Identify specific subcontractors and the specific requirements of this RFP for which each proposed subcontractor shall perform services.

Not Applicable.

3.2.1.2 If any tasks are to be completed by subcontractor(s), vendors shall:

A. Describe how the work of any subcontractor(s) shall be supervised, channels of communication shall be maintained and compliance with contract terms assured; and

B. Describe your previous experience with subcontractor(s).

Not Applicable.

3.2.1.3 Provide the same information for any proposed subcontractors as requested in **Section 3.1, Vendor Information**.

Not Applicable.

3.2.1.4 Vendor shall not allow any subcontractor to commence work until all insurance required of the subcontractor is provided to the vendor.

Not Applicable.

3.2.1.5 Vendor shall notify the using agency of the intended use of any subcontractors not identified within their original proposal and provide the information originally requested in the RFP in **Section 3.2, Subcontractor Information**. The vendor shall receive agency approval prior to subcontractor commencing work.

Kelmar exclusively utilizes internal staff to perform all of its unclaimed property auditing functions. The Company does not subcontract any of its auditing work to external sources or subcontractors. Kelmar understands that it must notify the using agency and obtain prior approval to commence work with a subcontractor not identified herein. In the event the Company intends to use a subcontractor, Kelmar shall provide the information originally requested in Section 3.2, Subcontractor Information.

3.3 Business References

3.3.1 Vendors shall provide a minimum of three (3) business references from similar projects performed for private and/or public sector clients within the last three (3) years.

Kelmar has identified the following three business references from similar projects performed for its state government clients within the last three years:

1. ***Massachusetts Department of State Treasurer, Unclaimed Property Division***
2. ***New Jersey Department of Treasury, Unclaimed Property Administration***
3. ***Pennsylvania Treasury Department, Bureau of Unclaimed Property***

3.3.2 Vendors shall submit **Attachment E, Reference Questionnaire** to their business references.

Kelmar confirms that the Company provided Attachment E, Reference Questionnaire to its business references identified above, and instructed that the form be completed and submitted to the State in accordance with the requirements of this RFP.

3.3.3 It is the vendor's responsibility to ensure that completed forms are received by the Purchasing Division on or before the deadline as specified in **Section 7, RFP Timeline** for inclusion in the evaluation process. Reference Questionnaires not received, or not complete, may adversely affect the vendor's score in the evaluation process.

Kelmar takes responsibility for ensuring that completed Reference Questionnaires are received by the Purchasing Division on or before the specified deadline for inclusion in the evaluation process. It is acknowledged that forms not received or not complete may adversely affect the scoring in the evaluation process.

3.3.4 The State reserves the right to contact and verify any and all references listed regarding the quality and degree of satisfaction for such performance.

Kelmar acknowledges the State's right to contact and verify any and all references listed regarding the quality and degree of satisfaction for such performance.

Section VII - Proposed Staff Resumes

A. Vendors shall include all proposed staff resumes per **Section 3.4, Vendor Staff Resumes** in this section.

3.4 Vendor Staff Resumes

A resume shall be completed for each proposed key personnel responsible for performance under any contract resulting from this RFP per **Attachment F, Proposed Staff Resume**.

Kelmar's success in providing exceptional service to its client states is directly attributed to its talented personnel. Key personnel who will have primary responsibility for the performance under any contract resulting from this RFP are listed below. Though Kelmar's Executive Management Team and Examination Support Personnel spend a majority of their time performing tasks in connection with unclaimed property examinations and related matters as set forth in this RFP, these individuals also dedicate a portion of their time to other unclaimed property service lines as well as general organizational tasks. Kelmar's Examination Management, Key Audit Specialty Personnel and audit professionals (including junior associates, associates, senior associates, managers and senior managers) devote nearly one hundred percent of their time to the completion of unclaimed property examinations on behalf of the Company's client states. With the exception of Kelmar's Executive Consultant, Lynden Lyman, who dedicates in excess of 30 service hours to Kelmar each week, the individuals below are all full-time employees. For more information regarding the education, professional licensure, experience, and employment history of these individuals, please refer to the completed Attachment F, Proposed Staff Resumes for each of Kelmar's proposed key personnel attached hereto and incorporated herein immediately following page 66 of Kelmar's Technical Proposal.

Name	Technical Experience	Contract Role
Executive Management		
Mr. Mark S. McQuillen Chief Executive Officer & President	22 years	Strategic Direction, Accountability, Development
Mr. David P. Kennedy General Counsel	18 years	Strategic Direction, Accountability, Development
Mr. Michael J. LeBlanc Chief Financial Officer	20 years	Strategic Direction, Accountability, Development

Mr. Mark X. Russo *Chief Administrative Officer*	*34 years*	*Strategic Direction, Accountability, Development*
Mr. John A. DeMarco *Chief Operating Officer*	*19 years*	*Strategic Direction, Accountability, Development*
Mr. Lynden Lyman *Executive Consultant*	*35 years*	*Compliance Services, Legal Consulting Advisory*
Mr. Brian J. Scanlon *Vice President*	*25 years*	*Legal Consulting, Contracts, Regulatory Compliance, Human Resources*
Mr. Mark E. Udinski *Vice President*	*17 years*	*Compliance Services*
Examination Management		
Mr. Gary M. Duvall, Director *General Ledger Exam Services*	*13 years*	*General Ledger Examination*
Mr. Michael Gizzi, Director *Client Business Administration & Life Insurance and Specialty Exam Services*	*13 years*	*Insurance Specific and Specialty Examination*
Ms. Kate A. Stevens, Director *Securities Exam Services*	*16 years*	*Securities Specific Examination*
Mr. Shawn P. Hibbard, Senior Manager *General Ledger Exam Services*	*13 years*	*General Ledger Examination*
Mr. Eric N. LaCroix, Senior Manager *Securities Exam Services*	*10 years*	*Securities Specific Examination*
Ms. Monique E. Magno, Senior Manager *Securities Exam Services*	*10 years*	*Securities Specific Examination*
Ms. Jennifer L. Martin, Senior Manager *General Ledger Exam Services*	*9 years*	*General Ledger Examination*
Mr. Brian M. Sharpe, Senior Manager *General Ledger Exam Services*	*12 years*	*General Ledger Examination*
Key Audit Specialty Personnel		
Ms. Stephanie L. Borusiewicz, Senior Manager, Client Business Administration	*8 years*	*Identification of Holders, Monthly Status Report*
Mr. Anthony D. D'Alleva, Senior Manager *Property Reporting*	*12 years*	*Remediation & Due Diligence*
Mr. Rodney Dominique *Statistical Analyst*	*6 years* *(Statistical Modeling)*	*Statistical Sampling*

Ms. Marsela Strakosha ***Reporting Manager***	***14 years***	***Custodial Reporting***
Mr. Andrew D. Harmon, Senior Manager ***Reporting & Remittance***	***17 years***	***Reporting & Remittance and dedicated Nevada Client Relationship Manager***
Ms. Elizabeth S. Sullivan ***Controller***	***12 years*** ***(Accounting)***	***Payment, Invoicing, Financial Reporting***
Examination Support Management		
Mr. Sean O'Connell ***Director, Information Systems***	***25 years*** ***(IT)***	***Information Systems***
Mr. Timothy J. Cullen ***Associate General Counsel***	***14 years***	***Legal Consulting & Audit Services***
Ms. E. Suzanne Darling ***Associate General Counsel***	***31 years***	***Legal Consulting & Audit Services***
Ms. Catherine G. Zejnullahu ***Associate General Counsel***	***10 years***	***Contracts & Regulatory Compliance***

B. This section shall also include any subcontractor proposed staff resumes, if applicable.

Kelmar does not propose using a subcontractor for the performance of a contract resulting from this RFP. With the foregoing in mind, there are no resumes of subcontractors included within Kelmar's Technical Proposal.

PROPOSED STAFF RESUMES FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Mark S. McQuillen, JD***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Chief Executive Officer, President & Member***		
# of Years in Classification:	***16***	**# of Years with Firm:**	***16***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Mark McQuillen serves as Kelmar's Chief Executive Officer, President and Member. He possesses more than 22 years of experience in the field of unclaimed property and is widely recognized as an expert in all unclaimed property processes and financial and accounting matters. Mr. McQuillen continually expands his knowledge of the unclaimed property industry through participating in conferences and workshops where updates of statutory, regulatory, administrative, procedural, and legal concepts are addressed. He routinely consults on all matters relating to unclaimed property including the drafting of related legislation, regulations, and guidelines, the creation and enhancement of compliance processes, and the development of cutting-edge solutions to address the operational and technical challenges facing state governments.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Since 2001, Mr. McQuillen has been responsible for overseeing Kelmar's business operations as well as developing strategic planning initiatives to ensure long term continued growth. Working out of the Massachusetts office, Mr. McQuillen leads Kelmar's Executive Management in developing and delivering comprehensive unclaimed property services to state governments. Responsible for the overall allocation of resources to ensure that Kelmar's professionals deliver superior client service, Mr. McQuillen has been instrumental in establishing Kelmar's audit standards for identifying, collecting, and reporting all categories of unclaimed property.

Given his extensive unclaimed property experience, Mr. McQuillen serves as a liaison between Kelmar and its client states, working together with state treasurers, commissioners of revenue, state controllers, unclaimed property administrators, and attorneys general to help them achieve their compliance goals. While Mr. McQuillen does not generally address the day-to-day delivery of client services, he is dedicated to providing the leadership and direction necessary to ensure that Kelmar provides the highest level of professional unclaimed property consulting services on behalf of the Company's client states. His demonstrated qualifications and expertise directly contribute to Kelmar's successful delivery of unclaimed property services.

Prior to establishing Kelmar, Mr. McQuillen served as the National Practice Leader of PricewaterhouseCoopers' Abandoned Property Consulting Services Group from 1999-2001. Mr. McQuillen was responsible for all abandoned property operations, human resources, sales, marketing, and finance. He managed financial and performance analysis focusing on state and

local compliance solutions, and provided abandoned and unclaimed property consulting services to the Fortune 1000.

In this role, Mr. McQuillen developed a thorough understanding of unclaimed property services, including the identification of individual clients' unclaimed property exposure, quantification of unclaimed property liabilities, audit defense engagements, and the collection and delivery of unclaimed property to the states. Mr. McQuillen identified types of businesses and industries that historically are at greater risk of exposure to significant unclaimed property liabilities, including manufacturing, insurance, healthcare, oil and gas, and retail companies. He was directly involved in the negotiation of comprehensive audit settlements and voluntary disclosure agreements between state unclaimed property administrators and holders of unclaimed property. His audit defense duties included the review of document requests, management of holder resources, and the negotiation of scoping and confidentiality agreements. Mr. McQuillen performed similar services for Deloitte & Touche, LLC's Abandoned and Unclaimed Property Consulting Services as Northeast Regional Practice Leader beginning in 1995. These services included involvement in the development of the audit process, from focusing solely on general ledger examinations to a comprehensive review of all aspects of financial activity. Mr. McQuillen modified examination processes in response to ever-changing holder demographics and business models, including the implementation of procedures for handling traditionally underreported property types, such as gift cards, loyalty and promotional funds, life insurance benefits, and equities. He also developed detailed procedures for analysis of pertinent exam documents, including tax returns, organizational charts, general ledgers, accounts receivable aging statements, bank statements, and other supporting documentation.

<u>Other Audit Experience</u>
Earlier in his career, Mr. McQuillen served the Commonwealth of Massachusetts, Department of Revenue for more than 12 years in key positions of increasing responsibility, including Auditor, Senior Auditor, Supervisor, and Problem Resolution Bureau Chief/Ombudsman. During the final four years of his tenure with the Commonwealth, he served as Deputy Commissioner of Revenue with broad oversight of agency personnel, services, and statutory responsibilities. In this capacity, Mr. McQuillen managed all customer facing service functions, including delivery of clear taxpayer guidance through form instructions and publications, community outreach and practitioner continuing education programs, statewide Taxpayer Service counters, and the agency's centralized call center, responsible for resolving over a million business and individual taxpayer inquiries and requests for filing assistance annually.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. McQuillen holds a Juris Doctor from the New England School of Law, Boston, Massachusetts (1988) and a Bachelor of Business Administration from the University of Massachusetts, Amherst, Massachusetts (1982).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Mr. McQuillen is a member of the Massachusetts Bar (1988) and U.S. District Court - District of Massachusetts Bar (1991).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Mark W. Bracken
Title: Director of Unclaimed Property

Name: Joshua A. Joyce
Title: Unclaimed Property Administrator

Name: John Gabriel
Title: Director of Unclaimed Property

Organization: Massachusetts Department of State Treasurer, Abandoned Property Division
Phone: 617-367-0400 x421
Fax: N/A
Email: mwbracken@tre.state.ma.us

Organization: Arizona Department of Revenue, Unclaimed Property Unit
Phone: 602-716-6033
Fax: 602-716-7997
Email: JJoyce@azdor.gov

Organization: Tennessee State Treasury, Division of Unclaimed Property
Phone: 615-253-5354
Fax: 615-734-6458
Email: john.gabriel@tn.gov

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***David P. Kennedy, Esq.***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***General Counsel & Member***		
# of Years in Classification:	***16***	**# of Years with Firm:**	***16***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. David Kennedy serves as Kelmar's General Counsel and Member. He possesses more than 18 years of experience in the field of unclaimed property and is well versed in the conduct of all audit phases including the review of holder records, the compilation and approval of all examination reports, and, ultimately, the transfer and delivery of unclaimed property liabilities to Kelmar's client states. Mr. Kennedy presents on unclaimed property compliance topics to the Company's client states as well as professional organizations including National Association of Unclaimed Property Administrators (NAUPA), and the National Association of State Treasurers (NAST). This extensive knowledge of, and insight into, the world of unclaimed property allows Mr. Kennedy to serve as an invaluable resource to Kelmar's client states and audit professionals in all phases of the examination process.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Since 2001, Mr. Kennedy has been actively involved in the growth, development, leadership, and oversight of Kelmar inclusive of providing management and direction of audit services. Working out of Kelmar's Massachusetts office, Mr. Kennedy applies his unclaimed property expertise and management experience to support Kelmar's Compliance professionals. He is responsible for ensuring the implementation of best practices for the identification and examination of holders across all industries, including manufacturing, health care, insurance, broker-dealer, and securities; and to industry specific property types including rebates, stored value cards, and electronic currency. Additionally, he manages Kelmar's relationships with various client states to ensure the proper administration of Kelmar's audit service contracts.

As Kelmar's General Counsel, Mr. Kennedy also manages all corporate legal issues, including matters of confidentiality, litigation support services, and contract negotiations and compliance. With a background in unclaimed property dating back to 1999, he routinely consults with state attorneys general offices and unclaimed property administrators on legal matters related to the enforcement and development of their respective unclaimed property programs. Mr. Kennedy's demonstrated qualifications and experience directly contribute to Kelmar's successful delivery of unclaimed property services.

Prior to Kelmar, Mr. Kennedy was a Practice Leader of PricewaterhouseCoopers' New York Abandoned Property Consulting Services Group from 1999-2001. In that capacity, he oversaw and delivered unclaimed property compliance services to multi-billion dollar national and

international companies. These compliance services included the identification of clients' unclaimed property exposure, quantification of unclaimed property liabilities, audit defense engagements, voluntary disclosure filing and negotiation services, and reviews of clients' reporting and delivery of unclaimed property to the states.

Other State Government Experience

Earlier in his career, Mr. Kennedy served the Commonwealth of Massachusetts from 1993-1999. As Chief Financial Officer of the Executive Office of Public Safety, Mr. Kennedy was responsible for fiscal policy development, overseeing capital and operational budgets in excess of one billion dollars annually, for the 20 state agencies as well as 14 independent county sheriffs' departments that comprise the public safety and criminal justice systems of the Commonwealth. He served on a statewide contracts development team involved in the drafting of bid requests, the evaluation of bid responses, and vendor selections. Prior to his role in the Executive Office of Public Safety, Mr. Kennedy served as Budget Analyst for the Executive Office for Administration and Finance where he was responsible for financial and performance analysis of various state agency programs, and analyzed savings and expansion initiatives in preparation for the Governor's annual budget recommendation.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Kennedy holds a Juris Doctor from Suffolk University Law School, Boston, Massachusetts (1999) and a Bachelor of Arts from Boston College, Boston, Massachusetts (1990).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Mr. Kennedy is a member of the Massachusetts Bar (1999) and U.S. District Court - District of Massachusetts Bar (2003).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Mark S. McQuillen
Title: Chief Executive Officer & President
Organization: Kelmar Associates, LLC
Phone: 781-928-9203
Fax: 781-928-9103
Email: mark.mcquillen@kelmarassoc.com

Name: Michael J. LeBlanc
Title: Chief Financial Officer
Organization: Kelmar Associates, LLC
Phone: 781-928-9202
Fax: 781-224-7310
Email: michael.leblanc@kelmarassoc.com

Name: Brian J. Scanlon
Title: Vice President
Organization: Kelmar Associates, LLC
Phone: 781-928-9246
Fax: 781-928-9258
Email: brian.scanlon@kelmarassoc.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Michael J. LeBlanc, CPA***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Chief Financial Officer & Member***		
# of Years in Classification:	***16***	**# of Years with Firm:**	***16***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Michael LeBlanc is Kelmar's Chief Financial Officer and Member. He possesses 20 years of experience in the field of unclaimed property. Mr. LeBlanc is well versed in the conduct of all audit phases, including the review of holder records, the compilation and approval of all examination reports, and the transfer and delivery of unclaimed property liabilities to Kelmar's client states. He presents on unclaimed property compliance topics to the Company's client states as well as organizations, including National Association of Unclaimed Property Administrators (NAUPA), and the National Association of State Treasurers (NAST). This extensive knowledge of and insight into the world of unclaimed property allows Mr. LeBlanc to serve as an invaluable resource to Kelmar's client states and audit professionals in all phases of the examination process.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Since 2001, Mr. LeBlanc has been actively involved in the growth, development, leadership, and oversight of Kelmar inclusive of providing management and direction of audit services. Mr. LeBlanc applies his unclaimed property expertise and management experience to support Kelmar's Compliance professionals and to ensure professionally responsible examinations on behalf of the Company's client states. Although Mr. LeBlanc does not interact directly with client states regarding the day-to-day delivery of the unclaimed property examination services of the contract, he is dedicated to providing the necessary leadership and direction in order for Kelmar to achieve the highest level of service on all unclaimed property examinations performed on behalf of the Company's client states. In this capacity, Mr. LeBlanc maintains contact with Kelmar's client states as needed. His demonstrated qualifications and experience directly contribute to Kelmar's successful delivery of unclaimed property services.

As Chief Financial Officer, Mr. LeBlanc oversees Kelmar's administrative and support functions including Finance, Human Resources, Information Technology, and Procurement. Working out of Kelmar's Massachusetts office, he is responsible for internal accounting, operational, and financial controls. In prior years, Mr. LeBlanc oversaw several general ledger teams and monitored key phases of Kelmar's examination process, including approval of final Reports of Examination. Presently, Mr. LeBlanc splits his time evenly between his internal responsibilities and performing custodial and financial reporting services on behalf of Kelmar's client states, including the collection and transfer of unclaimed property.

Prior to Kelmar, Mr. LeBlanc was a Manager of PricewaterhouseCoopers' Abandoned Property Consulting Services Group from 2000-2001 and, before that, a Manager of Deloitte & Touche's Northeast Abandoned Property Practice, beginning in 1997. In these capacities, he was responsible for the delivery of abandoned property consulting services to the Fortune 1000, including audit defense, voluntary compliance, and the development of policies and procedures for future reporting.

Other Audit Experience

Earlier in his career, Mr. LeBlanc served the Commonwealth of Massachusetts, Department of Revenue. For more than 10 years, Mr. LeBlanc held a steady progression of positions and responsibilities in the Commonwealth's tax agency, primarily within the Audit Division, culminating in his last 3 years within the Office of Appeals, where he helped taxpayers to resolve disputed tax assessments.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. LeBlanc holds a Bachelor of Science in Accountancy from Bentley College (presently Bentley University), Waltham, Massachusetts (1983).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Mr. LeBlanc is a Massachusetts Certified Public Accountant (2001).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: David P. Kennedy
Title: General Counsel
Organization: Kelmar Associates, LLC
Phone: 781-928-9205
Fax: 781-224-7310
Email: david.kennedy@ kelmarassoc.com

Name: Elizabeth S. Sullivan
Title: Controller
Organization: Kelmar Associates, LLC
Phone: 781-928-9207
Fax: 781-928-9107
Email: elizabeth.sullivan@ kelmarassoc.com

Name: Mark S. McQuillen
Title: Chief Executive Officer & President
Organization: Kelmar Associates, LLC
Phone: 781-928-9203
Fax: 781-928-9103
Email: mark.mcquillen@ kelmarassoc.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Mark X. Russo, MBA***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Chief Administrative Officer & Member***		
# of Years in Classification:	***16***	**# of Years with Firm:**	***16***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Mark Russo is Kelmar's Chief Administrative Officer and Member. He possesses 34 years of experience in the field of unclaimed property and has extensive knowledge of all unclaimed property examination practices. He presents on unclaimed property compliance topics to Kelmar's client states as well as organizations, including National Association of Unclaimed Property Administrators (NAUPA), and the National Association of State Treasurers (NAST). With extensive audit defense services experience including reviewing voluntary disclosure agreements and providing unclaimed property exposure quantification, Mr. Russo serves as an invaluable resource to the Company's client states and audit professionals in all phases of unclaimed property auditing.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Since 2001, Mr. Russo has been actively involved in the growth, development, leadership, and oversight of Kelmar inclusive of providing management and direction of audit services. Mr. Russo oversees the day-to-day business continuity of Kelmar's operations and the performance and delivery of support services of Kelmar's service lines and offices. Although Mr. Russo does not interact directly with client states regarding the day-to-day delivery of the unclaimed property examination services of the contract, he is dedicated to providing the necessary leadership and direction in order for Kelmar to achieve the highest level of service on all unclaimed property examinations performed on behalf of the Company's client states. In this capacity, Mr. Russo maintains contact with Kelmar's client states as needed. His demonstrated qualifications and experience directly contribute to Kelmar's successful delivery of unclaimed property services.

As Chief Administrative Officer, he is responsible for the multiple disciplines that ensure functional and efficient workspace, including the integration of the latest technology with Kelmar personnel, places, and processes. In this capacity, he is also responsible for operational planning, design, and construction, as well as safety of the Company's workforce, and the security of its workspace. In prior years, Mr. Russo also oversaw several general ledger audit teams and monitored key phases of Kelmar's examination process, including approval of final Reports of Examination.

<u>Other Audit Experience</u>

Prior to Kelmar, Mr. Russo served as a Senior Manager of Abandoned Property Services of PricewaterhouseCoopers' East Coast Abandoned Property Practice from 1999-2001, and, before

that, as a Manager and Abandoned Property Consultant at Deloitte & Touche, LLC from 1998-1999. In these positions Mr. Russo garnered significant experience performing audit defense services and overseeing client unclaimed property audits as well as drafting and negotiating voluntary disclosure agreements and providing unclaimed property exposure quantification.

Earlier in his career, Mr. Russo served the Commonwealth of Massachusetts, Office of the State Treasurer and Receiver General. For 15 years, Mr. Russo held a steady progression of positions and responsibilities, culminating in his last four years as Director of the Unclaimed Property Audit and Compliance Program. As Director, he was responsible for the management and oversight of state-authorized examinations conducted by the Commonwealth's independently contracted CPA firms, contract audit firms, and industry vendors.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Russo holds a Master of Business Administration from Salem State College (presently Salem State University), Salem, Massachusetts (1992) and a Bachelor of Science from the University of Massachusetts, Boston, Massachusetts (1983).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Thomas McAnespie
Title: Director
Organization: New Hampshire State Treasury, Unclaimed Property Division
Phone: 603-271-1499
Fax: 603-271-2730
Email: tmcanespie@treasury.state.nh.us

Name: Joshua A. Joyce
Title: Unclaimed Property Administrator
Organization: Arizona Department of Revenue, Unclaimed Property Unit
Phone: 602-716-6033
Fax: 602-716-7997
Email: JJoyce@azdor.gov

Name: Michelle M. Sullivan
Title: Assistant Director
Organization: State of Delaware, Unclaimed Property
Phone: 302-577-8776
Fax: 302-577-1458
Email: MichelleM.Sullivan@state.de.us

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***John A. DeMarco***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Chief Operating Officer***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***7***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. John DeMarco is Kelmar's Chief Operating Officer. Mr. DeMarco possesses more than 19 years of experience developing comprehensive protocols for auditing and reporting unclaimed property, and locating shareholders. He is a subject matter expert in unclaimed property, with an extensive background in stock transfer, data analysis, reporting, and recordkeeping systems. Mr. DeMarco is well versed in unclaimed property laws and federal regulations governing securities examinations, and is widely regarded as a key industry resource on such matters. He presents on unclaimed property compliance topics to Kelmar's client states as well as organizations, including National Association of Unclaimed Property Administrators (NAUPA), the National Association of State Treasurers (NAST), and the National Institute of Public Finance (NIPF). With extensive knowledge of the processes and procedures for unclaimed property administration, Mr. DeMarco serves as an invaluable resource to the Company's client states and audit professionals in all phases of unclaimed property auditing.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. DeMarco joined Kelmar in 2010. Prior to becoming Chief Operating Officer in March 2017, he served as Vice President of Fiduciary Management and Managing Director of unclaimed securities examinations and data management services. As Chief Operating Officer, Mr. DeMarco spearheads business development and is responsible for overseeing Kelmar's compliance service lines, including all multi-state examinations performed on behalf of Kelmar's state clients. With a background in unclaimed property dating back to 1998, he works closely with Kelmar's Executive Management team to ensure best practices are employed in all audit operations.

Prior to joining Kelmar, Mr. DeMarco held a steady progression of positions for 12 years at Xerox Unclaimed Property Clearinghouse (now Conduent). His roles included President of Operations, culminating in his last three years as Chief Operating Officer. Mr. DeMarco was responsible for the oversight of strategic planning, operations, and staff management, including the management of unclaimed securities custody, claims processing, owner reunification, audit, and the Wagers & Associates unclaimed property systems.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. DeMarco holds a Bachelor of Arts in Marketing from the University of Massachusetts at Amherst, Massachusetts (1998).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Maria Greenslade
Title: Assistant Deputy Treasurer
Organization: Connecticut State Treasury, Unclaimed Property Division
Phone: 860-702-3125
Fax: U/K
Email: maria.greenslade@po.state.ct.us

Name: Judith Franchi
Title: Director of Audit & Compliance
Organization: Department of the State Treasurer, Abandoned Property Division
Phone: 617-367-9333 x412
Fax: N/A
Email: jfranchi@tre.state.ma.us

Name: Kathleen Lobell
Title: Director
Organization: Louisiana State Treasury, Unclaimed Property Division
Phone: 225-219-9377
Fax: U/K
Email: klobell@treasury.state.la.us

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Lynden Lyman, Esq.***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Executive Consultant***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***1***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Lynden Lyman is an Executive Consultant in Kelmar's Massachusetts office. Mr. Lyman is a recognized authority in the field of unclaimed property with experience in unclaimed property law, compliance, and program administration since 1984. Mr. Lyman has worked with every unclaimed property program in the United States, including the District of Columbia and Puerto Rico, as well as several Canadian provinces. He served as a contributing editor over the last 30 years to Unclaimed Property Law and Reporting Forms, the leading legal treatise in the field of unclaimed property published by Matthew Bender Publishing. From 2013-2017, Mr. Lyman served as special consultant to NAUPA. Mr. Lyman is also a NAUPA Lifetime Achievement Award recipient (2008), the highest honor presented by NAUPA to individuals in the unclaimed property arena, and received the NAST Corporate Affiliate Award in 2007.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Lyman joined Kelmar in 2017. As an Executive Consultant, Mr. Lyman works closely with Kelmar's Executive Management team to ensure appropriate protocols are employed in all audit operations in order to facilitate efficient and professionally responsible examinations on behalf of the Company's client states. Mr. Lyman additionally addresses issues of unclaimed property law and administration presented by states, as well as holders under examination. He is also directly involved in audits of particular industries and industry-specific property types.

Prior to joining Kelmar, Mr. Lyman established The Unclaimed Advisor, a consulting firm to support states, territories, and Canadian provinces in their administration of unclaimed property programs. Beginning in 2008, Mr. Lyman has provided compliance, legal/legislative, communication, operations, and research services for government clients. Earlier in his career, Mr. Lyman was an executive for more than 20 years at Xerox Unclaimed Property Clearinghouse (now Conduent). As CEO/Managing Director of its predecessor entity, Mr. Lyman was responsible for the management of company personnel and oversight of services provided, including a national audit program, unclaimed securities custody, claims processing, MissingMoney.com, and database design and management products.

Before that time, Mr. Lyman served as an Iowa Assistant Attorney General and counsel to Iowa State Treasurer Michael L. Fitzgerald and the State's unclaimed property program, The Great Iowa Treasure Hunt. In addition to providing general legal support for two years, he assisted in the

design and implementation of the State's audit-compliance program and was responsible for drafting of legislation, including revisions to Iowa's unclaimed property act.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Lyman holds a Bachelor of Arts from Drake University in Des Moines, Iowa (1981) as well as a Juris Doctor from the University of Iowa (1983).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

A licensed attorney for more than thirty-five (35) years, he is a member in good standing of the Iowa Bar Association (1984), Membership Committee of the National Association of State Treasurers (NAST) (2009) and Corporate Affiliate Board of the National Association of Unclaimed Property Administrators (NAUPA) (2006-2009).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Dennis L Johnston
Title: Administrator
Organization: Utah State Treasurer's Office, Division of Unclaimed Property
Phone: 801-715-3321
Fax: U/K
Email: dljohnston@utah.gov

Name: Hon. Don Stenberg
Title: State Treasurer
Organization: Nebraska State Treasurer's Office
Phone: 402-471-2455
Fax: U/K
Email: Don.Stenberg@nebraska.gov

Name: Katherine Priest
Title: Director
Organization: Office of the Kansas State Treasurer, Unclaimed Property Division
Phone: 785-291-3174
Fax: U/K
Email: kathy@treasurer.ks.gov

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Brian J. Scanlon, Esq.***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Vice President***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***6***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Brian Scanlon is Vice President of Legal & Human Resources in Kelmar's Massachusetts office. He possesses 25 years of experience in the field of unclaimed property. Mr. Scanlon is well versed in state unclaimed property laws in addition to all applicable state and federal case law. This extensive knowledge of and insight into the fundamental legal decisions of the field of unclaimed property allows Mr. Scanlon to serve as an invaluable resource to Kelmar's client states and audit professionals ensuring all statutory requirements, legislative and state policy, and procedural developments are integrated into established examination procedures. With this extensive knowledge of, and insight into, the world of unclaimed property, he also presents on unclaimed property compliance topics at industry events, including conferences hosted by the National Association of Unclaimed Property Administrators (NAUPA) and the National Association of State Treasurers (NAST).

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Scanlon joined Kelmar in 2011 as a Director, and has since held the position of Managing Director and Chief Legal Counsel prior to his role as Vice President. In this capacity, Mr. Scanlon works directly with the General Counsel and applies his unclaimed property expertise and legal experience to oversee Kelmar's Legal division. He serves as a central figure in maintaining consistent practices and facilitating professionally responsible services on behalf of Kelmar's client states, and addresses all corporate legal matters of confidentiality, contract negotiation, litigation support, and regulatory compliance. Mr. Scanlon also plays a vital role in developing the strategic direction of Kelmar's examinations of specialized industry property types by advising Kelmar's professionals on legal issues associated with the examination of industries, including insurance, broker-dealer, securities, and industry-specific property types such as rebates, stored value cards, and electronic currency. In overseeing Kelmar's Legal division, Mr. Scanlon assists in drafting and advises on legal memoranda prepared for the Company's Executive Management. Furthermore, Mr. Scanlon often consults with the Company's client states, particularly on specialty examination challenges and solutions, and advises Kelmar's audit teams on the interpretation of client states' laws and regulations.

In his capacity as Vice President of Human Resources, Mr. Scanlon is responsible for overseeing the recruitment of the best talent in the unclaimed property industry and ensuring Kelmar's compliance with all applicable employment laws, as well as internal human resource related

policies and procedures. He also supervises the development and administration of Kelmar's internal employee professional development programs and assists in training initiatives related to unclaimed property laws, policies, and regulatory matters.

<u>Other Audit and City Government Experience</u>
Prior to joining Kelmar, Mr. Scanlon was a Tax Partner at Ernst & Young. He served as a State and Local Tax Practice Leader and as the Northeast Regional Unclaimed Property Leader. For more than 10 years, Mr. Scanlon managed the delivery of all state and local tax and unclaimed property services provided to Northeast clients, including the identification of clients' unclaimed property exposure, quantification of unclaimed property liabilities, audit defense engagements, voluntary disclosure filing and negotiation services, and reviews of clients' reporting and delivery of unclaimed property to the states.

Earlier in his career, Mr. Scanlon served as a Tax Director and National Unclaimed Property Leader at Deloitte & Touche, LLP from 1992-2000. He was responsible for the delivery of all unclaimed property services to clients on a national basis. In this role, he worked directly with 4 regional unclaimed property leaders to identify clients with unclaimed property exposure. Mr. Scanlon had final approval on deliverables of all unclaimed property identification and exposure analyses, voluntary disclosure filings, and clients' reporting and delivery of unclaimed property to the states.

In previous years, Mr. Scanlon was employed by the City of New York as an Assistant Commissioner in the Taxation Audit and Enforcement Division. In addition, he served as Chief Hearings Officer of the Hearings Bureau, where he was responsible for conducting case research and reviews and holding hearings to resolve disputed tax assessments as well as negotiating comprehensive settlement agreements.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Scanlon holds a Master of Laws in Taxation from New York University School of Law in New York, New York (1987), as well as a Juris Doctor from New York Law School in New York, New York (1981). He also holds a Bachelor of Science in Business Administration, Accounting and Economics from Wagner College in Staten Island, New York (1981).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Mr. Scanlon is a member of both the New York Bar (1981) and New Jersey Bar (1982).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Timothy Burley, CPA
Title: Partner
Organization: Weiser LLP
Phone: 212-375-6508
Fax: U/K
Email: tburley@weiserllp.com

Name: Jeffrey Hill
Title: Partner
Organization: Ernst & Young
Phone: 732-516-4200
Fax: U/K
Email: Jeffrey.hill@ey.com

Name: Lazar Kajtazi
Title: Executive Director
Organization: Ernst & Young
Phone: 212-773-3000
Fax: U/K
Email: Lazar.kajtazi@ey.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Mark E. Udinski***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Vice President***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***4***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Mark Udinski is Vice President of Compliance Services in Kelmar's Delaware office location. He has 30 years of audit experience, with more than half of that time focusing specifically on unclaimed property. With his many years of unclaimed property audit experience, expertise running an unclaimed property program, active involvement in unclaimed property organizations, such as the National Association of Treasurers (NAST) and the National Association of Unclaimed Property Administrators (NAUPA), and vast knowledge of unclaimed property industry trends, Mr. Udinski is an invaluable resource to the Company's client states and audit professionals.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Udinski joined Kelmar in 2013 as Managing Director of Kelmar's Practice Development and Marketing divisions prior to becoming Vice President of Compliance Services in 2016. Mr. Udinski ensures delivery of the highest level of client service and support to Kelmar client states. In his current role, Mr. Udinski has oversight of the development and delivery of Kelmar's audit compliance services and works with the Chief Operating Officer and Senior Examination personnel to ensure the quality, timeliness, and professional conduct of all general ledger examinations. Mr. Udinski serves as a vital resource for maintaining consistent practices to identify, examine, collect, and transfer unclaimed property and to facilitate professionally responsible examinations on behalf of the Company's client states. In this capacity, Mr. Udinski also maintains contact with Kelmar's client states as needed, and provides consultation services for state governments, such as audit training, implementation of best practices, and guidance on new property types.

<u>Other Audit and State Government Experience</u>
Prior to joining Kelmar, Mr. Udinski served the State of Delaware for more than 13 years, ultimately as Director of the Abandoned Property Program. In this role, he was responsible for the administration of all aspects of the state's unclaimed property program. Earlier in his career, Mr. Udinski served as an AUP Audit Manager, Corporate Audit Supervisor and Fraud Investigator.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Udinski holds a Bachelor of Education from Virginia Tech in Blacksburg, Virginia (1985).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Caroline Cross
Title: Deputy Attorney General
Organization: Delaware Department of Justice
Phone: 302-577-8814
Fax: 302-577-7179
Email: caroline.cross@State.de.us

Name: Edward Black
Title: Deputy Attorney General
Organization: Delaware Department of Justice
Phone: 302-577-4209
Fax: 302-577-1458
Email: edward.black@state.de.us

Name: Michelle M. Sullivan
Title: Assistant Director
Organization: State of Delaware, Unclaimed Property
Phone: 302-577-8776
Fax: 302-577-1458
Email: MichelleM.Sullivan@state.de.us

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Gary M. Duvall, JD/MBA***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Director***		
# of Years in Classification:	***7***	**# of Years with Firm:**	***13***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Gary Duvall is a Director of Compliance Services in Kelmar's Massachusetts office location. Kelmar's Directors supervise numerous ongoing multi-state, third-party unclaimed property exams, and serve as vital resources for maintaining consistent practices across all examinations. Mr. Duvall has garnered significant experience of every phase of the examination process including, specifically, the methodical review of specific accounts and property categories based on the industry type. Thus, he has been able to create efficiencies in the exam process while driving results. Mr. Duvall possesses 13 years of experience in the field of unclaimed property. He applies his unclaimed property audit expertise and management experience to facilitate effective and efficient state-mandated examinations of holders of unclaimed property, and serves as a central figure in Kelmar's general ledger related examinations.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Duvall joined Kelmar in 2004 as a Senior Associate and has since held a steady progression of positions and responsibilities, including Manager and Senior Manager, prior to becoming Director. His duties include ensuring unclaimed property examination planning efforts are consistent with established objectives; audits are conducted and documented in consideration of departmental and professional standards; and results are clearly communicated to clients and holders. He contributes to Kelmar's Compliance division by providing consultation and advice regarding audit approaches, including the identification of unclaimed property held by large corporations and other business associations. Mr. Duvall works closely with the Company's Executive Management throughout the entire examination process to ensure best practices. He also works closely with Kelmar's research group to identify and present potential compliance candidates to Executive Management and client states. In addition, Mr. Duvall manages Kelmar's relationships with several of the Company's client states. As a Client Relationship Manager, he serves as primary contact and resource for designated states, thereby ensuring that the highest level of client service and support is delivered to Kelmar's clients.

<u>Other Experience</u>

Prior to joining Kelmar, Mr. Duvall was an Associate at Monique D. Donovan Law Office, LLC from 2001-2004 where he specialized in the practice area of residential and commercial real estate in Massachusetts and New Hampshire. Before that time, Mr. Duvall was a Loan and Credit Intern at The Federal Reserve Bank of Boston. He researched legal issues and reviewed Reserve Bank lending policies, drafted legal memoranda securing the interest and collateral pledged by

financial institutions, and filed Uniform Commercial Code statements on collateral pledged by financial institutions utilizing the lending services offered by the bank.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Duvall holds a Juris Doctor from Suffolk University Law School in Boston, Massachusetts (2001), a Master of Business Administration from Suffolk University Sawyer School of Management in Boston, Massachusetts (2001), and a Bachelor of Arts in History from Providence College in Providence, Rhode Island (1995).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Mr. Duvall is a member of the Massachusetts Bar (2001) as well as New Hampshire Bar (2001).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Steve R. Harris
Title: Administrator, Unclaimed Property
Organization: New Jersey Department of Treasury, Unclaimed Property Administration
Phone: 609-984-8244
Fax: 609-984-0593
Email: steven.harris@treas.state.nj.us

Name: Heather Graham
Title: Administrative Analyst, Management Auditor
Organization: New Jersey Department of Treasury, Unclaimed Property Administration
Phone: 609-943-4620
Fax: 609-984-0593
Email: heather.graham@treas.state.nj.us

Name: Michelle M. Sullivan
Title: Assistant Director
Organization: State of Delaware, Unclaimed Property
Phone: 302-577-8776
Fax: 302-577-1458
Email: MichelleM.Sullivan@state.de.us

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Michael Gizzi***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Director***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***6***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Michael Gizzi is a Director of Business Development in Kelmar's Massachusetts office location. Kelmar's Directors supervise numerous ongoing multi-state, third-party unclaimed property exams, and serve as vital resources for maintaining consistent practices across all examinations. In this capacity, Mr. Gizzi oversees Kelmar's Client Business Administration group and Kelmar's specialty examinations focusing on particular industries and industry-specific property types, including but not limited to: unpaid death benefits held by insurance companies; restaurants, retailers, and other holders of stored value cards and consumer rebates; and preneed funeral and cemetery trust liabilities. Mr. Gizzi possesses more than 17 years of audit experience, including performing (and for part of that time defending) unclaimed property examinations since 2004. He is knowledgeable of all laws governing the conduct of unclaimed property audits.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Gizzi joined Kelmar in 2011 as a Manager prior to becoming Senior Manager a year later. Beginning in 2017, Mr. Gizzi took on the role of Director overseeing abandoned and unclaimed property examinations involving specialty property types. He is responsible for ensuring the completion of all assigned examinations, providing guidance to staff, and supporting Executive Management. Mr. Gizzi works closely with members of Kelmar's legal team to troubleshoot legal questions, obtain guidance on unclaimed property legal and other regulatory examination matters, and related issues that come up during the course of examinations. Given his thorough understanding of the laws governing the conduct of examinations, he serves as a key resource for Kelmar's Compliance division.

In addition, Mr. Gizzi is responsible for overseeing Kelmar's Client Business Administration group and is actively involved in developing and monitoring client relationships and client satisfaction with Kelmar's examination services. In this capacity, Mr. Gizzi coordinates Kelmar's designated Client Relationship Managers and frequently communicates with Kelmar's client states on relevant examination topics and has become a sounding board for a number of state unclaimed property administrators and attorneys. Essential to his role is ensuring Kelmar's delivery of the highest levels of client service and support.

Prior to joining Kelmar, Mr. Gizzi began his unclaimed property career as an auditor at ACS Unclaimed Property Clearinghouse from 2004-2006 and rejoined ACS (now Conduent) from 2008-

2011 as an Audit Manager prior to becoming Vice President, Audit. He interfaced with state administrators and state auditors regularly on such topics as identification of audit candidates as well as the status of ongoing audits. Mr. Gizzi regularly presented audit findings, and prepared unclaimed property reports for clients. While serving as Vice President, Mr. Gizzi developed strong professional relationships with the practice leaders at the holder advocate firms and law firms serving unclaimed property clients. From 2006-2008, Mr. Gizzi served as a Senior Associate and Manager at Deloitte & Touche, LLP's Regulatory Consulting practice, assisting some of the largest clients of the firm with unclaimed property compliance and reporting services. Mr. Gizzi consulted with other Deloitte service lines to provide guidance on unclaimed property matters related to Merger & Acquisition transactions.

Other Audit Experience

Earlier in his career, Mr. Gizzi served the Commonwealth of Massachusetts - Office of State Auditor from 2000-2004 in steady progression of roles and responsibilities. As Audit Supervisor, he led audit teams responsible for conducting high profile performance audits as well as agency compliance with the Office of the State Comptroller year-end closing instructions for cash (and revenue) management. As a state auditor, Mr. Gizzi assessed risk and evaluated the adequacy and effectiveness of internal controls of large state agencies, departments, and programs. In addition, he reviewed procurement contracts to determine their compliance with applicable laws, rules, and regulations.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Gizzi holds a Bachelor of Science in Business Administration from Merrimack College, North Andover, Massachusetts (1998).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Scott F. Lennon
Title: Assistant Budget Director
Organization: Commonwealth of Massachusetts, Middlesex Sheriff's Office
Phone: 617-584-5723
Fax: U/K
Email: slennon@newtonma.gov

Name: William P. Callagy III
Title: Manager
Organization: Kelmar *Associates, LLC*
Phone: 781-929-9239
Fax: 781-928-9285
Email: william.callagy@kelmarassoc.com

Name: Daniel D. Pace
Title: Assistant Vice President, Network Management
Organization: BROWN BROTHERS HARRIMAN
Phone: 617-772-1206
Fax: U/K
Email: daniel.pace@bbh.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Name:	***Kate A. Stevens***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Director***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***6***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Ms. Kate Stevens is a Director of Audit in Kelmar's Massachusetts office location. Kelmar's Directors supervise numerous ongoing multi-state, third-party unclaimed property exams, and serve as vital resources for maintaining consistent practices across all examinations. With more than 16 years of experience in unclaimed property, she is a subject matter expert in unclaimed property statutes and their application across all property types, specializing in operational streamlining, audit compliance, and securities examinations.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Ms. Stevens joined Kelmar in 2011, holding the position of Manager prior to becoming Senior Manager, and then Director. In her role as Director, Ms. Stevens is responsible for ensuring the completion of all assigned securities audits, applying the unique requirements of each state's unclaimed property statute regarding securities related property. She is a primary point of contact with holders, performs detailed analysis of audit related data and information, and reviews and finalizes the analysis of the stock records of holders under examination as well as all audit reports to the Company's client states. Ms. Stevens is also accountable for the reconcilement of a holder's final remittance to the state in accordance with each state's guidelines for transferring securities. In performing these tasks, Ms. Stevens serves as a central figure in all Kelmar securities related examinations. In addition, Ms. Stevens manages several of Kelmar's client relationships and routinely consults on Kelmar's delivery of services under those client state contracts. In this capacity, she serves as the primary contact and ensures delivery of the highest level of client service and support.

Prior to joining Kelmar, Ms. Stevens held a steady progression of positions and responsibilities, including Operations Officer and First Line Manager of Audit Evaluations and Assistant Vice President of Operations before becoming Vice President of Audit Compliance at Xerox Unclaimed Property Clearinghouse (now Conduent). Of her more than 10 years with the organization, Ms. Stevens spent seven years managing an operation responsible for processing the automated unclaimed property records for hundreds of clients in all U.S. jurisdictions. Ms. Stevens improved the efficiency of unclaimed securities audits by restructuring assignments, establishing key controls, and creating procedural documentation that accurately reflected operational processes.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Ms. Stevens holds a Bachelor of Arts in Government and History from Colby College in Waterville, Maine (2000).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Lammis Vargas
Title: Director
Organization: Rhode Island Office of the General Treasurer, Unclaimed Property Division
Phone: 401-462-7639
Fax: U/K
Email: lammis.vargas@treasury.ri.gov

Name: Brian Munley
Title: Director
Organization: Pennsylvania State Treasury, Bureau of Unclaimed Property
Phone: 717-787-3344
Fax: U/K
Email: bmunley@patreasury.gov

Name: Eric Eichler
Title: Manager
Organization: Comptroller of Maryland, Compliance Division
Phone: 410-767-1812
Fax: U/K
Email: eeichler@comp.state.md.us

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Shawn P. Hibbard, MBA, MSA***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Senior Manager***		
# of Years in Classification:	***7***	**# of Years with Firm:**	***13***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Shawn Hibbard is a Senior Manager of a general ledger audit team in Kelmar's Massachusetts office. Kelmar's Senior Managers manage numerous ongoing multi-state, third-party unclaimed property exams. Mr. Hibbard possesses 13 years of experience performing unclaimed property examinations. Mr. Hibbard is well versed in every phase of the examination process and has a sound understanding of entity structures and business operations, with extensive experience examining holders within the oil and gas industries, in addition to many others.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Hibbard joined Kelmar in 2004 as an Associate and has since held a steady progression of positions and responsibilities, including Senior Associate and Manager, prior to becoming Senior Manager. As a Senior Manager, Mr. Hibbard is responsible for overseeing numerous abandoned and unclaimed property examinations, supervising staff, and supporting Executive Management. By staying apprised of new accounting and audit developments, Mr. Hibbard serves as a valuable resource and mentor to Kelmar's junior professionals. In addition, Mr. Hibbard manages Kelmar's relationships with its client states in regards to audit service contracts. As a Client Relationship Manager, he serves as the primary contact and resource for designated client states and ensures the delivery of services of the highest quality.

<u>Other Audit Experience</u>

Previously, Mr. Hibbard was an Internal Auditor at the Boston Stock Exchange. In this role, he performed internal audits as required by the audit director, presented to the audit committee, and prepared audit findings related to human resources, general security, and market operations.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Hibbard holds a Master of Science in Accountancy from Bentley University (formerly Bentley College) in Waltham, Massachusetts (2017), a Master of Business Administration from Northeastern University in Boston, Massachusetts (2008), and a Bachelor of Science in Business Administration from Nichols College in Dudley, Massachusetts (2004).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Josh R. Wood
Title: Compliance Director
Organization: State of Arkansas, Holder Reporting & Compliance
Phone: 501-371-2103
Fax: 501-682-2521
Email: josh.wood@auditor.ar.gov

Name: Terry A. Stanton
Title: Manager
Organization: State of Michigan, Unclaimed Property
Phone: 517-636-5313
Fax: U/K
Email: StantonT@michigan.gov

Name: Michelle M. Sullivan
Title: Assistant Director
Organization: State of Delaware, Unclaimed Property
Phone: 302-577-8776
Fax: 302-577-1458
Email: MichelleM.Sullivan@state.de.us

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Eric N. LaCroix***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Senior Manager***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***10***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Eric LaCroix is a Senior Manager of securities exams in Kelmar's Massachusetts office. Kelmar's Senior Managers manage numerous ongoing multi-state, third-party unclaimed property exams. With 10 years of experience performing unclaimed property examinations, Mr. LaCroix applies his unclaimed property audit expertise and management experience to facilitate effective and efficient state-mandated audits of holders of unclaimed property. As a Senior Manager of securities examinations, with prior experience performing general ledger examinations, Mr. LaCroix ensures that consistent, best practices are maintained across all Kelmar unclaimed property examinations.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. LaCroix joined Kelmar in 2007 as an Associate and has since held a steady progression of positions, including Senior Associate and Manager, prior to becoming Senior Manager. Before transitioning to his role as Senior Manager within the Fiduciary Management division in 2017, Mr. LaCroix was responsible for ensuring the completion of all assigned general ledger exams, including supervising audit staff, and working collaboratively with Directors to refine the examination process, focusing specifically on the rebates property type. Well-versed in every phase of examinations, he served as a central figure in Kelmar's general ledger related exams.

He is responsible for all stages of a securities exam under his management, including reviewing documentation produced by the holder, working with his team to perform escheatment analysis, and developing any necessary follow-up requests and status updates. He is also responsible for staying apprised of current state and federal unclaimed property laws and communicating updates accordingly.

<u>Other Experience</u>

Prior to joining Kelmar, Mr. LaCroix was a Cost Estimator for Raytheon Company from 2005-2007. In this role, he estimated and priced proposals from $10,000) to $220 million, supported the proposal process through negotiations with the customer, and provided analysis on cost for the USS Zumwalt program.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. LaCroix holds a Master of Science in Business Administration from Northeastern University in Boston, Massachusetts (2012) and a Bachelor of Science in Business Administration from Nichols College in Dudley, Massachusetts (2005).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Monique E. Magno
Title: Senior Manager
Organization: Kelmar Associates, LLC
Phone: 781-928-9243
Fax: 781-928-9258
Email: monique.magno@kelmarassoc.com

Name: Kate A. Stevens
Title: Director
Organization: Kelmar Associates, LLC
Phone: 781-928-9227
Fax: 781-928-9258
Email: kate.stevens@kelmarassoc.com

Name: Shawn P. Hibbard
Title: Senior Manager
Organization: Kelmar Associates, LLC
Phone: 781-928-9257
Fax: 781-928-9258
Email: shawn.hibbard@kelmarassoc.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Monique E. Magno***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Senior Manager***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***3***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Ms. Monique Magno is a Senior Manager of securities exams in Kelmar's Massachusetts office. Kelmar's Senior Managers manage numerous ongoing multi-state, third-party unclaimed property exams. Ms. Magno applies her 10 years of unclaimed property audit knowledge and management experience to ensure effective and efficient examinations under her charge. Ms. Magno facilitates professionally responsible examinations on behalf of Kelmar's client states by providing guidance to associates and senior associates, working cooperatively with other managers, and communicating effectively with holders.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Ms. Magno joined Kelmar in 2014 as a Securities Audit Manager before becoming a Senior Manager within the Fiduciary Management division in 2017. She is responsible for all examination stages throughout the life of a securities exam under her management and stays apprised of current state and federal unclaimed property laws, and communicates updates accordingly. As primary contact for holders under audit, Ms. Magno maintains regular correspondence with those companies through exam requests, phone conferences, and in-person meetings as required. She reviews documentation produced by the holder, works with her team to perform escheatment analysis, and develops any necessary follow-up requests and status updates.

Prior to joining Kelmar, Ms. Magno was a Senior Consultant at Ryan, LLC. In this role, she managed securities related audit and voluntary disclosure agreement projects. Ms. Magno also assisted on general ledger audits and voluntary disclosure agreements, and collaborated on ongoing compliance efforts and quantitative risk assessments for clients. As a Consultant at Thomson Reuters from 2011-2013, Ms. Magno managed securities audits for clients from a variety of different industries. She served as a resource on voluntary disclosure initiatives, state mandated audits, ongoing compliance efforts, and quantitative risk assessments.

Earlier in her career, Ms. Magno was a Client Service Manager / Corporate Client Liaison for Xerox Unclaimed Property Clearinghouse (now Conduent). From 2008-2011, Ms. Magno held a steady progression of positions and responsibilities, including report processing for corporate clients to states and jurisdictions, training administration, and due diligence monitoring, prior to serving as lead Client Service Liaison for four major transfer agents and a Fortune 500 company.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Ms. Magno holds a Bachelor of Arts in Education and Psychology from Saint Michael's College in Colchester, Vermont (2007).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Matthew M. Davis
Title: Assistant Division Director
Organization: South Carolina Treasurer's Office, Unclaimed Property Division
Phone: 803-734-2645
Fax: U/K
Email: matt.davis@sto.sc.gov

Name: Kate A. Stevens
Title: Director
Organization: Kelmar Associates, LLC
Phone: 781-928-9227
Fax: 781-928-9258
Email: kate.stevens@kelmarassoc.com

Name: Darrin Jahnel
Title: CEO
Organization: Jahnel Group, Inc.
Phone: 518-356-0039
Fax: U/K
Email: djahnel@jahnelgroup.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Jennifer L. Martin***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Senior Manager***		
# of Years in Classification:	***6***	**# of Years with Firm:**	***9***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Ms. Jennifer Martin is a Senior Manager of general ledger audit teams in Kelmar's Massachusetts office. Kelmar's Senior Managers manage numerous ongoing multi-state, third-party unclaimed property exams. Ms. Martin possesses more than 20 years of experience auditing Fortune 500 and 1000 companies, including nine years performing unclaimed property examinations. She has extensive experience auditing holders in the manufacturing and retail industries, having previously worked with the same in other compliance areas. Ms. Martin is a recognized authority on examination practices, and develops process improvements and quality controls for the examination process.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Ms. Martin joined Kelmar in 2009 as a Manager prior to becoming a Senior Manager. As Senior Manager, Ms. Martin is responsible for ensuring the completion of all assigned general ledger audits, supervising audit staff, and supporting Executive Management. She routinely consults on best practices in these areas, both internally and externally, to facilitate effective and efficient state-mandated audits of holders of unclaimed property. In addition, Ms. Martin manages several of Kelmar's relationships with its client states in regards to audit service contracts. As a Client Relationship Manager, she is the primary contact and resource for designated client states and ensures delivery of the highest level of client service and support.

<u>Other Audit Experience</u>

Prior to joining Kelmar, Ms. Martin was a Manager at The Siegfried Group from 2006-2008. Her responsibilities included performing month end close procedures, including reporting, analysis, and reviewing account reconciliations; preparing quarterly and annual financial statements in accordance with generally accepted accounting principles; preparing quarterly and annual audit packages related to filing an IPO. She also acted as liaison for all inquiries related to analytics and financial statements. Ms. Martin assisted in implementing group-wide reconciliation procedures, and made recommendations for enhancements to existing controls and workflows. As manager, she was responsible for the accounting accuracy of international and domestic funds for a leading securities service provider, and assisted in the training and mentoring of junior staff members. As Assurance Senior of the Commercial Group at Ernst & Young, LLP, Ms. Martin assisted in planning and auditing quarterly reviews of publicly traded companies, including reviewing 10-Q reports of industries such as manufacturing and wholesale distribution.

She also reviewed, documented, and tested internal control structures for compliance with Section 404 of the Sarbanes Oxley Act.

Earlier in her career, Ms. Martin was a Manager of Business Consulting at Tofias P.C. from 2000-2006. She performed and managed field examinations and due diligence services for clients; investigated, identified, and documented areas of concern in internal control procedures; and provided recommendations to promote the safeguarding of assets and reliability of financial information. She also examined historical financial statements, budgets, and forecasts; and planned, supervised, and completed audit and review engagements for Manufacturing, Real Estate, Wholesale Distribution, and Professional Service Industries.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Ms. Martin holds a Bachelor of Science in Business Administration from Salem State College (presently Salem State University) in Salem, Massachusetts (1998).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Gary M. Duvall
Title: Director
Organization: Kelmar Associates, LLC
Phone: 781-928-9920
Fax: 781-928-9258
Email: gary.duvall@kelmarassoc.com

Name: Robert H. Dean, Jr.
Title: Director
Organization: Kelmar Associates, LLC
Phone: 781-928-9245
Fax: 781-928-9259
Email: robert.dean@kelmarassoc.com

Name: Catherine G. Zejnullahu
Title: Associate General Counsel
Organization: Kelmar Associates, LLC
Phone: 781-928-9231
Fax: 781-928-9131
Email: catherine.zejnullahu@kelmarassoc.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box as to whether the proposed individual is prime contractor staff or subcontractor staff.

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Brian M. Sharpe***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Senior Manager***		
# of Years in Classification:	***4***	**# of Years with Firm:**	***12***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Brian Sharpe is a Senior Manager of a general ledger audit team in Kelmar's Delaware office. Kelmar's Senior Managers manage numerous ongoing multi-state, third-party unclaimed property exams. Mr. Sharpe possesses 12 years of experience performing unclaimed property examinations. Mr. Sharpe applies his unclaimed property audit expertise and management experience to facilitate effective and efficient state-mandated audits of holders of unclaimed property. He serves as a central figure in Kelmar's general ledger related examinations and is a vital resource for maintaining consistent practices across all examinations.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Sharpe joined Kelmar in 2006 as an Associate and has since held a steady progression of positions and responsibilities, including Senior Associate and Manager, prior to becoming Senior Manager. Mr. Sharpe is responsible for ensuring the completion of all assigned general ledger audits and supervising audit staff. Mr. Sharpe has gained critical insight and exposure to every facet of the examination process. Utilizing his certifications, he leads his team in the development of custom queries and other nested analytical procedures, thereby enhancing the audit process. Mr. Sharpe is a valuable resource, ensuring proper exports are accessible and delivered in electronic format during the examination process. He is dedicated to providing guidance to audit staff, working cooperatively with other managers, supporting executives, and communicating effectively with holders in order to facilitate a professionally responsible examination on behalf of the Company's client states. In this capacity, Mr. Sharpe maintains contact with Kelmar's client states as needed.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Sharpe holds a Master of Science in Business Intelligence (2010), Certification in Business Intelligence (2008), and Bachelor of Science in Business Administration and Accounting (2006) from Saint Joseph's University in Philadelphia, Pennsylvania.

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Mr. Sharpe holds certifications in SAP 4.6 and 4.7 Enterprise versions (2005) and ACL software packages (2010).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Michelle M. Sullivan
Title: Assistant Director
Organization: State of Delaware, Unclaimed Property
Phone: 302-577-8776
Fax: 302-577-1458
Email: MichelleM.Sullivan@state.de.us

Name: Charolette Noel
Title: Partner
Organization: Jones Day
Phone: 214-969-4538
Fax: 214-969-5100
Email: cfnoel@JonesDay.com

Name: Michael Houghton
Title: Partner
Organization: MNAT LLP
Phone: 302-351-9215
Fax: 302-425-4675
Email: Mhoughton@MNAT.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Stephanie L. Borusiewicz***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Senior Manager***		
# of Years in Classification:	***4***	**# of Years with Firm:**	***8***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Ms. Stephanie Borusiewicz is Senior Manager of Client Business Administration in Kelmar's Delaware office. With more than eight years of experience in the field of unclaimed property, Ms. Borusiewicz is an invaluable resource in the examination process. She applies her unclaimed property expertise and management experience to support Kelmar's Compliance division and to facilitate effective and efficient state-mandated audits of holders of unclaimed property. Ms. Borusiewicz acts as a key liaison between Kelmar and the Company's client states and works to ensure consistent practices across all examinations. Managing communication with all participating states throughout the examination process, she serves as a central figure in virtually all of Kelmar's unclaimed property exams.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Ms. Borusiewicz joined Kelmar in 2010 as a Research Analyst and has since held the position of Research Manager prior to becoming Senior Manager. In her current role, Ms. Borusiewicz manages Kelmar's exam participation process from initiation through completion of the examination period, and oversees the preparation of monthly Work-in-Progress Reports for the Company's client states. She oversees research support services to Kelmar's audit teams throughout the examination and scoping processes, including researching incorporation histories of potential in-scope entities, providing information to validate holder representations, and proactively monitoring and communicating current holder related news. Ms. Borusiewicz also oversees research assistance for Kelmar's client states to identify holders for examination. This research often includes the review and analysis of filing histories, SEC filings available through EDGAR® Online and Thomson Reuters Research Services, statutory filings using "Yellow Books" and "Blue Books" as well as Investor Relations sites and various research databases, including Hoovers®, Wolters Kluwer Corporate Histories®, Secretary of State/Division of Corporations sites, and archival internet and newspaper sites. In addition, Ms. Borusiewicz manages several of Kelmar's relationships with its client states in regards to audit service contracts. As a primary contact and resource for designated client states, she ensures that the highest level of client service and support is delivered and all client needs are met.

<u>Other Experience</u>

Prior to joining Kelmar, Ms. Borusiewicz was an Associate District Manager at Automatic Data Processing, Inc. from 2009-2010 and a Financial Analyst at Qualcomm (QCOM) from 2008-2009.

As Associate District Manager, she generated sales for payroll and HR services in an assigned territory by prospecting, partnering with banks and CPAs, and cross-selling products to existing client bases. As Financial Analyst, she provided divisional engineering vice presidents with actual budget performance results and metrics, managed several divisional lines and presented results to the QCOM Executive Vice President, and supervised the divisional accrual process for outstanding invoicing.

Earlier in her career, Ms. Borusiewicz was a Senior Associate in Communications, Media, and Contract Compliance at KPMG, LLP from 2006-2008. Her responsibilities included assisting government agencies with compliance attestation to determine waste, fraud, and abuse related to the Universal Service Fund disbursements, and planning, scoping, and evaluating the effectiveness of internal controls over financial reporting services. Ms. Borusiewicz performed contract compliance reviews of clients' intellectual property and analysis to identify additional monies due to licensor. She also developed and performed audit procedures to test business process and general IT controls.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Ms. Borusiewicz holds a Master of Business Administration from Saint Joseph's University in Philadelphia, Pennsylvania (2014) and Bachelor of Science in Finance from Pennsylvania State University in University Park, Pennsylvania (2006).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: John A. DeMarco
Title: Chief Operating Officer
Organization: Kelmar Associates, LLC
Phone: 781-928-9214
Fax: 781-928-9258
Email: john.demarco@kelmarassoc.com

Name: Michael Gizzi
Title: Director
Organization: Kelmar Associates, LLC
Phone: 781-928-9223
Fax: 781-928-9258
Email: michael.gizzi@kelmarassoc.com

Name: Catherine G. Zejnullahu
Title: Associate General Counsel
Organization: Kelmar Associates, LLC
Phone: 781-928-9231
Fax: 781-928-9131
Email: catherine.zejnullahu@kelmarassoc.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Anthony D. D'Alleva***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Senior Manager***		
# of Years in Classification:	***5***	**# of Years with Firm:**	***12***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Anthony D'Alleva is a Senior Manager overseeing Kelmar's remediation, due diligence and reporting processes in Kelmar's Massachusetts office. Mr. D'Alleva applies his 12 years of unclaimed property expertise and management experience to support Kelmar's Compliance division and to facilitate efficient state-mandated audits of holders of unclaimed property. Although Mr. D'Alleva does not interact directly with the Company's client states, he serves a key role in Kelmar's unclaimed property exams. He has in-depth experience in each phase of the examination process and is highly proficient at analyzing large volumes of complex data to assimilate compliance reports for preliminary unclaimed property findings.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. D'Alleva joined Kelmar in 2005 and has since held a steady progression of positions and responsibilities, including Senior Associate and Manager prior to becoming an Abandoned Property Reporting Senior Manager. For the past several years, Mr. D'Alleva's primary responsibilities involve identifying name and address property across all general ledger, securities, and insurance examinations, utilizing his knowledge of various state specific reporting guidelines. His duties include tracking examinations, collaborating with audit teams to review records and remediation materials, interacting with holders to identify outstanding items and required remittance of address property, and preparing and reviewing preliminary reports of unclaimed property with audit teams, holders, and Kelmar's client states.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. D'Alleva holds a Bachelor of Science in Finance (2004) and a Certificate in Financial Planning, including ACL analytics software certification (2005) from Bentley College (now Bentley University) in Waltham, Massachusetts.

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Michelle M. Sullivan
Title: Assistant Director
Organization: State of Delaware, Unclaimed Property
Phone: 302-577-8776
Fax: 302-577-1458
Email: MichelleM.Sullivan@state.de.us

Name: Mark W. Bracken
Title: Director of Unclaimed Property
Organization: Massachusetts Department of State Treasurer, Abandoned Property Division
Phone: 617-367-0400 x421
Fax: N/A
Email: mwbracken@tre.state.ma.us

Name: Heather Graham
Title: Administrative Analyst, Management Auditor
Organization: New Jersey Department of Treasury, Unclaimed Property Administration
Phone: 609-943-4620
Fax: 609-984-0593
Email: heather.graham@treas.state.nj.us

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Rodney Dominique***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Statistical Analyst***		
# of Years in Classification:	***2***	**# of Years with Firm:**	***2***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Rodney Dominique is a Statistical Analyst in Kelmar's Massachusetts office. With more than six years of statistical modeling experience and over four years of financial analysis experience, Mr. Dominique supports Kelmar's Compliance division to facilitate effective and efficient state-mandated examinations of holders of unclaimed property. Although Mr. Dominique does not interact directly with the Company's client states, he serves a key role in Kelmar's unclaimed property examinations and helps ensure consistent practices across all general ledger related exams.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Dominique joined Kelmar in 2015 as a Statistical Analyst. He utilizes statistical sampling methodologies to provide an efficient means of accurately identifying potential unclaimed property exposure while minimizing any burden to holders. Mr. Dominique utilizes SAS Enterprise Guide 4.2, widely recognized statistical software designed to analyze large datasets and ensure random, replicable, and verifiable samples. In addition to his statistical sampling responsibilities, Mr. Dominique provides divisional management with progress reports and objective analysis of examination timing, suggests process improvements, and identifies potential resource needs.

<u>Other Experience</u>

Prior to joining Kelmar, Mr. Dominique worked for Mercer from 2012-2015 as a Client Service Analyst where he ensured the data integrity of demographic and benefits information for an international engineering company of 9,000 employees. In this role, he utilized Excel and SQL functionality to query and create statistical models, analyzed the accuracy of system configuration, and crafted test plans to ensure proper communication between Mercer HR systems and Web platforms. Mr. Dominique also gained valuable professional experience as a Climate Corps Fellow with the New York City Housing Authority, creating benchmarking and cost analysis models to assess energy performance. He also has experience analyzing market data and researching the broker dealer and financial advisory industries.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Dominique holds a Master of International Business Administration (2011) from Brandeis International Business School in Waltham, Massachusetts and a Bachelor of Science in Mathematics (2009) from Northeastern University in Boston, Massachusetts.

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Brian M. Sharpe
Title: Senior Manager
Organization: Kelmar Associates, LLC
Phone: 781-928-9406
Fax: 781-928-9258
Email: brian.sharpe@ kelmarassoc.com

Name: Jennifer L. Martin
Title: Senior Manager
Organization: Kelmar Associates, LLC
Phone: 781-928-9242
Fax: 781-928-9258
Email: jennifer.martin@ kelmarassoc.com

Name: Cameron Stinemack
Title: Associate
Organization: Kelmar Associates, LLC
Phone: 781-213-6926 x302
Fax: 781-928-9258
Email: cameron.stinemack@ kelmarassoc.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Marsela Strakosha***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Property Reporting Manager***		
# of Years in Classification:	***3***	**# of Years with Firm:**	***3***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Ms. Marsela Strakosha is the Property Reporting Manager in Kelmar's Massachusetts Office. She possesses 14 years of unclaimed property experience, with an expertise in mutual funds management. Ms. Strakosha applies her unclaimed property expertise and mutual funds experience to support Kelmar's Compliance division and to facilitate effective and efficient state-mandated audits of holders of unclaimed property. Ms. Strakosha serves as a key figure in Kelmar unclaimed property examinations and ensures consistent practices in the management of property and remittance of securities to the Company's client states.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Ms. Strakosha joined Kelmar in 2014 as Property Reporting Specialist responsible for the management of Kelmar's short-term custody portfolio, including reconciling the remittance of shares and cash received by holders and coordinating the remittance of securities related property to Kelmar's state clients.

Prior to joining Kelmar, Ms. Strakosha worked at Xerox Unclaimed Property Clearinghouse (now Conduent) for 11 years. Ms. Strakosha held the positions of Holder Reporting Specialist for three years and Account Manager for eight years. In her role as Account Manager, she served as the primary custody services resource, managing mutual funds for eight states and DTC securities for three states. Ms. Strakosha coordinated the settlement, safekeeping, sales, corporate actions, and detailed reconcilement for all client accounts under her management. She was responsible for managing the reporting of securities from holders to states/jurisdictions, coordinating with third-party custodians and brokers for all sales, receipts, and deliveries of securities, and implementing program support, and process improvements and efficiencies. In addition, Ms. Strakosha provided clients with unclaimed property research and location services in order to balance and process claim requests.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Ms. Strakosha holds an Associate degree in Computer Information Systems (2015) from North Shore Community College in Danvers, Massachusetts.

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Heather Graham
Title: Administrative Analyst, Management Auditor
Organization: New Jersey Department of Treasury, Unclaimed Property Administration
Phone: 609-943-4620
Fax: 609-984-0593
Email: heather.graham@treas.state.nj.us

Name: Louise Loftus
Title: Auditor
Organization: Michigan Department of Treasury, Unclaimed Property Division
Phone: 517-636-6705
Fax: 517-322-5986
Email: loftusl@michigan.gov

Name: Joshua A. Joyce
Title: Unclaimed Property Administrator
Organization: Arizona Department of Revenue, Unclaimed Property Unit
Phone: 602-716-6033
Fax: 602-716-7997
Email: JJoyce@azdor.gov

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Andrew D. Harmon***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Senior Manager***		
# of Years in Classification:	***3***	**# of Years with Firm:**	***6***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Andrew Harmon is a Senior Manager of reporting and remittance in Kelmar's Massachusetts office. He possesses 17 years of experience generating and submitting unclaimed property audit findings to each state with an unclaimed property statute, overseeing the creation of thousands of electronic files remitted to state abandoned property units in NAUPA format. Mr. Harmon applies his unclaimed property expertise and management experience to support Kelmar's Compliance division and to facilitate effective and efficient state-mandated audits of holders of unclaimed property. He serves a central role in Kelmar's unclaimed property examinations and acts as a key liaison between Kelmar and its client states. Mr. Harmon is a vital resource for maintaining consistent reporting and remittance practices across all examinations.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Harmon joined Kelmar in 2011 and has since held the position of Senior Associate and Manager prior to becoming Senior Manager of reporting and remittance. He ensures the completion of all assigned examinations, serves as the primary point of contact with holders, performs detailed analysis of audit related information, and conducts audit related meetings and conference calls. Mr. Harmon is responsible for overseeing the processing, reporting, and filing of all reports associated with Kelmar's securities and life insurance exams. In addition, Mr. Harmon manages Kelmar's relationships with its client states in regards to audit service contracts. As a Client Relationship Manager, he serves as the primary contact and resource for designated client states and ensures that the highest level of client service and support is delivered.

Prior to joining Kelmar, Mr. Harmon held a steady progression of positions and responsibilities, including First Line Manager, Senior Operations Officer, and Assistant Vice President at Xerox Unclaimed Property Clearinghouse (now Conduent) from 2000-2011. He oversaw initiation of new securities audits, coordinated and relayed critical information about all open audits to state clients, provided periodic updates on open and unresolved securities audit issues, and created and executed action plans, often in conjunction with state clients, to resolve problems and close audits. Mr. Harmon worked directly with several major stock transfer agents to resolve escheatment questions for all states and served as a key liaison between holders and states regarding questions of escheatment policy and imposition of interest for late filings.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Harmon holds a Bachelor of Arts in History from Boston University in Boston, Massachusetts (2006).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

N/A

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Scott Halvorson
Title: Director
Organization: Minnesota Department of Commerce, Unclaimed Property Unit
Phone: 651-539-1579
Fax: N/A
Email: scott.t.halvorson@state.mn.us

Name: Rick Cory
Title: Manager of Reporting & Compliance
Organization: Illinois State Treasurer's Office, Unclaimed Property Division
Phone: 217-558-6227
Fax: 217-557-9365
Email: rcory@treasurer.state.il.us

Name: Judith Franchi
Title: Director of Audit & Compliance
Organization: Department of the State Treasurer, Abandoned Property Division
Phone: 617-367-9333 x412
Fax: N/A
Email: jfranchi@tre.state.ma.us

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Elizabeth S. Sullivan***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Controller***		
# of Years in Classification:	***6***	**# of Years with Firm:**	***6***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Ms. Elizabeth Sullivan is Kelmar's Controller the Massachusetts office. 13 years of accounting experience, including six years in the field of unclaimed property, Ms. Sullivan applies her accounting expertise and management experience to support Kelmar's various business lines and to facilitate effective and efficient service and support for Kelmar's client states. She is a vital source for maintaining consistent payment, invoicing, and financial reporting practices across all of Kelmar's unclaimed property support services.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Ms. Sullivan joined Kelmar in 2011 as Controller, performing custodial services and assisting with the remittance of unclaimed property to Kelmar's client states. Ms. Sullivan assists Kelmar's CFO with the preparation of the Company's internal financial statements, providing financial data and working with Kelmar's outside accountant. She ensures appropriate accounting controls and segregation of duties over billing and collections related to unclaimed property. She also oversees and processes all Kelmar invoices to client states, and administers unclaimed property collected from holders and processing the same to Kelmar's client states. In this capacity, Ms. Sullivan maintains contact with Kelmar's client states, as needed, to assist in the confirmation of holder receipts.

<u>Other Experience</u>

Prior to joining Kelmar, Ms. Sullivan was a Manager at LitmanGerson Associates, LLP from 2009-2011. In this role, she provided public accounting services for small to mid-sized companies in a variety of industries, including manufacturing, distribution, professional services, ERISA compliance, and non-profit. Her attestation service responsibilities included planning engagements utilizing a risk-based approach, and completing risk assessments for each engagement. She reviewed reconciliations of all general ledger accounts, and engagement workpapers prepared by associates. In addition, she prepared and analyzed financial statements, including consolidations for audits, reviews and compilation engagements, in addition to foreign currency translations. Ms. Sullivan also reviewed and documented internal control policies/procedures, incorporated internal control documentation and testing into risk based audits, researched complex accounting issues, supervised and trained associates, and developed and maintained client relationships. She used ProSystem fx Engagement software and prepared tax returns using ProSystem fx Tax and PPC software. Ms. Sullivan performed similar

services earlier in her career as a senior accountant at Caturano and Company, P.C from 2005-2009.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Ms. Sullivan holds a Master of Science in Accounting (2006) from Northeastern University in Boston, Massachusetts and Bachelor of Science in Business Administration (2005) from Merrimack College in North Andover, Massachusetts.

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Ms. Sullivan is a Certified Public Accountant in Massachusetts (2010).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Michael J. LeBlanc
Title: Chief Financial Officer
Organization: Kelmar Associates, LLC
Phone: 781-928-9202
Fax: 781-224-7310
Email: michael.leblanc@kelmarassoc.com

Name: Christopher Wetmore
Title: Director, Technology & Management Consulting
Organization: RSM US LLP
Phone: 617-241-4656
Fax: 617-912-9001
Email: Chris.Wetmore@rsmus.com

Name: Michelle Samuel
Title: Vice President
Organization: Boston Private Bank
Phone: 617-912-1937
Fax: 617-912-4496
Email: msamuel@bostonprivate.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Sean O'Connell, CISSP, CEH***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Director***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***10***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Sean O'Connell is the Director of Information Systems in Kelmar's Massachusetts Office. He has over 25 years of experience in Information Technology and pursues ongoing professional development by regularly attending IT seminars and trainings regarding emerging technologies. Mr. O'Connell applies his Information Technology knowledge and management experience to support Kelmar's various business lines and to facilitate effective and efficient service and support for Kelmar's client states.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. O'Connell joined Kelmar in 2007 with responsibilities ranging from managing all IT operations systems and designing Kelmar's Nationwide MPLS WAN/LAN Data/Voice Network to instituting Kelmar's IT security framework and policies. He designed and installed Kelmar's secure wireless network, and redesigned and migrated Kelmar's data center for backup data center functionality. More recently, he managed the development of Kelmar's Unclaimed Property Call Center. As Director of Information Systems, Mr. O'Connell oversees IT staff, security, operations, and annual budget, as well as Kelmar's Business Continuity and Disaster Recovery Plan, legal and regulatory compliance, change control, and third-party vendor relationships. Mr. O'Connell also administers IT security policies and performs and oversees internal/external penetration (PEN) testing, Certified Ethical Hacking exercises, and IT Risk Assessments.

<u>Other Experience</u>

Prior to joining Kelmar, Mr. O'Connell was the CEO and owner of Bay State Information Services for 11 years. Bay State IS was a full service IT consulting firm which serviced small to mid-size organizations throughout the Northeast.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. O'Connell is presently pursuing a Bachelor of Science in Information Technology – Security from Western Governors University (2017).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Mr. O'Connell holds a number of professional certifications within Information Technology, IT Security, Business Management & Leadership, including an Executive Certificate in Management and Leadership from MIT Sloan School of Management (2015), Certified Ethical Hacker (CEH) (2014), Certified Information Systems Security Professional (CISSP) (2014), Cisco CCENT, CCDA, CCNA (2010), Microsoft Certified Professional (MCP) and Microsoft Certified Systems Engineer (MCSE) (1996), and Certified Novell Engineer (CNE) (1995).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Daryl Patey
Title: Senior Account Executive
Organization: Worldcom Exchange, Inc.
Phone: 603-912-4295
Fax: N/A
Email: dpatey@wei.com

Name: Robert Corso
Title: Security Consulting Solution Principal
Organization: Sungard Availability Services, LLC
Phone: 267-688-3334
Fax: U/K
Email: robert.corso@sungardas.com

Name: Todd McIlroy
Title: VP, Systems Engineering
Organization: Eastern Bank
Phone: 781-858-8486
Fax: U/K
Email: t.mcilroy@easternbank.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Timothy J. Cullen, Esq.***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title:	***Associate General Counsel***		
# of Years in Classification:	***6***	**# of Years with Firm:**	***14***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mr. Timothy Cullen is Associate General Counsel who has been with Kelmar for 14 years. Having held several positions throughout Kelmar's unclaimed property examination operations, in addition to being well versed in state unclaimed property laws as well as all applicable state and federal case law, Mr. Cullen serves as an invaluable resource to the Company's audit professionals and client states alike. Mr. Cullen applies his unclaimed property expertise and management experience to support Kelmar's Compliance division and serves as a central figure to maintain consistent practices and facilitate a professionally responsible examination on behalf of the Company's client states. Although Mr. Cullen does not interact directly with Kelmar's client states regarding the day-to-day delivery of unclaimed property audit services, he ensures consistent practices across all examinations and regularly advises on legal issues associated with compliance and regulatory matters.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mr. Cullen joined Kelmar in 2003 and has since held a steady progression of positions and responsibilities prior to becoming Associate General Counsel. He applies his unclaimed property expertise and management experience to support Kelmar's compliance initiatives and risk management planning. He serves as a central figure to ensure consistent practices across all unclaimed property examinations on behalf of client states and regularly advises Kelmar's Executive Management on legal issues associated with compliance and regulatory matters.

As Associate General Counsel, Mr. Cullen consults with Kelmar's audit teams throughout the examination process on unclaimed property legal questions. In so doing, he often reviews M&A contracts, rebate program documents, purchase and sale agreements, and other holder presented legal documents. Mr. Cullen also develops advisory tools for Kelmar's audit teams to ensure the proper and consistent application of state and federal unclaimed property laws, rules, and regulations throughout the examination process on behalf of Kelmar's client states. Along with these responsibilities, Mr. Cullen also monitors and tracks litigation concerning unclaimed property legal matters to ensure Kelmar's examination services remain compliant.

Additionally, Mr. Cullen researches and drafts legal memoranda regarding unclaimed property laws, regulations, and industry trends for both client states and Kelmar's Executive Management. He participates in conference calls with unclaimed property administrators and state attorneys

general concerning audit legal matters, and routinely consults with outside counsel as well as client states during the pendency of administrative and other legal proceedings inclusive of providing support relating to document production and review, discovery responses, review of briefs and pleadings.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Mr. Cullen holds a Juris Doctor from New England School of Law in Boston, Massachusetts (2010), and a Bachelor of Science in Economics-Finance from Bentley University (formerly Bentley College) in Waltham, Massachusetts (2003).

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Mr. Cullen is a member of the Massachusetts Bar (2010).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: David P. Kennedy
Title: General Counsel
Organization: Kelmar Associates, LLC
Phone: 781.928.9205
Fax: 781-224-7310
Email: david.kennedy@ kelmarassoc.com

Name: Brian J. Scanlon
Title: Vice President
Organization: Kelmar Associates, LLC
Phone: 781.928.9246
Fax: 781-928-9258
Email: brian.scanlon@ kelmarassoc.com

Name: John A. DeMarco
Title: Chief Operating Officer
Organization: Kelmar Associates, LLC
Phone: 781-928-9214
Fax: 781-928-9258
Email: john.demarco@kelmarassoc.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***E. Suzanne Darling, Esq.***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Associate General Counsel***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***1***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Ms. Suzanne Darling is Associate General Counsel at Kelmar. Ms. Darling is a subject matter expert in unclaimed property with extensive knowledge of unclaimed property law. Since 1986, she has worked in the field of unclaimed property in various capacities, including litigating unclaimed property cases, drafting and advocating legislation, and consulting on unclaimed property process management. As the NAUPA representative to the Uniform Law Commission, Ms. Darling was instrumental in the formulation of the 1995 Uniform Unclaimed Property Act and the adoption of the revised legislation by state programs. Given her thorough understanding of the laws governing unclaimed property, Ms. Darling serves as a key resource for Kelmar's Compliance division and brings specific expertise to the Company's preneed funeral and IRA initiatives.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Ms. Darling joined Kelmar in 2017 as Associate General Counsel providing critical insight into managing the concerns of holders, addressing issues not covered by existing unclaimed property law, and otherwise directing audits of particular industries and industry-specific property types. Ms. Darling works closely with Kelmar's Executive Management team to ensure appropriate protocols are employed in all audit operations in order to facilitate efficient and professionally responsible examinations on behalf of the Company's client states.

Prior to joining Kelmar, Ms. Darling was a senior executive at Xerox Unclaimed Property Clearinghouse (now Conduent) for more than 14 years. In her role as Vice President of Client Service and Legal Compliance, Ms. Darling was responsible for consulting with client states concerning matters of unclaimed property policy, administration and best practices.

Earlier in her career, Ms. Darling served the Commonwealth of Virginia as an assistant attorney general for more than 20 years. During that time, she was counsel to the Virginia Department of the Treasury and provided representation concerning matters affecting the Commonwealth's Unclaimed Property Program.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Ms. Darling holds a Bachelor of Arts (1977) from the University of Richmond in Richmond, Virginia as well as a Juris Doctor (1980) from the T.C. Williams School of Law at the University of Richmond in Richmond, Virginia.

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Ms. Darling is a member of the Virginia Bar (1980).

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Vicki D. Bridgeman
Title: Director
Organization: Virginia State Treasury, Unclaimed Property Division
Phone: 804-225-3156
Fax: U/K
Email: Vicki.Bridgeman@trs.virginia.gov

Name: Ellen E. Coates
Title: Senior Assistant Attorney General
Organization: Virginia Office of the Attorney General
Phone: 804-225-3202
Fax: U/K
Email: Ellen.Coates@trs.virginia.gov

Name: Lynden Lyman
Title: Executive Consultant
Organization: Kelmar Associates, LLC
Phone: 781-928-9224
Fax: 781-928-9258
Email: lynden.lyman@kelmarassoc.com

PROPOSED STAFF RESUME FOR RFP 3527

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Kelmar Associates, LLC***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:	✓	**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Catherine G. Zejnullahu, Esq.***	**Key Personnel: (Yes/No)**	✓
Individual's Title	***Associate General Counsel***		
# of Years in Classification:	***10***	**# of Years with Firm:**	***10***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Ms. Catherine Zejnullahu is Associate General Counsel at Kelmar's Massachusetts office. Ms. Zejnullahu applies her 10 years of unclaimed property expertise and management experience to support Kelmar's Compliance division. Ms. Zejnullahu serves as a central figure to maintain consistent practices and facilitate a professionally responsible examination on behalf of Kelmar's client states. She routinely consults with Kelmar's client states on examination concerns involving confidentiality, privacy and data security, and addresses client facing contractual, compliance, and regulatory matters.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Ms. Zejnullahu joined Kelmar in 2007 and is responsible for all corporate and regulatory legal matters, including risk management, organizational compliance, and advisory services. She serves as Kelmar's Privacy Officer, Equal Employment Opportunity Officer, and is a member of Kelmar's Incident Response Team. Ms. Zejnullahu provides legal guidance to Kelmar's Executive Management and senior personnel on all matters inclusive of corporate governance and organizational compliance. She assists in drafting Kelmar's responses to state solicitations, and negotiates Kelmar's state contracts and renewals. Ms. Zejnullahu also oversees Kelmar's contract compliance initiatives, assists in developing and implementing corporate controls across departments, and oversees Kelmar's SOC, SSAE-18, and ISO-27002 third party audits.

Additionally, Ms. Zejnullahu serves as a central figure and key resource for Kelmar's compliance division. In that capacity, she advises Kelmar's audit teams concerning Kelmar's contractual obligations as well as the application of state and federal unclaimed property laws, rules, and regulations; and develops advisory materials for use throughout the examination process to facilitate consistent and professionally responsible unclaimed property examinations on behalf of client states. Ms. Zejnullahu further assists Kelmar's audit teams with legal issues presented by holders. She also maintains oversight of Kelmar's document management program and advises on the retention, return, and/or destruction of holder records.

Applying her unclaimed property experience and legal expertise, Ms. Zejnullahu also routinely works with holders and advocates to address confidentiality and data security concerns.

Prior to joining Kelmar, Ms. Zejnullahu was an Associate at Shilepsky, O'Connell, Casey, Hartley, Michon, Yelen LLC where she represented and advised employers in administrative and court proceedings concerning complex employment and business litigation matters. Earlier in her career, Ms. Zejnullahu worked as an Associate at Berluti & McLaughlin, LLC. She represented and advised employers and employees before the MCAD, EEOC, Division of Unemployment Assistance, and Massachusetts Superior and District Courts in matters involving Chapter 151B, Title VII, ADA, FMLA, HIPPA, Wage and Hour, pre-employment screening and testing, termination and discipline, severance and release agreements, and non-competition agreements.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Ms. Zejnullahu holds a Juris Doctor (2004) from Suffolk University Law School in Boston, Massachusetts, a Graduate Certificate in the Program for Women in Politics and Government (1998) from the University of Massachusetts at Boston, and a Bachelor of Arts in History (1997) from the University of Massachusetts at North Dartmouth.

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Ms. Zejnullahu was admitted to the Massachusetts Bar in November 2004.

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Name: Aisha K. Mirza
Title: Staff Attorney
Organization: Louisiana Department of the Treasury
Phone: 225-342-4609
Fax: 225-342-0064
Email: AMirza@treasury.state.la.us

Name: Caroline Lee Cross
Title: Deputy Attorney General
Organization: Department of Justice, State of Delaware
Phone: 302-577-8814
Fax: 302-577-7179
Email: caroline.cross@state.de.us

Name: Brian J. Scanlon
Title: Vice President
Organization: Kelmar Associates, LLC
Phone: 781-928-9246
Fax: 781-928-9258
Email: brian.scanlon@ kelmarassoc.com

Section VIII - Other Informational Material

Vendors shall include any other applicable reference material in this section clearly cross referenced with the proposal.

Tab	Informational Material	Proposal Section
Tab A	***Sample Work in Progress Report***	***Section 2.6, Provision 2.6.1***
Tab B	***Sample Due Diligence Documentation***	***Section 2.8, Provision 2.8.1***
Tab C	***Kelmar's Contracts with its Custodians***	***Section 2.10, Provision 2.10.2.3***

TAB A

Other Informational Material

Sample Work in Progress Report (WIP)

KELMAR

Nevada (NV) - Work In Progress MONTH YEAR

Holder	Audit Identification (assigned by State)	Property Type	FEIN	Project	Last Activity Date	Status	Percentage of Completion
ABC Company	101						
		General Ledger	11-1111111	Accounts Receivable	3/1/2018	Kelmar requested due diligence mailing on populations	85%
		General Ledger	11-1111111	Disbursements	1/31/2018	Kelmar requested due diligence mailing on populations	85%
DEF, LLC	102						
		General Ledger	22-2222222	Scoping	1/23/2018	Kelmar sent entity scoping request to holder	15%
		Securities	22-2222222	Securities	2/3/2018	Kelmar reviewing responses to initial securities document request	10%
XYZ Corporation	103						
		General Ledger	33-3333333	Accounts Receivable	12/30/2017	Kelmar sent write-off detail request to holder	40%
		General Ledger	33-3333333	Rebates	3/10/2018	Kelmar presented its Report of Examination to state	95%
		General Ledger	44-4444444	GHI Co (subsidiary) - Disbursements	2/24/2018	Kelmar sent research populations to holder	65%
		Securities	33-3333333	Securities	3/15/2018	Holder review period expired	75%

SAMPLE

TAB B

Other Informational Material

Sample Due Diligence Documentation

State Due Diligence Requirements

State	Due Diligence Requirement
Alabama	Ala. Code § 35-12-76 provides that "[t]he holder shall send written notice to the apparent owner, not less than 60 days before filing the report, stating that the holder is in possession of property subject to this article, if all of the following requirements are met: (1) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate. (2) The claim of the apparent owner is not barred by a statute of limitations. (3) The value of the property is fifty dollars ($50) or a greater amount as established by rule."
Alaska	Alaska Stat. Ann. § 34.45.280 (e) states, "[n]ot more than 120 days before filing a report required by section AS 34.45.280(e), the holder in possession of property presumed abandoned and subject to custody as unclaimed property shall send written notice to the apparent owner at the owner's last known address informing the owner that the holder is in possession of property subject to this chapter if: (1) the holder has in its records an address for the apparent owner that the holder believes to be accurate; (2) the claim of the apparent owner is not barred by the statute of limitations; and (3) the property has a value of $100 or more."
Arizona	Arizona Unclaimed Property Law (Ariz. Rev. Stat. Ann. § 44-307(e)) requires that "prior to one hundred twenty days before the holder of property that is presumed abandoned files the report prescribed in this section, the holder shall send a written notice to the apparent owner that states that the holder is in possession of the property if all of the following apply: 1. The holder has an address in the holder's records for the apparent owner and the records do not indicate that the address is inaccurate. 2. The claim of the apparent owner is not barred by any other law of this state. 3. The value of the property is at least fifty dollars."
Arkansas	Ark.Code Ann. §18-28-207 (e) states "[t]he holder of property presumed abandoned shall send written notice to the apparent owner, not more than one hundred eighty (180) days or less than ninety (90) days before filing the report, stating that the holder is in possession of property subject to [the Unclaimed Property Act], if: (1) the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (2) the claim of the apparent owner is not barred by a statute of limitations; and (3) the value of the property is fifty dollars ($50.00) or more. If the property presumed abandoned is a security or security entitlement under the Uniform Commercial Code -- Investment Securities, § 4-8-101 et seq., or tangible property held in a safe deposit box or other safekeeping depository in this state, the holder shall send the notice required under this section by letter."
California	California's due diligence provisions are extensive and are property specific. Kelmar will discuss the specific requirements during the audit to address the particular property type at issue. Below is a link to the State of California's Unclaimed Property Law and Regulations Booklet which can be found at the following: https://www.sco.ca.gov/upd_lawregs.html https://www.sco.ca.gov/Files-UPD/guide_upd_updlaw.pdf
Colorado	Colo. Rev. Stat. § 38-13-110 (5) provides "not more than one hundred twenty days before filing the report and, pursuant to section 38-13-112, paying or delivering the abandoned property required by this section, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under this article shall send written notice to the apparent owner's last-known address, informing such owner that the holder is in possession of property subject to this article if: (a) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (b) The claim of the apparent owner is not barred by the statute of limitations; and (c) The property has a value of fifty dollars or more. Notably, Section 1508-1.5 of the Administrative Rules adopted by the Colorado Department of Treasury provides that "a holder of unclaimed property may establish its knowledge of the existence or whereabouts of the owner of that property by recording any owner-generated activity relating to that property. The mailing of a statement, confirmation or other correspondence by a holder of unclaimed property to the last known address of the owner of that property and the non-return of such mail to the holder is insufficient to establish that the holder has knowledge of the existence or whereabouts of the owner. A holder may cross-reference with another account in the same institution or business that has current owner generated activity. To cross-reference a dormant or inactive account with an active account the same names must appear in some form either on the account, signature card or contract. A holder may establish a code for indicating "customer contact" or "owner-generated activity" for purposes of record-keeping. That code must be well documented."

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
Connecticut	Conn. Gen. Stat. Ann. § 3-65a requires that "[w]ithin one hundred eighty days before a presumption of abandonment is to take effect in respect to property subject to section 3-60b or 3-60c (wages, salary, or other compensation and utility deposits or refunds) and within one year before a presumption of abandonment is to take effect in respect to all other property subject to this part, and if the owner's claim is not barred by law, the holder shall notify the owner thereof, by first class mail directed to the owner's last-known address, that evidence of interest must be indicated as required by this part or such property will be transferred to the Treasurer and will be subject to escheat to the state." If a holder has not mailed out Due Diligence in accordance with the statute, the State of Connecticut Office of the State Treasurer "recommends giving owners at least 45 to 60 days to comply with your request."
Delaware	Del. Code § 1148 provides: "the holder of property presumed abandoned shall send to the owner notice that complies with § 1149 of this title in a format acceptable to the State Escheator, by first-class United States mail, not more than 120 days nor less than 60 days before filing the report under § 1142 of this title if both of the following apply: (1) The holder has in its records an address for the owner sufficient to direct the delivery of first-class United States mail to the owner, which the holder's records do not disclose to be invalid. (2) The value of the property is $50 or more, unless the property is a security, in which case the holder must send notice to the owner regardless of the value of the property." § 1149 provides: "The notice under § 1148 of this title must contain a heading that reads as follows: 'Notice. The State of Delaware requires us to notify you that your property will be transferred to the custody of the State Escheator if you do not contact us before [insert date that is 30 days after the date of this notice.]' The notice under § 1148 of this title must do all of the following: (1) State that the property will be turned over to the State Escheator. (2) State that after the property is turned over to the State Escheator an owner that seeks return of the property may file a claim. (3) Identify the nature and, except for property that does not have a fixed value, the value of the property that is the subject of the notice. (4) State that property that is not legal tender of the United States may be sold by the State Escheator. (5) Provide instructions that the owner must follow to prevent the holder from reporting and paying or delivering the property to the State Escheator."
District of Columbia	D. C. Code § 41-117(e)(1) provides, "[t]he holder of property presumed abandoned shall send written notice to the owner, not more than 120 days or less than 60 days before filing the report, stating that the holder is in possession of property subject to this chapter, if: (A) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; and (B) The value of the property is $50 or more."
Florida	Fla. Stat. § 717-117-(4) provides, "[h]olders of inactive accounts having a value of $50 or more shall use due diligence to locate apparent owners. Not more than 120 days and not less than 60 days prior to filing the report required by this section, the holder in possession of property presumed unclaimed and subject to custody as unclaimed property under this chapter shall send written notice to the apparent owner at the apparent owner's last known address informing the apparent owner that the holder is in possession of property subject to this chapter, if the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate."
Georgia	Ga. Code Ann. § 44-12-214 (e) states, "[i]f the holder of property presumed abandoned under this article knows the whereabouts of the owner, the holder shall, before filing the annual report, communicate with the owner and take necessary steps to prevent abandonment from being presumed. All holders shall exercise due diligence, as defined in Code Section 44-12-192, at least 60 days but no more than 120 days prior to the submission of the report to ascertain the whereabouts of the owner if the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate and the property has a value of $ 50.00 or more." Ga. Code Ann. § 44-12-192 (6) defines "Due diligence" without limitation as "the mailing of a letter by first-class mail to the last known address of the owner as indicated on the records of the holder."
Hawaii	Haw. Rev. Stat. § 523A-8 (e) provides that "[t]he holder of property presumed abandoned shall send written notice to the apparent owner, not more than six months before filing the report, stating that the holder is in possession of property subject to this part, if: (1) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (2) The claim of the apparent owner is not barred by a statute of limitations; and (3) The value of the property is $50 or more.

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
Idaho	Idaho Code Ann. § 14-517 states, "(5) All holders of property presumed abandoned under this section that know the whereabouts of the owner of such property shall, before filing the annual report, communicate with the owner and take necessary steps to prevent abandonment from being presumed. Not more than one hundred twenty (120) days before filing the report required by this section, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under this chapter shall send written notice to the apparent owner at his last known address informing him that the holder is in possession of property subject to this chapter if the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate. (6) The written notice required under this section shall include the name and address of the apparent owner, the nature and amount of the property presumed abandoned in the holder's possession, the name and address of the holder of the property presumed abandoned, a request that the apparent owner identify whether the property presumed abandoned is or is not unclaimed property under this chapter, and the reasons therefor, and any other criteria the administrator deems appropriate. (7) If the apparent owner completes and returns the written notice described in subsection (6) of this section to the holder, and the apparent owner indicates a claim to the property presumed abandoned or indicates that the property identified in the written notice is not abandoned property, the holder need not pay or deliver the property to the administrator, and the property shall not be considered abandoned. (8) In the event a holder receives a written notice as described in subsection (7) of this section demonstrating that certain property is not abandoned, a new presumption of abandonment may arise for such property due to the passage of time. The date the holder receives the written notice shall be deemed the date such property became payable or distributable for the purposes of calculating whether a presumption of abandonment has arisen."
Illinois	765 Ill. Comp. Stat. 1026 / 15-501 provides, "(a) Subject to subsections (b) and (c), the holder of property presumed abandoned shall send to the apparent owner notice by first-class United States mail that complies with Section 15-502 in a format acceptable to the administrator not more than one year nor less than 60 days before filing the report under Section 15-401 if: (1) the holder has in its records an address for the apparent owner which the holder's records do not disclose to be invalid and is sufficient to direct the delivery of first-class United States mail to the apparent owner; and (2) the value of the property is $50 or more. (b) If an apparent owner has consented to receive electronic-mail delivery from the holder, the holder shall send the notice described in subsection (a) both by first-class United States mail to the apparent owner's last-known mailing address and by electronic mail, unless the holder believes that the apparent owner's electronic-mail address is invalid. (c) The holder of securities presumed abandoned under Sections 15-202, 15-203, or 15-208 shall send to the apparent owner notice by certified United States mail that complies with Section 15-502 in a format acceptable to the administrator not less than 60 days before filing the report under Section 15-401 if: (1) the holder has in its records an address for the apparent owner which the holder's records do not disclose to be invalid and is sufficient to direct the delivery of United States mail to the apparent owner; and (2) the value of the property is $1,000 or more.

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
	(d) In addition to other indications of an apparent owner's interest in property pursuant to Section 15-210, a signed return receipt in response to a notice sent pursuant to this Section by certified United States mail shall constitute a record communicated by the apparent owner to the holder concerning the property or the account in which the property is held. (e) The administrator may adopt rules allowing a holder to deduct reasonable costs incurred in sending a notice by United States mail under this Section." 15-502 provides: "(a) Notice under Section 15-501 must contain a heading that reads substantially as follows: 'Notice. The State of Illinois requires us to notify you that your property may be transferred to the custody of the State Treasurer if you do not contact us before (insert date that is 30 days after the date of this notice).' (b) The notice under Section 15-501 must: (1) identify the nature and, except for property that does not have a fixed value, the value of the property that is the subject of the notice; (2) state that the property will be turned over to the State Treasurer; (3) state that after the property is turned over to the State Treasurer an apparent owner that seeks return of the property may file a claim with the State Treasurer; (4) state that property that is not legal tender of the United States may be sold by the State Treasurer; (5) provide instructions that the apparent owner must follow to prevent the holder from reporting and paying or delivering the property to the State Treasurer; and (6) provide the name, address, and e-mail address or telephone number to contact the holder. (c) The holder may supplement the required information by listing a website where apparent owners may obtain more information about how to prevent the holder from reporting and paying or delivering the property to the State Treasurer."
Indiana	Ind. Code Ann. § 32-34-1-26 (e) states, "[t]he holder of property that is presumed abandoned and that is subject to custody as unclaimed property under this chapter shall, not more than one hundred twenty (120) days or less than sixty (60) days before filing the report required by subsection (a), send written notice to the apparent owner of the property stating that the holder is in possession of property subject to this chapter if: (1) the holder has a record of an address for the apparent owner that the holder's records do not show as inaccurate; (2) the claim of the apparent owner is not barred by the statute of limitations; and (3) the value of the property is at least fifty dollars ($50)."
Iowa	Iowa Code Ann. § 556.11 (5) requires that "[i]f the holder of property presumed abandoned under this chapter knows the whereabouts of the owner and if the owner's claim has not been barred by the statute of limitations, the holder shall, before filing the annual report, communicate with the owner and take necessary steps to prevent abandonment from being presumed. The holder shall exercise due diligence to ascertain the whereabouts of the owner. A holder is not required to make a due diligence mailing to owners whose property has an aggregate value of less than fifty dollars. The treasurer of state may charge a holder that fails to timely exercise due diligence, as required in this subsection, five dollars for each name and address account reported if thirty-five percent or more of the accounts are claimed within the twenty-four months immediately following the filing of the holder report."
Kansas	Kan. Stat. Ann. § 58-3950 provides, "(e) The holder of property presumed abandoned shall send written notice to the apparent owner, not more than 120 days or less than 60 days before filing the report, stating that the holder is in possession of property subject to this act if: (1) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (2) the claim of the apparent owner is not barred by a statute of limitations; and (3) the value of the property is $100 or more, or is reported under K.S.A. 58-3943 (interest in a dividend reinvestment plan) or 58-3949 (property in a safe deposit box) and amendments thereto. (f) The written notice shall also contain the following: (1) Nature and identifying number, if any, or description of the funds or other property; and (2) the amount appearing on the records of the holder to be due the apparent owner. (g) If the holder is not a life insurance company, the written notice shall set forth an additional statement that the funds or other property will be reported as unclaimed property to the state treasurer of Kansas no later than November 1 of the current year. (h) If the holder is a life insurance company, the written notice shall set forth an additional statement that the funds or other property will be reported as unclaimed property to the state treasurer of Kansas no later than May 1 of the current year."

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
Kentucky	Pursuant to 20 Ky. Admin. Regs. 1:080(2) as authorized by Ky. Rev. Stat. § 393.110, "[i]f the fair cash value of the property is more than $100, the holder of property presumed abandoned shall send written notice to the apparent owner, not more than 120 days or less than sixty (60) days before filing the report, stating that the holder is in possession of the property subject to this section. The holder shall not be required to mail a notice to any apparent owner where the fair cash value of the property is $100 or less. The notice shall contain: (a) [t]he statement to the owner that properties are being held to which the addressee appears entitled; (b) [t]he name and address of the person holding the property and any necessary information regarding a change of name and address of the holder; and (c) [a] statement, that if satisfactory proof of claim is not presented by the owner to the holder by the date specified, the property shall be placed in the custody of the department to whom all further claims shall be directed."
Louisiana	Title 9, Sections 159 (E) of the Louisiana Revised Statutes provides in pertinent part, "[t]he holder of property presumed abandoned shall send written notice to the apparent owner not more than one hundred twenty days nor less than sixty days before filing the report required by this Section, stating that the holder is in possession of property subject to this Chapter if each of the following applies: (1) The holder has in its records an address for the apparent owner that the holder's records do not disclose to be inaccurate. (2) The claim of the apparent owner is not barred by the statute of limitations. (3) The value of the property is fifty dollars or more."
Maine	Me. Rev. Stat. tit. 33, § 1958 (5) states that "[t]he holder of property presumed abandoned shall send written notice to the apparent owner, not more than 120 days or less than 60 days before filing the report, stating that the holder is in possession of property subject to this Act, if: A. The holder has in its records an address for the apparent owner that the holder's records do not disclose to be inaccurate; B. The claim of the apparent owner is not barred by a statute of limitations; and C. The value of the property is $50 or more."
Maryland	Md. Code Ann., Com. Law § 17-308.2 requires that "[n]ot more than 120 days or less than 30 days before the filing of the report required under § 17-310 of this subtitle, the holder in possession of presumed abandoned property shall send a written notice by first-class mail to the apparent owner of presumed abandoned property valued at $100 or more to the owner's last known address informing the owner that: (1) The holder is in possession of property subject to the provisions of this title; and (2) The property will be considered abandoned unless the owner responds within 30 days of the notification to the holder."
Massachusetts	Mass.Gen. Laws c. 200A, § 7A provides, "[i]f the person in possession of property in an amount of one hundred dollars or more presumed abandoned under this chapter has the last known address of the apparent owner which the person's records do not disclose to be inaccurate, the holder shall at least sixty days before filing the annual report send a notice by first class mail to inform the owner of the process necessary to rebut the presumption of abandonment."
Michigan	Mich. Comp. Laws § 567.238(5) states, "[n]ot less than 60 days or more than 365 days before filing the report required by this section, the holder in possession of property presumed abandoned and subject to the state's custody as unclaimed property under this act shall send written notice to the apparent owner at his or her last known address informing him or her that the holder is in possession of property subject to this act if all of the following requirements are met: (a) The holder has in its records an address for the apparent owner that the holder's records do not disclose to be inaccurate; (b) The claim of the apparent owner is not barred by the statute of limitations; and (c) The property has a value of $50.00 or more or, if the holder filing a report under this section is reporting for the current year at least 25,000 properties over $50.00 each, the property has a value of $100.00 or more."
Minnesota	Minn.Stat. Ann. § 345.41 (e) provides, "Not more than 120 days before filing the report required by this section, the holder in possession of property abandoned and subject to custody as unclaimed property under this chapter shall send written notice to the presumed owner at that owner's last known address informing the owner that the holder is in possession of property subject to this chapter and advising the owner of the steps necessary to prevent abandonment if: (1) the holder has in its records an address for the presumed owner that the holder's records do not disclose to be inaccurate; (2) the claim of the apparent owner is not barred by the statute of limitations; and (3) the property has a value of $100 or more."

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
Mississippi	Miss. Code. Ann. § 89-12-23 provides, "(5) If the holder of property presumed abandoned under the provisions of this chapter knows the whereabouts of the owner and if the owner's claim has not been barred by the statute of limitations, the holder shall, before filing the required report, endeavor to communicate with the owner and take reasonable steps to prevent abandonment from being presumed. The mailing of notice to the last-known address of the owner by the holder shall constitute compliance with this subsection and no further act on the part of the holder shall be necessary."
Missouri	Mo. Rev. Stat. § 447.539.5 states, "[i]f the holder of property presumed abandoned pursuant to sections 447.500 to 447.595 knows the whereabouts of the owner, if the owner's claim has not been barred by the statute of limitations, and the property involved is valued at fifty dollars or more, the holder shall, before filing the annual report, communicate with the owner and take necessary steps to prevent abandonment from being presumed. The holder shall exercise such reasonable and necessary diligence as is consistent with good business practice to ascertain the whereabouts of such owner of property valued at fifty dollars or more within one year prior to reporting the property to the state treasurer."
Montana	Mont. Code Ann. § 70-9-808 requires that "the holder of property that is presumed abandoned shall send written notice to the apparent owner, not more than 120 days or less than 60 days before filing the report, stating that the holder is in possession of property subject to this part if: (a) the holder has in its records an address for the apparent owner that the holder's records do not disclose to be inaccurate; (b) the claim of the apparent owner is not barred by a statute of limitations; and (c) the value of the property is $50 or more."
Nebraska	Neb. Rev. Stat. § 69-1310 (e) provides that "[i]f the holder of property presumed abandoned under the act knows the whereabouts of the owner and if the owner's claim has not been barred by the statute of limitations, the holder shall, before filing the annual report, communicate with the owner and take necessary steps to prevent abandonment from being presumed. The holder shall exercise due diligence to ascertain the whereabouts of the owner." Additionally, the State Treasurer's website suggests that "to practice good due diligence, for each item of unclaimed property above $25, you should send a notification letter to the last known address of the owner at least 60 days and no more than 120 days before the reporting deadline."
Nevada	Nev. Rev. Stat. § 120A.560(5) provides: "[t]he holder of property presumed abandoned shall send written notice to the apparent owner, not more than 120 days or less than 60 days before filing the report, stating that the holder is in possession of property subject to this chapter, if: (a) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (b) The claim of the apparent owner is not barred by a statute of limitations; and (c) The value of the property is $50 or more."
New Hampshire	N.H. Rev. Stat. Ann. § 471-C:19(V) provides, "[n]ot more than 120 days before filing the report required by this section, the holder in possession of property abandoned and subject to custody as unclaimed property under this chapter, except for demutualization proceeds under RSA 471-C:7-a, shall send written notice to the apparent owner at such owner's last known address informing the owner that the holder is in possession of property subject to this chapter if: (a) the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (b) the claim of the apparent owner is not barred by the statute of limitations; and (c) the property has a value of $50 or more."
New Jersey	N.J. Stat. Ann. § 46:30B-50 states, "Not more than 120 days nor less than 60 days before filing the report required by this article, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under this chapter shall send by certified mail, and with return receipt requested, written notice to the apparent owner at the last known address informing the owner that the holder is in possession of property subject to this chapter if: (1) the holder has in its records an address for the apparent owner that the holder's records do not disclose to be inaccurate; (2) the claim of the apparent owner is not barred by the statute of limitations; and, (3) the property has a value of $50 or more."

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
New Mexico	N.M. Stat. Ann. § 7-8A-7 (F) requires that "[t]he holder of property presumed abandoned shall send written notice to the apparent owner, not more than one hundred twenty days or less than sixty days before filing the report, stating that the holder is in possession of property subject to the Uniform Unclaimed Property Act (1995), if: (1) the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (2) the claim of the apparent owner is not barred by a statute of limitations; and (3) the value of the property is fifty dollars ($50.00) or more."
New York	According to N.Y. Aband. Prop. Law § 1422, "1. Any holder of unclaimed funds which is not otherwise required to perform owner notification mailings under the provisions of this chapter shall send, not less than ninety days prior to the applicable reporting date for such unclaimed property, a written notice by first-class mail to each person appearing to be the owner of property listed in a report of abandoned property required to be filed under the provisions of this chapter, at the address of the owner as it appears on the books and records of the holder; provided, however, that the foregoing requirements shall not apply where (a) the holder does not have an address for the owner; or (b) the holder can demonstrate that the only address that the holder has pertaining to the owner is not the current address of the owner. 2. Where notice is required by subdivision one of this section, each holder shall, with respect to property listed in such report whose value is in excess of one thousand dollars, send a second written notice to the owner by certified mail, return receipt requested not less than sixty days prior to the applicable reporting date for such unclaimed property, provided that no notice pursuant to this subdivision shall be required where: (a) such holder has received a claim from the owner of the property; or (b) the original mailing was returned as undeliverable. 3. The written notice required by this section shall advise the owner that the property to which the owner appears to be entitled will be reported as abandoned property and will be remitted to the state comptroller unless such property is claimed by an entitled party before the required remittance date." Note that: "5. Costs paid to the postal authorities by holders of unclaimed property to provide such written notice by certified mail, return receipt requested, may be deducted from the property as a service charge." Notably, the following types of organizations have additional due diligence requirements: Banking Organizations reporting pursuant to Article III; Utility companies reporting pursuant to Article IV and or Section 1311; Mutual Fund or Dividend Reinvestment Plan Companies reporting pursuant to Article V; Courts reporting pursuant to Article VI; Insurance companies reporting pursuant to Article VII and or Section 1316; Reporters of Condemnation Awards reporting pursuant to Article X; and Title Insurance companies reporting pursuant to Section 1317. Holders are likewise required to comply with SEC Rule 17 Ad-17 regarding lost securityholders and unresponsive payees, which is attached hereto as Exhibit A, under the New York State Specific Acknowledgements in Section 19.
North Carolina	North Carolina General Statute 116B-59(b) provides: "A holder of property that is presumed abandoned and that is either (i) a security or other equity interest in a business association, including a security entitlement under Article 8 of Chapter 25 of the General Statutes, that is valued at twenty-five dollars ($25.00) or more or (ii) property, other than a security or other equity interest in a business association, including a security entitlement under Article 8 of Chapter 25 of the General Statutes, that is valued at fifty dollars ($50.00) or more shall send written notice by first-class mail to the apparent owner not more than 120 days or less than 60 days before filing the report required by G.S. 116B-60. The holder shall exercise reasonable care to ascertain that it is sending the written notice to the apparent owner's correct address.

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
	The written notice to apparent owners required under this section must contain all of the following: (1) A statement that, according to the records of the holder, property is being held to which the addressee appears entitled and the amount or description of the property. (2) The name, address, and contact information of the person holding the property and any necessary information regarding changes of name and address of the holder. (3) A statement that, if satisfactory proof of claim is not presented by the owner to the holder by the following October 1 or, if the holder is an insurance company, by the following April 1, the property will be placed in the custody of the Treasurer, to whom all further claims shall be directed. (4) A statement that, once property is placed in the custody of the Treasurer, all interest, dividends, income, and gains earned on the property will remain with the Treasurer, even if the owner subsequently reclaims the property from the Treasurer." Holders are required to confirm, in writing, that the State's due diligence provisions have been carried out and that the requirements of Section 116B have been met. If due diligence notices were not sent in accordance with NC Section 116B, the holder must provide documentation as to its "good faith efforts" made to locate owners.
North Dakota	Pursuant to N.D. Cent. Code Ann. § 47-30.1-17 (5), "[n]ot more than one hundred twenty days before filing the report required by this section, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under this chapter shall send written notice to the apparent owner at the owner's last known address informing the owner that the holder is in possession of property subject to this chapter if: (a) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (b) The claim of the apparent owner is not barred by the statute of limitations; and (c) The property has a value of fifty dollars or more." ***Additional due diligence requirements may apply to unique property types (e.g. life insurance etc.). Details can be found by accessing the North Dakota Uniform Unclaimed Property Act available at http://www.legis.nd.gov/cencode/t47c30-1.pdf?20131011071455
Ohio	Ohio Rev. Code Ann. § 169.03 (D) states that "[t]he holder of unclaimed funds under this chapter shall send notice to each owner of each item of unclaimed funds having a value of fifty dollars or more at the last known address of the owner as shown by the records of the holder before filing the annual report. In case of holders providing life insurance coverage, this notice shall also be mailed to each beneficiary at the last known address of the beneficiary as shown by the records of the holder, except that the notice to beneficiaries shall not be mailed if that address is the same as that of the insured and the surname of the beneficiary is the same as that of the insured. The holder shall not report an item of unclaimed funds earlier than the thirtieth day after the mailing of notice required by this division. The notice required by this division shall set forth the nature and identifying number, if any, or description of the funds and the amount appearing on the records of the holder to be due the owner or beneficiary, and shall inform the owner or beneficiary that the funds will, thirty days after the mailing of the notice, be reported as unclaimed funds under this chapter. A self-addressed, stamped envelope shall be included with the notice, with instructions that the owner or beneficiary may use the envelope to inform the holder of the owner's or beneficiary's continued interest in the funds, and, if so informed before the date for making the report to the director, the holder shall not report the funds to the director. The notice shall be mailed by first class mail if the item of unclaimed funds has a value of fifty dollars or more but less than one thousand dollars and by certified mail, return receipt requested, if the item of unclaimed funds has a value of one thousand dollars or more, unless the holder has verified that the last known address of the owner or beneficiary as shown by the records of the holder is not accurate.

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
	For purposes of this section, a holder has verified that the last known address of the owner or beneficiary is not accurate by documenting at least two of the following: (1) The owner or beneficiary failed to respond to a first class mail notice sent to the last known address of the owner or beneficiary. (2) A first class mail notice sent by the holder to the last known address of the owner or beneficiary was returned as undeliverable. (3) An electronic or manual search of available public records failed to confirm that the last known address of the owner or beneficiary is accurate. The holder shall maintain documentation of its search efforts. If a search of public records or databases identifies a more recent address for the owner or beneficiary than the address in the holder's records, the holder shall send notice to the owner or beneficiary at that more recent address in accordance with this section. A holder that sends a notice by certified mail, return receipt requested, may charge the item of unclaimed funds up to twenty dollars for providing that notice. If there is no address of record for the owner or beneficiary, the holder is relieved of any responsibility of sending notice, attempting to notify, or notifying the owner or beneficiary. The mailing of notice pursuant to this section shall discharge the holder from any further responsibility to give notice."
Oklahoma	Okla. Stat. Ann. tit. 60, § 661 (E) requires that "[n]ot more than one hundred twenty (120) days before filing the report required by this section, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under the Uniform Unclaimed Property Act shall send written notice to the apparent owner at the owner's last-known address informing the owner that the holder is in possession of property subject to the Uniform Unclaimed Property Act if: 1. The holder has in the records of the holder an address for the apparent owner which the holder's records do not disclose to be inaccurate; 2. The claim of the apparent owner is not barred by the statute of limitations; and 3. The property has a value of Fifty Dollars ($50.00) or more, or the property has a value of less than Fifty Dollars ($50.00) and is one of a recurring number of continuous payments, including, but not limited to, royalties, annuities, dividends, distributions and other recurring sums presumed abandoned pursuant to subsection D of Section 655 of this title. The holder is not required to send written notice to the owner if the holder has previously attempted to communicate with the owner, or otherwise exercised due diligence to ascertain the whereabouts of the owner. The mailing of notice by first-class mail to the last-known address of the owner by the holder shall constitute compliance with this subsection and, if done, no further act on the part of the holder shall be necessary."
Oregon	If the holder of property presumed abandoned under Or. Rev. Stat. Ann. § 98.302 to 98.436 and 98.992 knows the whereabouts of the owner and if the owner's claim has not been barred by the statute of limitations, the holder shall, before filing the annual report, communicate with the owner and take necessary steps to prevent abandonment from being presumed. The holder shall exercise due diligence to ascertain the whereabouts of the owner. Or. Rev. Stat. Ann. § 98.352(5). "Due Diligence" means the degree of effort required by statute that holders of unclaimed property must take to find the rightful owner of property before the property is remitted to the state including making a reasonable, good faith effort to confirm that an account is in fact inactive; notify the owner that the holder will report the account to the Department as unclaimed property: and locate the owner. See Or. Admin. R. 141-045-0010 and 0061.

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
Pennsylvania	Pennsylvania Unconsolidated Statutes § 1301.10a provides: "(a) The holder of property presumed abandoned shall send notice to the owner, not more than one hundred twenty (120) days nor less than sixty (60) days prior to the date in which the corresponding report is to be submitted to the State Treasurer, stating that the holder is in possession of property subject to this article, if: 1. the holder of property has in its records an address for the owner which the holder's records do not disclose to be inaccurate; and 2. the value of the property is fifty dollars ($50) or more. (b) Written notice shall be sent by first class mail, unless the owner has previously agreed to a method of electronic notice that remains valid to contact the owner, and include: 1. A description of the property. 2. A description of the property ownership. 3. The value of the property, if known. 4. Any information necessary to contact the holder to prevent the reporting of the property to the State Treasurer. (c)In addition to the notice required under section (a), the holder of property may give additional notice at any time between the date of last activity by or communication with the owner of the property and the date the holder transfers the property to the custody and control of the State Treasurer. (d)In addition to the verification required under section 1301.11, the holder of property shall include an affirmation of compliance with the requirements for notice above."
Rhode Island	R.I. Gen. Laws § 33-21.1-17(e) states, "[n]ot more than one hundred twenty (120) days before filing the report, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under Rhode Island Unclaimed Property Law shall send written notice to the apparent owner at his last known address informing him that the holder is in possession of property subject to Rhode Island Unclaimed Property Law if: (1) the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (2) the claim of the apparent owner is not barred by the statute of limitations, and (3) the property has a value of $50 or more.
South Carolina	S.C. Code Ann. § 27-18-180 (E) provides, "[n]ot more than one hundred twenty days before filing the report required by this section, the holder in possession of property presumed abandoned and subject to custody as unclaimed property shall send written notice to the apparent owner at his last known address informing him that the holder is in possession of property subject to the Uniform Unclaimed Property Act if the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate, the claim of the apparent owner is not barred by the statute of limitations; and the property has a value of fifty dollars or more."
South Dakota	S.D. Codified Laws § 43-41B-18 (e) states that "[t]he holder in possession of property presumed abandoned and subject to custody as unclaimed property under this chapter shall, between the time of the commencement and the termination of the applicable dormancy period, send written notice to the apparent owner at his last known address informing him that the holder is in possession of property subject to this chapter if: (1) The holder has in its records an address for the apparent owner which the holder's records disclose to be accurate; (2) The claim of the apparent owner is not barred by the statutes of limitations; and (3) The property has a value of fifty dollars or more."
Tennessee	Tennessee Code 66-29-128 provides: "(b) Except as otherwise provided in subsection (c), the holder of property presumed abandoned shall send notice that complies with § 66-29-129 to the apparent owner in a form approved by the treasurer, by first-class United States mail, not more than one hundred eighty (180) days, nor less than sixty (60) days, before filing the report under § 66-29-123 if: (1) The holder has in its records an address for the apparent owner sufficient to direct the delivery of first-class United States mail to the apparent owner, which the holder's records do not disclose to be invalid; and (2) The value of the property is fifty dollars ($50.00) or more. (c) If an apparent owner has consented to receive electronic mail communications from the holder, the holder shall send the notice described in subsection (a) both by first-class United States mail to the apparent owner's last known mailing address and by electronic mail, unless the holder has reason to believe that the apparent owner's electronic mail address is not valid."

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
	66-29-129 provides: "(a) The notice under § 66-29-128 must contain a heading that reads substantially as follows: "Notice: The State of Tennessee requires us to notify you that your property may be transferred to the custody of the treasurer if you do not contact us within thirty (30) days after the date of this notice." (b) The notice under § 66-29-128 must: (1) State that the property will be turned over to the treasurer; (2) State that, after the property is turned over to the treasurer, an apparent owner that seeks return of the property must file a claim with the treasurer; (3) Identify any owners of the property; (4) Identify the nature and, except for property that does not have a fixed value, the value of the property that is the subject of the notice; (5) State that property which is not legal tender of the United States may be sold by the treasurer; and (6) Provide instructions that the apparent owner must follow to prevent the holder from reporting and paying or delivering the property to the treasurer."
Texas	Tex, Prop. Code Ann. § 74.1011 states, "(a) a holder who on March 1 holds property valued at more than $250 that is presumed abandoned under Chapter 72, 73, or 75 of this code or Chapter 154, Finance Code, shall, on or before the following May 1, mail to the last known address of the known owner written notice stating that: (1) the holder is holding the property; and (2) the holder may be required to deliver the property to the comptroller on or before July 1 if the property is not claimed. (b) The notice required under Subsection (a) does not apply to a holder who: (1) has already provided such notice to the owner of the property or a person entitled to the property under existing federal law, rules, and regulations or state law within the time specified under Subsection (a); or (2) does not have a record of an address for the property owner or any other person entitled to the property." (b-1) If an owner has designated a representative for notice under Section 72.1021 or 73.103, the holder shall mail or e-mail the written notice required under Subsection (a) to the representative in addition to mailing the notice to the owner. (c) A holder that provides notice under this section may charge the cost of the postage as a service charge against the property.
Utah	Utah Code 67-4a-501 provides: "(1) Subject to Subsections (2) and (3), the holder of property presumed abandoned shall send to the apparent owner notice by first-class United States mail that complies with Section 67-4a-502 in a format acceptable to the administrator not more than 180 days nor less than 60 days before filing the report under Section 67-4a-401 if: (a) the holder has in the holder's records an address for the apparent owner that the holder's records do not disclose to be invalid and is sufficient to direct the delivery of first-class United States mail to the apparent owner; and (b) the value of the property is $50 or more. (2) If an apparent owner has consented to receive electronic mail delivery from the holder, the holder shall send the notice described in Subsection (1) both by first-class United States mail to the apparent owner's last-known mailing address and by electronic mail, unless the holder believes that the apparent owner's electronic mail address is invalid." 67-41-502 provides: "(1) Notice under Section 67-4a-501 shall contain a heading that reads substantially as follows: 'Notice. The State of Utah requires us to notify you that your property may be transferred to the custody of the state's unclaimed property administrator if you do not contact us before (insert date that is 30 days after the date of this notice).' (2) The notice under Section 67-4a-501 shall: (a) identify the nature and, except for property that does not have a fixed value, the value of the property that is the subject of the notice; (b) state that the property will be turned over to the administrator; (c) state that after the property is turned over to the administrator an apparent owner that seeks return of the property may file a claim with the administrator; (d) state that property that is not legal tender of the United States may be sold by the administrator; (e) provide instructions that the apparent owner shall follow to prevent the holder from reporting and paying or delivering the property to the administrator; and (f) include the name, address, and electronic mail address or telephone number to contact the holder. (3) The holder may supplement the required information by listing a website where apparent owners may obtain more information about how to prevent the holder from reporting and paying or delivering the property to the state treasurer."

SAMPLE

State Due Diligence Requirements

State	Due Diligence Requirement
Vermont	Vt. Stat. Ann. tit. 27, § 1247 (e) provides, "[t]he holder of property presumed abandoned shall send written notice to the apparent owner, at no cost to the apparent owner, not more than 120 days or less than 60 days before filing the report, stating that the holder is in possession of property subject to this chapter, if: (1) the holder has in its records an address for the apparent owner that the holder's records do not reveal to be inaccurate; (2) the claim of the apparent owner is not barred by a statute of limitations; and (3) the value of the property is $50.00 or more."
Virginia	Code of Virginia, Chapter 11.1 § 55-210.12 (E) provides, "[i]f the holder of property presumed abandoned under this chapter knows the whereabouts of the owner, the holder shall, before filing the annual report, communicate with the owner and take necessary steps to prevent abandonment from being presumed. All holders shall exercise due diligence, as defined in § 55-210.2, at least 60 days prior to the submission of the report to ascertain the whereabouts of the owner if (i) the holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate and (ii) the property has a value of $100 or more." 55-210.2 provides: ""Due diligence" shall include, but not be limited to, the mailing of a letter by first-class mail to the last known address of the owner as indicated on the records of the holder."
Washington	The Consultant shall advise holders of the due diligence provisions of the (Uniform Unclaimed Property) Act, including R.C.W. 69.29.170. [sic] The relevant portion of the Act (R.C.W. 63.29.170) reads "(5) After May 1st, but before August 1st, of each year in which a report is required by this section, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under this chapter shall send written notice to the apparent owner at the last known address informing him or her that the holder is in possession of property subject to this chapter if: (a) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (b) The claim of the apparent owner is not barred by the statute of limitations; and (c) The property has a value of more than seventy-five dollars."
West Virginia	W. Va. Code § 36-8-7(e) provides, "[t]he holder of property presumed abandoned shall send written notice to the apparent owner not more than 120 days or less than 60 days before filing the report, stating that the holder is in possession of property subject to West Virginia's Unclaimed Property Law, if: (1) the holder has in its records an address for the apparent owner that the holder's records do not disclose to be inaccurate; (2) the claim of the apparent owner is not barred by a statute of limitations; and (3) the value of the property is $50.00 or more." For specific notice requirements see W. Va. Code R. § 112-5-6.2.
Wisconsin	Wis. Stat. Ann. § 177.17(5) provides, "[n]ot more than 120 days before filing the report required by this section, the holder in possession of property presumed abandoned and subject to custody as unclaimed property under this chapter shall send written notice to the apparent owner at his or her last−known address informing him or her that the holder is in possession of property subject to this chapter if all of the following exist: (a) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (b) The claim of the apparent owner is not barred by the statute of limitations; (c) The property has a value of $50 or more."
Wyoming	Wyo. Stat. Ann. § 34-24-118 (e) requires that "[n]ot more than one hundred twenty (120) days before filing the report required by this section, the holder in possession of property deemed abandoned and subject to custody as unclaimed property under this act shall send written notice to the apparent owner at that owner's last known address informing the owner that the holder is in possession of property subject to this act if: (i) The holder has in its records an address for the apparent owner which the holder's records do not disclose to be inaccurate; (ii) The claim of the apparent owner is not barred by the statute of limitations; and (iii) The property has a value of fifty dollars ($50.00) or more."

Kelmar will discuss specific due diligence requirements for all participating states at the appropriate point in the examination.

SAMPLE

Nevada
Holder Reporting Manual

Unclaimed Property Division

The Silver State

Office of the State Treasurer

Dan Schwartz

Rev. 10/05/17

Holder Reporting Methods

NEVADA UNCLAIMED PROPERTY
ONLINE HOLDER REPORTING
FAST AND SECURE

EFFECTIVE JANUARY 1, 2016, ONLINE HOLDER REPORTING IS MANDATORY.

EFFECTIVE 2017: Third party reporters are no longer required to submit written requests to obtain authorization for access to Online Holder Reporting. The holder, however, must be the registrant and the contact. Third party reporters registered as the contact or the holder of a report will not be acknowledged; the report will be rejected to be resubmitted with the required holder information. Nevada Unclaimed Property will only contact the holder regarding any report issues and will not assist or agree with the enforcement of any contract that a holder and third party reporter have entered into. If reports and payments are not received simultaneously or in the manner required by this agency, all penalty and interest assessed will be the direct responsibility of the holder.

Holders must submit unclaimed property reports through our Online Holder Reporting portal. Paper reports, CD ROMS, USB flash drives, and diskettes sent by mail are no longer accepted unless a hardship to report otherwise is approved in advance by the administrator. Requests for hardship must be sent in writing at least 30 days prior to the report filing deadline and may be faxed to (702) 486-4177 or emailed to **nvholder@nevadatreasurer.gov**. Failure to comply will result in reports being returned unprocessed and subject to penalty and interest, pursuant to NRS 120A.730. For registration, go nevadatreasurer.gov. For questions, call 702-486-4140.

NAUPA II standard electronic files must be uploaded. Files not received in this format, i.e., PDF files, spreadsheets, screenshots, photocopies, in-house forms, etc., will be rejected. Repeated non-compliance, rejected files and files received after the filing deadline will be subject to penalty and interest, pursuant to NRS 120A.730.

NAUPA FORMATTING OPTIONS

HRS Pro is software specifically designed to create NAUPA II standard formatted reports.

Two reporting versions are available: Standard Edition and Enterprise Edition. Standard is free, however, no user support is provided. Enterprise Edition provides user support and multi-user capability for an annual fee. Both versions are endorsed by the National Association of Unclaimed Property Administrators. For more information, go to ***https://www.wagers.net/index.php***.

UPExchange provides a web based application that can be accessed from your browser; no software downloads or upgrades are required; data is maintained on UPExchange secure servers.

Three reporting versions are available: Full Service and Self Service Annual fees are required for both versions, provide customer service support and are endorsed by the National Association of Unclaimed Property Administrators (NAUPA). For more information, go to *http://www.byetm.com/upx/*.

HOLDER REPORTS CONTAIN SENSITIVE AND CONFIDENTIAL INFORMATION. FILING ONLINE CONSIDERABLY REDUCES THE RISKS OF LOSS AND DATA BREACHES.

TABLE OF CONTENTS

MANDATORY ONLINE HOLDER REPORT FILING NEW FOR 2016! **2**
LETTER FROM THE STATE TREASURER **5**
Quick reference guide 6
Penalties & interest 7
GENERAL INFORMATION
Reporting requirements 8
What is unclaimed property 8
Holder identification number issuance 9
what must be reported 9
Who must report 9
What is the earliest reports can be submitted 10
When must reports be filed 10
Due diligence 11
Sample due diligence letter 12
Dormancy fees & service charges 13
SECURITIES & MUTUAL FUNDS
Mutual funds alert **14**
Securities and mutual funds 15
Dividend reinvestment plan 16
Delivery instructions 17
HOLDER REPORTING METHODS
Online holder reporting New for 2016 ..... **18**
Holder reporting Methods **Update** 19
Electronic, Hard Copy,Third pary reporting entities 20
Negative reporting 21
Out of state holders 21
Emailing reports 21
Multiple entity reports 22
Vendor reports 22
Reimbursements/adjustments 22
Password protected files 23
REPORTING REQUIREMENTS & CONSIDERATIONS
Extensions 24
Amnesty/voluntary compliance 24
Late filing 24
Records retention 25
Aggregate items 25
Reporting before dormancy period 25
Audits 26
Reciprocal agreements 26
Business to business exemptions 27
Individual Retirement Accounts 28
Payment remittance methods 29
Gaming 30
Safe deposit box /safekeeping 31
Gift cards and gift certificates 32
Property type codes & abandonment periods 33
Owner types codes 34
Owner relations codes 35
Owner relations codes (cont'd) 36
Safekeeping types codes 37
Report remit year tables – all businesses, corporations, gov't entities 38
Report remit year tables – insurance entities only 39
unclaimed property checklist 40
Electronic funds transfer (EFT) Instructions 41

Electronic funds transfer information **(ACH/Wire transfers)** 40

TABLE OF CONTENTS

FORMS.....
UP-6 SAFEKEEPING INVENTORY FORM 42
SAFEKEEPING INVENTORY FORM **BANK USE ONLY** (CONT'D) 43
UPSK REPORT OF SAFEKEEPING FORM 44
UP-1 REPORT OF UNCLAIMED PROPERTY **PREAPPROVAL REQUIRED!** 45
UP-2 REPORT OF UNCLAIMED PROPERTY DETAIL **PREAPPROVAL REQUIRED!** 46
UP-4 REQUEST FOR HOLDER REIMBURSEMENT/REFUND FORM 47
UP-7 REQUEST FOR HOLDER EXTENSION FORM 48

Dan Schwartz
State Treasurer

Dear Holders of Unclaimed Property:

As custodian of the state's unclaimed property, the State Treasurer's Office is responsible for collecting, safeguarding, and reuniting unclaimed property with its rightful owners or their heirs. The office is charged with ensuring compliance with Nevada Revised Statutes 120A, including holder reporting of unclaimed property to the State Treasurer's Unclaimed Property Division each year. Currently, the state is holding more than $700 million dollars in unclaimed assets.

As a business owner, we owe you a great deal of appreciation for this success as you play a critical role in the process. In short, we could not accomplish the increased success rate without you, as your support and adherence to Nevada's unclaimed property laws play a pivotal role.

To help you complete your statutory obligation of filing your yearly report, we have published an Unclaimed Property Holder Reporting Manual, which includes instructions for completing necessary forms, timelines for submission of reports, and other helpful information designed to make this process as simple as possible for businesses across the state. We have also created a helpful trifold brochure that provides a step-by-step review of the process, including "Reporting Unclaimed Property...as easy as 1, 2, 3". Both of these publications are available on our website at http://www.nevadatreasurer.gov/.

Please note that several important changes have been enacted to the state's unclaimed property reporting provisions. As failure to adhere to the provisions can result in interest and penalties being assessed for non-compliance, it is important you take the time to review the Unclaimed Property Holder Reporting Manual instructions and guidelines.

Should you need assistance or are unsure of certain requirements, please feel free to contact the Unclaimed Property Division via email at nvholder@nevadatreasurer.gov or by calling (702) 486-4140.

With Respect,

Dan Schwartz

Dan Schwartz
State Treasurer

555 East Washington Avenue, Suite 4200
Las Vegas NV 89101-1070
(702) 486-4140—Phone (702) 486-4177—Fax
Visit our website at: http://www.nevadatreasurer.gov/

STATE OF NEVADA UNCLAIMED PROPERTY
QUICK REFERENCE GUIDE

Remittances:	Effective immediately, payments remitted to Nevada Unclaimed Property must now be sent via ACH credit or ACH debit. Wire transfers and checks are no longer accepted.
Mail Report w/Remittance To: **WRITTEN AUTHORIZATION FROM THIS OFFICE IS REQUIRED TO USE**	Nevada Unclaimed Property 555 E Washington Avenue, Suite 4200 Las Vegas NV 89101-1070
ACH Instructions	See page 40 for instructions
Stock Registration & Delivery:	**Account instructions** See pages 14-17 for instructions
Mutual Funds:	**Account instructions** See pages 14-17 for instructions
Dividend Reinvestment Plans:	Nevada Unclaimed Property Xerox State and Local Solutions See pages 14-15 for instructions
Safe Deposit Boxes:	See page 30 for safekeeping instructions
Remit & Report Due Date:	October 31st — all businesses other than insurance entities For property presumed abandoned as of June 30 April 30th — for all insurance entities only For property presumed abandoned as of December 31
Online Reporting Info:	**EFFECTIVE JANUARY 1, 2016, ONLINE HOLDER REPORTING IS MANDATORY, PURSUANT TO NRS 120A.560(8).**
Reporting Requirements:	**See pages 2 & 18—22 - Holders must submit unclaimed property reports through our Online Holder Reporting portal. Paper reports, CD ROMS, USB flash drives and diskettes are no longer accepted unless a hardship to report otherwise is approved in advance by the Administrator.**
Aggregate Reporting:	Aggregate reporting is no longer accepted. Holders must list all abandoned property owner detail for all properties, regardless of the amount being reported. There is no minimum threshold to report.
Due Diligence:	Must be performed within 60—120 days prior to report submission due date. See page 11 for details.
Reciprocal Reporting:	States must report property to the state of the owner's last known address. Holders must request written permission to report property for other states. The property must be in compliance with those states' laws and procedures and submitted online, electronically in NAUPA format or it will be returned unprocessed.
Negative Reports:	**EFFECTIVE JANUARY 1, 2016,** Negative reports must be filed online and are only required from holders incorporated, licensed, domiciled, or have reported property to Nevada in the last three years. Do not submit a report if you do not do business in Nevada. Online registration is now required to file a negative report.
Signature Requirements:	Paper reports, approved by this office, must be signed by an authorized employee of the entity in the presence of a notary.
Penalties & Interest:	See page 7 for information.

Penalties - Interest

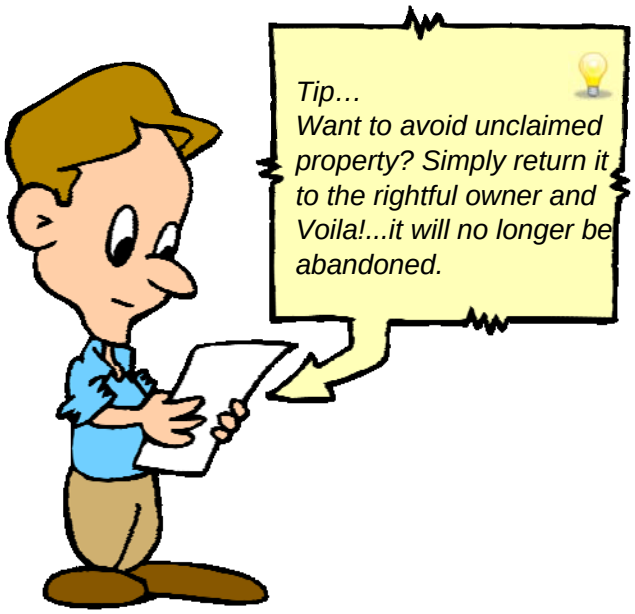
Penalties—Interest

As a holder of abandoned property, you must read this booklet in its entirety prior to preparing your report. It is designed to provide holders with the requirements for reporting, remitting and delivering abandoned property to the Nevada State Treasurer's Office.

Each year voluntary compliance continues to increase making it more time consuming to add reported detail to our unclaimed property database. It is this agency's responsibility to maintain the integrity of the data received for ease of use for property owners, timely payment of claims and to ensure that holders report and remit all unclaimed property in the manner as set forth by the state of Nevada.

Nevada Revised Statutes (NRS) 120A.730

- A holder that fails to report, pay or deliver property within the time prescribed, may be assessed interest charges at a rate of 18 percent (18%) per annum on the property or value thereof from the date it should have been reported, paid or delivered.
- A holder that fails to perform other duties imposed, shall pay in addition to interest, a civil penalty of $200 for each day the report, payment or delivery is withheld or the duty is not performed, up to a maximum of $5,000.
- A holder that willfully fails to report, pay or deliver property within the time prescribed or willfully fails to perform other duties imposed, shall pay in addition to interest, a civil penalty of $1,000 for each day the report, payment or delivery is withheld or the duty is not performed, up to a maximum of $25,000.
- A holder that makes a fraudulent report shall pay, in addition to interest, a civil penalty of $1,000 for each day from the date a report was due, up to a maximum of $25,000, plus 25 percent of the value of any property that should have been but was not reported.



General Information

General Information

Help us help you

The Nevada State Treasurer's Office strives to reunite owners with their property within 120 days. It is for this reason we request specific proof and documentation to ensure property is returned to the rightful owner. This can only be achieved based on the information and property descriptions provided by you in your holder reports. Prior to preparing and remitting holder reports, please make certain all information that provides help in identifying the owners and properties is listed. In doing so, you will help us help you by eliminating the need to direct claimants back to you. The owners' complete names, addresses and social security numbers are essential in verifying the rightful owner during claims processing.

Reporting requirements

Nevada law requires all business organizations and individuals ("Holders") to annually review their financial records to determine whether they are holding any funds, securities or tangible properties that have remained unclaimed for the required dormancy period. If so, holders must file a report online and remit the property to the state of the last known address. **Dormancy periods vary by property type (*refer to page 32 for the Property Type Codes and Abandonment Periods*).**

There is no minimum amount threshold. Any amount meeting Nevada abandoned property requirements is reportable.

What is unclaimed property?

Unclaimed property can be any financial asset owed to another business or individual. Property is considered abandoned when there has been no activity or contact with an owner for a specific period of time. The property type will determine the abandonment period; however, it is typically three years. When a holder's attempts to locate the rightful owner have been unsuccessful, the assets must be "escheated" to the Nevada State Treasurer. The office will hold the assets in perpetuity and publically advertise the rightful owners' information in an effort to return the property. Once the assets are reported to the state, the holder is released from any liability.

Nevada Unclaimed Property law is located in the Nevada Revised Statutes (NRS) Chapter 120A and online at https://www.leg.state.nv.us/NRS/NRS-120A.html.

General Information (cont'd)

When are holder identification numbers issued?

Holder Identification Numbers are issued upon registering for Online Holder Reporting (see page 18).

What must be reported?

Property in which no contact has been received by the holder from the owner after performing Due Diligence or in which the owner cannot be located after the required statutory period of time has lapsed. Page 33 provides dormancy periods. ***Pages 38 & 39 provide the dates when property is to be remitted after the dormancy period has expired.***

Reportable items with their respective property codes and dormancy periods, are located in the NAUPA Property Type Codes section of this booklet on page 32.

Examples of reportable items include *wages, commissions, payroll or salary checks; utility deposit refunds, checks, money orders, traveler's checks, safe deposit box contents, stocks, gift cards/certificates*. In addition, Nevada domiciled holders must report items to Nevada that have no owner name or address, as well as all items where the last known address is in a foreign country.

Who must report abandoned property?

Any entity or person in possession of property (subject to NRS Chapter 120A) that belongs to a Nevada resident is considered a *holder* of unclaimed property and is required to report that property to the state. This includes attorneys, CPAs, medical professionals, and holders of property in other states in possession of property owed to Nevada residents. Any entity conducting business within the state of Nevada that has branches, divisions or other affiliates, is responsible for filing on their behalf, such as those listed below. **CONSOLIDATED REPORTS WILL BE RETURNED UNPROCESSED.**

Banking and financial organizations including banks, trust companies, savings banks, safe deposit companies, private banks, savings and loan associations, credit unions, investment companies, whether state or federally chartered.

Business associations corporations, sole proprietorships, partnerships, retail, cooperatives, transfer agents, fiduciaries, mutual funds, insurance, limited liability, business trust, or other association for business purposes of two or more individuals, whether or not for profit (including all insurance entities).

Utilities owned or operated for public use, including any plant, equipment, property, franchise, or licensee for the transmission of communications or the production, storage transmission, sale, delivery, or furnishing of electricity, water, steam, or gas.

Government any property held by a court, government, governmental subdivision, agency, or instrumentality.

Note: All holders, including business associations, banking and financial organizations, utilities and other legal entities, are responsible for filing individual reports on behalf of their branches, divisions and other affiliated entities.

General Information

General Information (cont'd)

FYI: Information regarding other states and their abandoned property reporting requirements can be accessed through the NAUPA (National Association of Unclaimed Property Administrators) website at https://www.unclaimed.org/.

What is the earliest reports can be submitted?

The **earliest** Due Diligence letters can legally be mailed is **120** days **prior** to the holder report due date of October 31st (April 30th for **all** insurance entities). The **latest** Due Diligence letters can legally be mailed is **60** days **prior** to the holder report due date, pursuant to NRS 120A.560.

In order to determine when holder reports can be submitted is dependent upon the amount of time the owner is given to respond to the Due Diligence Letter. For example, if in the letter, the holder provides 30 days to respond from the date of the letter, the report cannot be submitted until those 30 days have lapsed.

REPORTS SUBMITTED WITH PROPERTY THAT HAS NOT REACHED ITS DORMANCY PERIOD WILL BE REJECTED UNLESS PRIOR WRITTEN APPROVAL HAS BEEN OBTAINED FROM THIS OFFICE.

When must reports be filed?

Insurance entities - reports are due **prior** to May 1st of each year for property presumed abandoned as of the previous December 31st.

Business entities - reports are due **prior** to November 1st of each year for property presumed abandoned as of the previous June 30th.

REFER TO PAGES 38 & 39 FOR THE *REMIT YEAR TABLES* TO DETERMINE WHEN PROPERTY IS DUE TO BE REPORTED TO NEVADA.

If there has been actual contact with an owner during the remit year, the property should NOT be reported to the state, as it is no longer considered abandoned.

Due Diligence

Due Diligence requirements
NRS 120A.560

Holders of abandoned property are required by law to send written notice to the apparent owner stating they are in possession of their property if:

- The value of the property is $50 or more;
- The holder has in its records an address for the apparent owner that the holder's records do not disclose to be inaccurate;
- The claim of the apparent owner is not barred by a statute of limitations.

⇒ Holders must wait not **less** than 60 days after mailing Due Diligence letters before submitting reports to Unclaimed Property. (Refer to page 9 for more information.)

⇒ Holders must wait not **more** than 120 days from the date that Due Diligence letters are mailed to submit reports to Unclaimed Property. (Refer to page 9 for more information.)

NOTE: Non-insurance entities are still required to submit reports **prior** to November 1st, and **all** insurance entities **prior** to May 1st.

⇒ **ONLINE HOLDER REPORTING requires holders to certify they have performed Due Diligence, pursuant to NRS 120A.560, and attest he or she is authorized to electronically 'sign' on behalf of the reporting entity before the report can be submitted.**

⇒ It is to the holder's benefit to return funds to the owner rather than to Nevada Unclaimed Property. Owners who still maintain a business relationship or are still employed become frustrated when property is unnecessarily escheated to the state due to inept record keeping. Holders may also be subject to penalties if it is discovered that addresses reported in the holder reports are valid.

⇒ Allowing the owner the opportunity to collect funds from holders reestablishes his or her business relationship and relieves the holder of the liability to report and remit funds to Nevada.

⇒ All businesses should check their records to determine if owners have additional accounts, as they may be active thereby eliminating the need to escheat property.

⇒ **DO NOT use your due diligence date as the date of last activity or date of last transaction. The *Last Activity Date* is the last documented date a change was made by the OWNER of the account. The *Last Transaction Date* is the date the last transaction occurred in an account.**

⇒ **DO NOT send proof of due diligence (undeliverable mail, uncashed check copies, documents, etc.) with your holder report; it will be recycled. This information is to be retained with your records in the event of an audit.**

Sample Due Diligence Letter

Acme Funds Corporation
123 Abandoned Lane
Anywhere USA 12345

Date

Owner Name
456 Asset Road
Jackpot USA 67890

Re: Account #
Balance $
Property Type:

Dear Owner:

We are holding unclaimed property with a value of at least $50 for the person listed above. The owner may claim this property by contacting us at the address or phone number listed below.

Holder Information: Company Name
Address
Phone #

Failure to respond by (*insert the last day property will be available for refund*), will result in property being remitted to Nevada Unclaimed Property by October 31st (*April 30th for all insurance entities*). After that date, the owner may contact the state where the property will be held in perpetuity and can be rightfully claimed.

Sincerely,

Company's Contact Person's Name

Sample Due Diligence Letter

General Information

General Information (cont'd)

Dormancy Fees and Service Charges

Pursuant to NRS 120A.540, a holder may deduct from property presumed abandoned, a charge imposed by reason of the owner's failure to claim the property within a specified time only if there is a valid and enforceable written contract between the holder and the owner under which the holder may impose the charge and the holder regularly imposes the charge, which is not regularly or otherwise cancelled. The amount of the deduction must not exceed $5 per month.

Deductions stemming from service charges or dormancy fees assessed on reported properties require additional information as evidence they were made in compliance with NRS 120A.540 and must be submitted with the holder report:

- Copy of the owner's signed contract representing his or her consent for each account;
- Copy of business entity's policy to not refund or reinstate such charges under any circumstances. Evidence of refunded charges represents a waiver thereby invalidating these charges as being lawful;
- Evidence the fees were not deducted after the property was presumed abandoned.

Holders in custody of Nevada property may make deductions that have been agreed upon by the owner of the property in writing at the time the account was initiated, i.e., minimum balance fees charged against a savings account. **Recouping due diligence expenses for costs such as postage and employee hours are not permitted.**

Holder reports submitted with deductions to the state of Nevada that do not comply to NRS 120A.540, will be returned unprocessed to be correctly resubmitted and may be subject to penalty and interest, pursuant to NRS 120A.730.

Last Activity and Last Transaction Dates

Property presumed abandoned must be reported with a last activity date or with the last transaction date. If the property did not generate either date, use the date the item was made payable or the date the owner last made contact with the holder. The *Last Activity Date* is the last documented date a change was made by the **owner** of the account. The *Last Transaction Date* is the date the last transaction occurred in an account. **Do not use your Due Diligence Date; it was not initiated by the owner.**

Mutual Funds Alert

New updates for 2016

Open-End Mutual Funds:

State Custodian, Xerox, will provide account numbers for all transfers. Do not establish a new account number without first contacting the custodian. Send an email to the custodian at UPCH.Custody@acs-inc.com to obtain account numbers. Allow approximately one week for receipt of account number.

ACCOUNT REGISTRATION:

Mac & Co—822494**
Mutual Fund Operations
P O Box 3198
Pittsburgh PA 15230-3198

Dividend Selection—Pay in Cash

Information in red is effective immediately. The **previous account number will be in effect until September 30, 2016. Securities/mutual funds received after this date will be rejected to be resubmitted under the new instructions.

NOTE: The registration reference account number (822494**) must accompany email request to identify it as a state of Nevada fund.

Close-End Mutual Funds:

Transfer Close-End Mutual Funds to the following address:

State of Nevada
Unclaimed Property Division
c/o Xerox State & Local Solutions
100 Hancock St 10th FL
Quincy MA 02171

Dividend Selection—Pay in Cash

Securities and Mutual Funds

Securities representing underlying shares, stock splits, bonds, etc., must be registered in our nominee name: ***Nevada Unclaimed Property***. For additional information, see below.

Holder reports with cash and/or shares of stock and mutual funds must be filed online through our online reporting portal. Reports submitted by mail are no longer accepted.

It is no longer a requirement to provide proof of delivery for securities/mutual funds with holder reports, now that Online Holder Reporting has commenced. Please send an email to unclaimedproperty@nevadatreasurer.gov for instructions and inquiries.

Any reports submitted to Nevada Unclaimed Property that are not received in the proper format as defined by Nevada law and this manual will be returned unprocessed, subject to penalty and interest , pursuant to NRS 120A.730.

Holders participating in DTC (Depository Trust Company) **MUST** transfer re-registered securities directly to:

Nominee Name:
Nevada Unclaimed Property
FEIN: 88-6000022

DTC Participant #901**
Agent Bank #26500**
Account #822494**

**Information in red is effective immediately. The previous DTC Participant and Agent Bank account numbers until September 30, 2016. **Information in red is effective immediately. Securities/mutual funds received after this date will be rejected to be resubmitted under the new instructions.

Register Book Entry Shares/Direct Registration Shares (DRS)/Dividend Reinvestments Shares as follows:

Nominee Name:
Nevada Unclaimed Property
FEIN: 88-6000022

c/o Xerox State & Local Solutions Inc.
100 Hancock St 10th FL
Quincy MA 02171

Fed Delivery:

Federal Reserve Bank of New York
ABA #0210-0001-8
BK of NYC Trust
FBO—State of Nevada Acct #AUZF6000002

Dividend Reinvestment Plan—(DRP)

Dividend Reinvestment Plan shares must be registered to *Nevada Unclaimed Property* on the day or before the report and remittance are mailed to the state. Our FEIN is 88-6000022.

Corporations may utilize a book entry form of share registration in lieu of issuing physical securities (stock certificates).

Each reported shareowner's records must include the owner name, last transaction date, number of shares, and cash amount remitted, if applicable.

Dividends earned should be issued as cash.

- All holders must list Dividend Reinvestment Plan accounts with Property ID Code: SC19.
- The state of Nevada will only accept whole shares for each individual when the physical certificates are issued. Fractional shares must be liquidated at fair market value when reported.
- Fractional shares must be sold for each individual when physical certificates are issued and must be reported with Property ID Code: SC09.

Worthless or Non-Transferable Securities

The administrator may decline to receive any securities which are deemed to have a value less than the cost of giving notice and holding a sale.

Contact unclaimedproperty@nevadatreasurer.gov for information.

Securities Recovered From A Safe Deposit Box

Follow the instructions for remitting safe deposit box contents on page 31.

Mutual Funds & Securities Delivery Instructions

Register and deliver physical certificates ONLY for non-eligible DTC shares as follows:
Certificates must be registered as shown below and the originals sent to our custodian. A *photocopy* of the certificate must be delivered with the a copy of the online report confirmation or email. DO NOT deliver the original certificate to the state with the receipt. Certificates incorrectly registered will be returned for re-registration and the report will not be processed. Only one certificate must be delivered for each security reported.

Nominee Name:
Nevada Unclaimed Property
FEIN #88-6000022

The Depository Trust Company
Attn: BNY Mellon/Branch Deposit Dept
570 Washington Blvd—FL 5
Jersey City NJ 07310-1617

Mutual Funds

Mutual funds must be registered to *Nevada Unclaimed Property* on or before the date the report and remittance are submitted. The FEIN for the state of Nevada is 88-6000022. Each shareowner record reported must include the shareowner name, last transaction date, number of shares, and cash amount remitted, if applicable.

IMPORTANT

It is incumbent upon holders to contact our custodian, Xerox, who will provide account numbers for all transfers. DO NOT establish a new account number without first contacting Xerox, by email, at UPCH.Custody@acs-inc.com. Allow approximately one week to obtain an account number.

Worthless or Non-Transferable and Foreign Securities

Nevada will accept all securities. If a security cannot be delivered to our brokerage account (Xerox), the reporting company must provide a statement showing the security in Nevada's name and tax ID number. **Statements should be mailed when the initial report is submitted and then annually, unless there is activity in the account.** All securities that are entered into Nevada's name and tax ID number must be reported to Nevada.

For foreign securities, contact Pansy Chan at Xerox. Pansy.Chan@xerox.com

---

Securities Recovered From A Safe Deposit Box

Follow the instructions for remitting safe deposit box contents on page 31.

Holder Reporting Methods

NEVADA UNCLAIMED PROPERTY
ONLINE HOLDER REPORTING
FAST AND SECURE

EFFECTIVE JANUARY 1, 2016, ONLINE HOLDER REPORTING IS MANDATORY. HOLDERS MUST SUBMIT UNCLAIMED PROPERTY REPORTS THROUGH OUR ONLINE HOLDER REPORTING PORTAL. PAPER REPORTS, CD ROMS, USB FLASH DRIVES AND DISKETTES ARE NO LONGER ACCEPTED UNLESS A HARDSHIP TO REPORT OTHERWISE IS APPROVED IN ADVANCE BY THE ADMINISTRATOR.

NO REPORT FORMS (UP-1, TRACKER, CHESAPEAKE SYSTEM SOLUTIONS, ETC.)!

NO ELECTRONIC STORAGE DEVICES (CD ROM, USB FLASH DRIVE, DISKETTE)!

NO NOTARIZATION REQUIRED; REPORT IS CERTIFIED ONLINE!

With Online Holder Reporting, everything is completed through our industry-standard encryption secure website. Holders upload reports that are created by utilizing using HRS Pro, UPExchange Web Application or an alternative program that creates NAUPA files.

To begin reporting online, holders must first register on our website. Once registered, holders can upload NAUPA formatted files and payment information. Store your password in a safe place; it will be required each time to access the system. If you lose your password, go to the Online Holder Reporting web page and select **Forgot your password?**.

Payments must be sent by ACH credit or ACH debit. Wire transfers and checks are no longer accepted. Instructions for sending funds by ACH are available on page 40 of this manual and after selecting the Submit to State button to upload your report.

DO NOT UTILIZE REPORT FORMS FOR ONLINE REPORTING. WRITTEN AUTHORIZATION IS REQUIRED FROM THIS OFFICE TO USE REPORT FORMS. REPORTS RECEIVED IN THIS MANNER WITHOUT AUTHORIZATION WILL NOT BE ACCEPTED.

Password protected reports and reports not in NAUPA format (spreadsheets, PDF files, photocopies) etc., are not accepted online and will reject. Rejected reports and repeated attempts to submit non-compliant reports will be subject to penalty and interest, pursuant to NRS 120A.730.

REPORTS CONTAINING SAFEKEEPING MAY NOW UTILIZE ONLINE HOLDER REPORTING. REPORTS MUST BE IN NAUPA FORMAT AND LIST EACH SAFEKEEPING ITEM.

CAUTION!! Electronic Filing (UPExchange, HRS Pro) and Online Holder Reporting (Nevada Website) are **NOT** the same program. UPExchange is a web application and HRS Pro is software. Both, including other third party reporting software, are used to create NAUPA standard electronic files. Nevada's Online Holder Reporting's sole purpose is to transmit NAUPA files to our office.

Holder Reporting methods

The state of Nevada utilizes the Unclaimed Property System (UPS2000) licensed by Xerox, formerly ACS Wagers, to collect and track unclaimed property. UPS2000 provides the capability to import NAUPA standard electronic holder reports. The files created are encrypted for security and can only be opened by a licensed user of UPS2000.

HRS PRO— Holders may download free software and a User's Manual from Xerox Reporting System at http://www.wagers.net/ to submit NAUPA formatted reports via Online Holder Reporting. From the main page, click on the HRS Pro tab and *"Standard Edition"* button to follow the download instructions. This software must be updated every six months. For questions or additional information, select the HRS Pro Support tab on the left of the screen. As with UPExchange, for an annual fee, HRS Pro provides the *Enterprise Edition* for support and allows multi-user capability.

ETM (UPEXHANGE) **UPDATE—** Effective **August 1, 2015**, to continue receiving support for this program, holders must upgrade to the Self Service or Full Service options available for an annual fee. For customer service, contact ETM at (319) 739-3557 or by email at uphelp@byetm.com. To view pre-recorded training sessions, go to http://www.byetm.com/upx/.

NEVADA UNCLAIMED PROPERTY DOES NOT PROVIDE ASSISTANCE WITH EITHER PROGRAM; YOU MUST CONTACT THE VENDOR.

FREE ONLINE HOLDER REPORTING—*FAST AND SECURE!!!!*

Holders must upload NAUPA formatted reports via our website, to submit abandoned property. **Spreadsheets, screenshots, photocopies, PDF files, etc., cannot be submitted and will reject).** Online holder reporting saves money by eliminating report forms, electronic storage devices, and remittances when paying via EFT. Confirmation for EFT payments must be entered during the online upload process.

MANUAL CHECKS are accepted for any amount from governmental entities only; however, funds may also be sent by ACH.

REPORTS WITH SAFEKEEPING CAN NOW UTILIZE ONLINE HOLDER REPORTING.

ONLINE REPORTING DOES NOT ACCEPT PASSWORD PROTECTED REPORTS!

To request online reporting access, go to https://nevadatreasurer.gov/ register for a login ID and password. Provide the business entity's nine-digit Federal Identification Number (FEIN) or Tax Identification Number (TIN), Social Security Number (SSN) for sole proprietorships. Include the first and last name, address, phone number, and email address of the business entity contact person requesting access. **All users must register independently**. The person who registers initially is the administrator and the responsible party for providing access to others in the organization who need to report.

Holder Reporting Methods

EFFECTIVE JANUARY 1, 2016, ONLINE HOLDER REPORTING IS MANDATORY, PURSUANT TO NRS 120A.560(8). HOLDERS MUST SUBMIT UNCLAIMED PROPERTY REPORTS THROUGH OUR ONLINE HOLDER REPORTING PORTAL. PAPER REPORTS, CD ROMS, USB FLASH DRIVES, AND DISKETTES ARE NO LONGER ACCEPTED UNLESS A HARDSHIP TO REPORT OTHERWISE IS APPROVED IN ADVANCE BY THE ADMINISTRATOR.

Electronic Data Storage Device Reporting—WRITTEN AUTHORIZATION FROM THIS OFFICE IS REQUIRED TO FILE IN THIS MANNER: Holders reporting one or more individual records must remit reports electronically utilizing the NAUPA format specifications, pursuant to NAC 120A. A fully completed notarized Report of Unclaimed Property (UP-1) form must be included. Reports approved to file by mail that are not received in this format will be returned unprocessed and must be resubmitted within the timeframe specified in the accompanying letter. Failure to do so may be subject to penalty assessment. Alternative report forms must meet state of Nevada requirements.

- Save the file on a CD ROM or USB flash drive and mail it in with an original notarized UP-1 form and remittance. ***Written authorization from this office is required to file in this manner.***
- Names on reports must be formatted as "last, first, middle initial". Do not use commas, asterisks, dashes, apostrophes, or any punctuation that will hinder name searches.
- If there is more than one owner to a property, each must be listed individually under the same property. Do not list joint owners on the same line.
- Do not create separate reports for each property type, aggregate amount, year, etc., if property is under the same FEIN. All information is posted under the reporting entity's holder ID number.

EFFECTIVE JANUARY 1, 2016, ONLINE HOLDER REPORTING IS MANDATORY, PURSUANT TO NRS 120A.560(8). HOLDERS MUST SUBMIT UNCLAIMED PROPERTY REPORTS THROUGH OUR ONLINE HOLDER REPORTING PORTAL. PAPER REPORTS, CD ROMS, USB FLASH DRIVES, AND DISKETTES ARE NO LONGER ACCEPTED UNLESS A HARDSHIP TO REPORT OTHERWISE IS APPROVED IN ADVANCE BY THE ADMINISTRATOR.

Hard Copy Reporting—If authorization has been granted by this office to use report forms, holders reporting one or more individual records may remit reports on a fully completed, notarized Report of Unclaimed Property (UP-1) with a Report of Unclaimed Property Detail (UP-2). The UP-1 form must be filled out completely and signed in the presence of a notary public by an authorized employee of the entity. The UP-2 will only be permitted based on the circumstance surrounding the report; otherwise a NAUPA formatted file will be required on a CD ROM or USB flash drive. A copy of the granted authorization must be included with the report. Reports not received in this format will be returned unprocessed and must be resubmitted within the timeframe and the report format specified in the accompanying letter. Reports that are illegible, filled out and/or signed in pencil will be returned unprocessed. ***Written authorization from this office is required to file in this manner.***

Third Party Reporting Entities—Agreements between holders and third party reporting entities that provide report processing and submission, payroll services, act as a transfer agent, etc., are between the holder and the third party reporting entity only. The State of Nevada is not a party to these agreements nor do they exempt holders of their legal obligation to report abandoned property.

Holder Reporting Methods (cont'd)

Negative Reports—Are required only from business entities or individuals that are incorporated, licensed, domiciled or have submitted property to Nevada within the last three years. Do not submit negative reports if you do not conduct business in Nevada. **Negative reports must be filed online; registration is not required to file a negative report.**

NOTE: When filing a negative report online, assets, sales and number of employees totals must include the entire business, not Nevada-only figures. And...all business entities must have at least ONE employee or owner.

If you are a holder that has been submitting Negative Reports but not incorporated, licensed nor doing business in Nevada or have not reported property in the last three years, DO NOT FILE A NEGATIVE REPORT.

Out of state holders—If filing a "one-time" report with property, for which there will be no future property to report, the holder must file three (3) consecutive years of negative reports. If after the third filing there is nothing to report, negative filing requirements cease. However, should property need to be reported in the future, the three year negative filing process resumes. Nevada businesses and out of state businesses that are incorporated, domiciled or doing business in Nevada, must annually file a negative report when there is no property to report.

Emailing Reports—Due to sensitive information, reports cannot be sent via email without written authorization from this office.

HOLDER REPORTING METHODS (CONT'D)

MULTIPLE ENTITIES AND SUBSIDIARIES (CONSOLIDATED REPORTS)— **Holders must file an individual online report for each entity being reported. The online module does not allow for multiple entities/subsidiaries with one payment as there is no way to accurately match reports to bulk payments.** Multiple entities and/or subsidiaries with an individual Federal Employer Identification Number (FEIN) must be submitted separately. **Consolidated reporting is not permitted.** Non-compliant reports will be rejected, subject to penalty, pursuant to NRS 120A.730.

When consolidated reports are submitted by the parent company, it is under the assumption that all its legal subsidiaries are in compliance, which may not actually be accurate. Filing individual reports for each entity with an individual FEIN/TIN removes the assumption and makes for smoother searches for claimants.

Holders that receive written authorization to file by mail may **NOT** include a consolidated list with a report. Holders must determine whether the property being reported must be divided among the entities listed and/or if the entities listed should even be filing annually in Nevada and then submit the required reports.

VENDOR REPORTS—Holders purchasing electronic reporting software from vendors must ensure the formatting conforms to state requirements and are in NAUPA format. Reports from vendors must be submitted online.

- Names must be formatted as "last, first, middle initial". Do not use commas, asterisks, dashes, or any punctuation; it will hinder name searches.
- If there is more than one owner, each must be listed separately under the same property. **DO NOT LIST JOINT OWNERS NAMES ON THE SAME LINE.**

REIMBURSEMENTS AND ADJUSTMENTS— If an owner comes forward to claim property on a report that has been prepared for remittance but not yet mailed to the state, the holder must do one of the following:

- Revise the report by deleting the property and adjusting the amount and remittance or;
- Submit the report online, as is, and follow the instructions for completing a Request for Holder Reimbursement Form UP-4 on page 46.

Prior to reimbursing a claimant, please contact this office to determine whether a claim has been filed and/or paid on the property in question.

Password Protected Files

Effective January 1, 2016, Online Holder Reporting is Mandatory. The information provided below pertains only to holders that have received written authorization from this office to send a report by mail. Password protected files cannot be sent online. Online Holder Reporting is equipped with industry-standard secure encryption, nullifying additional protections.

- CD ROMS and USB flash drives in NAUPA format that contain the "HDE" file extension are encrypted and do not require password protection. **WRITTEN AUTHORIZATION FROM THIS OFFICE IS REQUIRED TO FILE IN THIS MANNER.**
- CD ROMS and USB flash drives in NAUPA format that contain the "HRS" and "TXT" file extensions are **not** encrypted but will transmit securely through our website. Holder granted authorization to file by mail in this format should send the data under protected means. **WRITTEN AUTHORIZATION FROM THIS OFFICE IS REQUIRED TO FILE IN THIS MANNER.**
- Holders sending password protected files must include a letter stating so with the report and follow the instructions below.
- Passwords for non-encrypted files must be issued promptly by fax to (702)486-4177 or emailed to nvholder@nevadatreasurer.gov. The Subject Line of the email must identify the report(s) protected by the password. The body of the email must provide the holder name, report amount, contact name, and phone number.
- Any faxes or emails received without the proper identification listed above will be discarded. Any unclaimed property reports received that remain inaccessible may be considered out of compliance, subject to interest and penalties.

Nevada Unclaimed Property will NOT do the following:

- **call to request passwords for protected files;**
- **log in to secure websites and create profiles;**
- **submit verification properly identifying itself**

This office receives thousands of files during reporting periods and holders must ensure reports are submitted in a manner that does not disrupt this agency's daily processes. These delays can be avoided by following the above instructions for submitting encrypted NAUPA files.

Reporting Requirements & Considerations

Request for an Extension

The administrator may grant an extension beyond the filing due date under certain conditions. If you cannot remit your report **before** November 1st (**before** May 1st for all insurance entities), you must complete a Request for Extension form UP-7 available in this booklet on page 48 and on our website. The original form must be received at least 30 days before the date the property is due. All reports received after the due date must be submitted electronically in NAUPA format regardless of the number of properties being submitted.

Voluntary Disclosure Agreement (VDA)

The Voluntary Disclosure Agreement was established to encourage non-compliant business entities to report and pay past due unclaimed property to attain compliance and qualify for amnesty due to failure to properly report, pursuant to the requirements of Nevada Revised Statutes (NRS) Chapter 120A.

Companies interested in qualifying for the VDA program must apply for and receive approval from the Unclaimed Property Division of the Nevada State Treasurer's Office. If approved and admitted to the VDA Program, holders may be relieved of all penalty, however interest will be assessed to the extent of the value of the property. For more information, click on the VDA link.

Amnesty

Holders of unclaimed property are required to file reports within the time specified for each property type; there is no grace period.

Reports and remittances received after the required due date are subject to interest and penalty under the provisions of Nevada Revised Statute 120A.730. Requests for waivers of interest may be submitted for consideration with your report and remittance and must include the reason for the late submission. This, however, will not prevent the State Treasurer's Office from initiating audit procedures if it has been determined there is additional property to be reported.

Late Filing

A Report received in this office after the due date (October 31st for businesses and government, April 30th for insurance) will be subject to penalty and interest, pursuant to NRS 120A.730. A mailed report received timely will be returned unprocessed to be resubmitted online and subject to penalty and interest from the day the report was due until received.

Holder Reporting Requirements & Considerations

Records Retention

Holders of abandoned property for the state of Nevada are required retain abandoned property records for a period of seven (7) years after filing the report unless a shorter period is provided by regulation of the administrator, pursuant to NRS 120A.700.

Business and financial organizations that provide checks, money orders or similar instruments other than third-party bank checks, in which the organization is directly liable, must maintain records while instruments remain outstanding for three years after the holder has filed the report.

Aggregate Items

Individual owner records of less than $50 may no longer be reported in the aggregate or be combined by property type and reported in a single total . Properties must now be individually reported and include any and all owner detail on record regardless of the amount and must be NAUPA formatted and filed online.

Reporting Property Before Required Dormancy Period Expiration

*Holders requesting to remit abandoned property prior to the required dormancy period must send an email request, for consideration, to nvholder@nevadatreasurer.gov with the reason for reporting early. The reason for early reporting should be in the owner's best interest. Property submitted to Nevada Unclaimed Property that has not reached the required abandonment period and has not received approval from this office will be returned.

*** Due diligence requirements still apply when escheating property early.**

Holder Reporting Requirements & Considerations (cont'd)

Audits

The Nevada State Treasurer's Office audit staff conducts examinations of holder records to ensure holders are in compliance with the state's unclaimed property law (NRS 120A.690) and the Uniform Unclaimed Property Act.

Late reporting, non-reporting, consumer complaints, no last activity dates, and improper aging, are just a few examples that can trigger an audit.

Property From Other States/Reciprocal Agreements

The state of Nevada does not have active reciprocal agreements with any state; therefore, the following information should be adhered to:

In accordance with the United States Supreme Court decisions in Texas vs. New Jersey, Pennsylvania vs. New York, Delaware vs. New York, and the 1993 NAUPA resolution, property should first go to the state of the owner's last known address, second should go to the state where the holder is incorporated or domiciled. The state of Nevada does not have current reciprocal agreements with any state; therefore, property must be reported to the state of the owner's last known address. Under certain circumstances, permission will be granted to report property for other states; however, you must receive written approval from this office.

If a holder is granted permission to report abandoned property for other states to Nevada; it must be submitted online in NAUPA format and must meet the statutory requirements of each state. Nevada Unclaimed Property, however, has the right to refuse the report if received out of compliance.

All unclaimed money orders, travelers checks or similar instruments that were purchased in Nevada must be reported to Nevada if the owner's last known address is unknown.

All unclaimed property held for owners whose last known address is unknown or is in a foreign country must be reported to Nevada if the holder is domiciled or incorporated in Nevada.

Holder Reporting Requirements & Considerations (cont'd)

NRS 120A.505 — Certain items due or owing between business associations with ongoing business relationship not presumed abandoned.

EFFECTIVE JULY 1, 2015 — Any credit memoranda, overpayments, credits balances, deposits, unidentified remittances, non-refunded overcharges, discounts, refunds and rebates due or owing from a holder that is a business association to another business association shall not be presumed abandoned if the holder and such business association have an ongoing business relationship***.

An ongoing business relationship shall be deemed to exist if the holder has engaged in at least one commercial, business or professional transaction involving the sale lease license or purchase of goods or services with the business association or a predecessor-in-interest of the business association within each three year period that follows the date of the transaction giving rise to the property interest that shall not be presumed abandoned, pursuant to SB 348. Once the business relationship ends, the Business to Business Exemption no longer applies.

***NOTE: **This statement does not apply to outstanding checks, drafts or other similar instruments and, therefore, must be reported as unclaimed property.**

Individual retirement accounts

Individual Retirement Accounts (IRAs) were designed to help people save for retirement. There are two types of IRA accounts available: Traditional and Roth.

Escheatment

Traditional IRA's become escheatable after three years of inactivity which begins on the mandatory distribution date of the Required Minimum Distribution (RMD). The mandatory distribution date is April 1st of the calendar year following the calendar year in which the owner of the account reaches the age of 70 1/2. If the owner of the account dies prior to reaching age 70 1/2, the abandonment period commences from the date of the owner's death.

When an IRA account is inactive more than three years from the mandatory distribution date as of June 30th, the account should be reported on the October 31st report and the owner should be at least the age of 73 1/2. Holders, however, should check whether the owner has other accounts that have current activity or transfer the account to a beneficiary or heir, if any, prior to attempting escheatment.

Roth IRA's do not have a mandatory payout provision and only become escheatable if the owner dies or there has been no activity for three years.

Gaming

Gaming establishments (casinos) in Nevada are subject to the same escheatment laws as any other entity conducting business, required to escheat property presumed abandoned, and comply with dormancy reporting periods pursuant to NRS 120A. In addition, casinos are responsible for escheating properties that are unique only within the gaming industry.

Unredeemed Slot Machine Wagering Vouchers Remittance

Pursuant to NRS 463.369, Licensees are required to remit 75% of the value of unredeemed slot machine vouchers quarterly on or before the 15th day of the month following the end of the preceding calendar quarter to the Nevada State Gaming Commission.

The following are NOT considered property presumed abandoned, should be added to the holder's gaming revenue and **not** remitted as unclaimed property:

- Underage Jackpots
- Unclaimed Winnings
- Chip Floats
- Ticket In/Ticket Out Payments (TITO)

Loose money, chips, cameras, eyeglasses, etc., should be turned in to the lost and found department of the gaming establishment.

UPDATE: Registered hotel in-room safekeeping boxes are no longer escheatable to the state. Refer to Assembly Bill 419, for additional information.

Front Money (cash deposited with a casino that the owner withdraws for gambling) is subject to escheatment to Nevada Unclaimed Property.

Remitting Safe Deposit Box Contents

EFFECTIVE JULY 1, 2015 — The provisions of Chapter 120A do not apply to tangible property held in a safe-deposit box or other safekeeping depository which is not maintained by: 1. a bank or other financial institution or, 2. a safe-deposit box company.

Holders of abandoned safekeeping property may now file reports online. Registration is required and report musts be submitted in NAUPA standard format and include each safekeeping item in the NAUPA report.

Safekeeping inventory forms must be completed prior to November 1st, for each owner on whose behalf you are reporting contents.

IF MAILING REPORT, SAFEKEEPING ITEMS MUST BE FILED IN A REPORT SEPARATE FROM INTANGIBLE ITEMS. Holders must report all inventory on the state of Nevada Safekeeping Inventory Forms (UP-3, UP-3A and UP-6), created specifically for submitting tangible items. Safekeeping inventory must be submitted electronically on a CD ROM or USB flash drive in NAUPA format regardless of the amount of properties being reported.

- **DO NOT submit safekeeping on your own forms.**
- **DO NOT remit safekeeping for other states to this office; it will be returned unprocessed.**
- **DO NOT REPORT EMPTY BOXES. Boxes should be drilled prior to preparing reports to avoid unnecessary labor.**

You must call Nevada Unclaimed Property at (702) 486-4140, to schedule an appointment for the delivery of safekeeping contents. There should be at least one representative from the company present during inventory. If physical delivery of safekeeping contents is not possible, please contact us to make other arrangements to receive the property.

Safekeeping contents should be placed in a 9 X 12 inch or larger envelope. The owner names and box numbers or other identifying numbers must be clearly marked on the outside of the envelope. There must be a UP-6 form attached to each envelope.

Place the envelopes in alphabetical order by owner last name or business name.

If any of the safekeeping boxes contain firearms (with the exception of antiques), controlled substances or contents that could be deemed illegal, follow your internal policy regarding contraband. Include with your remittance, a written explanation regarding how the safekeeping in question was handled.

Cash found in safekeeping boxes must be inventoried and remitted to the state as is. Do not deposit funds and remit via check or EFT. The responsibility of holders is to report the box contents, not to alter them.

Gift Cards & Gift Certificates

Gift certificates and gift cards are subject to the state of Nevada's unclaimed property laws contained in NRS 598.0921 and NRS 120A.520.

If the gift card/certificate was issued **before** October 1, 2007, the following rule applies:

- If the card/certificate has not been used for at least three years, it is subject to escheatment at 100% of the remaining face value. These cards have a three year dormancy period. It includes all gift cards/certificates whether they expire or not.

If the card/certificate was issued on or **after** October 1, 2007, the following rule applies:

- The card/certificate is escheated in the time period in which it expires. There is no dormancy period. It is escheated at 60% of the remaining face value (businesses are allowed to retain 40%). If the card/certificate has no expiration date, it is not subject to escheatment and 100% of the remaining value must be honored indefinitely.

IMPORTANT UDATE: Gift cards and gift certificates may contain expiration dates and impose dormancy or any other fees that reduce the value only if the expiration dates or fees are printed in 10-point font on the card/certificate or it contains a toll-free number the owner can call to obtain the expiration date, unused balance and or dormancy fee information. If the dormancy fee is based on inactivity, the duration of such inactivity cannot be less than three years, cannot be imposed in the first 12 months after issuance and cannot exceed $1 per month.

NEVADA STATE TREASURER • UNCLAIMED PROPERTY
PROPERTY TYPE CODES & ABANDONMENT PERIODS

ACCOUNTS BALANCES (3 YEARS)

AC01	CHECKING ACCOUNTS
AC02	SAVINGS ACCOUNTS
AC03	MATURED CD OR SAVINGS CERTIFICATE
AC04	CHRISTMAS CLUB ACCOUNTS
AC05	MONEY ON DEPOSIT-SECURE FUNDS
AC06	SECURITY DEPOSITS
AC07	UNIDENTIFIED DEPOSITS
AC08	SUSPENSE ACCOUNTS
AC99	AGGREGATE ACCOUNT BALANCE UNDER $50

CHECKS (3 YEARS EXCEPT AS NOTED—1 YEAR FOR GOV'T ENTITIES)**

CK01	CASHIER'S CHECKS
CK02	CERTIFIED CHECKS
CK03	REGISTERED CHECKS
CK04	TREASURER'S CHECKS
CK05	DRAFTS
CK06	WARRANTS
CK07	MONEY ORDERS **(**7 YEARS)**
CK08	TRAVELER'S CHECKS **(**15 YEARS)**
CK09	FOREIGN EXCHANGE CHECKS
CK10	EXPENSE CHECKS
CK11	PENSION CHECKS
CK12	CREDIT CHECKS OR MEMOS
CK13	VENDOR CHECKS
CK14	CHECK WRITTEN OFF—INCOME/SURPLUS
CK15	OUTSTANDING—CHECKS/EXCHANGE ITEMS
CK16	CD INTEREST CHECKS
CK99	AGGREGATE UNCASED CHECKS UNDER $50
CMBN	COMBINED MULTI PROPS ON IMPORT

EDUCATIONAL SAVINGS ACCOUNTS (3 YEARS)

CS-01	CASH
CS-02	MUTUAL FUNDS
CS-03	SECURITIES

COURT DEPOSITS (1 YEAR)

CT01	ESCROW FUNDS
CT02	CONDEMNATION AWARDS
CT03	MISSING HEIRS' FUNDS
CT04	SUSPENSE ACCOUNTS
CT05	DEPOSITS WITH COURT/PUB AUTH
CT06	PUBLIC AID CHILD SUPPORT CHECKS
CT99	AGGREGATE COURT DEPOSITS

HEALTH SAVINGS PLANS (3 YEARS)

HS01	HEALTH SAVINGS ACCOUNT
HS02	HEALTH SAVINGS ACCOUNT INVESTMENT

INSURANCE (3 YEARS)

IN01	INDIVIDUAL POLICY BENEFITS OR CLAIM PAYMENTS
IN02	GROUP POLICY BENEFITS OR CLAIM PAYMENTS
IN03	DEATH BENEFITS—BENEFICIARIES
IN04	PROCEEDS—POLICY, ENDOWMENTS, ANNUITIES
IN05	PREMIUM REFUNDS
IN06	UNIDENTIFIED REMITTANCES
IN07	OTHER AMOUNTS DUE UNDER POLICY
IN08	AGENT CREDIT BALANCES
IN99	AGGREGATE INSURANCE PROPERTY UNDER $50

TRADITIONAL IRA (3 YEARS)

IR01	CASH
IR02	MUTUAL FUNDS
IR03	SECURITIES

ROTH IRA (3 YEARS)

IR05	CASH
IR06	MUTUAL FUNDS
IR07	SECURITIES

***** GOV'T ENTITIES include Courts, Governments, a Governmental Subdivision, Agency or Instrumentality and must report annually.***

PROCEEDS FROM MINERAL INTERESTS (3 YEARS)

MI01	NET REVENUE INTEREST
MI02	ROYALTIES
MI03	OVERRIDING ROYALTIES
MI04	PRODUCTION PAYMENTS
MI05	WORKING INTERESTS
MI06	BONUSES
MI07	DELAY RENTALS
MI08	SHUT IN ROYALTIES
MI09	MINIMUM ROYALTIES
MI99	AGGREGATE MINERAL PROCEEDS

MISC PROPERTY (3 YEARS EXCEPT AS NOTED—1 YEAR FOR GOV'T **)

MS01	WAGES, PAYROLL, SALARY **(** 1 YEAR)**
MS02	COMMISSIONS **(**1 YEAR)**
MS03	WORKER'S COMPENSATION
MS04	PAYMENTS FOR GOODS, SERVICES
MS05	CUSTOMER OVERPAYMENTS
MS06	UNIDENTIFIED REMITTANCES
MS07	UN-REFUNDED OVERCHARGES
MS08	ACCOUNTS PAYABLE
MS09	CREDIT BALANCES—ACCOUNTS RECEIVABLE
MS10	DISCOUNTS DUE
MS11	REFUNDS DUE
MS12	UNREDEEMED GIFT CERTIFICATES
MS13	UNCLAIMED LOAN COLLATERAL
MS14	SUMS PAYABLE UNDER PENSION AND PROFIT SHARING PLANS (IRA, KEOUGH0, 401K, ETC)
MS15	PROPERTY DISTRIBUTABLE IN THE COURSE OF DISSOLUTION OR LIQUIDATION **(**1 YEAR)**
MS16	MISCELLANEOUS OUTSTANDING CHECKS
MS17	MISCELLANEOUS INTANGIBLE PERSONAL PROPERTY
MS18	SUSPENSE LIABILITIES
MS99	AGGREGATE—MISCELLANEOUS PROPERTY UNDER $50

SECURITIES (3 YEARS)

SC01	DIVIDENDS
SC02	INTEREST PAYABLE ON REGS BONDS
SC03	NOT USED
SC04	EQUITY PAYMENTS
SC05	PROFITS
SC06	FUNDS PD—SHARES OR INTEREST
SC07	BEARER BOND INTEREST/MATURED PRINCIPLE
SC08	SHARES OF STOCK
SC09	CASH FOR FRACTIONAL SHARES
SC10	UN-EXCHANGED STOCK SUCCESSOR CORP
SC11	OTHER CERTIFICATES OF OWNERSHIP
SC12	UNDERLYING SHARES OR OTHER OUTSTANDING CERTIFICATES
SC13	FUNDS FOR LIQUIDATION/REDEMPTION OF UN-SURRENDERED STOCK OR BONDS
SC14	DEBENTURES
SC15	US GOV'T SECURITIES
SC16	MUTUAL FUNDS
SC17	WARRANTS
SC18	MATURED PRINCIPAL REGS BONDS
SC19	DIVIDEND REINVESTMENT PLANS
SC20	CREDIT BALANCES
SC99	AGGREGATE SECURITY PROPERTY UNDER $50

SAFE DEPOSIT BOXES AND SAFEKEEPING (3 YEARS)

SD01	CONTENTS FROM SAFE DEPOSIT BOXES
SD02	CONTENTS OTHER SAFEKEEPING

TRUST, INVESTMENT & ESCROW ACCOUNTS EXCEPT AT NOTED (3 YEARS)

TR01	PAYING AGENT ACCOUNTS
TR02	UNDELIVERED OR UNCASHED DIVIDENDS
TR03	FUNDS HELD IN A FIDUCIARY CAPACITY **(**1 YEAR FOR GOV'T)**
TR04	ESCROW ACCOUNTS
TR05	TRUST VOUCHERS
TR99	AGGREGATE TRUST PROPERTY UNDER $50

UTILITIES (3 YEARS EXCEPT AS NOTED)

UT01	UTILITY DEPOSITS **(** 1 YEAR)**
UT02	MEMBERSHIP FEES
UT03	REFUNDS OR REBATES **(** 1 YEAR)**
UT04	CAPITAL CREDIT DISTRIBUTIONS
UT99	AGGREGATE UTILITY PROPERTIES UNDER $50

NEVADA 'OWNER' TYPES CODES	
Code	**Description**
1	Individual
2	Estate
3	Reciprocal Report
4	In State
5	Multiple State Owner
6	Stock – No Market Value
7	Business/Corporation
8	Partnership
9	Aggregate
10	Not Published
11	Owner Unknown

NEVADA 'OWNER RELATIONS' CODES & DEFINITIONS		
Code	**Description**	**Definition**
AD	Administrator	A person appointed by the court to handle the estate of someone who died without a will, with a will with no nominated executor, or the executor named in the will has died, has been removed from the case, or does not desire to serve.
AF	Attorney For	A person who has been qualified by a state or federal court to provide legal services, including appearing in a court and is authorized to act for another.
AG	Agent For	A person who is authorized to act for another (the agent's principal) through employment, by contract or apparent authority.
AN	(AND) Unspecified Joint Relationship	Unspecified joint relationship including 'AND'.
BF	Beneficiary	Any person or entity (like a charity) who is to receive assets or profits from an estate, a trust, an insurance policy, or any instrument in which there is a distribution.
CP	Community Property	Property or earnings received by a husband and wife during marriage, other than by gift, devise, or descent. Separate property is property owned by a spouse before marriage or received during the marriage by gift, devise or descent. In some jurisdictions, earnings from separate property are also separate property and in some jurisdictions, such earnings are community property. Recognized by California, Arizona, New Mexico, Texas, Nevada, Idaho, Washington, Wisconsin, Louisiana and Puerto Rico.
CF	Custodian	An individual entrusted with guarding and keeping property or having custody of a person; a person named to manage a child's property under the UFGTMA; a person or entity appointed by a bankruptcy court to take charge of the debtor's property for purposes of administration.
CN	Conservator	A person, official or institution appointed by a court to take over and manage the estate and financial affairs and/or a person's daily life due to physical or mental limitations or old age; a public official charged with the protection of something affecting public welfare and interests.
DF	Defendant	The party sued in a civil lawsuit or the party charged with a crime in a criminal prosecution.
ES	Estate	All the possessions of one who has died and are subject to probate (administration supervised by the court) and distribution to heirs and beneficiaries, all the possessions which a guardian manages for a ward (young person requiring protection and administration of affairs), or assets a conservator manages for a conservatee (a person whose physical or mental lack of competence requires administration of his/her affairs).
EX	Executor/Executrix	The person appointed to administer the estate of person who has died leaving a will that nominates that person.
FB	For Benefit of	A person who is entitled to property that is held by another person (typically a custodian or trustee). FB is typically used in trustee, self-directed, inherited, education and transferred accounts.
GR	Guardian	A person who has been appointed by a judge to take care of a minor child (called a "ward") or incompetent adult personally and/or manage that person's affairs.
HE	Heir	Anyone who receives property of a deceased person either by will or under the laws of descent and distribution. (Explanation: a devisee under a will is also an "heir", even though unrelated to the decedent.)
IN	Insured	The person or entity who will be compensated for loss by an insurer under the terms of a contract called an insurance policy; the person whose life is insured by life insurance, after whose death, the benefits go to others.
JE	Tenants in Entireties	Joint ownership of property or securities by a husband and wife where, upon the death of one, the property goes to the survivor.
JT	Joint Tenants	An account held in joint tenancy presumes a right of survivorship, but this presumption can be overcome by evidence that the account was really the property of only one, and the joint tenancy was for convenience. Right of Survivorship is not specifically stated.

NEVADA 'OWNER RELATIONS' CODES & DEFINITIONS		
Code	**Description**	**Definition**
JS	Joint Tenants with Rights of Survivorship	A type of account owned by at least two people where all tenants have an equal right to the account's assets and are afforded survivorship rights in the event of the death of another account holder. In this type of account, a surviving member will inherit the total value of the other member's share of account assets upon the death of the other member. All members of the account are afforded the power to conduct investment transactions within the account as well.
OR	(Or) Unspecified Joint Relationship	Unspecified joint relationship including 'OR'
OT	Other Relationship	Relationship other than specified in this list. Additional details should be submitted with the property.
PA	Payee	The one named on a check or promissory note to receive payment. Each individual named as 'payee' shall be paid an equal share of the property.
PD	Payable on Death	Account is payable on Death to an alternate owner. Upon the original owner's death, the beneficiary must supply identification and a copy of the original owner's death certificate.
PO	Power of Attorney	A written document signed by a person giving another person the power to act for the signer in designated circumstances and with respect to designated property. General powers of attorney give the authorized party broad discretion; Special powers of attorney are limited in capacity.
RE	Remitter	Used primarily on official checks. The remitter is the person who purchased the official check. This relationship is separate from the holder who turns the property over to the state.
SO	Sole Owner	Sole Owner is used when there is only a single owner for the property, and that person has all rights to the ownership of the property.
TC	Tenants in Common	A type of account which is owned by at least two people with no rights of survivorship afforded to any of the account holders. In this type of account, a surviving tenant of the account does not necessarily acquire the rights (and account assets) of the deceased person. Rather, each tenant in the account can stipulate in a written will how his/her assets will be distributed upon his/her death. Generally, the member ownership in the account is determined on a pro rata basis, meaning that if there are two tenants in the account, each will have a 50% claim on the account's value.
TE	Trustee	A person or entity who holds the assets (corpus) of a trustee for the benefit of the beneficiaries and manages the trust and its assets under the terms of the trust stated in the Declaration of Trust which created it.
UF	Usufruct	Usufruct is a real right in a property owned by another, normally for a limited time or until death. Simply stated, it is the right to use the property, to enjoy the fruits and income of the property, to rent the property out and to collect the rents, all to the exclusion of the underlying real or naked owner. The usufructuary has the full right to use the property but cannot dispose of the property nor can it be destroyed.
UG	Uniform Gift to Minors Act	Property was gifted to a minor according to the Uniform Gifts to Minor's Act (Uniform Transfers to Minor's Act in some states). Regardless whether the minor has reached the age of majority; they should be coded with the UG relation. The custodian on the account should be coded as CU.
UF	Usufruct	Usufruct is a real right in a property owned by another, normally for a limited time or until death. Simply stated, it is the right to use the property, to enjoy the fruits and income of the property, to rent the property out and to collect the rents, all to the exclusion of the underlying real or naked owner. The usufructuary has the full right to use the property but cannot dispose of the property nor can it be destroyed.
UN	Unknown	Owner's relationship to the property is not known.
UT	Uniform Transfer to Minor	Property that is gifted to a minor under the Uniform Gifts to Minors Act – (UGMA). This act allows minors to own property such as securities. Under the UGMA, the ownership of the funds works like it does with any other trust except that the donor must appoint a custodian (the trustee) to look after the account. Regardless of whether the minor has reach the age of majority, they should be coded with the UG relation. The custodian on the account should be coded as CU.

NEVADA 'SAFEKEEPING' TYPES CODES	
Code	**Description**
AMMO	Ammunition
BARG	Gold Bars
BARS	Silver Bars
BOND	Savings Bonds
CARD	Sports Trading Cards
CJWL	Costume Jewelry
COIN	Various Coins
CURR	Currency
DEPO	Cash Deposit
EYES	Eyeglasses
FCUR	Foreign Currency
JEWL	Fine Jewelry
KRUG	Krugerrands
MISC	Miscellaneous Items
PAPR	Various Paperwork
STCK	Stock Certificates
STMP	Stamps/Postage
TEET	False Teeth
TOKE	Tokens
TOOL	Tools
WATC	Watch
WEAP	Weapons
WILL	Wills/Codicils to Wills

Revised 12/2015

NEVADA STATE TREASURER
UNCLAIMED PROPERTY REPORT/REMIT YEAR TABLES
BUSINESS ENTITIES ONLY (NON-INSURANCE ENTITIES)

ONE (1) YEAR PROPERTIES

Items that were issued or had a last activity date during the period:	Must be reported and remitted on the report postmarked BEFORE:
7/01/2012 thru 6/30/2013	November 1, 2014
7/01/2013 thru 6/30/2014	November 1, 2015
7/01/2014 thru 6/30/2015	November 1, 2016
7/01/2015 thru 6/30/2016	November 1, 2017
7/01/2016 thru 6/30/2017	November 1, 2018
7/01/2017 thru 6/30/2018	November 1, 2019
7/01/2018 thru 6/30/2019	November 1, 2020
7/01/2019 thru 6/30/2020	November 1, 2021

THREE (3) YEAR PROPERTIES

Items that were issued or had a last activity date during the period:	Must be reported and remitted on the report postmarked BEFORE:
7/01/2010 thru 6/30/2011	November 1, 2014
7/01/2011 thru 6/30/2012	November 1, 2015
7/01/2012 thru 6/30/2013	November 1, 2016
7/01/2013 thru 6/30/2014	November 1, 2017
7/01/2014 thru 6/30/2015	November 1, 2018
7/01/2015 thru 6/30/2016	November 1, 2019
7/01/2016 thru 6/30/2017	November 1, 2020
7/01/2017 thru 6/30/2018	November 1, 2021

Note: Reports and remittances that are received after the prescribed due date are subject to an interest penalty under the provisions of Nevada Revised Statutes 120A.730. Requests for waivers of interest may be submitted for consideration with your report/remittance and must include the reason(s) for late submission. Failure to request a waiver may result in the imposition of an interest penalty. Please call or write for further information.

NEVADA STATE TREASURER
UNCLAIMED PROPERTY REPORT/REMIT YEAR TABLES
INSURANCE ENTITIES ONLY

ONE (1) YEAR PROPERTIES

Items that were issued or had a last activity date during the period:	Must be reported and remitted on the report postmarked BEFORE:
1/1/2012 thru 12/31/2012	May 1, 2014
1/1/2013 thru 12/31/2013	May 1, 2015
1/1/2014 thru 12/31/2014	May 1, 2016
1/1/2015 thru 12/31/2015	May 1, 2017
1/1/2016 thru 12/31/2016	May 1, 2018
1/1/2017 thru 12/31/2017	May 1, 2019
1/1/2018 thru 12/31/2018	May 1, 2020
1/1/2019 thru 12/31/2019	May 2, 2021

THREE (3) YEAR PROPERTIES

Items that were issued or had a last activity date during the period:	Must be reported and remitted on the report postmarked BEFORE:
1/1/2010 thru 12/31/2010	May 1, 2014
1/1/2011 thru 12/31/2011	May 1, 2015
1/1/2012 thru 12/31/2012	May 1, 2016
1/1/2013 thru 12/31/2013	May 1, 2017
1/1/2014 thru 12/31/2014	May 1, 2018
1/1/2015 thru 12/31/2015	May 1, 2019
1/1/2016 thru 12/31/2016	May 1, 2020
1/1/2017 thru 12/31/2017	May 2, 2021

Note: Reports and remittances that are received after the prescribed due date are subject to an interest penalty under the provisions of Nevada Revised Statutes 120A.730. Requests for waivers of interest may be submitted for consideration with your report/remittance and must include the reason(s) for late submission. Failure to request a waiver may result in the imposition of an interest penalty. Please call or write for further information.

NEVADA UNCLAIMED PROPERTY CHECKLIST

- ☐ **R**eport of Unclaimed Property is in NAUPA format and has been filed through Online Holder Reporting.
- ☐ **R**eport and remittance balance. If submitted out of balance, report will reject.
- ☐ **O**wner detail is complete and properly formatted in NAUPA file.
  1. Valid property and owner Type Codes are included in NAUPA file (Page 33).
  2. All available owner information is included, i.e., social security numbers, addresses, last activity dates.
- ☐ **N**o physical report was sent by mail or courier after submitting report online (this causes duplication).
- ☐ **I**nstructions for remitting securities were properly followed (Pages 13-17).
- ☐ **S**ecurities have been liquidated or transferred into the name of Nevada Unclaimed Property, FEIN 88-6000022.
- ☐ **M**utual funds were redeemed or transferred in the name of Nevada Unclaimed Property, FEIN 88-6000022.
- ☐ **I**f authorization has been received from this office to mail report, the CD ROM or USB flash drive is enclosed and the labeling lists the holder information and report contents.

Contact Information:
Nevada Unclaimed Property
(702) 486-4140—phone
(702) 486-4177—fax
Website: https://nevadatreasurer.gov/UnclaimedProperty.htm
Email: nvholder@nevadatreasurer.gov

GENERAL INSTRUCTIONS

ELECTRONIC FUNDS TRANSFER INFORMATION

The method of payment must be sent via **AUTOMATED CLEARING HOUSE** (ACH credit or ACH debit only). Payments by check and wire transfer are no longer accepted.

The following information must be provided to your financial institution:

Bank Name and Address	Wells Fargo Bank 530 Las Vegas Blvd. S, 2nd Floor Las Vegas, NV 89101
Establishing ACH Setup	If ACH authorization has not yet been established, you must contact your financial institution and provide the information below before attempting to send funds or your payment will reject. Payment rejection as a result of failing to initiate authorization with your financial institution prior to submission of payment, will result in penalty and interest. Company Code for ACH Debit: D886000022
Depositor Account Title	Nevada State Treasurer Unclaimed Property Las Vegas NV
RTN Number	121000248
Account Number	4000100735
Type of Account	Checking
ACH Format CCD+ This format provides one Addenda Record of 80 characters which should be utilized to include the following data: Reporting Company Name, FEIN or TIN, NV Holder ID Number (if known).	Example: ABC Factory Inc./88-6000099/12698

NEVADA STATE TREASURER • UNCLAIMED PROPERTY SAFEKEEPING INVENTORY

Holder Name_____ Holder ID #_____

Owner Name(s)_____ SS#/FEIN/TIN_____

Street Address_____

City, State, ZIP_____ Box#/Patient#/Other#_____

On this_____ day of _____, 20_____, the contents listed were removed, securely wrapped and the package plainly marked with the name(s) of the owner(s) and placed in joint custody.

No. of items	Description of Contents	Officer's Initials	Notary's Initials
_____ Holder Representative	State of Nevada, County of_____		

Contents released to owner(s) on_____

Signed and sworn to before me on _____ by

_____
Notary Public Signature

_____
Signature of Owner

_____
Witness (Official Signature)

THIS SECTION TO BE USED IF CONTENTS BECOME UNCLAIMED

Contents turned over to the state of Nevada as Unclaimed Property under NRS120A.510 on this date_____

_____ _____

Signature of State Official Signature of Holder Official

The Nevada State Treasurer, as the administrator of Unclaimed Property, takes custody of the contents shown for the above listed owner(s) and is responsible for its safekeeping. The holder is relieved of all liability to the extent of the value of the property delivered for any claim which then exists or which thereafter may arise or be made in respect to the property (NRS 120A.570).

(See Reverse)

— FOR BANK USE ONLY —

That thereafter the contents of such safe deposit box were:

☐ Sealed in a package by the undersigned notary public, together with a duplicate of this certificate and the name of the lessee and the date of opening of the safe deposit box were written on the outside of the package by the undersigned notary public in the presence of a bank officer, and a copy of this certificate was sent by certified mail, addressed to the lessee at the last known address of the lessee (NRS 663.085).

☐ Mailed to the lessee by certified or registered mail in accordance with lessee's written instructions dated:

_____

☐ Released to _____ (Agency) in accordance with search warrant

☐ dated _____.

☐ Returned to the safe deposit box in total.

☐ Returned to the safe deposit box with the exception of

_____

which was released to_____ in accordance with court order

dated _____.

☐ Other

_____

Signature of Acceptor of Property

In witness whereof, we have hereunto set our hands at _____, Nevada, this _____day

Of _____, 20 _____.

_____

Signature of Bank Officer

State of Nevada, County of _____

Signed and sworn to before me on _____ by

_____

Signature of Notary Public

Date rent last paid_____

Charge for forcible entry $_____ Safekeeping charge $_____

Unpaid Rent $_____ Balance owed by Renter $_____

Nevada State Treasurer

Safe Deposit Box/Safekeeping Report Summary

HOLDER INFORMATION	
Date:	*Check only one:* Insurance Annual Report ☐ Annual Report (all other entities) ☐
Federal/Tax ID No.:	Contact Person:
Nevada Business ID: (For Nevada Businesses Only)	Email:
Entity Name:	Title/Department:
Address:	Phone No.: Fax No.:
City: State: Zip:	Nevada Holder ID Number:
State of Incorporation:	Date of Incorporation:
Parent Company Name:	Parent Company Federal/Tax ID No.:

SUMMARY OF PROPERTY REPORTED AND REMITTED	
Number of safe deposit boxes/safekeeping items reported:	#

VERIFICATION STATEMENT

Under penalty of perjury, I declare to the best of my knowledge and belief, that the safe deposit box/safekeeping information provided above and in the attached schedules is true and correct, that written notice was sent to owners, i.e., Due Diligence, pursuant to NRS 120A.560, has been completed and that I am duly authorized to execute this verification by the institution.

_____
Name of Authorized Officer

_____
Signature of Authorized Officer

_____
Title of Authorized Officer

_____
Date

FOR OFFICIAL USE ONLY		
Receipt ID:	**Report ID:**	**Import Batch Number:**

UPSK (10/1012)

State of Nevada Office of the State Treasurer
Unclaimed Property
555 East Washington Avenue, Suite 4200, Las Vegas NV 89101-1070

REQUEST FOR HOLDER REIMBURSEMENT/REFUND

HOLDER INFORMATION

Holder Information:		Tax/FEIN Number:
Mailing Address:		
City:	State:	Zip Code:
Contact Person:	Phone Number: ( )	Fax Number: ( )

PROPERTY INFORMATION

Report Year:	Report Amount:	Property Type:
Date Paid to Owner:	Amount Paid to Owner: $	Number of Shares:
Name as Indicated on Report (owner):		Is this Aggregate: Yes ☐ No ☐
Owner Address:		

FOR REIMBURSEMENT, COPY OF PROOF OF PAYMENT MADE TO RIGHTFUL OWNER MUST ACCOMPANY REQUEST.

HOLDER INDEMNIFICATION

I, _____, a duly authorized representative of the holder listed above, do hereby certify that the above listed funds, or other property listed in the report filed by the holder, have been paid to the rightful owner(s) or their appointed representative or were submitted to the state of Nevada in error. I agree, upon payment of or reimbursement for the above described property, to indemnify the state and hold it harmless from all claims and losses, demands, costs, and other expenses which the state may sustain by reason of turning over property to the holder and by reason further of its refusal to pay the property to any other person or persons.

FOR AMOUNTS REPORTED IN ERROR, A DETAILED EXPLANATION WITH SUPPORTING DOCUMENTATION MUST ACCOMPANY REQUEST.

Name of Representative (type or print legibly) _____Title_____

NOTARY

Notary Stamp	Sworn to and subscribed before me this _____ day of _____, 20_____. Notary:_____ My commission expires:_____

State of Nevada Office of the State Treasurer
Unclaimed Property
555 East Washington Avenue, Suite 4200, Las Vegas NV 89101-1070

HOLDER REQUEST FOR EXTENSION

HOLDER INFORMATION

Holder Information:	Tax/FEIN Number:

Mailing Address:

City:	State:	Zip Code:
Contact Person:	Phone Number: ( )	Fax Number: ( )

REQUEST INFORMATION

Select additional time required to complete report:
☐ 30 Days ☐ 60 Days ☐ 90 Days ☐ Other

Reason for request:
☐ Reorganization/Merger ☐ Personnel Changes ☐ New Transfer Agent
☐ System Problems ☐ New Computer Program

Other (please explain)

CERTIFICATION

I am requesting an extension for reporting year_____. I am aware of Nevada's requirement to remit abandoned property by October 31st (April 30th for all insurance entities) and am duly authorized to execute this request for an extension.

Submit this form to the Nevada Unclaimed Property Office at least 30 days prior to the original filing due date. For example, if your report is due by October 31st, this form must be completed and postmarked no later than October 1st (April 1st for all insurance entities). Remittance is due when holder report is submitted.

Name_____ Title_____

Phone No._____ Fax No._____ Email_____

Signature_____

UNCLAIMED PROPERTY USE ONLY

The Nevada Unclaimed Property office will consider the following criteria in evaluating this request:

	Satisfactory	Unsatisfactory
Previous Filing History (if filed)	☐	☐
Timeliness of Filing	☐	☐
Prior Requests for Extensions (consecutive)	☐	☐

Extension Approved ☐ Extension Denied ☐ Report Due on _____

Reason for denial _____

_____ _____ _____
Authorized Signature Title Date

UP-7 (10/1012)

TAB C

Other Informational Material

Kelmar's Contracts with its Custodians

Account Agreement

Date: 4/6/12

Institution Name & Address

BOSTON PRIVATE BANK AND TRUST COMPANY - 002
TEN POST OFFICE SQUARE
BOSTON, MA 02109-4603

IMPORTANT ACCOUNT OPENING INFORMATION: Federal law requires us to obtain sufficient information to verify your identity. You may be asked several questions and to provide one or more forms of identification to fulfill this requirement. In some instances we may use outside sources to confirm the information. The information you provide is protected by our privacy policy and federal law.

Enter **Non-Individual Owner Information** on page 2. There is additional **Owner/Signer Information** space on page 2.

Owner Signer Information 1	
Name	MICHAEL J LEBLANC
Relationship	
Address	[redacted]
Mailing Address (if different)	
Home Phone	[redacted]
Work Phone	[redacted]
Mobile Phone	
E-Mail	
Birth Date	[redacted]
SSN/TIN	[redacted]
Gov't Issued Photo ID (Type, Number, State, Issue Date, Exp. Date)	[redacted]
Other ID (Description, Details)	
Employer	KELMAR ASSOCIATES
Previous Financial Inst.	

Owner Signer Information 2	
Name	DAVID P KENNEDY
Relationship	
Address	[redacted]
Mailing Address (if different)	
Home Phone	[redacted]
Work Phone	[redacted]
Mobile Phone	
E-Mail	[redacted]
Birth Date	[redacted]
SSN/TIN	[redacted]
Gov't Issued Photo ID (Type, Number, State, Issue Date, Exp. Date)	[redacted]
Other ID (Description, Details)	
Employer	KELMAR ASSOCIATES
Previous Financial Inst.	

Internal Use

Account Title & Address

KELMAR ASSOCIATES LLC
500 EDGEWATER DR # 525
WAKEFIELD MA 01880-6222

Ownership of Account

The specified ownership will remain the same for all accounts.

- ☐ Individual
- ☐ Joint with Survivorship (not as tenants in common)
- ☐ Joint with No Survivorship (as tenants in common)
- ☐ Trust-Separate Agreement Dated: _____
- ☐ _____
- ☐ Corporation - For Profit
- ☐ Corporation - Nonprofit
- ☐ Partnership
- ☐ Sole Proprietorship
- ☒ Limited Liability Company

Beneficiary Designation

(Check appropriate ownership above.)

- ☐ Revocable Trust
- ☐ _____

Beneficiary Name(s), Address(es), SSN(s), and DOB(s)

(Check appropriate beneficiary designation above.)

☐ If checked, this is a temporary account agreement.

Number of signatures required for withdrawal: 1.

Signature(s)

The undersigned authorize the financial institution to investigate credit and employment history and obtain reports from consumer reporting agency(ies) on them as individuals. Except as otherwise provided by law or other documents, each of the undersigned is authorized to make withdrawals from the account(s), provided the required number of signatures indicated above is satisfied. The undersigned personally and as, or on behalf of, the account owner(s) agree to the terms of, and acknowledge receipt of copy(ies) of, this document and the following:

- ☒ Terms and Conditions
- ☒ Electronic Fund Transfers
- ☒ Substitute Checks
- ☒ Common Features
- ☒ Privacy
- ☒ Truth in Savings
- ☒ Funds Availability
- ☐ _____

☐ Authorized Signer (See Owner/Signer Information for Authorized Signer designation(s).)

1 [x MICHAEL J LEBLANC]

2 [x DAVID P KENNEDY]

3 [x] 4 [x]

Owner Signer Information 3

Name	
Relationship	
Address	
Mailing Address (if different)	
Home Phone	
Work Phone	
Mobile Phone	
E-Mail	
Birth Date	
SSN/TIN	
Gov't Issued Photo ID (Type, Number, State, Issue Date, Exp. Date)	
Other ID (Description, Details)	
Employer	
Previous Financial Inst.	

Owner Signer Information 4

Name	
Relationship	
Address	
Mailing Address (if different)	
Home Phone	
Work Phone	
Mobile Phone	
E-Mail	
Birth Date	
SSN/TIN	
Gov't Issued Photo ID (Type, Number, State, Issue Date, Exp. Date)	
Other ID (Description, Details)	
Employer	
Previous Financial Inst.	

Backup Withholding Certifications

(If not a "U.S. Person," certify foreign status separately.)

TIN: 04-3577426

☒ **Taxpayer I.D. Number (TIN)** - The number shown above is my correct taxpayer identification number.

☒ **Backup Withholding** - I am not subject to backup withholding either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

☐ **Exempt Recipients** - I am an exempt recipient under the Internal Revenue Service Regulations.

I certify under penalties of perjury the statements checked in this section and that I am a U.S. person (including a U.S. resident alien).

X [signature] 3/21/12 (Date)

Non Individual Owner Information

Name	KELMAR ASSOCIATES LLC
EIN	04-3577426
Phone	
Mobile Phone	(781) 213-6926
E-Mail	david.kennedy@kelmarassoc.com
Type of Entity	
State/Country & Date of Organization	
Nature of Business	
Address	500 EDGEWATER DR # 525 WAKEFIELD, MA 01880--622
Mailing Address (if different)	
Authorization/ Resolution Date	
Previous Financial Inst.	

Account Description	Account #	Initial Deposit/Source
AGENT FOR STATE OF NEVADA	[redacted]1127	$ ☐ Cash ☐ Check ☐
[redacted]	[redacted]	$ ☐ Cash ☐ Check ☐
[redacted]	[redacted]	$ ☐ Cash ☐ Check ☐

Services Requested

☐ ATM ☐ Debit/Check Cards (No. Requested: _____)

☐ _____ ☐ _____

☐ _____ ☐ _____

Other Terms/Information

Opened By: DVLGC

Assigned Officer: SEC

NAICS Code: 561110

mas166, 3/28/12
app ID: 4409464044 98

Signature Card-MA
Bankers Systems™
Wolters Kluwer Financial Services © 2003, 2011

TERMS AND CONDITIONS OF YOUR ACCOUNT

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT - To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth (for individuals), and other information that will allow us to identify you. We may also ask to see your driver's license (for individuals) or other identifying documents.

ACCOUNT OPENING - To open your account, you must complete the proper forms and provide us with any other documents, information or forms that we may require to establish an account with us. This may include, but is not limited to, acceptable forms of identification and your Taxpayer Identification Number.

AGREEMENT - This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws, the laws of the state of the branch in which your account is located and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

(1) summarize some laws that apply to common transactions;
(2) establish rules to cover transactions or events which the law does not regulate;
(3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
(4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. Nothing in this document is intended to vary our duty to act in good faith and with ordinary care when required by law.

As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. However, this agreement does not intend, and the terms "you" and "your" should not be interpreted, to expand an individual's responsibility for an organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. Throughout this document, when a provision is identified as being applicable to a certain state (for example, "in Massachusetts"), it means that the provision is only applicable if your account is held at a branch located in that particular state. Any provision which is not described as applying to a particular state, applies to your account.

LIABILITY - You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft.

You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account.

DEPOSITS - We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Unless prohibited by law, we also reserve the right to charge back to your account the amount of any item deposited to your account or cashed for you which was initially paid by the payor bank and which is later returned to us due to an allegedly forged, unauthorized or missing indorsement, claim of alteration, encoding error or other problem which in our judgment justifies reversal of credit. You authorize us to attempt to collect previously returned items without giving you notice, and in attempting to collect we may permit the payor bank to hold an item beyond the midnight deadline. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. If you deliver a deposit to us and you will not be present when the deposit is counted, you must provide us an itemized list of the deposit (deposit slip). To process the deposit, we will verify and record the deposit, and credit the deposit to the account. If there are any discrepancies between the amounts shown on the itemized list of the deposit and the amount we determine to be the actual deposit, we will notify you of the discrepancy. You will be entitled to credit only for the actual deposit as determined by us, regardless of what is stated on the itemized deposit slip. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

WITHDRAWALS -

Generally - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us.

Postdated checks - A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

Checks and withdrawal rules - If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit. We may refuse any withdrawal or transfer request which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. In addition, we may place limitations on the account until your identity is verified.

Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any), in our discretion we may close your account or reclassify it as a transaction account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification.

If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item.

See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts to which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. An item may be returned after the funds from the deposit of that item are made available for withdrawal. In that case, we will reverse the credit of the item. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

A temporary debit authorization hold affects your account balance - On debit card purchases, merchants may request a temporary hold on your account for a specified sum of money, which may be more than the actual amount of your purchase. When this happens, our processing system cannot determine that the amount of the hold exceeds the actual amount of your purchase. This temporary hold, and the amount charged to your account, will eventually be adjusted to the actual amount of your purchase, but it may be up to three days before the adjustment is made. Until the adjustment is made, the amount of funds in your account available for other transactions will be reduced by the amount of the temporary hold. If another transaction is presented for payment in an amount greater than the funds left after the deduction of the temporary hold amount, that transaction will be a nonsufficient funds (NSF) transaction if we do not pay it or an overdraft transaction if we do pay it. You will be charged an NSF or overdraft fee according to our NSF or overdraft fee policy. You will be charged the fee even if you would have had sufficient funds in your account if the amount of the hold had been equal to the amount of your purchase.

Overdrafts - You understand that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. So you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying

overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. You agree that we may charge fees for overdrafts. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

Multiple signatures, electronic check conversion, and similar transactions - An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the check to examine the signatures on the item. You agree that, as to these or any items as to which we have no opportunity to examine the signatures, you waive any requirement of multiple signatures.

Notice of withdrawal - We reserve the right to require not less than 7 days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit or demand deposit, or from any other savings account as defined by Regulation D. (The law requires us to reserve this right, but it is not our general policy to use it.) Withdrawals from a time account prior to maturity or prior to any notice period may be restricted and may be subject to penalty. See your notice of penalty for early withdrawal.

BUSINESS, ORGANIZATION AND ASSOCIATION ACCOUNTS - Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. You represent that you have the authority to open and conduct business on this account on behalf of the entity. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.

STOP PAYMENTS - Unless otherwise provided, the rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. When you place your stop-payment order we will tell you what information we need to stop payment. This information must be exact since stop-payment orders are handled by computers. If your information is not exact your order will not be effective and we will not be responsible for failure to stop payment.

You may stop payment on any item drawn on your account whether you sign the item or not. Generally, if your stop-payment order is given to us in writing it is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. If the original stop-payment order was oral your stop-payment order will lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop-payment order expires. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

If you stop payment on an item and we incur any damages or expenses because of the stop payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

Our stop-payment cutoff time is one hour after the opening of the next banking day after the banking day on which we receive the item. Additional limitations on our obligation to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

TRANSFER LIMITATIONS - For savings and money market accounts you may make up to six transfers or withdrawals by means of a preauthorized, automatic, or telephonic transfer to another account of yours or to a third party or by check, debit card, or similar order to a third party during any calendar month (or statement cycle of at least four weeks). A preauthorized transfer includes any arrangement with us to pay a third party from your account at (i) a predetermined time; (ii) on a fixed schedule or (iii) upon oral or written orders including orders received through the automated clearing house (ACH). If the transfer or withdrawal is initiated in person, by mail, or at an ATM then there is no limit on the number of payments that may be made directly to you, directly to us for amounts you owe us, or transfers to other accounts you have with us. Withdrawals by phone are also unlimited if you are requesting that a check be mailed to you.

AMENDMENTS AND TERMINATION - We may change any term of this agreement. Rules governing changes in interest rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may also close this account at any time upon reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

NOTICES - Any written notice you give us is effective when we actually receive it, and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive it in time to have a reasonable opportunity to act on it. If the notice is regarding a check or other item, you must give us sufficient information to be able to identify the check or item, including the precise check or item number, amount, date and payee. Written notice we give you is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we have on file. Notice to any of you is notice to all of you.

STATEMENTS - Statements are a valuable tool to help prevent fraudulent or mistaken transfers. Your statement will show the transactions that occurred in connection with your account during the statement period.

Your duty to report unauthorized signatures, alterations and forgeries - Your statement will provide sufficient information for you to reasonably identify the items paid (item number, amount, and date of payment). You should keep a record of each transaction as it is made so that when we give you the information in the statement, you will have a complete understanding of each transaction listed.

You have some responsibilities in connection with your statement. You must examine your statement with "reasonable promptness." Also, if you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we contributed (or in Massachusetts, substantially contributed) to the loss). The loss you might bear, in whole or part, could be not only with respect to items listed on the statement, but also other items with unauthorized signatures or alterations by the same wrongdoer. Of course, an attempt can be made to recover the loss from the thief, but this is often unsuccessful.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but you will not, in any circumstance, have a total of more than 30 days from when we first send or make the statement available to you.

You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we exercised ordinary care. The limitation in this paragraph is in addition to those contained in the second paragraph of this section.

Contact us if you do not receive your regular statement. If this is a business account, you agree that you will have at least two people review your statements, notices, and returned checks, or in the alternative, the person who reviews these will be someone who does not have authority to transact business on the account.

Your duty to report other errors - In addition to the Commercial Code and other state law, you agree there is a common law duty to promptly review your statement for errors in addition to unauthorized signatures, alterations or forgeries. Promptly reviewing your statement is valuable to both you and us because it can help identify, correct and prevent future mistakes.

In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. In addition, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing indorsements or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances. However, this time period shall not exceed 60 days. Failure to examine your statement and items and report any errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the 60 day time period to report other errors.

ACCOUNT TRANSFER - This account may not be transferred or assigned without our prior written consent.

DIRECT DEPOSITS - If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

TEMPORARY ACCOUNT AGREEMENT - If the account documentation indicates that this is a temporary account agreement, each person who signs to open the account or has authority to make withdrawals (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

SETOFF - We may (without prior notice and when permitted by law) set off the funds in this account against any due and payable debt any of you owe us

now or in the future. In California, the amount of the setoff may be further limited by applicable law. If this account is owned by one or more of you as individuals, we may set off any funds in the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date.

This right of setoff does not apply to this account if prohibited by law. For example, the right of setoff does not apply to this account if: (a) it is an Individual Retirement Account or similar tax-deferred account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal only arises in a representative capacity, or (d) setoff is prohibited by the Military Lending Act or its implementing regulations. We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against this account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

RESTRICTIVE LEGENDS OR INDORSEMENTS - The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions on every check. Examples of restrictive legends placed on checks are "must be presented within 90 days", "two signatures required" or "not valid for more than $1,000.00." The payee's signature accompanied by the words "for deposit only" is an example of a restrictive indorsement. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages, or expenses that result from your placement of these restrictions or instructions on your checks.

CREDIT VERIFICATION - You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

CHECK PROCESSING - We process items mechanically by relying solely on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect each item. Because we do not inspect each item, if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements unless you notify us in writing that the check requires multiple indorsements. We must receive the notice in time for us to have a reasonable opportunity to act on it, and you must tell us the precise date of the check, amount, check number and payee. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. Using an automated process helps us keep costs down for you and all account holders.

TRUNCATION, SUBSTITUTE CHECKS, AND OTHER CHECK IMAGES - If you truncate an original check and create a substitute check, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or any other electronic or paper image, if the payment obligation relating to the original check has already been paid. You also warrant that any substitute check you create conforms to the legal requirements and generally accepted specifications for substitute checks. You agree to retain the original check in conformance with our internal policy for retaining original checks. You agree to indemnify us for any loss we may incur as a result of any truncated check transaction you initiate. We can refuse to accept substitute checks that have not previously been warranted by a bank or other financial institution in conformance with the Check 21 Act. Unless specifically stated in a separate agreement between you and us, we do not have to accept any other electronic or paper image of an original check.

FACSIMILE SIGNATURES - Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

AUTHORIZED SIGNERS - Your signature card or electronic account opening record identifies who is authorized to make withdrawals, write checks, transfer funds, stop payments, obtain ancillary services (e.g., electronic fund transfer services or wire transfers), and otherwise give us instructions regarding your account. Although your card may indicate that more than one signature is required on checks and for the withdrawal or transfer of funds, that notation is principally for your own purposes. We do not assume a duty to enforce multiple signature requirements. As such, we assume no duty to confirm that two or more (or any combination) of authorized signers have approved any transaction. Unless we enter into a separate written agreement to the contrary, we may act upon the instructions of any one authorized signer. Although we may attempt on occasion to enforce the multiple signature requirement shown on your card (e.g., by refusing to permit a transaction by less than the stated number of authorized signers), we may cease doing so at any time and without prior notice to you. If we agree in writing to enforce a multiple signature requirement for check withdrawals, you agree to order checks that bear a legend above the signature lines that two signatures (or more, if applicable) are required.

REMOTELY CREATED CHECKS - Like any standard check or draft, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a check or draft that can be used to withdraw money from an account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). In place of a signature, the check usually has a statement that the owner authorized the check or has the owner's name typed or printed on the signature line.

You warrant and agree to the following for every remotely created check we receive from you for deposit or collection: (1) you have received express and verifiable authorization to create the check in the amount and to the payee that appears on the check; (2) you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask; and (3) if a check is returned you owe us the amount of the check, regardless of when the check is returned. We may take funds from your account to pay the amount you owe us, and if there are insufficient funds in your account, you still owe us the remaining balance.

UNLAWFUL INTERNET GAMBLING NOTICE - Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

FUNDS TRANSFERS - The terms used in this section have the meaning given to them in Article 4A of the Uniform Commercial Code - Funds Transfers (UCC 4A). This section will generally not apply to you if you are a consumer. However, even if you are a consumer, this section will apply to that part of any funds transfer that is conducted by Fedwire. This section is subject to UCC 4A as adopted in the state in which you have your deposit with us. This agreement is also subject to all clearing house association rules, rules of the Board of Governors of the Federal Reserve System and their operating circulars. If any part of this agreement is determined to be unenforceable, the rest of the agreement remains effective. This agreement controls funds transfers unless supplemented or amended in a separate written agreement signed by us. This agreement does not apply to a funds transfer if any part of the transfer is governed by the Electronic Fund Transfer Act of 1978 (EFTA), except this agreement does apply to a funds transfer that is a remittance transfer as defined in EFTA unless the remittance transfer is an electronic fund transfer as defined in EFTA.

Funds transfer - A funds transfer is the transaction or series of transactions that begin with the originator's payment order, made for the purpose of making payment to the beneficiary of the order. A funds transfer is completed by the acceptance by the beneficiary's bank of a payment order for the benefit of the beneficiary of the originator's order. You may give us a payment order orally, electronically, or in writing, but your order cannot state any condition to payment to the beneficiary other than the time of payment. Credit entries may be made by ACH.

Authorized account - An authorized account is a deposit account you have with us that you have designated as a source of payment of payment orders you issue to us. If you have not designated an authorized account, any account you have with us is an authorized account to the extent that payment of the payment order is not inconsistent with the use of the account.

Acceptance of your payment order - We are not obligated to accept any payment order that you give us, although we normally will accept your payment order if you have a withdrawable credit in an authorized account sufficient to cover the order. If we do not execute your payment order, but give you notice of our rejection of your payment order after the execution date or give you no notice, we are not liable to pay you as restitution any interest on a withdrawable credit in a non-interest-bearing account.

Cutoff time - If we do not receive your payment order or communication canceling or amending a payment order before our cutoff time on a funds transfer day for that type of order or communication, the order or communication will be deemed to be received at the opening of our next funds transfer business day.

Payment of your order - If we accept a payment order you give us, we may receive payment by automatically deducting from any authorized account the amount of the payment order plus the amount of any expenses and charges for our services in execution of your payment order. We are entitled to payment on the payment or execution date. Unless your payment order specifies otherwise, the payment or execution date is the funds transfer date we receive the payment order. The funds transfer is completed upon acceptance by the beneficiary's bank. Your obligation to pay your payment order is excused if the funds transfer is not completed, but you are still responsible to pay us any expenses and charges for our services. However, if you told us to route the funds transfer through an intermediate bank, and we are unable to obtain a refund because the intermediate bank that you designated has suspended payments, then you are still obligated to pay us for the payment order. You will not be entitled to interest on any refund you receive because the beneficiary's bank does not accept the payment order.

Security procedure - As described more fully in a separate writing, the authenticity of a payment order or communication canceling or amending a payment order issued in your name as sender may be verified by a security procedure. You affirm that you have no circumstances which are relevant to

the determination of a commercially reasonable security procedure unless those circumstances are expressly contained in a separate writing signed by us. You may choose from one or more security procedures that we have developed, or you may develop your own security procedure if it is acceptable to us. If you refuse a commercially reasonable security procedure that we have offered you, you agree that you will be bound by any payment order issued in your name, whether or not authorized, that we accept in good faith and in compliance with the security procedure you have chosen.

Duty to report unauthorized or erroneous payment - You must exercise ordinary care to determine that all payment orders or amendments to payment orders that we accept that are issued in your name are authorized, enforceable, in the correct amount, to the correct beneficiary, and not otherwise erroneous. If you discover (or with reasonable care should have discovered) an unauthorized, unenforceable, or erroneously executed payment order or amendment, you must exercise ordinary care to notify us of the relevant facts. The time you have to notify us will depend on the circumstances, but that time will not in any circumstance exceed 14 days from when you are notified of our acceptance or execution of the payment order or amendment or that your account was debited with respect to the order or amendment. If you do not provide us with timely notice you will not be entitled to interest on any refundable amount. If we can prove that you failed to perform either of these duties with respect to an erroneous payment and that we incurred a loss as a result of the failure, you are liable to us for the amount of the loss not exceeding the amount of your order.

Identifying number - If your payment order identifies an intermediate bank, beneficiary bank, or beneficiary by name and number, we and every receiving or beneficiary bank may rely upon the identifying number rather than the name to make payment, even if the number identifies an intermediate bank or person different than the bank or beneficiary identified by name. Neither we nor any receiving or beneficiary bank have any responsibility to determine whether the name and identifying number refer to the same financial institution or person.

Record of oral or telephone orders - You agree that we may, if we choose, record any oral or telephone payment order or communication of amendment or cancelation.

Notice of credit - If we receive a payment order to credit an account you have with us, we are not required to provide you with any notice of the payment order or the credit.

Provisional credit - You agree to be bound by the automated clearing house association operating rules that provide that payments made to you or originated by you by funds transfer through the automated clearing house system are provisional until final settlement is made through a Federal Reserve Bank or otherwise payment is made as provided in Article 4A-403(a) of the Uniform Commercial Code.

Refund of credit - You agree that if we do not receive payment of an amount credited to your account, we are entitled to a refund from you in the amount credited and the party originating such payment will not be considered to have paid the amount so credited.

Amendment of funds transfer agreement - From time to time we may amend any term of this agreement by giving you reasonable notice in writing. We may give notice to anyone who is authorized to send payment orders to us in your name, or to anyone who is authorized to accept service.

Cancelation or amendment of payment order - You may cancel or amend a payment order you give us only if we receive the communication of cancelation or amendment before our cutoff time and in time to have a reasonable opportunity to act on it before we accept the payment order. The communication of cancelation or amendment must be presented in conformity with the same security procedure that has been agreed to for payment orders.

Intermediaries - We are not liable for the actions of any intermediary, regardless of whether or not we selected the intermediary. We are not responsible for acts of God, outside agencies, or nonsalaried agents.

Limit on liability - You waive any claim you may have against us for consequential or special damages, including loss of profit arising out of a payment order or funds transfer, unless this waiver is prohibited by law. We are not responsible for attorney fees you might incur due to erroneous execution of payment order.

Erroneous execution - If we receive an order to pay you, and we erroneously pay you more than the amount of the payment order, we are entitled to recover from you the amount in excess of the amount of the payment order, regardless of whether you may have some claim to the excess amount against the originator of the order.

Objection to payment - If we give you a notice that reasonably identifies a payment order issued in your name as sender that we have accepted and received payment for, you cannot claim that we are not entitled to retain the payment unless you notify us of your objection to the payment within one year of our notice to you.

POWER OF ATTORNEY - You may wish to appoint an agent to conduct transactions on your behalf. (We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the agent are for your benefit.) This may be done by allowing your agent to sign in that capacity on the signature card or by separate form, such as a power of attorney. A power of attorney continues until your death or the death of the person given the power. If the power of attorney is not "durable," it is revoked when you become incompetent. We may continue to honor the transactions of the agent until: (a) we have received written notice or have actual knowledge of the termination of the authority or the death of an owner, and (b) we have had a reasonable opportunity to act on that notice or knowledge. You agree not to hold us responsible for any loss or damage you may incur as a result of our following instructions given by an agent acting under a valid power of attorney.

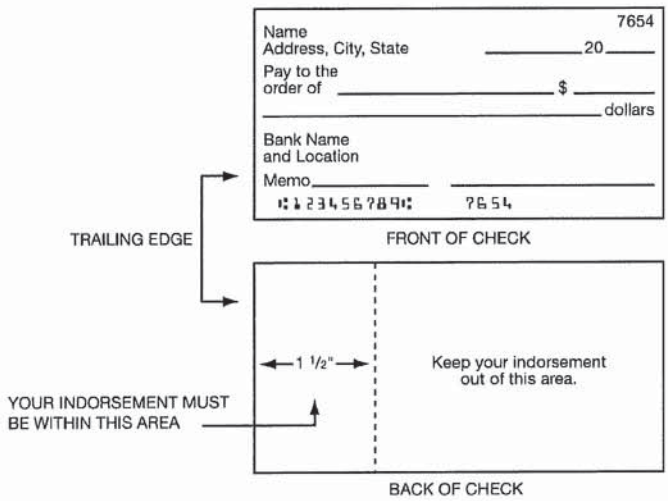
STALE-DATED CHECKS - We are not obligated to, but may at our option, pay a check, other than a certified check, presented for payment more than six months after its date. If you do not want us to pay a stale-dated check, you must place a stop-payment order on the check in the manner we have described elsewhere.

FDIC INSURANCE - Funds in your account(s) with us are insured by the Federal Deposit Insurance Corporation (FDIC) and backed by the full faith and credit of the United States. The amount of insurance coverage you have depends on the number of accounts you have with us that are of different "ownership." An individual account is one unique form of "ownership"; a joint account, a pay-on-death account, and a self directed qualified retirement account (e.g., an IRA) are examples of some of the others. Deposit insurance for a person's self directed qualified retirement account is up to $250,000. (An IRA is a self directed qualified retirement account as is any account where the owner decides where and how to invest the balance.) Funds are insured to $250,000 per depositor for the total of funds combined in all of your other insured accounts with us. If you want a more detailed explanation or additional information, you may ask us or contact the FDIC. You can also visit the FDIC website at www.fdic.gov and click on the Deposit Insurance link. The link includes detailed contact information as well as a deposit insurance estimator.

INDORSEMENTS - We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine.

To ensure that your check or share draft is processed without delay, you must indorse it (sign it on the back) in a specific area. Your entire indorsement (whether a signature or a stamp) along with any other indorsement information (e.g. additional indorsements, ID information, driver's license number, etc.) must fall within 1 1/2" of the "trailing edge" of a check. Indorsements must be made in blue or black ink, so that they are readable by automated check processing equipment.

As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 1/2" of that edge.



It is important that you confine the indorsement information to this area since the remaining blank space will be used by others in the processing of the check to place additional needed indorsements and information. You agree that you will indemnify, defend, and hold us harmless for any loss, liability, damage or expense that occurs because your indorsement, another indorsement or information you have printed on the back of the check obscures our indorsement.

These indorsement guidelines apply to both personal and business checks.

UNCLAIMED PROPERTY - The law establishes procedures under which unclaimed property must be surrendered to the state. (We may have our own rules regarding dormant accounts, and if we charge a fee for dormant accounts it will be disclosed to you elsewhere.) Generally, the funds in your account are considered unclaimed if you have not had any activity or communication with us regarding your account over a period of years. Ask us if you want further information about the period of time or type of activity that will prevent your account from being unclaimed. If your funds are surrendered to the state, you may be able to reclaim them, but your claim must be presented to the state. Once your funds are surrendered, we no longer have any liability or responsibility with respect to the funds.

In California, UNCLAIMED PROPERTY NOTICE - Your property may be transferred to the appropriate state if no activity occurs in the account within the time period specified by state law.

DEATH OR INCOMPETENCE - You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items, and instructions until: (a) we know of your death or adjudication of incompetence, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of incompetence for up to ten (10)

days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account.

FIDUCIARY ACCOUNTS - Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any obligation to monitor or enforce the terms of the trust or letters.

CASH TRANSACTION REPORTING - To help law enforcement agencies detect illegal activities, the law requires all financial institutions to gather and report information on some types of cash transactions. If the information we need to complete the report is not provided, we are required to refuse to handle the transaction. If you have any questions regarding these rules, please contact your local Internal Revenue Service office.

BACKUP WITHHOLDING/TIN CERTIFICATION - Federal tax law requires us to report interest payments we make to you of $10 or more in a year, and to include your taxpayer identification number (TIN) on the report. Interest includes dividends, interest and bonus payments for purposes of this rule. Therefore, we require you to provide us with your TIN and to certify that it is correct. The TIN is either a social security number (SSN) or an employer identification number (EIN). For most organization or business accounts other than sole proprietorships, the appropriate TIN is the EIN of the organization or business entity. For sole proprietorships, either the SSN or the EIN is appropriate. However, we must supply the IRS with both the individual owner's name and the business name of the sole proprietorship. The appropriate TINs for various other types of accounts are:

Account type - TIN
Individual - SSN of the individual.
Joint Account - SSN of the owner named first on the account.
Uniform Gift/Transfer to Minor - SSN of the minor.
Informal (Revocable) Trust - SSN of the owner.

In some circumstances, federal law requires us to withhold and pay to the IRS a percentage of the interest that is earned on funds in your accounts. This is known as backup withholding. We will not have to withhold interest payments when you open your account if you certify your TIN and certify that you are not subject to backup withholding due to underreporting of interest. We may subsequently be required to begin backup withholding if the IRS informs us that you supplied an incorrect TIN or that you underreported your interest income. If you do not have a TIN, we may defer backup withholding if you certify that you do not have a TIN but have applied for one. However, we must begin backup withholding if you do not supply us with a certified TIN within 60 days. If you do not have a TIN because you are a foreign person (either an individual who is a nonresident alien or a foreign organization) you must certify your foreign status. If you are an exempt payee (receiver of interest payments), you do not need to certify your TIN, but you will have to certify your exempt status and supply us with your TIN. The most common exempt payees are corporations, organizations exempt from tax under Section 501(a), and an individual retirement plan or a custodial account under Section 403(b)(7). If you do not supply us with the appropriate TIN, we may refuse to open your account.

LOST, DESTROYED, OR STOLEN CERTIFIED, CASHIER'S, OR TELLER'S CHECKS - Under some circumstances you may be able to assert a claim for the amount of a lost, destroyed, or stolen certified, cashier's or teller's check. To assert the claim: (a) you must be the remitter (or drawer of a certified check) or payee of the check, (b) we must receive notice from you describing the check with reasonable certainty and asking for payment of the amount of the check, (c) we must receive the notice in time for us to have a reasonable opportunity to act on it, and (d) you must give us a declaration (in a form we require) of your loss with respect to the check. You can ask us for a declaration form. Even if all of these conditions are met, your claim may not be immediately enforceable. We may pay the check until the ninetieth day after the date of the check (or date of acceptance of a certified check). Therefore, your claim is not enforceable until the ninetieth day after the date of the check or date of acceptance, and the conditions listed above have been met. If we have not already paid the check, on the day your claim is enforceable we become obligated to pay you the amount of the check. We will pay you in cash or issue another certified check.

At our option, we may pay you the amount of the check before your claim becomes enforceable. However, we will require you to agree to indemnify us for any losses we might suffer. This means that if the check is presented after we pay your claim, and we pay the check, you are responsible to cover our losses. We may require you to provide a surety bond to assure that you can pay us if we suffer a loss.

CHANGING ACCOUNT PRODUCTS - We may change your account to another product offered by us at any time by giving you notice that your account will be changed to another product on a specified date. If your account is a time account, the change will not occur before the next maturity date of your account. If you do not close your account before the date specified in the notice, we may change your account to that other product on the date specified in the notice.

TRANSACTIONS BY MAIL - You may deposit checks by mail. You should indorse the check being sent through the mail with the words "For Deposit Only" and should include your correct account number underneath to ensure the check is credited to the correct account. You should use the pre-encoded checking deposit slips found behind your checks in your checkbook. If you do not use your deposit slip or provide us with instructions indicating how or where the check should be credited, we may apply it to any account or any loan balance you have with us or we may return the check to you. Receipts for such transactions will be mailed to you only if a self-addressed stamped envelope is provided. Following your deposit, examine your statement carefully or call us to ensure that we received the item. Do not send cash through the mail for deposit.

LEGAL ACTIONS AFFECTING YOUR ACCOUNT - If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. Or, in our discretion, we may freeze the assets in the account and not allow any payments out of the account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

CHECK STORAGE AND COPIES - You agree that you will not receive your canceled checks. We will store your canceled checks or copies of them for a reasonable retention period. You may request copies from us in the manner we require.

SECURITY - It is your responsibility to protect the account number(s) and access device(s) (e.g., an ATM card, point-of-sale card and/or PIN) for your account(s). Do not discuss, compare, or share information about your account number(s) or access device(s) with anyone unless you are willing to give them full use of your money. Checks and electronic withdrawals are processed by automated methods, and anyone who obtains your account number or access device could use it to withdraw money from your account, with or without your permission.

Account numbers - Thieves can encode your account number on a check which looks and functions like an authorized check and can be used to withdraw money from your account. Your account number can also be used to issue a "remotely created check." Like a typical check, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a draft or check that can be used to withdraw money from your account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). If you have truly authorized the remotely created check (to purchase a service or merchandise, for example), it is properly payable. But it can be risky to authorize a remotely created check. A swindler could issue a remotely created check in an amount greater than you authorized, or issue additional remotely created checks that you have not authorized. We will not know if the withdrawal is unauthorized or in an amount greater than the amount you have authorized. Payment can be made from your account even though you did not contact us directly and order the payment.

Access devices - If you furnish your access device and grant actual authority to make transfers to someone who then exceeds that authority, you will be liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Please review the additional information you have received or will receive regarding transfers by access device.

Blank checks - You must also take precaution in safeguarding your blank checks. Notify us at once if you think your blank checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself, or share the loss with us if we failed to use ordinary care which substantially contributes to the loss.

TELEPHONIC INSTRUCTIONS - Unless required by law or we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voice mail or on a telephone answering machine.

MONITORING AND RECORDING TELEPHONE CALLS AND CONSENT TO RECEIVE COMMUNICATIONS - We may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation.

To provide you with the best possible service in our ongoing business relationship for your account we may need to contact you about your account from time to time by telephone, text messaging or email. However, we must first obtain your consent to contact you about your account because we must comply with the consumer protection provisions in the federal Telephone Consumer Protection Act of 1991 (TCPA), CAN-SPAM Act and their related federal regulations and orders issued by the Federal Communications Commission (FCC).

- Your consent is limited to this account, and as authorized by applicable law and regulations.
- Your consent does not authorize us to contact you for telemarketing purposes (unless you otherwise agreed elsewhere).

With the above understandings, you authorize us to contact you regarding this account throughout its existence using any telephone numbers or email addresses that you have previously provided to us or that you may subsequently provide to us.

This consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize

us to contact you through the use of voice, voice mail and text messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device.

If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.

CLAIM OF LOSS - If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you.

You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

EARLY WITHDRAWAL PENALTIES (and involuntary withdrawals) - We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

ADDRESS OR NAME CHANGES - You are responsible for notifying us of any change in your address or your name. Unless we agree otherwise, change of address or name must be made in writing by at least one of the account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

RESOLVING ACCOUNT DISPUTES - We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) others claiming an interest as survivors or beneficiaries of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

WAIVER OF NOTICES - To the extent permitted by law, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit a check and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

ACH AND WIRE TRANSFERS - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

INTERNATIONAL ACH TRANSACTIONS - Financial institutions are required by law to scrutinize or verify any international ACH transaction (IAT) that they receive against the Specially Designated Nationals (SDN) list of the Office of Foreign Assets Control (OFAC). This action may, from time to time, cause us to temporarily suspend processing of an IAT and potentially affect the settlement and/or availability of such payments.

VISA ACCOUNT UPDATER NOTICE OF RIGHT TO OPT OUT - Your Visa Check Card will be automatically enrolled in the free Visa® Account Updater (VAU) service. VAU helps participating merchants who receive recurring payments from your card have access to current card account information on file. For instance, participating merchants will have access to information about card expiration, or if you report that your card has been lost or stolen. You are entitled to opt out of this service. You may opt out at any time.

If you want to opt out, phone us at 617-912-4000. You must include your name and account number. If you opt out, you may opt back in if you decide you want the Visa Account Updater service in the future. You may opt in the same way(s) that you can opt out.

YOUR ABILITY TO WITHDRAW FUNDS

This policy statement applies to all deposit accounts.

The funds availability policy does not apply to checks drawn on banks or branches of banks located outside the United States or payable in foreign currency.

Our policy is to make funds from your cash deposits not made in person to one of our employees and check deposits available to you on the first business day after the day we receive your deposit. Cash deposits made in person to one of our employees, wire transfers, and electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 4:00 P.M. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 4:00 P.M. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

If you make a deposit at an ATM before 6:00 P.M. ET OR 3:00 P.M. PT on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit at an ATM after 6:00 P.M. ET OR 3:00 P.M. PT or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

LONGER DELAYS MAY APPLY

Case-by-case delays. In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first $200 of your deposits, however, will be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

Safeguard exceptions. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

We believe a check you deposit will not be paid.

You deposit checks totaling more than $5,000 on any one day.

You redeposit a check that has been returned unpaid.

You have overdrawn your account repeatedly in the last six months.

There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit.

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first $5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over $5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first $5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

LIMITED LIABILITY COMPANY AUTHORIZATION

Sub Firm #	BR Code	FA Code	Account Number

WELLS FARGO ADVISORS

I, David P. Kennedy being a duly elected, qualified and acting manager or managing manager of Kelmar Associates, LLC, a limited liability company (the "LLC"), do hereby certify to, and agree with, Wells Fargo Advisors ("WFA"), as follows:

1. The LLC was organized under the laws of the State of Delaware and articles of organization have been filed pursuant to the Limited Liability Company Act of that State.

2. As set forth in the Operating Agreement of the LLC dated 10/02/2001 (the "Operating Agreement"), the LLC is *(check one)*:

   ☒ **a MEMBER-managed LLC** ☐ **a MANAGER-managed LLC**

3. Any one of the following individual(s) have the authority, on behalf of the LLC to establish and maintain one or more accounts with WFA for the purpose of (i) purchasing or selling (long and short) securities, options and/or commodities contracts, (ii) the payment of money, (iii) the registration and delivery of securities, options and/or commodities contracts, (iv) transferring securities or funds to any person including, but not limited to, the person giving such instructions, or to any member or to any account of such person or member of any account in which they have an interest, and (v) any other action with respect to this account.

Name *(please print)*	Signature
David P. Kennedy	
Michael J. LeBlanc	

4. WFA shall be fully protected in relying upon this authorization and shall be indemnified and held harmless by the LLC from any and all claims, demands, expenses, losses or damages, including reasonable attorneys fees, incurred by WFA on the account of WFA's honoring the signature or instruction (written or oral) of any person designated in this authorization as having the power and authority to act on behalf of the LLC.

5. This Authorization shall remain in full force and effect until such time as WFA shall have received written notice of the amendment or rescission thereof and has had a reasonable time (not less than two full business days) to act upon such notices. Upon the amendment of the Operating Agreement to change the authority of the persons designed in paragraph 3 hereof, the LLC shall immediately notify WFA and cause a new authorization to be executed and delivered to WFA.

6. Any and all transactions by any of the persons designated herein, acting on behalf of the LLC with WFA prior to the delivery of this authorization, are ratified, confirmed, approved and adopted by the LLC.

Executed this 22 day of July, 2013

Signature **X**

Printed Name David P. Kennedy

Title *(Check One)*: ☒ ***Member*** ☐ ***Manager***

Investment and Insurance Products:

Not Insured by FDIC or any Federal Government Agency	May Lose Value	Not a Deposit of or Guaranteed by a Bank or Any Bank Affiliate

Wells Fargo Advisors, LLC is a registered broker-dealer and separate non-bank affiliate of Wells Fargo & Company

Print

General Account Agreement and Disclosure Document

Wells Fargo Advisors, LLC

Client Agreement

I. GENERAL ACCOUNT TERMS AND CONDITIONS

1. INTRODUCTION

The terms and conditions of this Client Agreement ("Agreement") will control the brokerage account and your Advisory Program Account you are opening with Wells Fargo Advisors, LLC ("WFA") or Wells Fargo Advisors Financial Network, LLC ("WFAFN") and any other brokerage account you open with us in the future. For purposes of this Agreement, WFA and WFAFN will be referred to as "Wells Fargo Advisors" or "WFA". Each brokerage account you open is a margin brokerage securities account, unless otherwise prohibited by applicable law or the terms of a particular program or type of account, or unless you have requested the opening of only a cash account.

WFA will act as your introducing broker and First Clearing, LLC ("FCC") will act as the broker that will carry the Account and extend credit on any margin purchases. References to WFA shall be deemed to include FCC and other agents with respect to services provided by such agents. If you have an Advisory Program Account or open a new Advisory Program Account in the future, WFA also will act as your investment adviser.

In consideration of WFA and FCC accepting and FCC carrying your Account, you agree to the terms and conditions of this Agreement. This Agreement includes the Signature Page(s), these terms and conditions and applicable disclosure documents related to your Account ("Account Disclosures"), together with any additions, amendments or supplements to such documents. There may be additional terms, account disclosures or agreements, such as the Wells Fargo Online Access Agreement, which may be applicable to a particular feature, program, account or service related to your Account.

By signing the Signature Page(s), you agree to this Agreement and any additional terms, agreements or Account Disclosures we may provide you, which are incorporated into this Agreement by reference. If you open an Advisory Program Account after you execute this Agreement, you may be required to execute additional agreements specific to those Advisory Program Accounts.

DEFINITIONS

"You", ***"Yours"***, ***"the Undersigned"*** and the ***"Accountholder"*** refer to the person(s) who sign the Signature Page(s) and enter into this Agreement with WFA.

"We", ***"Our"***, ***"Ours"*** and ***"Us"*** refer to WFA or FCC, together with their affiliates. ***"Affiliate(s)"*** means any entity that is controlled by, controls or is under common control with WFA. Each Affiliate is a separate legal entity, none of which is responsible for the obligations of the other.

"Agreement" refers to this Client Agreement entered into between you and us regarding your Account together with any supplemental Advisory Program Account agreements.

"Account" means collectively or individually any brokerage account and/or any Advisory Program Account you have with us, including any and all funds, money, Securities and/or Other Property that you have with WFA pursuant to this Agreement at any time.

"Securities and/or Other Property" means, but is not limited to, money, securities, financial instruments and commodities of every kind and nature and related contracts and options, distributions, proceeds, products and accessions of all property.

"Advisory Program" means any investment advisory program currently offered by WFA and any investment advisory program WFA may create or offer in the future, in each case that is governed by the Advisers Act. ***"Advisory Program Account"*** means an Account that is governed by this Agreement.

"Disclosure Documents" means the Form ADV, Part 2 associated with each of the Advisory Programs offered.

"Discretionary" means you have authorized us or a third party to act on your behalf with respect to your Account.

"Manager" means any affiliated or unaffiliated investment adviser, including Wells Fargo Bank, N.A., who provides day-to-day investment management of the Account(s).

"Account Application" means the information about you and your investment objectives, risk tolerance and financial information relevant to a particular Account.

"Program Features" means the Program Features and Fee Schedule, which includes additional terms and conditions and the fee schedule applicable to each Advisory Program.

"Business Day" means Monday through Friday, excluding New York Stock Exchange holidays. ***"Bank Business Day"*** means Monday through Friday, excluding Federal holidays.

2. OWNERSHIP, AUTHORITY & AGENCY

By signing this Agreement, you certify that information you have provided to us is accurate and complete. You also certify that (a) you are of legal age to enter into contracts in the state where you live; (b) no one has any interest in the Account unless such interest is shown in the title of the Account; (c) you are not employed by a broker-dealer or other employer whose consent is required to open and maintain this Account by regulation or otherwise, unless such consent has been provided to us; (d) you are not a director, 10% beneficial owner, policy making officer, or otherwise an "affiliate" (as defined in Rule 144 under the Securities Act of 1933) of a publicly traded company, unless you have so indicated to us, and (e) you are not insolvent. You will immediately notify us in writing of any changes to these representations.

You appoint WFA as your agent for the purpose of carrying out your instructions, including those relating to the purchase or sale of securities. You assume all investment risk with respect to such transactions. All transactions will be executed only on your order or the order of your authorized representative(s), except as provided by this Agreement or otherwise agreed to. As your agent, we are authorized to establish relationships with clearing brokers and to appoint and use sub-agents. You authorize us and our sub-agents to, among other things, open or close brokerage accounts; establish a sweep bank deposit account for you or open bank accounts in your name for the Command Asset Program and the Command Asset Program for Business; maintain customer records; hold securities in bearer, registered or book entry form; place and withdraw orders, and take other reasonable steps in connection with our duties. We may, in our sole discretion and without prior notice to you, refuse or restrict your orders. You understand that banks and other companies affiliated with us may be investment advisors or lenders to issuers whose securities we broker.

FCC carries your Account as clearing broker pursuant to a clearing agreement with us. We do not act as FCC's agent, and you will in no way hold us, any of our Affiliates, or any officer, director, or agent of ours liable for any trading losses or other losses you incur. Until we receive a written notice from you to the contrary, FCC may accept from us any instructions concerning your Account, without inquiry or investigation, including orders to purchase or sell Securities and/or Other Property on margin. Typically, we will send you notices concerning margin requirements and/or other matters related to your Account. However, if market conditions or time constraints require, or if FCC, in its sole discretion, determines it is appropriate, FCC may send notice directly to you with or without duplicate notice to us. For more information regarding the clearing agreement with FCC, please see the Disclosure of Clearing Agreement in the Account Disclosures.

3. INFORMATION DISCLOSURES & CREDIT INVESTIGATIONS

You acknowledge that you have received a copy of the Wells Fargo Privacy Policy ("Privacy Policy") brochure which describes Wells Fargo's general policies regarding the use and sharing of information and the personal information provided to us in connection with the opening of an Account. We may use and share information about you, and you may "opt out" of certain types of information sharing, in accordance with those policies. You authorize us to obtain consumer credit and other reports from any consumer reporting agency to obtain information necessary to open your Account or for any other purpose for so long as your Account is open or any amount is owed to us. Even if you opt out of information sharing with third parties for marketing purposes as described in the Privacy Policy brochure, and unless you separately object in writing, we may release your name, address and security positions to the companies that issued such securities if requested by those companies.

We are required to make a reasonable determination and verification of your Account profile. Until such verification is complete, we may not be able to service and maintain your Account. By signing this Agreement, you consent to our obtaining background and/or credit reports necessary to comply with any federal or state statutes or industry regulations. We may request credit-reporting agencies for consumer reports of your credit history. Upon request, we will inform you whether we have obtained any credit reports and, if we have, we will inform you of the name and address of the credit-reporting agency. If you fail to fulfill the terms of your credit obligations, we may submit a negative credit report to a credit-reporting agency. Under the Fair Credit Reporting Act (the Federal law embodied in 15 U.S.C. § 1681 et seq.), you have the right to notify us if you believe we have reported inaccurate information about you or your Account to any consumer-reporting agency. Send your notice in writing to First Clearing Client Services, One North Jefferson Ave., St. Louis, MO 63103. Include your complete name, current address, social security number, telephone number, account number, type of account, specific item or dispute, and the reason why you believe the information reported is in error.

4. COMMUNICATIONS, RECORDING & MONITORING, STATEMENTS & CONFIRMATIONS

We will send communications to the mailing address we have on file for you, or to another address you may give us. We may also provide certain notices and other communications to you orally. You consent to our recording your telephone calls with us and monitoring your electronic communications with us without further notice. All communications we provide to you by mail, electronically or otherwise shall be deemed personally delivered to you, whether you actually receive the communication or not.

We will provide you with an Account statement quarterly or monthly in the months in which activity occurs in your Account. You may elect to receive the monthly/quarterly statements for all your Accounts with a common mailing address together in a single mailing.

We will not send separate confirmations for the following transactions: (i) dividends or distributions which are credited or reinvested, or transactions effected pursuant to a dividend reinvestment plan (“DRP”), (ii) shares of money market mutual funds which are purchased or redeemed, or as part of the Cash Sweep Program, or (iii) transactions effected pursuant to a periodic plan or automatic investment or withdrawal plan. Your Account statements will reflect these transactions.

It is your responsibility to review all statements and confirmations delivered to you. Statements and confirmations shall be considered accurate unless you notify us in writing no later than ten (10) calendar days after receipt of statements or confirmations, that the information is inaccurate. Inquiries concerning the balance and positions in your Account should be directed to First Clearing Client Services, One North Jefferson Ave., St. Louis, MO 63103. All other inquiries and notices of inaccuracies concerning your Account and its activities should be directed \ in writing to the manager of the branch office at which your Account is maintained. Failure to notify us shall prevent you from later asserting that such transactions were unauthorized.

You agree to notify us promptly in writing of any change in your name, address, employment or designation of Settlement Choice.

You expressly authorize your WFA designated Financial Advisor to contact you for purposes of evaluating and offering products and services that may be of interest by calling, faxing, writing, or emailing at the phone number(s), mailing address, and/or email address(es) listed in the Account Application or any additional or updated numbers, addresses, or email addresses that you may provide in the future. This authorization applies only to Wells Fargo Advisors; all other business units within Wells Fargo will remain bound to any solicitation preferences that have otherwise been requested by you with Wells Fargo. This authorization will remain in effect until it is specifically revoked by you by notifying the Financial Advisor with whom you are in contact. This authorization will not be affected by any subsequent solicitation preference requests you make of Wells Fargo generally.

5. PRE-DISPUTE ARBITRATION AGREEMENT

This Agreement contains a pre-dispute arbitration clause. By signing an arbitration agreement, the Parties agree as follows. “Party” or “Parties” means you and WFA, together with their Affiliates, collectively:

- **All of the 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 the claim is filed.**
- **Arbitration awards are generally final and binding; a Party’s ability to reverse or modify an arbitration award is very limited. The ability of the Parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.**
- **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.**
- **The panel of arbitrators typically will include a minority of arbitrators who were or are affiliated with the securities industry.**
- **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.**
- **The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.**

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute 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; or
ii) the class is decertified; or
iii) the client 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.

With respect to controversies or disputes which may arise between you and WFA (and/or its clearing agent), (collectively “us”), under this Agreement concerning matters involving alleged violations of the Investment Advisers Act of 1940 (“Investment Advisers Act”) or applicable state investment advisory laws, it is understood that the Securities and Exchange Commission and various state securities regulatory agencies believe that an agreement to submit disputes to arbitration does not constitute a waiver of any rights provided under the Investment Advisers Act or applicable state investment advisory laws, including the right to choose a forum, whether by arbitration or adjudication, in which to seek the resolution of disputes.

It is agreed that all controversies or disputes which may arise between you and WFA, including controversies or disputes with WFA's clearing agent (collectively, “us”), concerning any transaction or the construction, performance or breach of this Agreement or any other agreement between us, whether entered into prior to, on, or subsequent to the date of this Agreement, including any controversy concerning whether an issue is arbitrable, shall be determined by arbitration conducted before, and only before, an arbitration panel set up by either the Financial Industry Regulatory Authority ("FINRA") in accordance with its arbitration procedures. Any of us may initiate arbitration by filing a written claim with FINRA. Any arbitration under this Agreement will be conducted pursuant to the Federal Arbitration Act and the Laws of the State of New York. The state or federal statute of limitations, statute of repose, non claim statute or any other time bar that would be applicable to any claim filed in a court of competent jurisdiction shall be applicable to any claim filed in arbitration.

6. PURCHASES & SALES

We may execute orders to purchase or sell Securities and/or Other Property on any exchange or market we select. You are responsible for keeping yourself informed, and we are under no obligation to keep you informed of developments in the markets concerning your Account. You acknowledge that Securities and/or Other Property held in your Account may carry with them valuable rights that may expire unless you take action. You will be solely responsible for knowing the

rights, terms, and deadlines for taking action with respect to Securities and/or Other Property in your Account, and for taking action to realize the value of such Securities and/or Other Property. We have no obligation to notify you of the nature of such rights and terms, or of impending deadlines, expiration or redemption dates affecting such Securities and/or Other Property.

The standard cut-off time for mutual fund orders is 4:00 p.m. Eastern time. The market may close earlier on holidays or for unforeseen circumstances. You understand that mutual fund purchase orders that we receive and that are entered into our systems before the cut-off time will be priced as of that Business Day. Orders we receive after the cut-off time will receive pricing calculated on the next Business Day.

We may, at our sole discretion and without prior notice to you, prohibit or restrict your ability to trade or substitute Securities and/or Other Property in your Account. We cannot guarantee requests to cancel or modify an order. We may receive late and/or erroneous trade reports from the marketplace where your order is executed, which may result in an adjustment to your order or the information on a trade execution reported to you.

We shall not be liable in connection with entering, executing, handling, selling or purchasing securities or orders for your Account except for gross negligence or willful misconduct on our part.

7. CASH SWEEP PROGRAM & SETTLEMENT

Under the Wells Fargo Cash Sweep Program (“Sweep Program”), uninvested cash balances - for which no interest is otherwise earned or paid – in your Account are automatically swept into interest-bearing deposit accounts ("Bank Deposit Sweep") or, if available, money market mutual funds or such other sweep arrangements made available to you (collectively “Cash Sweep Vehicles”), until these balances are invested by you or otherwise needed to satisfy obligations arising in connection with your Account. Eligibility for each available Cash Sweep Vehicle is determined by account type and can be obtained by contacting your Financial Advisor. For standard brokerage accounts, the Bank Deposit Sweep serves as the Cash Sweep Vehicle for eligible clients. For ineligible accounts and clients, uninvested cash balances will be placed in an available money market mutual fund. Available money market mutual funds include those for which an affiliate of WFA provides investment management and other services. *The Cash Sweep Program is described more fully in the Cash Sweep Program Disclosure Statement, which you will receive under separate cover after your Account is opened. You should read this carefully.*

DEFINITIONS

“Cash Sweep Vehicle” refers to the automatic deposit of uninvested funds in an Account into either the Bank Deposit Sweep or an available money market mutual fund or such other sweep arrangements made available to you.

The Cash Sweep Vehicle, free credit balance or linked bank deposit account are collectively referred to below as your ***“Settlement Choice.”***

The Cash Sweep Vehicle will be used in connection with settlement of transactions in your Account, unless you select (if available) not to have a Cash Sweep Vehicle and instead select free credit balance or link your Account to a bank deposit account (collectively the Cash Sweep Vehicle, free credit balance or a linked bank account are referred to herein as the “Settlement Choice”) to be used in connection with settlement of transactions in your Account. WFA may, at its discretion, change or replace the available Settlement Choice. Except as provided elsewhere in this Agreement, WFA will give you advance notice of any such change in a Settlement Choice.

You authorize and direct us to invest or deposit free credit balances, including dividends, interest or other cash we receive for your Account, in your Settlement Choice within a reasonable time after receipt. Proceeds from the sale of securities will be invested or deposited in your Settlement Choice following settlement, provided that the securities sold have been received in good deliverable form prior to the settlement date. Unless you instruct us otherwise, we will hold non-cash proceeds in your Account. Credit balances that are needed to settle a transaction or that are collateral for your obligations, such as a cash balance resulting from a short sale, will remain in your Account and will not be deposited or invested in your Settlement Choice.

You also authorize and direct us to automatically withdraw cash, redeem money market mutual fund shares or sell securities maintained in your Settlement Choice or your Account when needed to settle a securities transaction or for any other purpose, such as to satisfy a debit balance, serve as collateral for a margin loan, short sale or option position, or to satisfy any other obligation to us in connection with your Account. If we fail to invest or deposit free credit balances according to this Agreement, our liability will be limited to the actual amount of the dividends or interest you would have earned had the free credit balances been invested or deposited in the appropriate Settlement Choice.

You will not purchase any security unless there will be sufficient funds in your Settlement Choice or Account by settlement date to make the required cash payment, unless your Account has been approved for margin privileges. You will not enter sell orders (except orders which you designate as a "short sale") unless the security is presently in the Account and in good deliverable form or you will make good delivery of properly endorsed securities by settlement date.

When placing an order to sell short, you will designate it as such and authorize us to mark such order as "short." When placing an order to "sell short against the box," you will borrow the necessary stock to make delivery on the settlement date and the stock in your Account will be unavailable so long as such a short position remains open.

DEFINITIONS

“Short Sale” or “***Selling Short”*** means selling a security that you do not own.

"Sell Short against the Box” means you own the security sold but borrow equivalent stock with which to make delivery of the sale.

We may, at our sole discretion, accept a purchase order without sufficient funds or a sell order without the Securities and/or Other Property being in good deliverable form in your Account, with the understanding that you will promptly submit payment or the Securities and/or Other Property to us. Any order, accepted and/or executed without sufficient funds, Securities and/or Other Property in the Account will be subject, at our sole discretion and without prior notice to you, to cancellation or liquidation for purchases or buy-in for sales. We may, at our discretion and without prior demand or notice to you, refuse to execute an order; or cancel, close, or liquidate at your risk any transaction, if settlement funds are not available or securities are not delivered. You will be responsible for all costs, commissions, and losses resulting from such actions including interest and costs of collection, and, without limit, reasonable attorney's fees. We may require an equity deposit or full payment before we accept an order. No Account may be closed before we have received all Securities and/or Other Property for which the Account is short and all your outstanding debts that you owe us for any reason.

If we hold securities for your Account in street name or bearer form bonds or preferred stock that are callable in part, you agree to participate in an impartial lottery allocation of the called securities, according to the rules of the applicable exchange.

8. SECURITY INTEREST, INDEBTEDNESS, & LIQUIDATION

Except for ERISA and IRA Accounts, the Securities and/or Other Property that we or our Affiliates currently hold, hold in the future, carry or maintain for you shall be subject to a lien, a continuing and perfected security interest and a right of set-off for the discharge of any and all indebtedness or any other obligation you may have to us, and are to be held by us as security for the payment of any liability or indebtedness of yours to us in any of your Accounts held by us or any of our Affiliates. We shall not have a lien, security interest or right of set-off in any Securities and/or Other Property that are pledged to third parties as collateral for any indebtedness other than fees, expenses and charges applicable to such Account. However, WFA will maintain a right to charge your Account for commissions, account fees or other fees that are normal and customary as part of this Agreement.

In connection with enforcing our lien, perfected security interest or right of set-off, we may, at any time and without giving you prior notice, use, transfer or liquidate any or all of your Securities and/or Other Property in any of your Accounts held by us or any of our Affiliates in order to satisfy a debt or any other obligation you may have to us in your Accounts held by us or any of our Affiliates. Such use, liquidation or transfer may occur without regard to whether we have made any advances in connection with such Securities and/or Other Property and without regard to the number of Accounts you may have with us. Included within our right of enforcement, we shall have the sole discretion to determine which Securities and/or Other Property are to be sold or which contracts are to be closed without regard to any tax or

other consequences you may face as a result of such actions. In the event of a breach or default by you under this Agreement, we maintain all of the rights and remedies available to a secured creditor under all applicable laws, in addition to the rights and remedies provided in this Agreement. You agree to indemnify and hold us and our Affiliates harmless from and against any losses or expenses incurred in connection with such enforcement or any other remedies available to us, including reasonable costs of collection.

While we reserve the right to use, transfer or liquidate your Securities and/or Other Property without demand or prior notice, if demand is made upon you, you agree to satisfy any indebtedness, and pay any debit balance in any Account held by us or any of our Affiliates in which you have an interest. A finance charge (as set forth in the Credit Terms and Conditions herein) may be charged on any debit balance in your Account, together with any increases in rates caused by money market conditions, and with such other charges as we may impose to cover our extra services.

You further agree that if you; (i) default on any of your obligations under this Agreement; (ii) become bankrupt, insolvent or subject to a similar condition or subject to any bankruptcy, reorganization, insolvency or other similar proceeding; or (iii) we, at our sole discretion, deem it advisable for our protection, we may, at any time and without prior notice to you: (a) cancel, terminate, accelerate, liquidate and/or close out any or all agreements or transactions between us and you or otherwise relating to the Account and calculate damages in a manner we deem appropriate; (b) pledge, transfer or sell any assets in the Account or any other account in which you have an interest (whether such account is held with us or our Affiliates), either individually or jointly with others; or (c) take any other action as we, in our sole discretion, deem appropriate with respect to any of the foregoing and apply the proceeds to the discharge of such obligation.

In pursuing the remedies available to us, we may, without limiting our rights under this section, offset amounts you owe us against any amounts that we owe you. You will remain liable for any deficiency. You will pay the reasonable costs and expenses of collection of any debit balance and any unpaid deficiency in any of your Accounts, including, but not limited to, attorney fees incurred by us.

You authorize us and we have the right, at our sole discretion, to require additional collateral at any time. If a petition in bankruptcy or appointment of a receiver is filed by or against you, or if an attachment is levied against any Account in which you have an interest, or in the event of your death, we have the right, at our sole discretion, to sell any or all assets in your Account, whether carried individually or jointly with others, to buy any and/or all assets which may be short, to cancel any open orders and to close any or all outstanding contracts, all without demand for margin or additional margin, notice of sale or purchase or other notice or advertisement. Any such sales or purchases may be made at our discretion on any exchange or other market, or at public auction or private sale, and we may be the purchaser(s) for our own account. It is understood that a prior demand, call, or prior notice of the time and place of such sale or purchase shall not be considered a waiver of our right to sell or buy without demand or notice as provided in this Agreement. After deducting all costs and expenses of the purchase, buy-in and/or sale and deliveries, including, but not limited to commissions and transfer and stamp taxes, we shall apply the residue of the proceeds to the payment of any and all of your liabilities to us. You will remain liable for any deficiency.

No course of dealing between you and us, nor any delay on our part in exercising any of our rights or remedies shall constitute a waiver thereof, and any such right or remedy may be exercised as often as we may determine.

9. NOT FDIC INSURED/ SIPC ACCOUNT INSURANCE

Securities and Other Property held in your Account are not deposit obligations, and are not guaranteed by any bank affiliated with WFA. Such Securities and Other Property (except brokered certificates of deposit and the Bank Deposit Sweep up to applicable limits) are not insured by the FDIC and are subject to investment risks, including possible loss of the principal amount invested.

WFA is a member of the Securities Investor Protection Corporation (“SIPC”). SIPC protects client accounts against the loss of their securities in the event of the member's insolvency and liquidation by replacing missing securities and cash up to a maximum of $500,000 per client, including $250,000 for claims for cash. SIPC does not protect you against losses from changes in the market values of your investments. For more information on SIPC coverage, please see the explanatory brochure available at www.sipc.org or contact SIPC at 202-371-8300.

Above and beyond SIPC coverage, WFA maintains additional insurance coverage through London Underwriters (led by Lloyd’s of London Syndicate [“Lloyd’s”]). For clients who have received the full SIPC payout limit, our policy with Lloyd’s provides additional coverage above the SIPC limits for your Account for any missing securities and cash in client brokerage accounts up to a firm aggregate limit of $1 billion (including up to $1.9 million for cash per client). In other words, the aggregate amount of all client losses covered under this policy are subject to a limit of $1 billion, with each client covered up to $1.9 million for cash. This account protection package does not cover losses resulting from declines in the market value of your investments. For more information about Lloyd’s, please visit www.lloyds.com.

Since monies in the Bank Deposit Sweep are held at banks, they are NOT covered by SIPC or Lloyd's. They are instead covered by FDIC insurance. Please see the Cash Sweep Program Disclosure Statement for further information.

10. CONTROL OR RESTRICTED SECURITIES

Prior to placing an order for securities subject to Rule 144 or 145 of the Securities Act of 1933, you must identify the status of the securities and furnish us with the necessary documents (including opinions of legal counsel, if requested) to obtain approval to transfer and register these securities. There may be delays in processing these securities, and we will not be liable for any losses caused directly or indirectly by any delays. We may decline to accept an order for these securities until the transfer and registration of such securities has been approved.

11. NO TAX OR LEGAL ADVICE

We do not provide tax or legal advice with regard to any Account. You should consult with your personal tax advisor before making tax-related investment decisions. We do not render legal advice, nor are we obligated to take any action with respect to legal proceedings, including bankruptcy, that may arise regarding securities held or formerly held in your Account, or the issuer of those securities.

12. FEES & CHARGES

We may assess your Account with charges to cover our services, or the termination of services, including, but not limited to, annual account fees, operational fees, custodial fees, and transaction fees and commissions. You agree to pay the fees and charges specified in the Service Schedule, which may be amended at any time without notification to you. You may be charged an account maintenance fee (as defined in the Service Schedule) if no trading occurs during any calendar year. You agree that we may debit your Account for any fees or charges that you incur, or any reasonable out-of-pocket expenses we may incur on your behalf. You agree to pay or reimburse us for all applicable state and local excise taxes. Any profit or loss from foreign currency exchange rated transactions will be charged or credited to your Account. You will reimburse us for any actual expenses we incur to execute, cancel or amend any wire transfer payment order, or perform any related act at your request. We may charge any Account of yours for such costs and expenses without prior notice to you.

13. DIVIDEND REINVESTMENT

The Dividend Reinvestment Plan (“DRP”) allows you to automatically reinvest any dividends, capital gains and return-of-capital income distributions (“Eligible Monies”) paid on shares of “Eligible Securities” in additional shares of the same securities. Most domestic common stocks listed on the New York Stock Exchange, Inc. (“NYSE”) and NASDAQ are “eligible” for the DRP in accordance with our applicable policies. You may select the DRP options when you open your Account. We will reinvest all Eligible Monies into whole and fractional shares rounded to three decimal places.

We can apply the DRP to all or some of the Eligible Securities in your Account. If you elect to reinvest all Eligible Monies, the DRP service will also apply to all eligible future holdings. No further action is required on your part. If you chose to reinvest only certain securities in your Account, you will need to advise your Financial Advisor whether or not to reinvest each time you buy a new Eligible Security or deposit one into your Account.

You may change your reinvestment decisions by contacting your Financial Advisor to add or delete a specific stock or change your standing account instructions. We must receive any change at least two days before the posting date of any Eligible Monies. We will not issue written confirmation of changes.

We will determine reinvestment on the basis of your Account coding one Business Day before Eligible Monies are credited to your Account. We reserve the right to suspend or delete an otherwise Eligible Security from dividend reinvestment at any time, without notice, in response to market conditions. Should you request registration of your whole shares or request their transfer to another firm, any fractional shares will be sold. Voting privileges do not exist on fractional shares.

Each type of payment (dividends, return of capital, long-term capital gain) will be considered separately in determining minimums subject to reinvestment.collection.

While we reserve the right to use, transfer or liquidate your Securities and/or Other Property without demand or prior notice, if demand is made upon you, you agree to satisfy any indebtedness, and pay any debit balance in any Account held by us or any of our Affiliates in which you have an interest. A finance charge (as set forth in the Credit Terms and Conditions herein) may be charged on any debit balance in your Account, together with any increases in rates caused by money market conditions, and with such other charges as we may impose to cover our extra services.

You further agree that if you; (i) default on any of your obligations under this Agreement;(ii) become bankrupt, insolvent or subject to a similar condition or subject to any bankruptcy, reorganization, insolvency or other similar proceeding; or (iii) we, at our sole discretion, deem it advisable for our protection, we may, at anytime and without prior notice to you: (a) cancel, terminate, accelerate, liquidate and/or close out any or all agreements or transactions between us and you or otherwise relating to the Account and calculate damages in a manner we deem appropriate; (b) pledge, transfer or sell any assets in the Account or any other account in which you have an interest (whether such account is held with us or our Affiliates), either individually or jointly with others; or (c) take any other action as we, in our sole discretion, deem appropriate with respect to any of the foregoing and apply the proceeds to the discharge of such obligation.

In pursuing the remedies available to us, we may, without limiting our rights under this section, offset amounts you owe us against capital, long-term capital gain) will be considered separately in determining minimums subject to reinvestment.

We reserve the right to modify the terms of the DRP, or to discontinue or suspend it (in whole or in part) whenever conditions warrant, with or without notice. If you are an "affiliate" or "insider" of any issuer, you may want to consult your personal legal advisor before participating in the DRP with respect to that issue.

14. MUTUAL FUNDS AUTOMATIC INVESTMENT & WITHDRAWAL PLANS

If you instruct us, orally or in writing, to establish an automatic investment or withdrawal plan in a mutual fund, you authorize us to purchase or redeem shares inthe mutual fund in the amount and at the time period that you select. We will carry out your instructions by initiating fixed debits or credits periodically to your Settlement Choice. You understand that in order to establish an automatic investment or withdrawal plan that is linked to a bank account, you must first set up a link to that bank account. Bank links are governed by applicable Automated Clearing House rules. You also authorize us to honor all debit entries initiated by you or on your behalf from time to time through your Settlement Choice.

All such debits are subject to sufficient collected funds in the designated Account to pay the debit when presented. You agree that our treatment of each entry and our right to accept an item shall be the same as if you signed them personally. You acknowledge that you will carefully read the prospectus for the fund that you select prior to establishing an automatic investment or withdrawal plan.

You understand that if there is insufficient cash from your Settlement Choice to purchase shares for an automatic investment plan, the investment scheduled for that period may not take place. Any change in ownership or cancellation of your Account, or any transaction returned for any reason, including but not limited to insufficient funds in your Settlement Choice, may result in the cancellation of your automatic investment or withdrawal plan without prior notice to you. We reserve the right to modify or terminate your automatic investment or withdrawal plan at any time and for any reason upon notification to you at your Account address of record.

To terminate your automatic investment or withdrawal plan, you must request us to terminate such plan. Your automatic investment or withdrawal plan will remain in effect until three (3) Business Days after we receive your cancellation notice. You will remain liable for all items that have not been settled at the time of termination of any plan.

We will not be liable for any loss you incur in connection with transfers from or to your Settlement Choice unless we are grossly negligent in fulfilling our responsibilities in regards to your automatic investment or withdrawal plan. In no event will we be liable for consequential, special or indirect damages or loss. We will undertake to make transfers according to your instructions, but we will not be responsible for damages of any nature resulting from delays, failures, omissions, or errors relating to such transfers. We may, at our discretion, require periodic oral or written reaffirmation of your instructions regarding transfers, and we may terminate this service at any time. You will indemnify us, our officers, employees, agents, successors and assigns against any and all claims or liabilities by virtue of our acting on your automatic investments or withdrawal instructions. This indemnity is unlimited and shall be binding upon your estate, successors and assigns. We shall have no liability for costs or damages resulting from inaccuracy of information you provide to us, or from your failure to update any information you provide to us.

15. ACCOUNT TYPES

WFA offers many different account types, including individual and joint accounts, individual retirement and other retirement accounts, custodial, DVP, estate, trust and partnership accounts. Account types may be subject to certain restrictions and eligibility requirements, and certain services are not available to all clients and account types. You are responsible for selecting the account type that is appropriate for your needs and circumstances.

Regardless of the governing law provisions of this Agreement concerning the contractual obligations of the parties under the Account, the legal ownership of your Account shall be governed by and interpreted under the internal laws of your state of residence.

a) Joint Accounts

If this Account is maintained in the name of two or more persons, each Account holder agrees to be individually and jointly liable for all obligations under this Agreement.

Each Accountholder will have authority, acting individually and without notice to any other Accountholder, to give instructions, buy, sell, and otherwise deal in Securities and/or Other Property, and to deal with us with regard to the Account as fully and completely as if each Accountholder alone were interested in the Account. You authorize us to follow the instructions of any Accountholder and to deliver funds, securities, or other assets held in the Account to any Accountholder or in accordance with any Accountholder's instructions, even if such deliveries and/or payments shall be made to any of you personally, and not for the Joint Account. Unless we have stated otherwise, we will hold assets in the Account for you as joint tenants with rights of survivorship.

We are not responsible for determining the purpose or propriety of any instruction we receive from any Accountholder or for the disposition of payments or deliveries among joint Accountholders. Any notice we send to one Accountholder will be deemed to be notice to all Accountholders. You further authorize us to receive into the Account any Securities and/or Other Property delivered to us by or for any Accountholder without delineation as to actual ownership of the property.

At any time, we may, in our sole discretion, require joint or collective action by all Accountholders. You authorize us, in our sole discretion, to do any one or more of the following: (i) select which instructions to follow; (ii) suspend all activity in the Joint Account, except upon further written instructions signed by all of you or upon instructions of a court; (iii) close the Joint Account and send any and all assets by ordinary mail to the address of record; or (iv) file an interpleader action, in which event we shall be entitled to recover all costs including reasonable attorneys' fees in an amount set by the court. Filing an interpleader action, however, will not serve as a waiver of our right to arbitration. If upon the death of one or more of the Accountholders, we cannot determine to our satisfaction the proper distribution of property from a Joint Account,

we may, at our sole discretion, freeze the Account indefinitely pending a satisfactory resolution or final decision of an arbitrator or court having jurisdiction over the matter.

Laws governing joint ownership of property vary from state to state. You are responsible for verifying that the joint registration you select is valid in your state. Generally, however, for joint tenants with rights of survivorship, in the event of the death of any of the tenants, the entire interest in the joint Account shall be vested in the surviving joint tenant(s) on the same terms and conditions. For tenants in common, the interest in each tenancy shall be equal unless specified otherwise and in the event of the death of any of the tenants in common, the interest in their share of the tenancy shall vest in the decedent's legal representative. State laws regulating community property vary. If you designate your Account as a community property account, we will treat all property in the Account and any proceeds in the Account as community property. You should consult your personal legal advisor regarding the community property laws of your state of residence.

b) Custodial Accounts
If the Account is a custodial account, we will maintain an account established under the Uniform Gifts to Minors Act or Uniform Transfers to Minors Act. You represent that the assets in the Account belong to the minor and that you will only use all such assets for the benefit of the minor. We are not responsible for determining the appropriateness of any actions you take as custodian.

c) Individual Retirement Accounts & Education Savings Accounts
If this is an Individual Retirement Account ("IRA") or Education Savings Account ("ESA"), by signing this General Account Agreement you acknowledge that you have completed and signed an IRA or ESA enrollment form to open an IRA or ESA and you have adopted Wells Fargo Bank, N.A. or FCC (as applicable) to serve as Custodian.

If you wish to cancel your Account, you must do so on or before the seventh (7th) calendar day after you receive the "Custodial Agreement and Disclosure Statement" by either delivering or mailing a written notice of cancellation to: First Clearing, LLC, Attn: IRA Department, MO 3580, One North Jefferson, St. Louis, MO 63103.

This Agreement, the Custodial Agreement and Disclosure Statement for your IRA or ESA include the terms and conditions of the relationship entered into by you and Wells Fargo Bank or FCC (as applicable).

Your beneficiary is the individual, estate, trust or organization you designate when you open your IRA or Education Savings account. You may change your beneficiary designation at any time by contacting your Financial Advisor. Each beneficiary designation you file with us will cancel all previous designations.

Your beneficiary is subject to and bound by all the terms and conditions of the Custodial Agreement and Disclosure Statement. It is very important that you review Article VIII of the IRA Custodial Agreement, or Article X of the Education Savings Custodial Agreement, because if a beneficiary does not survive you or if there is no record of a designated beneficiary or if you divorce, the default beneficiary provisions of the Custodial Agreement and Disclosure Statement will govern. Also, if you name a trust, estate or minor child as a beneficiary, there are additional requirements or information that will be required in accordance with the Custodial Agreement and Disclosure Statement. In addition, if you are opening an Education Savings Account, please review the Custodial Agreement and Disclosure Statement to obtain more information on the authorities, duties and eligibility requirements of a Responsible Individual, Depositor, Designated Beneficiary and Successor Beneficiary.

d) Trust & Other Fiduciary Accounts
If this Agreement is entered into by you as Trustee or other fiduciary, you represent that investments for the Account are within the scope of the investments authorized by such Trustee or other fiduciary's power to delegate under the governing instruments and/or laws, and that you are duly authorized to enter into this Agreement. You also undertake to advise us of any event which might affect your power or authority as Trustee or other fiduciary or the property subject to this Agreement.

e) DVP Accounts
In consideration of WFA accepting a delivery versus payment ("DVP") account for you, and agreeing to act as broker for you in the purchase and sale of securities on a delivery versus payment/receipt versus payment ("DVP/RVP") basis, you agree to the following:

- You will issue standing instructions to your agent/receiving bank(s) to receive from or deliver to us against payment, any security pursuant to the procedures established by this Agreement. Specific instructions for each transaction must be in the possession of the agent bank(s) by the close of business on the second day after the date of execution or as otherwise stated by the NYSE and the FINRA Uniform Practice Code.
- You and your agent agree to receive securities against payment in an amount equal to an execution confirmed to you, which may represent only part of a larger order executed.
- You agree to instruct your agent(s) that, except for transactions that are to be settled outside the United States, the facilities of a securities depository will be used for the confirmation, acknowledgement and book-entry settlement of depository-eligible transactions covered by applicable marketplace rules. "Depository-eligible transactions" means transactions in securities that are eligible for deposit and book-entry transfer at a securities depository at the time of settlement of the transaction.
- We will transmit to you a confirmation of each transaction after the transaction has been effected. In addition, we may, at your request, transmit pertinent trade information in a form agreed upon on the day following execution of each DVP/RVP transaction. At your request, we will simultaneously send a duplicate information copy of each confirmation to your agent bank. It is understood, however, that sending copies of confirmations to an agent bank constitutes an information service only, and does not relieve you of your obligations under this Agreement. You agree to instruct your agent bank to receive or deliver the securities described on the confirmation, unless a discrepancy in the payment exceeds 2% of the money required for that delivery. You agree with us to resolve any such discrepancy directly, within a reasonable time after settlement.
- You agree that you will have duly authorized all instructions you issue pursuant to this Agreement and that we shall incur no liability in acting upon such instructions given to us concerning your DVP account. You understand that WFA, in acting as broker for you, will be acting as your agent.
- You are aware that if any good delivery to the designated bank is refused, we may be compelled to cancel or liquidate the transactions pursuant to provisions of Regulation T of the Board of Governors of the Federal Reserve System.
  You shall be liable and agree to promptly pay for any loss and costs resulting from such cancellation or liquidation.
- You understand and agree that mutual fund and option trading is restricted in DVP accounts.

f) Abandoned/Dormant Accounts
We may impose fees on Accounts that are considered unclaimed, abandoned or dormant as permitted by applicable state law. Accounts presumed to be abandoned or unclaimed will be escheated or delivered to the state listed as your address of record for your Account in accordance with applicable law.

g) Direct at Provider Accounts (529, 403(b), Individual 401(k) Plans); Accounts/Assets Not Held at WFA
Certain types of accounts (which are not limited to but may include 529 Plans, 403(b) or individual 401(k) retirement plan accounts) are not held at WFA (referred to here as "Direct at Provider Accounts"). These Direct at Provider Accounts are typically held instead at (i) the firm that manages the 529 Plan, or (ii) the mutual fund company or mutual fund company transfer agent that offers the fund or retirement plan account.

For these Direct at Provider Accounts that are not held at WFA, we may assign an internal WFA account number for our recordkeeping purposes. This account number is for our internal use and typically cannot be used for deposits or transactions. Funds given to WFA for investment in 529 Plans or Direct at Provider accounts must be made payable to the Provider. We cannot accept any funds made payable to WFA in relation to 529 Plans or Direct at Provider accounts. Any such funds we receive will be returned to you at your current address of record. You will be responsible for all costs and losses, if any, resulting from such actions including lost interest and costs of disbursement, which may include, without limit, reasonable attorney's fees. No Account statements, participant recordkeeping, accounting services, discrimination testing, tax reporting, or plan document amendment services will be provided to you by WFA for Direct at Provider Accounts.

529 Plans are neither insured nor guaranteed

by the Plans' issuing state, state administrator, Plan Manager or WFA or any of its Affiliates.

We may assist you with the initial selection of a Direct at Provider Account and any initial investment selections that you make, and we may assist you with subsequent investment decisions. However, we cannot monitor any profits or losses or future investment selections because the Direct at Provider Account will not be held at WFA. You acknowledge and understand that you have an affirmative obligation to monitor your Direct at Provider Account and to determine the suitability of any future investment selections made without our assistance or knowledge.

If you change the account owner or the account address on the Direct at Provider Account that you establish with the Provider, or if the Direct at Provider Account is terminated, you must immediately notify us of the change or termination.

Further, certain types of assets such as insurance and annuity contracts and alternative investments (such as private funds, hedge funds and fund of funds) are not held by WFA and are held directly at the insurance carrier or the issuing company. You understand these types of assets may be reflected on a WFA Account statement as a courtesy service to you even though they are not held by WFA. You understand that we are not responsible for the custody or the valuation of these assets. You also understand that any information provided to you on your Account statements is for informational purposes only and may not reflect all of your holdings/policies. For annuities and insurance, the valuation may not reflect any applicable market value adjustments or insurance/annuity surrender penalties. All insurance/annuity policies and alternative investments are carried by the issuing entity or its agent, and may differ from the registration of your WFA account.

16. ACCOUNT ACCESS & ELECTRONIC SERVICES

You can access your Account in various ways, including, but not limited to, telephoning your Financial Advisor, visiting any of our branch offices, automated telephone, or online and wireless services. In the event you experience any problems in reaching WFA through any particular method, it is your responsibility to use alternate methods to communicate with us.

You agree to use our internet and automated telephone services and any additional electronic services we offer in the future (collectively, the "Electronic Services"), in accordance with the provisions detailed in this section and in accordance with the Wells Fargo Online Access Agreement. You are responsible for the confidentiality and use of your Account number and Personal Identification Number ("PIN") and are solely responsible for all orders entered through the Electronic Services using your Account number and PIN. You must notify us immediately through hard copy, electronic or verbal means if: (i) you place an order through the Electronic Services and you do not receive an order number, or you do not receive an accurate acknowledgement of the order or its execution; (ii) you receive acknowledgement for an order which you did not place, or any similar conflict; or (iii) you become aware of any unauthorized use of your Account number or PIN.

We may, in our sole discretion, place trading restrictions on your Account and we reserve the right, in our sole discretion, to review and reject, cancel or modify any order that you place through the Electronic Services for any reason and without prior notice to you, including orders for which you have received an order number. We may also reject any electronic order that we deem, in our sole discretion, to be disruptive to the securities markets, unacceptable in size, type or credit risk, or to exceed our authorized limits. Further, market orders cannot always be cancelled because they are subject to immediate execution, and your order may be executed before a request for cancellation is received.

We and our affiliates will not be liable for any consequential, incidental, special, or indirect damage (including lost profits, trading losses and damages) that result from inconvenience, delay or loss of use of the Electronic Services. We reserve the right to suspend or terminate access to any Electronic Service for any reason and without prior notice to you.

17. THIRD PARTY INFORMATION

By accessing third party Web sites and the information provided through links on our Electronic Services, you acknowledge and agree that the material available on these sites has been produced by independent providers that are not affiliated with us; and any opinions or recommendations expressed are solely those of the independent providers and are not the opinions or recommendations of WFA.

Information obtained by the independent providers (the "Information") is believed to be reliable. However, we do not guarantee the timeliness, sequence, accuracy, adequacy, or completeness of such Information. WFA GIVES NO EXPRESS OR IMPLIED WARRANTIES (INCLUDING BUT NOT LIMITED TO WARRANTIES OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE) WITH RESPECT TO THIS INFORMATION. Neither we, nor our Affiliates, nor any independent provider/transmitter of this Information shall be liable in any way and you agree to indemnify and hold all of us harmless for; (i) any inaccuracy, error, delay, interruption or omission of any Information or the delivery of Information; and (ii) any loss or damage arising from or occasioned by (a) such inaccuracy, error, delay, interruption or omission; (b) non-performance or (c) interruption due to any negligence on our part or on the part of any providers or transmitters of Information, or to any act of God or any other cause beyond our reasonable control.

18. MARKET QUOTES

We will make reasonable efforts to have accurate real time market quotes and information available during market hours. However, you understand that we cannot and do not guarantee the accuracy or availability of such market quotes and information. Accordingly, you agree that our sole liability for claims arising out of the interruption, accuracy or delay market quotes and information shall be to use our best efforts to resume the quote service as promptly as reasonable practicable.

19. RESEARCH

We may make available information about securities and investment strategies, including research reports, market commentaries and other information ("Research Reports") that we or our Affiliates prepare, as well as materials prepared by third parties. By accessing these Research Reports, you acknowledge and agree that these materials are not personalized or in any way tailored to reflect your personal financial circumstances or investment objectives, and the securities and other investment strategies discussed in such Research Reports may not be suitable for you as such Research Reports do not take into account the particular investment objectives, financial situation or needs of individual clients. You will not consider the availability of such Research Reports as a recommendation to you of any particular security or investment strategy. Under no circumstances should any information contained in the Research Reports be construed as an offer to sell or the solicitation of an offer to purchase any security. The Research Reports have been prepared as of the date indicated and should only be considered current as of the initial publication date. They may become unreliable for various reasons including, but not limited to, changes in market or economic conditions.

THE RESEARCH REPORTS ARE OBTAINED FROM SOURCES DEEMED TO BE RELIABLE, HOWEVER, WFA AND OUR AFFILIATES DO NOT GUARANTEE THE ACCURACY, COMPLETENESS OR THE CORRECT SEQUENCING OF THE RESEARCH REPORTS AND EXPRESSLY DISCLAIM ALL WARRANTIES, EXPRESS AND IMPLIED, WITH REGARD TO THE RESULTS TO BE OBTAINED FROM THEIR USE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND ANY IMPLIED WARRANTIES ARISING FROM A COURSE OF PERFORMANCE, A COURSE OF DEALING, OR TRADE USAGE.

Neither we nor our Affiliates shall be obligated to update information or opinions regarding any company or security. The Research Reports are not intended to provide tax, legal or investment advice. We and our Affiliates shall not be liable for any consequential, incidental, special, or indirect damage (including, but not limited to, lost profits, trading losses and damages) that may result from use of the Research Reports or for omissions or inaccuracies of the information contained in them. You are strictly prohibited from reproducing, redistributing or retransmitting any information contained in the Research Reports. You will not contact any analyst who authors or is named on any Research Report or any representative of any third party provider.

20. ELECTRONIC FUNDS, AUTOMATED DEPOSITS, PAYMENTS & TRANSFERS

a) General

You may arrange for direct deposits to be

made to, automated payments to be made from, and funds to be transferred between, your Accounts with us. We use the terms "automated credits" or "direct deposits" to indicate deposits made directly to your Account by electronic means; the terms "automated debits" or "automated payments" to indicate payments authorized in writing to be made from your Account by electronic means; and the term "telephone transfer" to indicate movement of funds between your authorized Accounts by use of a touch-tone telephone and personalized access codes.

Your acceptance of direct deposits, authorization of automated payments, or telephone transfer to or from your Account, is your agreement to the terms and conditions of this Agreement.

Any electronic fund transfer ("Transfer") that you make in connection with your Account, including, but without limitation, automatic deposits and payments, but excluding transactions with a bank card, will be governed by the following terms and conditions. These terms and conditions also serve as the disclosure required by the Electronic Fund Transfer Act and Regulation E in connection with Transfers.

b) Your Liability For Unauthorized Transfers
You could lose the entire value, including your available margin, of your Account through any unauthorized Transfer.

Therefore, you should notify us at once if you believe a Transfer has occurred in your account without your permission. Notifying us as soon as possible by telephone could minimize your possible losses. If you notify us within two (2) Business Days after you learn of the unauthorized Transfer, you can lose the lesser of $50.00 or the amount of the unauthorized Transfers. If you do not notify us within two (2) Business Days after you learn of the unauthorized Transfer, and we can prove that we could have stopped someone from making the unauthorized Transfer if you had notified us, then you can lose the lesser of $500.00 or the sum of (i) $50 or the amount of the unauthorized Transfers that occur within the two (2) Business Days; and (ii) the amount of unauthorized Transfers that occur after the close of two (2) Business Days and before notice to us, provided we establish that these unauthorized Transfers would not have occurred had you notified us within that two (2) day period. Should your Account statement show any Transfer that you did not authorize, please notify us at once. If you do not notify us within sixty (60) days after the Account statement was mailed, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped the unauthorized Transfer if you had notified us in time. If a good reason (such as a long trip or hospital stay) keeps you from notifying us, the time periods above may be extended. If your Account is an *"Institutional Account"* (which is defined in this Agreement as an account for a Corporation, Non-Profit Organization, Non-Corporate Organizations, Partnerships, Estates, Pension and Profit Sharing Plans (not including IRAs and Employee Stock Ownership Plans) and other Trusts), you are liable for all unauthorized Transfers up to the time at which you notify us.

c) Telephone Number for Notification in the Event of Unauthorized Transfers
If you believe that an unauthorized Transfer has occurred in your Account, call your Financial Advisor immediately or notify FCC at the following telephone number: 800-359-9297 or write to us as the address listed on your Account statement.

d) Types of Electronic Funds Transfers Available
Depending on the type of Account you have, you may be able to: (i) arrange with another party, such as your employer or a government agency, to electronically Transfer deposits directly to your authorized Account on a regular basis; (ii) authorize another party, such as an insurance company or mortgage company, to have payments transferred from your Account and sent directly to them on a regular basis; or (iii) direct funds to be transferred from one of your authorized accounts to another by use of a touch-tone telephone and personalized access codes (where available). If a regular payment will vary in amount, the payee needs to tell you how much the payment will be at least ten (10) days prior to when it is due.

In addition to the types of transfers listed above, we periodically introduce new methods by which you may make funds transfers, such as by personal computer and or wireless devices. At present, there is no minimum amount required for automatic debits. The availability of automatic debits to your Account will be limited to free credit and money market balances less funds needed to pay for any open orders and any uncleared deposits. Any loan value available to you on marginable securities, if your Account is a margin account, may not be available for the purpose of making automated transfers.

e) Fees
There are currently no fees charged by us for automated transfers. However, WFA reserves the right to charge such fees upon notice to you.

f) Documentation of Transfers
If you arrange to have direct deposits made to your Account at least once every sixty (60) days from the same person or company, you can call your Financial Advisor to verify such deposits. In addition, you will receive a periodic account statement that will show all activity in your Account, including any Transfer.

g) Stop Payment Procedures & Liability
If you have instructed us to make regular payments out of your Account ("Preauthorized Transfers"), you can stop such payments by calling us at the telephone numbers shown in this section at least three (3) Business Days before the payment is scheduled to be made.

When you call, please: (i) state your name and account number; (ii) the exact name of the payee, (iii) the exact payment amount, and (iv) the scheduled transfer date. Failure to provide correct and complete information may make it impossible for us to stop payment of the Preauthorized Transfer. You agree to indemnify and hold us harmless from and against any loss incurred by us as a result of our paying a Preauthorized Transfer, if any of the information relied upon in the stop payment order is incorrect or incomplete (or as a result of our not paying a Preauthorized Transfer for which a valid stop payment order is in effect). If you instruct us to stop a Preauthorized Transfer at least three (3) Business Days before the Transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

These stop payment procedures apply to Institutional Accounts (as defined in Section 1(a) above) as well. However, in no event will we guarantee the effectuation of, or be liable for, any stop payment request from an institutional account. You agree (if an institution) to hold us harmless for the amount(s) of any stop payment order(s) entered by you or on your behalf, and for all costs and expenses (including attorney fees) incurred by reason of the refusal to honor said payment(s), and you further agree that if, contrary to such stop payment order(s), payment is nevertheless inadvertently made through accident or oversight, we shall not be liable. This provision shall survive the termination of your Account.

h) Error Resolution Procedures
Please note that stop payment orders will not appear on your Account statement.

In case of errors or questions about your transfers, please telephone us at the telephone numbers listed in Section 22(c) above as soon as you can if you think your Account statement is wrong, or if you need more information about a Transfer listed on the Account statement. We must hear from you no later than sixty (60) days after we send you the first statement on which the problem or error appears.

When you call, please: (i) state your name and Account number; (ii) describe the error or Transfer you are unsure about, and explain as clearly as you can why you believe it is in error or why you need more information; and (iii) state the dollar amount of the suspected error. We will tell you the results of our investigation within ten (10) Business Days (twenty (20) for transfers to or from the Account within 30 days after the first deposit to the Account) after we hear from you and correct any error(s) promptly. If we need more time, however, we may take up to forty-five (45) Business Days (ninety (90) for transfers to or from the Account within 30 days after the first deposit to the Account) to investigate your question. If we decide to do this, we will provisionally credit your Account within ten (10) Business Days (twenty (20) for transfers to or from the Account within 30 days after the first deposit to the Account) for the amount you think is in error so that you will have the use of the money during the time it takes to complete our investigation. If we ask you to put your question in writing and we do not receive it within ten (10) Business Days, we may not provisionally credit your Account. If we determine there was no error, we will send you a written explanation within three (3) business days after we complete the investigation. You may ask for copies of the documents that we used in our investigation.

For any Transfer occurring outside the United States, within ten (10) business days after we receive notice of an alleged error we will either resolve the claim or provisionally credit your Account while continuing to investigate the claim. If we need more time, however, we may take up to ninety (90) days to investigate

the matter.

i) Additional provisions for Institutional Accounts
The provisions in this Section 21(i) apply only to transfers to or from Institutional Accounts. You agree that the password security described in Section 18 of this Agreement and the Wells Fargo Online Access Agreement security procedures for electronic fund transfers are commercially reasonable. For payment requests from Institutional Accounts, which are subject to Article 4A of the Uniform Commercial Code ("UCC 4A"), we are liable only for damages required to be paid under UCC 4A. In no event will we be liable for any special, indirect or consequential loss, damage, costs or expense of any nature, including, without limitation, lost profits, even if we have been informed of the possibility of such damages, except as may be required by law.

21. WIRE & AUTOMATED CLEARINGHOUSE TRANSFERS

a) Governing Rules
You may be a party to an Automated Clearing House ("ACH") entry or a wire transfer that may be credited or debited against your Account. You agree that all wire transfers you initiate will be subject to the terms and conditions of our wire transfer agreement then in effect with respect to the type of transfer initiated. With respect to ACH transactions which you have authorized, you agree to be bound by the National Automated Clearing House Association ("NACHA") operating rules and any local ACH operating rules then in effect. With respect to other electronic funds transfers, you agree to be bound by any rules then in effect governing the use of any system through which the funds may be transmitted including, but not limited to, Federal Reserve Board Regulation J with regard to Fedwire and the Clearing House Interbank Payments System ("CHIPS") operating rules with regard to CHIPS.

b) Notice
You will be notified of the receipt of any ACH entry or wire transfer in your Account statement, but next-day or other notice will not be provided. If you believe a transfer has not been properly credited to you, you agree to promptly notify your Financial Advisor immediately.

c) Final Payment
Any credit resulting from an ACH credit or other wire transfer is provisional until we receive final payment. We reserve the right to delay or prevent withdrawal of funds pending verification of final payment. If final payment is not received, or if your Account was credited by mistake, you agree that we may reverse the credit to your Account or that you will otherwise reimburse us if funds in your Account are not sufficient. In the event that the payment does not become final, the originator will not be deemed to have paid you the amount of the credit.

d) Compensation
If you are entitled to compensation for any delay or improper completion of an ACH or wire transfer as a result of an error by us, our liability will be limited to the payment of interest for a period not exceeding the lesser of sixty (60) days or the period between the date of the error and the date of the correction. Any such compensation will be paid at our discretion by either (1) adjusting your Account balance to reflect the average balances you would have had but for the error, or (2) direct payment of cash in an amount equal to interest at the average applicable federal funds rate for that period.

e) Account Numbers
You agree that payment for ACH or wire credit transfers may be made solely by reference to the account number of the recipient. We are not obligated to determine whether a discrepancy exists between the name and the account number shown on the transfer information.

22. ADDITIONAL TERMS & CONDITIONS FOR NON-RESIDENTS OF THE UNITED STATES

a) Collection, Use & Transfer of Personal Information
If you reside outside the United States, to the extent there is any conflict between this section and the Wells Fargo Privacy Policy, the provisions of this section shall control.

We collect personal information about you (“Personal Information”) primarily to provide the requested services and to comply with legal and regulatory obligations including, but not limited to, applicable anti-money laundering requirements, customer due diligence, Office of foreign Asset Control (OFAC) restrictions, other similar laws and regulations, and to fulfill other obligations that relate to United States and foreign laws, regulations and ordinances applicable to financial institutions. Additionally, we may use your Personal Information in order to assist us in identifying and providing financial products and services that are suitable for you.

We will endeavor not to use Personal Information for any purpose incompatible with the purposes listed above unless it is required or authorized by you, or it is in your own vital interest, or is necessary to comply with a legal or regulatory obligation. Reasonable efforts are made by us to avoid the retention of unnecessary or duplicative information. Personal Information about you will be accessible by WFA employees, contractors and agents who are located worldwide, including in countries that may not require the same level of data protection as in the country in which you reside. By providing us with your Personal Information and by executing the Agreement, you are consenting to our use of it in accordance with this Agreement and the Wells Fargo Privacy Policy, including the transfer of your Personal Information across international boundaries to jurisdictions anywhere in the world as permitted by local law.

Requests to correct or access any Personal Information must be submitted in writing to the address listed in the Communications, Recording & Monitoring, Statements & Confirmations section. After we have verified your identity, we will endeavor to correct or to provide you with the Personal Information as you have requested within a reasonable time and, where permitted by law, we may charge an appropriate fee to cover the costs of responding to the request.

Where you have requested a correction or change to any of your Personal Information, we will endeavor make your correction or change, but reserve the right to refuse a change to the extent necessary to achieve any required purposes of its use. If we refuse to provide the Personal Information held or to make the correction requested, at your request we will provide you with the reasons for declining the request.

b) Additional Client Disclosure & Understanding for Non-Residents of the United States
This section applies to non United States residents and non United States domiciled entities who maintain accounts with WFA. Your Account is based in the United States, and not in your country of residence. WFA accounts, products and services may not have been registered, reviewed or approved by any governmental, banking or securities regulator in your country of residence or domicile: and because of this, by establishing an account with WFA and purchasing financial products or services through WFA you will not be afforded certain rights or protections that may otherwise be available to you under the securities, banking or other financial services laws or regulations of your county of residence.

Not all of our accounts, products, services or investments are available to residents of all countries, and WFA in its discretion may refuse to offer certain products, services or investments to you based on your country of residence.

Many countries have various laws, rules and regulations that may apply to your opening and maintaining accounts, products or services outside your country of residence or domicile, including certain asset transfer and transaction reporting and filing requirements and laws; rules and regulations regarding the filing of tax information and payment of taxes, and other foreign exchange or capital controls. You are responsible for knowledge of and adherence to any such laws, rules and regulations, and specifically it shall be your sole responsibility to adhere to and comply with any reporting or filing requirements in your country or domicile of residence that might apply as a result of your maintaining an Account with WFA in the United States or the transfer of any assets to or from your Account; and the proper and timely filing and payment of all taxes in your country of residence. With respect to the foregoing, by executing this Agreement and establishing your Account you are affirmatively representing they you have complied with all foreign exchange or capital control obligations that may apply to you (if any), and that where applicable you have received any authorization needed to establish your Account or for any transfer of assets to your Account. Further, at all times while you maintain an Account with WFA you represent that you will continue to comply with any and all such laws, rules, regulations and reporting or filing requirements as required by your country of citizenship, residence or domicile.

With respect to the preceding acknowledgements and representations, you agree that you shall indemnify and hold harmless WFA and any of our affiliates, directors, officers, representatives, employees or agents against any complaint, claim, loss, damages or other injury or expense that may arise in connection with in or with respect of any claim or action that is a

result of or relates to your failure to adhere to or comply with any law, regulation or requirement of your country of citizenship, residence or domicile as contemplated in this section of the Agreement.

For individuals, in the event that you die while residing outside of the United States, we may require the executor or representative or your estate to provide a legal opinion or to file an ancillary proceeding to confirm their appointment as the executor or representative of your estate; to ratify any order, judgment or decree issued by a foreign court; or to otherwise resolve any dispute relating to your account. Additionally, in accordance with U.S. Internal Revenue Service guidelines, WFA may require them to obtain transfer certificates from the U.S. Internal Revenue Service before releasing any of the assets in your account to your estate. Where a legal opinion, an ancillary proceeding or transfer certificates are required by WFA, all costs associated with obtaining any or all of those, including attorney's fees, shall be paid by your estate or your heirs, and not by WFA.

23. EXTRAORDINARY EVENTS

We and our Affiliates shall not be liable for any loss caused directly or indirectly by acts of God, government restrictions, exchange or market rulings, suspension of trading, war, acts of terrorism, strikes or other labor problems, failure of the mails or telephones or other communication lines/systems or other interconnect problems (such as not being able to connect to your ISP), failure of electronic or mechanical equipment, or unauthorized Account access or theft, or any other conditions beyond our control.

24. ASSIGNMENT

We may assign the rights and duties under this Agreement to any of our subsidiaries or affiliates without giving you notice, or to any other entity upon written notice to you. If you have an Advisory Program Account, this Agreement shall not be assignable by either party without prior consent of the other.

Any rights either we or FCC have under this Agreement may be exercised by either of us or may be assigned to the other, including, but not limited to, the right to collect any debit balance or other obligations owing in your Account and that we or FCC may collect from you or enforce any other rights under this Agreement independently or jointly.

25. WAIVER

Unless specifically permitted in this Agreement, no provision of this Agreement can be, nor be deemed to be, waived, altered, modified, or amended unless agreed to in writing signed by us.

Our failure to insist at any time upon strict compliance with any term contained in this Agreement, or any delay or failure on our part to exercise any power or right given to us in this Agreement, or a continued course of such conduct on our part, shall at no time operate as a waiver of such power or right, nor shall any single or partial exercise preclude any further exercise.

26. SEVERABILITY

If any condition or provision of this Agreement shall be held to be invalid or unenforceable by any court, or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall affect only to such condition or provision. The validity of the remaining provisions and conditions shall not be affected and this Agreement shall be carried out as though such invalid or unenforceable condition or provision were not contained herein.

27. MODIFICATION OF AGREEMENT

We may unilaterally change the terms and conditions of this Agreement at any time upon providing notice to you.

28. HEADINGS

All headings in this Agreement and other Account documents are for descriptive purposes only and shall not be deemed to modify or qualify any of the rights or obligations set forth in each such document.

29. SURVIVABILITY

The provisions of this Agreement governing arbitration, choice of law, liability, indemnification and confidentiality will survive the termination of this Agreement.

30. TERMINATION

You may close your Account at any time by providing written notice to us. This Agreement shall remain in effect with respect to the Account you are closing until we receive your written notice of termination and we acknowledge the cancellation of your Account in writing, after which time you will not be bound for additional transactions made for the Account. However, you will remain responsible for all prior transactions and for all transaction costs, including commissions and related costs. We have the right to close your Account at any time without prior notice to you.

31. GOVERNING LAW & LANGUAGE

This Agreement shall be deemed to have been made in the State of New York and shall be construed, and the rights and liabilities of the Parties determined, in accordance with the laws of the State of New York without regard to choice of law provisions.

English is the controlling language of the relationship between you and WFA. We may translate certain forms, disclosures and advertisements into another language for your convenience. However, if there is a discrepancy between WFA's English language materials and the materials in another language, the English language version is controlling.

We may at our discretion refuse to accept any document, written instruction or request letter in any language other than English, or may require you to provide a certified translation of such document and, in addition, may require the document and its translation to be apostilled or legalized. You shall bear all costs associated with obtaining any translation, certification, legalization or apostille.

32. PAYMENT FOR ORDER FLOW

You acknowledge that you understand that the securities which are traded in your Account may be traded in more than one marketplace. Consistent with the principles of best execution and applicable regulatory requirements, you agree that we may use our discretion in selecting the routing destination.

We route customer orders for over-the-counter and listed equity securities to selected market makers and exchanges for execution. We are not compensated for routing to certain market makers. We consider a number of factors when determining where to send customers orders including; execution speed, price improvement opportunities, the availability of efficient and reliable order handling systems, the level of service provided, and the cost of executing orders. We regularly review transactions for quality of execution.

We route customer option orders to selected broker dealers' smart routers and option exchanges for execution. We may receive compensation for directing orders to specific market centers for execution. In the event we receive such compensation, it may include cash payments as well as non-cash items such as discounts, rebates, reductions, or credits against fees that would otherwise be payable in full. We consider a number of factors when determining where to send customer orders including; price improvement opportunities, the availability of efficient and reliable order handling systems, the level of service provided, and the cost of executing orders. We regularly review transactions for quality of execution.

Additional information concerning order flow as well as the amount of any compensation will, if appropriate, be disclosed upon written request.

a. Consent to use an Alternative Trading System Affiliated with WFA for your IRA or ERISA Account

You consent to our using an alternative trading system electronic communication network owned or operated by a broker-dealer affiliated with WFA ("Affiliated ECN"). This Affiliated ECN will be included among the venues for routing orders for execution on your behalf. As a result, transactions initiated by you may be routed to the following venues: (i) an Affiliated ECN; (ii) affiliated and unaffiliated broker-dealers who may have an existing long or short position in the security as a market-maker (i.e., principal trades) (WFA is not compensated for routing to certain market makers); (iii) an alternative trading system electronic communication network, or similar system owned or operated by an entity that is not affiliated with WFA; and (iv) a national securities exchange. In routing orders WFA always seeks best price, WFA may, at its discretion, modify its order routing procedures at any time to better serve customers, subject to notice to you. By entering into this Agreement and by placing subsequent transactions with WFA, you acknowledge and consent to the order routing procedures and potential conflicts of interest described above. In the event that you object to these procedures for your IRA or ERISA account, please contact your Financial Advisor as soon as possible and we will be glad to assist you with either closing your account with no additional costs to you

or routing your orders away from our affiliated broker dealer and their trading systems consistent with best execution of the transaction. WFA does not take into account revenue received by WFA and/or its affiliates in routing transactions among the venues. This process does not affect your trading costs, but it may increase or decrease revenue received by WFA and/or its affiliates. For over-the-counter and listed equity securities, automated systems seek out the best price, consistent with the principles of best execution. Specifically, in addition to price, WFA considers a number of factors in determining the execution venues utilized including: execution speed, price improvement opportunities, the availability of efficient and reliable order handling systems, the level of service provided, and the cost of executing orders. WFA regularly reviews transactions for quality of execution.

II. Credit Terms & Conditions

If we extend credit to you in connection with any securities transaction, we are required to furnish you specified information describing the terms, conditions, and methods whereby interest charges are made to your Accounts.

1. CASH ACCOUNTS

Cash Accounts may be subject, at our discretion, to interest on any debit balances resulting from failure to make payment in full for securities purchased, from failure to timely deliver securities sold, from proceeds of sales paid prior to settlement date, or for other charges which may be made to your Account. The interest charged shall be determined by the rate applied on margin accounts as set forth herein.

2. MARGIN ACCOUNTS

Purchases of securities on credit, commonly known as margin purchases, enable you to increase the buying power of your equity and thus increase the potential for profit or loss. A portion of the purchase price is deposited when buying securities on margin, and we extend credit for the remainder. The amount borrowed will appear as a debit balance on your monthly statement. You will be charged interest on the amount borrowed at varying rates as described in this section. We charge interest on the debit balance and require you to maintain securities, cash, or other property to secure repayment of funds advanced and interest due. You understand that we reserve the right to not extend margin privileges, even if margin privileges have previously been extended to you, for any reason without prior notice to you.

Margin trading is not for everyone. Margin clients should be certain they understand the operation of a margin account under various market conditions and should examine their investment objectives, financial resources and risk tolerance to determine whether margin trading is appropriate. You understand that the increased leverage which margin provides may heighten both risks and rewards. By entering into this Agreement, you acknowledge receipt of the Margin Risk Disclosure Statement which contains more information about the risks associated with margin trading.

Interest will be charged for any credit extended to you for the purpose of buying, trading, or carrying any securities, for any cash withdrawals made against the collateral of securities, or for any other extension of credit. When funds are paid in advance of settlement on the sale of securities, interest will be charged on such amount from date of payment until settlement date. In the event that any other charge is made to the account for any reason, interest may be charged on the resulting debit balances. Only certain securities, as defined by us or the Federal Reserve Board, may be purchased on margin or used as collateral in your Account. Whether a purchase may be made on margin, how much of the purchase price must be available in your Account at the time you place the order, and your margin maintenance requirements, are determined by us, the Federal Reserve Board, or by applicable exchange rules. For our own protection, we reserve the right, at any time and without prior notice to you to impose stricter requirements than those imposed by the Federal Reserve Board or applicable exchange rules. You will maintain such required margin in your Account and understand that any debit balances in such Account will be charged interest. We may apply any or all payments received for your Account including interest, dividends, premiums, principal or other payments to any debit balances in such Account.

We require that you have at least $2,000 in equity in your Account, or such higher amount as required by us or applicable rules and regulations, before we will extend credit to you. Generally, we can lend you no more than 50% of the purchase price of the security you are buying on margin.

It is our general policy to require margin Account holders to maintain in their accounts equity of the greater of 30% of the current market value or a minimum per share value for common stock. These minimums may fluctuate according to market conditions as well as size, volatility, and creditworthiness of specific securities held in the account. We apply other standards for other types of securities. Also, certain securities may be ineligible for margin credit from time to time. For information with respect to general margin maintenance policy for municipal bonds, corporate bonds, United States Treasury notes and bonds, and other securities, as well as information about the eligibility of particular securities for margin credit, please contact us or your Financial Advisor.

Notwithstanding any of the above general policies, and without notice to you, we reserve the right, at our discretion, to require the deposit of additional collateral and to set required margin at a higher or lower amount with respect to particular accounts, particular securities, classes of accounts or classes of securities as we deem necessary. In making these determinations, we may take into consideration various factors including the size of the account, liquidity of a position, price volatility of a security, concentration of securities in an account or firmwide, or a decline in creditworthiness. If you fail to meet a margin call in a timely manner, some or all of your positions may be liquidated.

You are not entitled to prior notice, by way of margin call or otherwise, before we sell (or buy in for short positions) any securities in your Account when your Account falls below our margin maintenance requirements or under any other circumstances in which we may sell securities in your Account or cancel open orders. In addition, even if we have contacted you and provided a date by which you must deposit additional funds into your Account, we may still, at our sole discretion, sell (or buy in for short positions) any securities in your Account or cancel any open orders without additional notice. Under any circumstances in which we may sell securities in your Account, you are not entitled to choose which securities are sold.

3. INTEREST RATES

An annual rate of interest will be charged to the daily-adjusted debit balance in your Account. Your annual rate will vary depending on the size of your daily-adjusted debit balance. The daily-adjusted debit balance is the net total of the settled balances in your cash and margin accounts, first reduced by any available free credit balances in your cash account.

The annual rate of interest charged on net debit balances is computed using a selected rate above, at, or below our base rate ("Base Rate"). The Base Rate is set at our discretion with reference to commercially recognized interest rates, industry conditions relating to the extension of margin credit and general credit market conditions.

Rates and methods of calculations may be changed from time to time in our sole discretion without prior notice to you. If there is a change in the interest rate during any interest period, separate charges will be shown for each period under each different rate.

The current table of interest rates (as of January 17, 2011) is:

Margin Debit Balance	Rate of Interest
$0 to $24,999.99	Base Rate + 3.625%
$25,000 to $49,999.99	Base Rate + 2.500%
$50,000 to $99,999.99	Base Rate + 2.375%
$100,000 to $249,999.99	Base Rate + 0.750%
$250,000 to $499,999.99	Base Rate + 0.625%
$500,000 to $999,999.99	Base Rate + 0.500%
$1,000,000 to $4,999,999.99	Base Rate
$5,000,000 to $9,999,999.99	Base Rate - 0.500%
$10,000,000 and above	Base Rate - 0.750%
Unpaid Cash Account Balance	Base Rate + 3.625%

** The Base Rate, rates of interest and margin debit balance tiers may be changed at our sole discretion without prior notice.*

4. DEFAULT RATE OF INTEREST

If you are in default and until such time as the default is cured, and in substitution for any other rate of interest specified in this Agreement, interest may be charged at the rate of 24% per annum (or the maximum rate permitted by applicable law) on the debit balance of all margin accounts which you maintain with us.

5. METHOD OF INTEREST COMPUTATION

Interest is computed daily on the basis of a 360-day year using the following formula:

$$\frac{\text{Adjusted Debit Balance}}{1} \times \frac{\text{Interest Rate}}{100} \times \frac{\text{Number of Days}}{360}$$

At the close of each monthly interest period during which credit was extended to you, the interest charge is computed by multiplying the daily-adjusted debit balance by the applicable interest rate and by the number of days during which a debit balance was outstanding and then dividing by 360. Should the applicable rate change during the interest period, separate computations will be made with respect to each rate of charge for the appropriate number of days at each rate during the interest period. Interest charged is calculated on a settlement date basis. A divisor of 360 days is used in determining the interest charged.

If not paid, the interest charge for credit extended to your Account at the close of the interest period is added to the opening debit balance for the next interest period. With the exception of credit balances resulting from short sales, all other credit and debit balances will be combined daily and interest will be charged on the resulting average daily net debit balances for the interest period. If there is a debit in your cash account and you hold a margin account, interest will be calculated on the combined debit balance and charged to the margin account. Any credit balance as the result of any short positions will be disregarded because such credit collateralizes the stock borrowed for delivery against the short sale. Such credit is disregarded even if you should be long the same position in your margin account, i.e., short against the box. If the security which you sold short (or sold against the box) appreciates in market price over the selling price, interest will be charged on the appreciation in value. If the security which you sold short depreciates in market price, the interest charged will be reduced since the average debit balance will decline. This practice is commonly known as "marking-to-the-market." Daily, a closing price is used to determine any appreciation or depreciation of the security sold short. If your Account is short shares of stock on the record date of a dividend or other distribution, however such a short position occurs, on the following Business Day your Account will be charged the amount of the dividend or other distribution.

The net debit balance in an account may be paid in full at any time to avoid further interest charges.

6. STATEMENT OF INTEREST CHARGED

Each month you will receive with your regular monthly statement a Statement of Interest Charged. This statement will show the interest period. Your monthly statement will show each transaction on the date of trade; however, interest as shown on the Statement of Interest Charged is calculated on a settlement date basis. In order to check the calculation of interest charged to your Account, it may be necessary to refer to both your prior and current months' statements.

The monthly Statement of Interest Charged will show: (i) the current selected rate used in the calculation and any changes in such rate during the interest period; (ii) the daily net balance of all transactions; (iii) any free credit balance in your cash account (which reduces the daily net debit balance); (iv) any mark-to-the-market as a result of a short position; (v) the number of days your Account had a debit balance; (vi) the adjusted daily debit balance on which interest is charged; (vii) the amount of interest; and (viii) the total interest charge for the period.

7. COLLATERAL, LIEN & LIQUIDATION

We may require you to deposit additional collateral and/or we may liquidate positions in any Account carried by us in which you have an interest for any reason, including the following: (i) if your Account, at any time, falls below our margin maintenance requirements; (ii) if you fail to meet any call for additional collateral; (iii) if you indicate to us that you do not intend to meet a call for additional collateral; (iv) if you file a petition in a petition is filed against you; (v) if you seek or acquiesce to the appointment of a receiver; (vi) if an attachment is levied against your Account or any Accounts in which you have an interest; (vii) if you die; or (viii) any other circumstance which in our opinion warrants such action, including, but not limited to, changes in the price, trading volume, marginability, or negotiability of your Securities and/or Other Property. In any such event, we may sell any and all Securities and/or Other Property in any Account(s) carried by us in which you have an interest, whether individually or jointly with others, buy any and all Securities and/or Other Property which may be short in such Account(s), or cancel any open orders and close any or all outstanding orders or commitments. We may take any of these actions without demand (whether by margin call or otherwise) for funds or additional funds, notice of sale or purchase, or other notice or advertisement, each of which is expressly waived by you. Even if we have contacted you by way of margin call or otherwise and provided a specified date by which you must deposit additional funds into your Account, we may, in our sole discretion, sell (or buy in for short positions) any securities in your Account or cancel any open orders, without prior notice to you. When we sell securities in your Account under any circumstances, we may select the securities and that you may not choose which securities are sold. You are not entitled to an extension of time in order to meet margin requirements.

We retain a security interest in all Securities and/or Other Property held in any Account carried by us in which you have an interest so long as any credit extended remains outstanding. You will not cause or allow any of the collateral held in your Account to become subject to any liens, security interests, mortgages or encumbrances of any nature other than our security interest.

All Securities and/or Other Property deposited for the protection of your collateral and/or margin account may be deposited with The Depository Trust Company or any other recognized clearing corporation or depository trust company, and may be held in street name and used there by us until you demand and become entitled to delivery thereof. We shall have a reasonable time after such demand for delivery to ship securities, other property or collateral from New York or from any other place where they may be to the place where the same are to be delivered to you. We shall only be required to deliver Securities and/or Other Property of the same kind and character as originally deposited.

Any prior demand, notice or advertisement shall not be deemed a waiver of our right to take these actions without demand, notice or advertisement. Any such sales or purchases may be made at our sole discretion on any exchange or other market where such business is usually conducted or a public auction or private sale, and we may be the purchaser or the sellers for our own account.

8. LOAN OR PLEDGE OF SECURITIES

We may borrow money to lend to margin clients, including you, and may pledge Securities and/or Other Property as collateral for such loans. You authorize us to lend either to ourselves or to others any Securities and/or Other Property, together with all attendant rights of ownership, held by us in your margin account. We may receive compensation in connection with the lending of customer securities. All of your Securities and/or Other Property may be pledged and repledged and hypothecated and rehypothecated by us from time to time without notifying you, either separately or together with other Securities and/or Other Property of other customers for any amount due to us in any Account in which you have an interest. We may do so without retaining in our possession or under our control for delivery a like amount of similar Securities and/or Other Property. In connection with such loans, and in connection with securities loans made to you to facilitate short sales, we are authorized to receive and retain certain benefits (including interest on your collateral posted for such loans), to which you will not be entitled. In certain circumstances, such loans may limit, in whole or in part, your ability to exercise voting rights of the securities lent. In connection with such loans, you may receive substitute payment or payment in lieu of a dividend, instead of a qualifying dividend, and may, therefore, be subject to a higher tax rate on this payment. This payment would be reported to you on an IRS Form 1099-MISC, instead of an IRS Form-DIV.

If any of your non-fully paid for, margined securities have been loaned to others in accordance with the paragraph above, as of record date, you may not be entitled to vote all of those non-fully paid for shares in all proxy matters. We will determine the eligibility of those shares for proxy matters based upon an impartial lottery system, which is described in this Agreement.

9. COMPOUND INTEREST

The interest charges imposed on your

Account at the close of one charge period will be compounded, that is, added to the opening balance for the next charge period unless paid, thereby becoming part of the principal amount and bearing like interest.

10. SHORT SALES

Short sales may only be made in margin accounts and are subject to the initial margin and margin maintenance requirements set forth above. You must designate any short sale as such at the time you place such an order. In order to facilitate a short sale, the security that you are selling short must be able to be borrowed to cover the delivery to the purchaser(s). If the stock is recalled by the lender(s) of the securities, we will attempt to re-borrow the securities.

Short securities will be *"marked to the market"* periodically. If a security which you sold short (or *"short against the box")* appreciates in market value over the selling price, your margin account will be debited, and if the security depreciates in value your margin account will receive a credit.

If we are unable to re-borrow the securities, we may cover your short position by purchasing the securities on the open market at the then current market price without notice to you. If a short position is closed out, you will be liable for any resulting losses and all associated costs incurred by us.

You understand it is against industry rules to participate in a secondary offering in order to cover a short-position in that security and you agree to notify us in writing if you have a short-position in such security, to assist us in restricting such activity.

11. RESTRICTED SECURITIES

You will not buy, sell, or margin (borrow against) any securities of a corporation of which you are a director, executive officer, or 10% stockholder, or are otherwise classified as a control person or insider, or sell any securities that are subject to any restrictions on resale (whether by law, contract or legend on the security) or are not traded on or through a national securities exchange, automated quotation system, or other nationally recognized published interdealer quotation system, unless such purchase, sale, or loan has been disclosed in writing and agreed to by us.

III. TERMS AND CONDITIONS OF YOUR ADVISORY PROGRAM ACCOUNTS

When you open an Advisory Program Account, we will provide you with the Program Features and the Disclosure Documents that apply to the specific Advisory Program that you selected. We may permit you, in our sole discretion, to move to certain Advisory Programs without the need to open a new Advisory Account or sign a new Agreement. In such event, we will send you a confirmation letter reflecting your selection of the new Advisory Program in writing.

Delivery of the specific Program Features, which includes the advisory fees you will be charged for the Advisory Program, will serve to confirm your direction to retain WFA or the Manager you have selected in accordance with the terms of this Agreement.

By signing this Agreement, you agree that all of the terms and conditions of the Program Features you receive (either at the time you enter into this Agreement or at any time in the future) and any Account Application you complete are incorporated by reference into this Agreement as if they were fully set forth herein when you signed this Agreement. This means that your signature to this Agreement also serves as your agreement to be bound by all of the terms of the specific Program Features, including the fee schedule, for each specific Advisory Program shown on any confirmation letter we may provide to you.

A list of the Advisory Programs that are available and the corresponding Program Features for each Advisory Program are available to you at any time by contacting your Financial Advisor.

From time to time, we may require that you sign additional agreements or documents for certain services or instructions, including but not limited to an Advisory Program Account agreement for specific advisory programs, and such additional agreements and documents are incorporated by reference into this Agreement as if they were fully set forth herein when you signed the Agreement. If you open an Advisory Program Account after your execution of this Agreement, you may be required to execute an additional agreement specific to the Advisory Program Account(s). References to the "Agreement" include any supplemental Advisory Program Account agreements.

1. GENERAL TERMS

If you have opened a Discretionary Advisory Program Account, on the basis of your investment objectives and other individual circumstances and reasonable restrictions given by you, WFA will assist you in selecting a compatible Manager and/or investment strategy. Depending on the Advisory Program selected, WFA or the Manager you have selected will exercise discretion with respect to the day-to-day management of your Account continuously during the term of this Agreement and will buy, sell or otherwise trade and settle securities or other investments for your Account in these discretionary programs without discussing these transactions with you in advance.

You understand that the selection, retention and allocation to affiliated Managers may be more profitable than the selection, retention and allocation to unaffiliated Managers. If you have opened a non-Discretionary Advisory Program Account, we will not have investment discretion over your account. You have the option of accepting our recommendations or selecting alternative investments.

You acknowledge that you have completed the Account Application and understand that we will rely on the information contained in the Account Application when making investment determinations for your Account.

At least annually, we will contact you to determine whether there have been any changes in the information provided in the Account Application. You agree to inform us in writing of any material change in the information included in your Account Application or otherwise in your financial circumstances that might affect the manner in which your assets should be invested.

In deciding whether the Program is appropriate, you acknowledge that you have carefully considered all relevant factors, including past and anticipated trading practices and holdings, your investment strategies and trading patterns (including the frequency of trading and the number and size of the transactions that you anticipate effecting in the Program Account(s)), the costs and potential benefits of this type of Program(s) as compared to paying commissions on a per-trade basis and your investment objectives and goals. In some instances, you may be able to invest in money market funds or mutual funds either directly or through other programs at a lower cost or at no additional cost to you.

You may contact us during normal business hours to consult with your Financial Advisor concerning management of your Account. Inquiries concerning the Agreement and Account should be directed to Wells Fargo Advisors, One North Jefferson Ave., St. Louis, MO 63103. All communications to you shall be sent to your address designated on the Account unless you specify otherwise in writing.

2. CONFIRMATIONS AND REPORTS

We will send confirmations of transactions and periodic Account statements to you. You may waive your right to receive trade-by-trade confirmations. If you open an eligible Advisory Program Account when you sign this Agreement, your initials on the Signature Page or Program Features indicate that you desire to waive trade-by-trade confirmations and your understanding that waiving your right to receive confirmations is not a condition to entering/participating in an Advisory Program and will not result in a different fee. If you elect to waive your right to receive trade-by-trade confirmations, you will receive periodic statements. Your waiver may be rescinded at any time.

A monitoring report will be provided to you periodically. You will review this material and report any discrepancies to us as soon as possible. This report will include a reminder to you to contact us if there are any changes in your financial situation or other information included in your Account Application and will disclose a method by which you may make such contact.

3. CASH SWEEP

Notwithstanding any other provision of this Agreement, uninvested cash balances in your Advisory Programs or change certain Advisory Program features without the need to open a new Advisory Account or sign a new Agreement. Advisory Program Account will be automatically deposited each day in one or more FDIC-insured depository accounts established ("Bank Deposit Sweep") with bank affiliates of WFA, unless you are provided notice of another available alternative for uninvested cash balances in your Account(s).

For ERISA accounts, cash balances will be placed in a money market mutual fund, including, as permitted by law, those with which WFA and its affiliates have agreements to provide advisory,

administration, distribution and other services. WFA and its affiliates may receive compensation from any such fund only to the extent permitted by applicable law. The Cash Sweep Program is described more fully in the Cash Sweep Program Disclosure Statement.

4. CUSTODY

Unless otherwise specified, we or our agent will maintain custody of the assets in the Advisory Program Account. We will credit the Advisory Program Account with dividends and interest paid on securities and with principal paid on called or matured securities in the Advisory Program Account.

5. EXECUTION

You hereby instruct the Manager and WFA to use WFA execution services for purchases and sales in the Account, except as otherwise may be necessary for the Manager or WFA to fulfill their respective best execution responsibilities. Fees cover transaction charges only when trades are effected through WFA and, consequently, it is expected that most trades will be effected through us. Unless specifically described in this Agreement, we will not assess or collect from you any transaction fee upon the purchase or redemption of any Eligible Shares. However, mutual funds may deduct redemption fees from your redemption proceeds, as stated in the fund's prospectus.

All capital gains and income dividends from your mutual funds will be reinvested into the respective fund unless otherwise directed by you. You hereby authorize that we may effect and execute brokerage transactions, including on a national exchange, as permitted by current provisions of Section 11(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and rules promulgated thereunder including any future amendments or changes to such statutes and rules.

You authorize us act either as principal or as agent for buyer and seller in securities transactions when appropriate and permitted by law. Since we may profit by its principal transactions and would normally receive compensation from each party to such agency transactions there is a potentially conflicting division of responsibilities and loyalties. You may revoke the consent at any time by notifying us in writing. We will act as a principal under existing law only if, prior to each such transaction, we disclose the capacity in which we are acting and obtain your consent.

The securities traded for you may be traded in one or more marketplaces or, in the case of fixed income transactions, an alternative trading system (ATS), as is necessary to satisfy best execution responsibilities. You authorize orders to be aggregated with other clients where applicable.

6. FEES

Unless we agree separately in writing, you agree to pay us the fees described in the Program Features. These fees will be deducted directly from the Account or from the Billing Account specified. You understand that the fees include, among other things, compensation for advisory services, and that they may be higher than certain other advisory and brokerage fee arrangements.

As used in the Agreement, the phrase *"Account Value"* means the sum of the absolute market value of all eligible long and short security positions, including cash and cash alternatives held in the Account. If your account has short positions, the Account Value reflects the short position's absolute value. A short position does not offset the value of long positions in the account.

Margin debit balances do not reduce the Account Value.

In valuing your Account, we will use the closing prices or, if not available, bid prices of the last recorded transaction for listed securities, options and over-the-counter NASDAQ securities. For mutual funds, we will use the fund's most current net asset value, as computed by the fund company. In so doing, we will use the information provided by quotation services believed to be reliable. If any such prices are unavailable or believed to be unreliable, we will determine prices in good faith so as to reflect our understanding of fair market value. Due to trade date or settlement date accounting, the treatment of accrued income and other factors, the Account Value used in the calculation of fees may differ from that shown on your monthly account statement and/or performance report.

Fee payment due dates and procedures. An initial fee will be deducted from the Account, or the Billing Account, within five days of our acceptance of this Agreement.

This fee is based on the Account Value on the date the Account is accepted and is due for the partial calendar quarter beginning on that date. Thereafter, we will charge a quarterly fee in advance, generally within the first ten business days of each succeeding calendar quarter, based upon the Account Value on the last business day of the prior calendar quarter.

If cash and/or securities are added or withdrawn between billing periods, a prorated fee will be charged or refunded on the net value of the additions and/or withdrawals as of the date of activity and will be based on the rate effective for that quarter. Fees will be assessed or refunded in the following month only if the net fee exceeds $40. No fee adjustment will be made during any fee period for appreciation or depreciation in the value of the assets in the Account during that period.

By signing this Agreement, you agree to maintain or deposit sufficient funds in the Account to cover all fees and charges payable under this Agreement and you authorize us to debit the Account balances or redeem money market shares in an amount equal to all such fees and charges when due. If your Account does not have a sufficient cash balance or money market fund shares to make a payment on the due date, we may sell additional securities in the Account, without prior notice to you, to generate proceeds sufficient to pay the fees.

You may elect to pay the asset-based fees associated with your Account with funds outside of your IRA by debiting another non-IRA account provided on the Programs Features. You expressly assume responsibility for any tax implications and any adverse consequences which may arise from this election and the payments made in connection with this election and understand that we do not provide any legal or tax advice.

Other fees. The fee does not include certain dealer markups or markdowns, odd lot differentials, transfer taxes, exchange fees, execution fees (foreign and/or domestic) when applicable, and any other fees required by law.

Your FA may suggest or we may permit you to hold other products and services that we offer not available through this Account ("Non-Program Assets"). In addition to Program fees, you also will incur any usual and customary brokerage charges and fees associated with Non-Program Assets. These may include (i) any dealer markups, odd-lot differentials, transfer taxes and other fees; (ii) charges imposed by broker-dealers and custodians other than WFA and our affiliates, and fees for other products and services that WFA and our affiliates may offer; (iii) offering discounts, commissions and related fees in connection with underwritten public offerings of securities; (iv) margin interest and operational fees and charges; (v) IRA fees; and (vi) any redemption fees, or other fees imposed in connection with transactions in such Non-Program Assets , whereby we and your FA may receive additional compensation on these Non-Program Assets. Other fees and charges associated with Non-Program Assets will be assessed on or about the transaction date or another date we determine.

We or our affiliates may receive additional compensation in connection with cash and cash alternatives held in the Account. The other compensation we receive may include, but is not limited to, administrative fees based on assets invested in money market funds used for cash sweep purposes.

Mutual fund payments. If applicable, as a shareholder of a mutual fund, closed end fund or ETF, you will bear a proportionate share of the fund's expenses, including investment management fees paid to the fund's investment adviser, in addition to fees paid to WFA.

Mutual Funds and money market funds traded as part of the advisory Program are purchased at net asset value. We and/or any of our affiliates may receive additional compensation from mutual funds for the execution of purchases of fund shares or the performance of clearance, settlement, custodial or other ancillary functions (for example, recordkeeping, sub-accounting, shareholder communications, administrative and similar services provided to a fund for your benefit and that of other clients). We may collect such fees directly or indirectly and may pay any such fees to your FA. The fees we receive vary, depending on the percentage paid pursuant to the Fund's Rule 12b-1 plan, or the agreement we or our affiliate may have made with the fund. The fees described in this paragraph will not exceed a maximum of .55% per year of the value of the assets invested in a fund, and may include a fixed charge not to exceed $20 per shareholder account with the fund. You understand and agree to the payment of this compensation from mutual funds. With the

exception of these fees, neither we nor any of our affiliates receives any charges, fees, discounts, penalties or adjustments in connection with the purchase, holding, exchange, termination or sale of shares of the affiliated funds.

Mutual funds managed by WFA or our affiliates will receive fees that are greater, in the aggregate, than what they would have received if the selected fund was not affiliated with WFA. WFA does not receive any separate or direct benefit, other than its normal and stated fees, if you select a fund affiliated with WFA.

In the case of ERISA Accounts, any fees described above that are paid to us, an affiliate or other such person will be credited against the fees due from you under this Agreement.

Alternative investment payments. As described in the relevant Private Placement Memorandum or offering document, which you should read before investing, investments in alternative investments are subject to other fees and expenses. In addition, WFA or its affiliates may receive compensation in the form of management of administrative fees from certain alternative investments available through the Program. The fees payable to WFA pursuant to this Agreement are unrelated to, and will not be altered as a result of, any fees paid by alternative investments to WFA or its affiliates. Fees and expenses charged by the alternative investments, including fees paid to WFA and its affiliates, ultimately are borne by you as an investor in the alternative investments.

Auction Rate Securities. Program fees will be applied to certain closed-end funds and municipal bonds, which are bought and sold at auctions held at predetermined intervals. In addition to the Program fee, WFA and its affiliates also receive a service charge or other compensation for participating in auctions of auction rate closed-end funds and municipal bonds. This service charge or other compensation, a portion of which may be paid to your Financial Advisor, is described generally in the relevant prospectus or offering documents.

7. SECURITIES TRANSFERS

Subject to the discretion of and acceptance by WFA and/or the applicable Manager, you may transfer securities into your Account. You understand that fees will be charged on transferred securities, which may have previously incurred transaction or other costs. WFA and/or the applicable Manager are not responsible for any actions undertaken by a broker-dealer or investment adviser prior to the transfer and you agree to hold WFA and/or the applicable Manager harmless and indemnify WFA and/or the applicable Manager from any and all liability, loss or damages arising directly or indirectly from any actions taken prior to the transfer of such securities into your Account. In addition, you understand that a WFA and/or applicable Manager may sell, liquidate or otherwise dispose of some or all of the securities transferred into the Account pursuant to the discretion of WFA and/or the Manager. You authorize WFA, at our discretion, to convert existing mutual funds in your Account to any available institutional share or advisory program share class ("Advisory Share Class") without your prior consent.

8. TERMINATION

You or we may terminate an Advisory Program Account by notifying the other party in writing of the Advisory Program Account to be terminated and termination will become effective upon the receipt of the notice. If an Advisory Program Account is terminated, we will make a pro-rata refund to you of fees paid to us pursuant to this Agreement for the period after the date of effectiveness of such termination through the end of the then current fee period, less reasonable start-up costs. However, termination will not affect either your or our responsibilities under this agreement for previously initiated transactions or for balances due in the Advisory Program Account upon termination. Upon termination we will have no further obligation to act for or advise the Advisory Program Account, and normal brokerage fees and charges will apply to the Account.

To the extent applicable, upon termination of an Advisory Program Account, you may, but you are not required to, request us to liquidate the Advisory Program Account. If you request us to liquidate the Advisory Program Account, we will do so in an orderly and efficient manner. There will be no charge by us for such liquidation; however, you should be aware that certain unit investment trusts and mutual funds impose redemption fees in certain circumstances as stated in each trust or fund prospectus. You must keep in mind that the decision to liquidate securities, unit investment trusts or mutual funds may result in tax consequences that should be discussed with your tax advisor. Upon termination of the Account or transfer of the Advisory Share Class into a WFA retail brokerage account, you authorize us to revert, at our discretion, the Advisory Share Class to the mutual fund's primary share class, typically A shares, without incurring a commission or load without your prior consent. You understand that the primary share class generally has higher operating expenses than the Advisory Share Class, which may negatively affect your performance. Factors that may affect the liquidation of your Advisory Program Account would be size and type of issues, liquidity of the market, and market makers' abilities. Should the necessary securities markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. We are not responsible for market fluctuations in your Advisory Program Account from time of written notice until complete liquidation. All efforts will be made to process the liquidation in an efficient and timely manner. Your Advisory Program Account will terminate upon notification of your death.

Certain mutual fund shares may be required to be redeemed as part of the Account termination, as stated in their prospectus.

9. RISK ACKNOWLEDGMENT

You acknowledge that past performance is no guarantee of future results to the Advisory Program Account and that all data provided by us may not be free from error or inaccuracies. All trading done in the Advisory Program Account is subject to market risk and investment performance of any kind can never be guaranteed. We make no representations or warranty under this Agreement with respect to the present or future level of risk or volatility in the Advisory Program Account, or future performance or activities.

10. OTHER CLIENTS; LIABILITY

We are under no obligation to effect any transaction for the Advisory Program Account that we believe to be improper. We are engaged in a wide range of securities services. We and/or your Manager may also give advice and take action in the performance of our duties to other clients that differ from the advice we give you. Or the timing and nature of actions we take may differ, which may cause the Account to receive higher or lower execution prices than such other accounts. Additionally, we may be limited in our ability to divulge or act upon certain information we possess as a result of investment banking activities or other confidential sources.. We and/or your Manager shall not be liable to you for any error of judgment or mistake of law or for any loss arising in your Advisory Program Account, except for (1) willful misfeasance, bad faith or gross negligence in the performance of our duties and obligations with respect to your Advisory Program Account, and (2) any liabilities that cannot be waived under state or Federal law.

11. OUR REPRESENTATIONS

We represent that we are an investment adviser registered under the Investment Advisers Act of 1940, as amended. and that we are authorized and empowered to enter into this Agreement.

12. EFFECTIVE DATE OF AGREEMENT; ACTIVATING YOUR ADVISORY PROGRAM ACCOUNT

This Agreement will not be effective as to any particular Advisory Program Account until accepted by us. Further, in the event you select a new Advisory Program by providing verbal authorization to your Financial Advisor, this Agreement will not be effective as to the new Advisory Program until our acceptance of your instruction. Preliminary discussions or recommendations that occur before the effective date of this Agreement as to any particular Advisory Program are not intended as investment advice and should not be relied on as such.

By signing this Agreement, you acknowledge receipt of the Disclosure Document relating to your particular Advisory Program Account.

We reserve the right to refuse for any reason to open any Advisory Program Account. No Advisory Program Account shall become active until you have provided us with the information, funds and securities necessary to commence activity within your Advisory Program Account. Your request to begin services under this Agreement is not considered a market order, since both WFA and/or your Manager require time to process your request. We will, however, make every effort to process your request promptly.

We and/or your Manager will comply with any reasonable instructions given by you (in writing) concerning management of an Advisory Program Account. Reasonable

instructions given by you may include prohibitions with respect to the purchase or sale of particular securities or types of securities. If your instructions are unreasonable, or we believe that the instructions are inappropriate for you, we will notify you that, unless the instructions are modified, we may cancel the Account. You understand that you will not be able to provide instructions that prohibit or restrict the investment adviser of a mutual fund or ETF with respect to the purchase or sale of specific securities or types of securities within the fund.

13. AMENDMENT

This Agreement may not be modified or amended by you except through written amendment signed by WFA and you, provided however, that we may permit you, in our sole discretion, to move to certain Advisory Programs or change certain Advisory Program features without the need to open a new Advisory Account or sign a new Agreement. In such event, we will send you a confirmation letter reflecting your selection of the new Advisory Program in writing. WFA may amend this Agreement at any time upon fifteen days written notice to you. Your continued use of the services indicates your agreement to the modified terms.

14. LEGAL PROCEEDINGS

With respect to the securities held in the Account, or the issuer of securities, which become the subject of legal proceedings, including rights or tender offers, bankruptcy or a class action lawsuit, you direct us to forward information related to such legal proceedings directly to you. WFA and/or the Manager will not be obligated to render any advice or take any action with respect to legal proceedings. Our sole obligation will be to forward such information within a reasonable period of time to you and act on any instructions we receive from you.

15. PLEDGE, VOTE, ACT AS SECURITY HOLDER

You will retain (i) the ability to withdraw or pledge any securities in the Account, (ii) the right to vote securities or to delegate the voting authority, and to revoke such delegation, to another person, and (iii) the right to proceed directly as a security holder against the issuer of any security in your Account without having to join any person involved in the operation of an Advisory Program as a condition precedent to proceeding against the issuer.

16. ERISA MATTERS

If an Account is established on behalf of an employee benefit plan subject to the provisions of ERISA, solely with respect to Accounts in a Discretionary Program, then we acknowledge that we are a “fiduciary” (as that term is defined in ERISA) with respect to your Account, but only to the extent of our responsibilities under this Agreement and only with respect to monies or other property actually received by us on your behalf. The person executing this Agreement on your behalf hereby represents that it is a “named fiduciary” as that term is defined in ERISA, with respect to the control or management of the assets of the Plan or Account and that it is empowered to appoint an "investment manager," as that term is defined in ERISA, with respect to the assets of the Account. The fiduciary representative(s) of any client who completes the Account Application acknowledge that they have reviewed and approved the Account Application and represents that it is consistent with the plan and related trust agreement. You, and the person executing this Agreement on your behalf, represent that you have specifically considered the role that the investment strategy and course of action contemplated by this Agreement will play in your investment portfolio as a whole, including consideration of (i) the risk of loss and the opportunity for gain (or other return) associated with the investment strategy and investment course of action; (ii) the composition of your investment portfolio with regard to diversification; (iii) the liquidity and current return of your investment portfolio relative to your anticipated cash flow requirements, and (iv) the projected return on your investment portfolio relative to your investment objectives. You acknowledge and agree that WFA will rely on this representation in performing our duties under this Agreement.

For non-Discretionary Advisory Programs and Private Advisor Network, you understand and acknowledge that WFA will not be acting as a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974, as amended (ERISA), or the Internal Revenue Code of 1986, as amended. You represent and agree that WFA recommendations will not serve as a primary basis for investment decisions for the Account(s).

You approve the investment of Account assets in mutual funds, including mutual funds advised, administered, or distributed by WFA or the Manager, WFA or an affiliate of WFA or a Manager ("affiliated funds"), and you approve the investment advisory and other fees paid by each such affiliated fund in relation to the fees paid by the plan under this Agreement. You acknowledge receipt of the current prospectus issued by each affiliated fund and give your approval on the basis of the information contained in the prospectus. We agree that such affiliated fund investments will be made in conformity with the provisions set forth in the United States Department of Labor's Prohibited Transaction Class Exemption 77-4.

To the extent that bonding is required pursuant to ERISA section 412, you agree to obtain and maintain for the period of this Agreement any bond required pursuant to section 412 of ERISA or any other applicable law and to include within the coverage of the bond WFA and any of WFA’s officers, directors and employees whose inclusion is required by law. You agree to promptly provide WFA with appropriate documents evidencing this coverage upon request.

Other Tax-Favored Account: You hereby represent and warrant that the person executing this Agreement on behalf of the Account or plan, as the case may be, is either the Account owner or appropriate fiduciary to enter into this Agreement on behalf of the Account or plan and that it will notify WFA if its status or authority should change.

Command Asset Program/
Command Asset Program for Business

1. Introduction

The Command Asset Program and the Command Asset Program for Business ("Command Asset Program") are an integrated group of financial services consisting of your Wells Fargo Advisors, LLC or Wells Fargo Advisors Financial Network, LLC (hereinafter "WFA," "we," "us" or "our") brokerage account (the "Brokerage Account"), check writing features, a Visa® debit card ("Debit Card") issued by Wells Fargo Bank, N.A. (the "Bank") and an associated non-interest-earning Command bank deposit account at the Bank ("Bank Account").

This Command Asset Program Agreement ("Command Agreement") contains important terms and conditions that apply to your Command Asset Program. If you are issued a Debit Card, you will also receive a Debit Card Agreement and Disclosure. If any provision of this Command Agreement conflicts or is inconsistent with any provision of the General Account Agreement for your Brokerage Account, the provisions of this Command Agreement shall control with respect to matters or services related to the Command Asset Program. However, if any provision of this Command Agreement or the General Brokerage Account Agreement conflicts or is inconsistent with any provision of the Debit Card Agreement and Disclosure, the provisions of the Debit Card Agreement and Disclosure shall control with respect to the Debit Card.

The Command Asset Program may be terminated by either you or us independently of the General Brokerage Account Agreement and the Bank can terminate the Bank Account at any time. If either the Command Asset Program or Bank Account is terminated, the Brokerage Account will revert to a standard brokerage account.

2. Command Checking Services and Visa Debit Card

As part of your Command Asset Program, you have check writing privileges that allow you and other authorized signers to write Command Checks against your Brokerage Account. As used in the Command Asset Program, the term "Command Check" means a payable through draft that is similar in appearance and function to a traditional check, but is written against and processed from your Brokerage Account. You may also apply for a Visa Debit Card issued by the Bank and linked to your Brokerage Account as part of your Command Asset Program. See the Debit Card Agreement and Disclosure for additional terms, conditions and information regarding Debit Card transactions. By activating the check writing or Debit Card features, you confirm your acceptance of the terms and conditions set forth in this Command Agreement and, when applicable, the Debit Card Agreement and Disclosure.

a. Debit Card Activation
You cannot use the Debit Card until you have activated it by calling the toll free activation number provided to you. If you do not want to use the Debit Card, destroy it by cutting it in half immediately. The Bank reserves the right not to issue a Debit Card and may terminate these privileges with or without cause or notice unless otherwise required by law.

b. Authorized Signers and Debit Cardholders; Change of Status of Debit Cardholders
We may honor Command Checks drawn by authorized signer(s) and/or transactions initiated by additional Debit Cardholders, subject to this Command Agreement. You will be responsible for all Command Check transactions made by any authorized person and for all Debit Card transactions made by any person you have permitted to use your Debit Card, Debit Card number or personal identification number ("PIN"), even if the actual use exceeds your authorization or permission.

We may treat any signature on a Command Check as the signature of the indicated person when in our discretion the signature for the Brokerage Account resembles the signature of the indicated person on the check, regardless of the means by which the actual or purported signature may have been affixed on the Command Check. We may not pay and may return any Command Check when in our discretion the signature for the Brokerage Account does not resemble the signature of the indicated person on the Command Check, or a required signer's signature does not appear on the Command Check.

You agree to notify us immediately regarding the change in status (such as the divorce, death or court-declared incompetency) of any person(s) with Command Check signatory authority or Debit Card cardholder(s) on your Brokerage Account. We may continue to honor Command Checks, Debit Card transactions and other instructions by authorized signers and/or cardholders on your Brokerage Account until you provide us written notice to the contrary and we have had a reasonable opportunity to act on such notice.

c. Currency Conversion
Debit Card transactions incurred in a foreign currency will be converted by Visa into a U.S. dollar amount in accordance with Visa's currency conversion procedures in effect at the time of the processing of the transaction. Currently, the currency conversion rate used is either a wholesale currency market rate in effect for the applicable central processing date, or a government-mandated rate in effect for the applicable central processing date plus the international purchase transaction fee. The conversion rate on the processing day may vary from that in effect when the transaction occurred.

d. Authorized Limits; Debits to Brokerage Accounts; Overdrafts
Your Brokerage Account is subject to an authorized limit on your use of the Command Check writing and Debit Card features. Your authorized limit ("Authorized Limit") equals the total of the free credit balances, any money market funds or Cash Sweep Vehicle, and available margin (if applicable) in your Brokerage Account.

Your Authorized Limit is adjusted when the Bank is presented with a Command Check or notified that the Debit Card has been used, not when the Command Check or Debit Card transactions are settled. We reserve the right at our sole discretion and without notice to you to change the manner in which the Authorized Limit is calculated.

Your Authorized Limit may be re-calculated throughout the day, and can vary due to factors such as debits or credits of cash or cash instruments to your Brokerage Account and the time required to transmit and confirm data between financial institutions.

You agree to have sufficient funds in the Brokerage Account on the day notification of presentment for payment of a Command Check from the Bank is received, as well as when you use your Debit Card. Debits to your Brokerage Account generally will be satisfied at any time during the day at our sole discretion in the following order of priority: (i) securities transactions, including margin maintenance calls and Brokerage Account fees; (ii) Debit Card transactions; (iii) other electronic funds transfers; and (iv) Command Check transactions. However, you authorize us to debit your Brokerage Account for these transactions in any order convenient to us at our sole discretion.

We may put a hold on funds in your Brokerage Account or otherwise restrict withdrawals or transfers from the Brokerage Account to an amount that is lower than the Authorized Limit. We reserve the right to reject any Debit Card transaction or Command Check for any reason, unless prohibited by law, including without limitation because of an insufficient Authorized Limit, and you will be solely liable for any consequences of the rejected transaction.

Overdraft protection is not available for your Brokerage Account. It is important to keep track of the balances in your Brokerage Account before you make purchases, withdrawals, write checks or initiate other transactions. If your Brokerage Account ends up with a debit balance (such as when a merchant submits a transaction for payment without requesting authorization from us), you are responsible for and must immediately repay the amount of any debit balance and any interest as indicated in the Cash Account and Margin Account sections of the Credit Terms portion of the General Brokerage Agreement for your Brokerage Account.

e. Transactions in Excess of Authorized Limit
If your Authorized Limit is insufficient at the time a Command Check or Debit Card transaction or electronic fund transfer is presented for payment, the Command Check may be returned or that transaction rejected without payment. In some cases, we may pay the Command Check or Debit Card transaction, causing a negative balance in your Brokerage Account. However, we are not obligated to make any such payment.

f. Return of Command Checks, Debit Cards for Cancelled or Closed Accounts; Lost or Stolen Checks
All Debit Cards issued to you remain the property of the Bank, and either we or the Bank may cancel or repossess them at any time, with or without cause. If cancelled, you must destroy all Debit Cards issued to you. When your Brokerage Account is closed or you terminate any of the services provided for in this Command Agreement, you must promptly destroy your unused Command Checks and/or Debit Cards (as applicable).

If any of your Command Checks are lost or stolen, you must report the loss immediately by calling **1-800-266-6263** or at the number listed on your Brokerage Account statement.

g. Stop Payment Orders
You and any other authorized signer may make a stop payment order on a Command Check. You agree that we are authorized to accept a stop payment order on a Command Check from any signer on your Brokerage Account. There may be a charge for each stop payment order requested as specified in the fee schedule applicable to your Brokerage Account.

You or any other authorized signer must supply the following information to us as a condition of accepting a stop payment order: (i) account number, (ii) date on the Command Check, (iii) Command Check number, (iv) exact amount (dollars and cents) of the Command Check, (v) the name of payee, (vi) information that we may require to verify your identity; and (vii) other information we may reasonably require.

If any of the required information is not provided or is incorrect, we will not be responsible for failing to effectuate the stop payment order. In order to be effective, a stop payment order must be received in a time and manner that gives us a reasonable opportunity to verify that the Command Check is unpaid and to act on the request. To stop payment on a Command Check, you or an authorized signer must call your Financial Advisor or the service telephone number on your Brokerage Account statement. We may require a stop payment order to be confirmed in writing within 14 days after a call placing a stop payment order is received. A stop payment order cannot be acted on once WFA has paid, certified, or accepted the Command Check. Each stop payment order will remain in effect for six months but will not be automatically renewed. If the Command Check is still outstanding after that time, you may request another stop payment order for the fee specified in the fee schedule applicable to your Brokerage Account. You agree that if a stop payment order is not renewed in writing, we may, at our sole discretion, return or pay a Command Check presented after the expiration of the order. You agree that stop payments on Command Checks may also be placed by us or the Bank due to "legal process" (described in Section 6 hereof) received or to effectuate other provisions of this Command Agreement.

You agree to indemnify, defend and hold WFA, the Bank and their respective officers, directors, employees or agents (each an "Indemnified Person") harmless from all costs, actions, damages, claims, liability and demands related to or arising from the Indemnified Person(s) action(s) relating to a stop payment on a Command Check based on the information you provided. In no event shall an Indemnified Person be liable for special, consequential or compensatory damages, including, but not limited to, loss of profits and/or opportunity, or for attorneys' fees incurred by you, as the result of an Indemnified Person acting, or failing to act, upon a stop payment order or placing a stop payment upon a Command Check.

h. Postdated Command Checks; Altered or Uncompleted Command Checks; Certain Other Command Checks
You understand and agree that we will not be liable for paying a Command Check prior to the date shown on the face of the Command Check, even if such payment results in a negative Brokerage Account balance. You may ask us not to pay a postdated Command Check before its date if the Command Check has not already been paid. To do so, you must give us a stop payment order. If you then wish the Command Check to be payable as of the date on the Command Check, you must cancel the stop payment order on that date in a time and manner that gives us a reasonable opportunity to act on it. You understand and agree that we may charge your Brokerage Account based on the original terms of an altered Command Check or on the terms of the completed Command Check, even though we know the Command Check has been completed, unless we have been notified that the completion was improper. You understand and agree that we may pay or refuse to pay, at our sole discretion, any Command Check that is presented for payment more than six months from the date shown on the face of the Command Check.

i. Recurring payments; Electronic Check Conversion; Facsimile Signatures
If you have authorized a person to regularly debit your Brokerage Account, and the amounts may vary, the person you are going to pay is required to tell you at least 10 days before each debit, when it will be made and how much it will be. You may authorize a merchant or other payee to make a one-time electronic payment from your Brokerage Account using information from your check to (i) pay for purchases, or (ii) pay bills. To the extent that you use a rubber stamp, facsimile signature device or other device to sign Command Checks ("facsimile signature"), you acknowledge that we may treat any facsimile signature on a Command Check as the signature of the indicated person, regardless of by whom or by what means the actual or purported facsimile signature may have been affixed. You shall maintain adequate controls over any equipment that may be used to generate facsimile signatures, and you agree to indemnify, defend and hold each Indemnified Person harmless from all costs, actions, damages, claims and demands related to or arising from any unauthorized facsimile signature or the unauthorized use of such equipment.

j. Check 21 Mandated Consumer Disclosure – IMPORTANT INFORMATION

(i) What is a Substitute Check?
To make check processing faster, federal law permits financial institutions to replace original checks with "Substitute Checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a Substitute Check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a Substitute Check as proof of payment just like the original check. Some or all of the Command Checks that you receive back may be Substitute Checks. This notice describes rights you have when you receive Substitute Checks from us. The rights in this notice do not apply to original checks or to electronic debits to the Brokerage Account or Bank Account. However, you have rights under other laws with respect to those transactions.

(ii) Your Rights regarding Substitute Checks
In certain cases, federal laws provide a special procedure that allows you to request a refund for losses you suffer if a Substitute Check is posted to the Brokerage Account (for example, if you think we withdrew the wrong amount from the Brokerage Account or that we withdrew money from the Brokerage Account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from the Brokerage Account and fees that were charged as a result of the withdrawal (for example, bounced check fees). The amount of your refund under this procedure is limited to the amount of your loss or the amount of the Substitute Check, whichever is less. If your loss exceeds the amount of the Substitute Check, you may be able to recover additional amounts under other laws. If you use this procedure, you may receive up to $2,500 of your refund (plus interest if the Brokerage Account earns interest) within 10 Business Days after we received your claim and the remainder of your refund (plus interest if the Brokerage Account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the Substitute Check was correctly posted to the Brokerage Account.

(iii) How to make a claim for a refund
If you believe that you have suffered a loss relating to a Substitute Check that was posted to the Brokerage Account, please contact us at the number listed on your statement. You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the Substitute Check in question or the statement for the Brokerage Account showing that the Substitute Check was posted to the Brokerage Account, whichever is later. We will extend this time period if you

were not able to make a timely claim because of extraordinary circumstances.

Your claim must include the following: (i) a description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect); (ii) an estimate of the amount of your loss; (iii) an explanation of why the Substitute Check you received is not sufficient to confirm that you suffered a loss; (iv) a copy of the Substitute Check or the following information to help us identify the Substitute Check: the check number, the name of the person to whom you wrote the check, and the amount of the check.

(iv) Special Notice for Check Return Customers
We will not provide Substitute Checks with statements. However, the statement for the Brokerage Account will provide information to inform you that a Substitute Check has posted to the Brokerage Account. Even though you do not receive a Substitute Check with the statement for the Brokerage Account, we will grant you the rights described above in this notice concerning Substitute Checks as though you received a Substitute Check in the statement cycle describing the posting of it.

3. Authorization to Charge Brokerage Account; Restricted Accounts

You authorize us to charge your Brokerage Account for the amount of your Command Checks, Debit Card transactions, ATM withdrawals, and electronic fund transfers. If there is more than one account holder, you authorize us to pay funds on the authority of only one account holder's signature. You agree to be responsible for all Debit Card transactions you authorize or from which you receive any benefit. If you permit or authorize any other person to use your Debit Card and PIN, you will be liable for all resulting transactions initiated by that person.

Brokerage Accounts collateralized for security-backed loans and certain fee-based investment programs may be restricted from Command Check writing, Debit Card and other withdrawals. In some instances, an existing Brokerage Account will become two separate accounts with active Command Asset Program features retained by one account using the same Command Check number. You agree that each of these two separate Brokerage Accounts will be governed by the terms and conditions of this Command Agreement. The original Brokerage Account number will be utilized to maintain a separate collateralized account for the security-backed loan or fee-based investment program.

4. Brokerage and Bank Account Statements

You will be provided with a combined periodic account statement for your Brokerage Account and Bank Account. You acknowledge and agree that you will not be provided the Command Checks, images or copies of the Command Checks you have drawn that have been paid. You agree and represent that you will examine your periodic statement promptly upon receipt.

You must report any errors or inaccuracies (other than errors or inaccuracies with Debit Card or electronic fund transfers) no later than 10 calendar days after receipt of the periodic statement. If you fail to notify WFA and/or the Bank of any error or irregularities within 10 calendar days of receipt, you agree that WFA and the Bank may assume that the periodic statements are correct, and you waive any right to raise any such error or irregularity after the expiration of the 10 calendar day period and WFA and the Bank will be released from all liability for the charges and for all other transactions or matters covered by their respective periodic statements. For information about electronic fund transfer errors or inaccuracies relating to the Brokerage Account, refer to the Electronic Fund Transfer section of the General Brokerage Account Agreement. For information about electronic fund transfer errors or inaccuracies relating to the Debit Card, refer to the Debit Card Agreement and Disclosure. For Bank Account electronic fund transfer errors or inaccuracies, refer to the Electronic Funds Transfer subsection of Section 10 of this Command Agreement.

5. Liability for Failure to Complete Transactions

If WFA or the Bank does not complete a transaction to or from your Brokerage Account or Bank Account, respectively, on time or in the correct amount, under no circumstances shall an Indemnified Person be liable for special, indirect, consequential or compensatory damages, including loss of profits or opportunity, or for attorneys' fees incurred by you, even if an Indemnified Person has been informed of the possibility of such damages. No Indemnified Person shall be liable for any loss or delay caused directly or indirectly by acts of war, terrorist attacks, strikes, natural disasters, government restrictions, exchange or market rulings, disruptions in orderly trading on any exchange or market caused by market volatility or trading volume, suspensions of trading, interruptions or delays affecting communications facilities or data processing services, or other conditions beyond that person's control.

6. Legal Process

WFA and the Bank may, but are not obligated to, accept and act on any legal process they receive, whether served in person, by mail, or by electronic notification, at any location of WFA and the Bank or through their registered agents for service of process. "Legal Process" includes, but is not limited to, a levy, garnishment, attachment, withholding order, injunction, restraining order, court order, divorce decree, subpoena, search warrant, government agency or self-regulatory organization request for information authorized by statute, regulation or rule, forfeiture, seizure, or other legal process relating to the Brokerage Account or the Bank Account. WFA and the Bank also have discretion to require additional documentation or a court order prior to taking any action. Any legal process received is subject to any security interest and right of setoff WFA and the Bank may have. Neither WFA nor the Bank will notify you of a grand jury subpoena or other confidential subpoena or information request affecting you or the Brokerage Account or Bank Account. Any fees or expenses (including, but not limited to processing fees, or attorneys' fees and expenses) WFA or the Bank incurs in responding to any such legal process may be charged against any Brokerage account or Bank account you maintain.

Due to the consolidated nature of periodic account statements, if the Bank receives legal process or a records authorization requiring it to produce account information, information from your Brokerage Account(s) may be produced in addition to information from your Bank Account(s). Similarly, if WFA receives legal process or a records authorization requiring it to produce account information, information from your Bank Account(s) may be produced in addition to information from your Brokerage Account(s).

If assets in your Bank Account are attachable pursuant to legal process, your available balance in the Brokerage Account may be temporarily restricted and the debit will appear to come out of the Brokerage Account. If assets in your Bank Account that are attachable pursuant to legal process are paid out by check or are moved to the Brokerage Account, or another WFA brokerage account, the assets will either be restricted and paid out, held in a suspense account prior to payout, or moved back to the Bank Account and paid out pursuant to the legal process received. Any purchases or checks may be stopped and we may sell any assets, cancel any trades or stop any payments to generate the necessary funds. WFA and the Bank may also restrict the Brokerage Account and/or Bank Account, as applicable, if there is a dispute concerning ownership or control of assets in the account.

Neither WFA nor the Bank shall be liable for refusing to obey any order given by or for you, or for restricting, disclosing, liquidating or paying out assets which are, have been or appear to be subject to an attachment, sequestration, or legal process or proceeding against you or with respect to any such assets which have moved from the Brokerage Account or Bank Account to any other Bank or brokerage account, even if it is later determined that said assets were not intended to have been included in the scope of the legal process. Neither WFA nor the Bank shall be under any obligation to contest the validity or dispute any such attachment, sequestration, or legal process or the scope of such legal process.

7. Reliance on Records to Determine Account Ownership; Failure to Supply Signature

WFA and the Bank may rely solely on their respective records to determine the form of ownership of the Brokerage or Bank Account. WFA and the Bank may presume that any person named in addition to you in their records owns the funds in the Brokerage or Bank Account with you as a co-owner, unless their records indicate that the person is an authorized signer or has some other relationship to the Brokerage or Bank Account. The failure of a person identified in the records of WFA or the Bank as an owner or a co-owner of the Brokerage or Bank Account to sign the Signature Page (or other account related documentation) does not

prevent WFA or the Bank, at their sole discretion, from treating such person as an owner or a co-owner of that Brokerage or Bank Account, and WFA and the Bank will not be liable as a result.

8. Instructions of Co-Owners and their Representatives; Rights and Liability; Freezing the Account

WFA or the Bank may act on the instructions of any co-owner (or a co-owner's legal representative), including instructions to withdraw or transfer funds, make payments, or close the Brokerage or Bank Account. WFA and the Bank may pay any sums in the Brokerage or Bank Account on the request of any co-owner (or a co-owner's legal representative), regardless of their contributions, whether any other co-owner is then incapacitated or deceased or whether the Brokerage or Bank Account includes a right of survivorship. WFA and the Bank may act on the instructions of any co-owner of a Brokerage or Bank Account to open additional, like-titled accounts, provided the same signature requirements apply to such Brokerage or Bank Accounts.

If there is a legal process (as defined in this Command Agreement) affecting any co-owner, WFA and the Bank have the right to treat all funds in the Brokerage or Bank Account as belonging to the person against whom the legal process is directed.

If you or any individual or entity makes a claim against funds in the Brokerage or Bank Account, or if WFA or the Bank believes that a conflict exists between or amongst Brokerage or Bank Account owners or there is a dispute over matters such as Brokerage or Bank Account ownership or control, WFA and/or the Bank, without any liability to you or any other individual or entity, may take one or more of the following actions: (i) continue to rely on the Signature Page for the Brokerage or Bank Account, (ii) honor the claim upon receipt of evidence satisfactory to them to justify such claim, (iii) freeze or restrict the Brokerage or Bank Account until the dispute is resolved to our satisfaction, (iv) close the Brokerage or Bank Account and send a check for any available balance in the Brokerage or Bank Account payable to you or to you and each claimant, and/or (v) require you to present a court order determining ownership or control of the Brokerage or Bank Account, and/or pay the funds to an appropriate court. WFA and/or the Bank may charge the Brokerage or Bank Account or any other account for expenses (including attorneys' fees and expenses) and fees they incur.

If WFA or the Bank suspect that irregular, unauthorized, or unlawful activities may be involved with either the Brokerage or Bank Account, WFA and the Bank may each respectively "freeze" (or place a hold on) the balance in the Brokerage or Bank Account (and in other accounts you maintain with them) pending an investigation of such suspected activities.

9. Command Asset Program for Business

Command Asset Program for Business clients understand and agree that "restricted transactions" as defined in the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG issued thereunder are prohibited from being processed through your Brokerage Account, Bank Account or any relationship between you and either us or the Bank. In the event a suspected restricted transaction is identified, WFA and/or the Bank may block or otherwise prevent or prohibit such transaction and further they may close the Brokerage Account, Bank Account or end the relationship.

10. Terms and Conditions for Bank Account for Teller Deposits

The Bank Account associated with your Command Asset Program is a non-interest-earning deposit account at the Bank intended to be used only for the purpose of facilitating teller deposits which are automatically transferred at the end of each Bank Business Day to your linked Brokerage Account. These terms and conditions apply to the Bank Account and are set forth below, which together with the general provisions above applicable to the Bank Account, your Signature Page and the Bank Privacy Policy and any additional disclosures regarding the Bank Account provided by the Bank, constitute your agreement with the Bank regarding the Bank Account. If you have any questions regarding the Bank Account, please contact the Bank at **1-800-869-3557**.

a. Dispute Resolution Program / Arbitration Agreement for the Bank Account

(i) Binding Arbitration

If you have a dispute with the Bank regarding the Bank Account, and you are not able to resolve the dispute informally, you and the Bank agree that upon demand by either you or the Bank, the dispute will be resolved through the arbitration process as set forth in the arbitration agreement in this section ("Arbitration Agreement"). A "dispute" is any unresolved disagreement between you and the Bank. It includes any disagreement relating in any way to services, accounts or matters; to your use of any of the Bank's banking locations or facilities; or to any means you may use to access your Bank Account(s). It includes claims based on broken promises or contracts, torts, or other wrongful actions. It also includes statutory, common law, and equitable claims.

"Disputes" include disagreements about the meaning, application or enforceability of this Arbitration Agreement. This Arbitration Agreement shall survive any termination of your Account(s). **YOU AGREE THAT YOU AND THE BANK ARE WAIVING THE RIGHT TO A JURY TRIAL OR TRIAL BEFORE A JUDGE IN A PUBLIC COURT.**

As the sole exception to this Arbitration Agreement, you and the Bank retain the right to pursue in small claims court any dispute that is within that court's jurisdiction. If either you or the Bank fail to submit to binding arbitration following lawful demand, the party so failing bears all costs and expenses incurred by the other in compelling arbitration.

(ii) Arbitration Procedure; Severability

You or the Bank may submit a dispute to binding arbitration at any time, regardless of whether a lawsuit or other proceeding has been previously commenced.

NEITHER YOU NOR THE BANK SHALL BE ENTITLED TO JOIN OR CONSOLIDATE DISPUTES BY OR AGAINST OTHERS IN ANY ARBITRATION, OR TO INCLUDE IN ANY ARBITRATION ANY DISPUTE AS A REPRESENTATIVE OR MEMBER OF A CLASS, OR TO ACT IN ANY ARBITRATION IN THE INTEREST OF THE GENERAL PUBLIC OR IN A PRIVATE ATTORNEY GENERAL CAPACITY. Each arbitration, including the selection of the arbitrator(s) shall be administered by the American Arbitration Association (AAA), or such other administrator as you and the Bank may mutually agree to (the AAA or such other mutually agreeable administrator to be referred to hereinafter as the "Arbitration Administrator"), according to the Commercial Arbitration Rules and the Supplemental Procedures for Consumer Related Disputes ("AAA Rules"). To the extent that there is any variance between the AAA Rules and this Arbitration Agreement, this Arbitration Agreement shall control. Arbitrators must be members of the state bar where the arbitration is held, with expertise in the substantive laws applicable to the subject matter of the dispute. No arbitrator or other party to an arbitration proceeding may disclose the existence, content or results thereof, except for disclosures of information by a party required in the ordinary course of its business or by applicable law or regulation. The parties agree that in this relationship: (1) The parties are participating in transactions involving interstate commerce; (2) The Arbitrator shall decide any dispute regarding the enforceability of this Arbitration Agreement; and (3) This agreement and any resulting arbitration are governed by the provisions of the Federal Arbitration Act (Title 9 of the United States Code), and, to the extent any provision of that act is inapplicable, unenforceable or invalid, the laws of the state that govern the relationship between you and the Bank. If any of the provision of this Arbitration Agreement dealing with class action, class arbitration, private attorney general action, other representative action, joinder, or consolidation is found to be illegal or unenforceable, that invalid provision shall not be severable and this entire Arbitration Agreement shall be unenforceable.

(iii) Rights Preserved

This Arbitration Agreement does not prohibit you or the Bank from exercising any lawful rights or using other available remedies to preserve, or obtain possession of property; exercise self-help remedies, including setoff rights; or obtain provisional or ancillary remedies such as injunctive relief, attachment, garnishment or the appointment of a receiver by a court of competent jurisdiction. All statutes of limitations applicable to any dispute apply to any arbitration between you and the Bank. The provisions of this Arbitration Agreement shall survive termination or amendment of the deposit relationship or any other relationship between you and the Bank.

(iv) Fees and Expenses of Arbitration
Arbitration fees shall be determined by the rules or procedures of the Arbitration Administrator, unless limited by applicable law. Please check with the Arbitration Administrator to determine the fees applicable to any arbitration you may file. If the applicable law of the state in which you opened your account limits the amount of fees and expenses to be paid by you, then no allocation of fees and expenses to you shall exceed this limitation. Unless inconsistent with applicable law, you and each of us shall bear the expense of our own attorney, expert and witness fees, regardless of who prevails in the arbitration.

b. Modification of Bank Account Terms & Conditions
The Bank may, at its sole discretion, from time to time modify these Bank Account terms and conditions by adding, changing or deleting existing provisions. When the laws governing your Bank Account require the Bank to notify you of a modification, the Bank may do so by posting notice of the modification on the Bank's home page (www.wellsfargo.com), by including a message on or with the statement for your Bank Account, or by any other means that the Bank considers appropriate, unless the laws governing your Bank Account requires notice by a specific means. Your continued use of your Bank Account following the effective date of any modifications will show your consent to that modification. No person or entity will be deemed to be a third party beneficiary to the Bank Account under these Bank Account terms and conditions.

In addition, the Bank may agree in writing (or otherwise) to waive a provision of these Bank Account terms and conditions (a "waiver"). The Bank may, upon prior written notice to you, revoke any waiver. Your continued use of the Bank Account or a related Bank service including a balance inquiry or any other communication with the Bank about the Bank Account following the effective date of any modification thereof , or revocation of any waiver, will show your consent to that modification, or revocation of waiver.

c. Laws Governing the Bank Account
Your Bank Account is governed by the laws and regulations of the United States and, to the extent applicable, the laws of the state in which the office of the Bank that maintains the Bank Account is located (unless the Bank has notified you in writing that the laws of another state shall govern the Bank Account), without regard to conflicts of laws principles, or clearing house rules and the like. If you were not physically present at an office of the Bank when you opened the Bank Account (for example, if you opened the Bank Account by phone, through the mail, or over the Internet), the Bank Account will be governed by the laws of the state in which the main office of the Bank is located, unless the Bank notifies you that the Bank Account has been assigned to a particular office of the Bank. If the Bank does notify you that the Bank Account has been assigned to a particular office, the laws of the state in which that office is located will govern the Bank Account.

The Bank and you agree that any lawsuits, claims, or other proceedings arising from or relating to the Bank Account or these Bank Account terms and conditions, including without limitation, the enforcement of the Arbitration Agreement in these Bank Account terms and conditions and the entry of judgment on any arbitration award, shall be venued exclusively in the state or federal courts in the state whose laws govern the Bank Account (unless the Bank has notified you that the Bank Account will be assigned to a particular office, in which case it shall be venued exclusively in the state or federal courts located in the state in which that office is located), without regard to conflict of laws principles.

d. Disclosure of Information
Generally, absent your consent, the Bank will not disclose information about the Bank Account, but may do so under the following circumstances: (i) to comply with a statute, regulation, or rule; (ii) in connection with examinations by state and federal banking authorities or securities authorities; (iii) to comply with any legal process, including, without limitation, a subpoena, search warrant, or other order of a government agency or court; (iv) when the Bank determines that disclosure is necessary or appropriate in order to complete a transaction; (v) to verify the existence and condition of the Bank Account for a third party, such as a merchant or credit bureau; (vi) to provide information to your legal representative or successor; (vii) to report the involuntary closure of the Bank Account; (viii) when the Bank concludes that disclosure is necessary to protect you, the Bank Account, or the interests of the Bank; (ix) to agents, independent contractors, and other representatives of the Bank in connection with the servicing or processing of the Bank Account or account transactions, or similar purposes; (x) to its affiliated banks or brokerage companies or (xi) if you give your permission.

e. Monitoring and Recording Communications
The Bank may monitor, record and retain telephone conversations, electronic messages, electronic records, and other data transmissions between you and the Bank at any time without further notice to anyone, unless further notice is otherwise required by the laws governing the Bank Account, and will have no liability for doing or failing to do so.

f. Credit Reports
You authorize the Bank to make any inquiries that it considers appropriate to determine if it should open and maintain the Bank Account. This may include ordering a credit (or other) report (e.g. information from any motor vehicle department or other state agency) on you.

g. Closing the Bank Account; Dormant Accounts
You or the Bank may close the Bank Account at any time. If either the Command Brokerage or Bank Account is closed for any reason, the associated Command Bank or Brokerage Account will also be closed. Any funds in the Bank Account will be transferred to the Brokerage Account before closure of the Bank Account. If the Command Asset Program or the Bank Account is terminated, you remain liable for all transactions and any other obligations or agreements covered by this Command Agreement or arising from the Command Asset Program, regardless of whether they occur before or after termination. Should either the Command Brokerage or Bank Account become dormant, it will escheat to the state in accordance with applicable law.

h. Security Interest; The Bank's Right of Setoff
To secure your performance of these Bank Account terms and conditions, you grant the Bank a lien on and security interest to your Bank Account at the Bank and your accounts with any affiliate of the Bank. In addition, you acknowledge that the Bank may setoff against any accounts you own at the Bank (including matured and unmatured CDs) or with an affiliate of the Bank for any obligation you owe the Bank at any time and for any reason as allowed by the laws governing your Bank Account. These obligations include both secured and unsecured debts and debts you owe individually or together with someone else. The Bank may consider these terms and conditions, together with your Signature Page, as your consent to the Bank's asserting its security interest or exercising its right of setoff should any laws governing your Bank Account require your consent. The Bank's security interest and its right of setoff shall not apply if such security interest or right would invalidate the tax-deferred status of any tax-deferred retirement account (e.g. a SEP or an IRA) that you maintain with the Bank. The rights described in this subsection are in addition to and apart from any other rights, including any rights granted under the security interest that you may have granted to the Bank.

i. Standard of Care; No Fiduciary Relationship
The Bank will meet its standard of care for the Bank Account, provided the Bank exercise ordinary care in the transaction at issue. When the Bank takes an item for processing by automated means, "ordinary care" does not require that the Bank examine the item. In all other cases, "ordinary care" requires only that the Bank follow standards that do not vary unreasonably from the general standards followed by similarly situated banks. The Bank's policies and procedures are general internal guidelines and do not establish a higher standard of care for the Bank than is otherwise established by the laws governing the Bank Account. A clerical error or mistake will not be considered a failure of the Bank to perform any of its obligations. If the Bank waives any of its rights as to you or the Bank Account on one or more occasions, it will not be considered a waiver of the Bank's rights on any other occasion. The Bank's relationship with you concerning the Bank Account is that of debtor and creditor; no fiduciary, quasi-fiduciary, or special relationship exists between you and the Bank.

j. Deposits to the Bank Account
Unless otherwise agreed in writing, the Bank may, without inquiry, accept a deposit to the Bank Account at any time, from any party, made in any manner, including without limitation, a deposit based on an image of an item. The Bank may also refuse to accept all or any part of any deposit. The Bank may

require that you deposit an item that is made payable to you to the Bank Account, instead of permitting you to cash the item. The Bank Account is intended for deposits only.

k. Funds Availability Policy
The Bank will make funds from cash and other deposits available the first Bank Business Day following the day of your deposits by automatically transferring the funds to your Brokerage Account at the end of the Bank Business Day on which the deposit is made. After such funds are transferred by the Bank to your Brokerage Account, they will be available from the Brokerage Account as determined by WFA policies.

l. When Deposits are Credited to the Bank Account; Determining the Day of Receipt
All teller deposits to the Bank Account which are received before the Bank's established cutoff time on any Bank Business Day will be credited (and will be considered deposited) to the Bank Account as of the close of business that day, and will be reflected in that day's ledger balance for the Bank Account. All deposits received after the Bank's established cutoff time on a Bank Business Day or at any time on a day which is not a Bank Business Day will be credited (and will be considered deposited) to the Bank Account at the end of the next Bank Business Day.

If you make a deposit before the Bank's established cutoff time on a Bank Business Day that the Bank is open, the Bank will consider that day to be the day of your deposit. However, if you make a deposit after the Bank's cutoff time or on a day it is not open, the Bank will consider the deposit was made on the next Bank Business Day it is open. Cutoff times may vary by location and are posted in each store. The earliest cutoff time for a store is 2:00 p.m. local time.

m. Verification of Deposits; Right to Reverse Erroneous Credits
All transactions, including without limitation, those for which the Bank has provided a receipt, are subject to the Bank's final verification. Verification of a deposit does not occur at the teller window. Consequently, the receipt that you receive at the time of your deposit is not evidence that your deposit has been verified. The Bank may reverse or otherwise adjust any credit it believes it has erroneously made to your Bank Account at any time without prior notice to you.

n. Collection Items
Upon notice to you, the Bank may, at its sole discretion, handle a paper item as a collection item, instead of as a deposit. This means that the Bank sends the item to the issuer's bank for payment and credits the Bank Account when the Bank receives payment for the item.

o. Items Bearing Notations
Although the Bank is not obligated to, we may pay or accept checks and other items bearing restrictions or notations (for example, "Void after six months," "Void over $50", "Payment in Full"), whether on the front or back, in any form or format. If you cash or deposit an item or write a check with such a notation, you agree that it applies only between you and the payee or maker. The notation will have no effect on the Bank, and you agree to accept responsibility for payment of the item. You agree to indemnify, defend and hold harmless the Bank, its affiliates, officers, directors, employees, consultants, shareholders, and agents from all losses, claims, damages or expenses, (including attorneys' fees and expenses) we incur, in connection with any maker or payee involving such notations, whether you are the maker or payee or the funds are otherwise deposited into a Bank Account which you have an interest.

p. Endorsements
This section applies if an endorsement is necessary for the transfer or negotiation of an item. You authorize the Bank to supply your endorsement on any item that the Bank takes for collection, payment, or deposit to the Bank Account. You also authorize the Bank to collect any unendorsed item that is made payable to you without first supplying your endorsement, provided the item was deposited to the Bank Account. The Bank may refuse to pay or cash any item or accept any item for deposit or collection unless it is able to verify to its satisfaction that all of the necessary endorsements are present on the item. For example, the Bank may require that all endorsers be present at the time that an item is presented to the Bank for payment or encashment or accepted for deposit or collection. If you issue a check that contains a carbon band, printing, endorsements or other material on the back of the check outside the area extending 1½ inches from the trailing edge of the check, that material could also interfere with endorsements by banks and cause delays in returning the check. Similarly, if you or a prior endorser signs, stamps or affixes an endorsement to a check for deposit which is outside of the area extending 1½ inches from the trailing edge of a check, that material could also interfere with endorsements by banks and cause delays in returning the check. Therefore, you agree that (1) the Bank shall not be liable to you for and (2) you will indemnify and hold the Bank harmless from any and all claims, loss, costs and expenses (including without limitation reasonable attorneys' fees and the costs of litigation) that the Bank or you may incur as a result of the late return of a check caused by carbon band, printing, endorsements or other material on the back of any check drawn on or deposited to the Bank Account that extend outside the area extending 1½ inches from the trailing edge of the check. The trailing edge is defined as the left side of the check when viewing it from the front.

q. Deposited Items Returned
The Bank has the right to charge back to or otherwise debit any Bank account(s) you maintain with the Bank or the Brokerage Account at WFA for any deposited item that is returned (assess any associated fees and to reverse or recover any associated interest that may have accrued), even if you have made withdrawals against it. This right of charge back or debit is not affected by the expiration of any applicable midnight deadline, provided the Bank does not have actual knowledge that such deadline has expired or, having such knowledge, the Bank concludes that the deposited item is returned in accordance with the laws governing the Bank Account or rule (including a clearing house rule). The Bank has received a breach of warranty claim in connection with the item.

The Bank has the right to pursue collection of such an item, even to the extent of allowing the payor bank to hold the deposited item beyond the midnight deadline in an attempt to recover payment. The Bank may, without notice to you, redeposit a returned deposited item and represent it for payment by any means (including electronic means), unless the Bank has received instructions from you not to redeposit such deposited item. The Bank will have no liability for taking or failing to take any action to recover payment of a returned deposited item.

If one of your deposited items is returned with a claim that there is a breach of warranty (for example, that it bears a forged endorsement or is altered in any way), the Bank may debit the Bank Account, or Brokerage Account as permitted under applicable law for the amount of the item (plus any associated fees) and pay the amount to the claiming party. The Bank is under no duty to question the truth of the facts that are being asserted, to assess the timeliness of the claim, or to assert any defense. The Bank need not give you any prior notification of its actions with respect to the claim. You agree to immediately repay any Overdraft caused by the return of a deposited item. The Bank may create Substitute Checks from your deposited items to facilitate the forward collection of such Items. Certain features of a deposited item (such as security features) impair the quality of the Substitute Check that the Bank creates. You agree to indemnify and hold the Bank and its affiliates, officers, directors, employees, consultants, shareholders, and agents harmless from all claims, demands, losses, liabilities, judgments, and expenses (including attorneys' fees and expenses) arising out of or in any way connected with such Substitute Check, including without limitation, any claim based on image quality of such Substitute Check.

r. Reconstructing Lost or Destroyed Deposited Items
If a deposited item is lost or destroyed during processing or collection (either at the Bank or at another point in the payments system), you agree to cooperate fully with the Bank to reconstruct the deposited item by promptly (i) providing the Bank with a copy of the front and back of the deposited item from your or the issuer's records (ii) asking the issuer to place a stop payment on it (at the Bank's expense) and issue a replacement Item to you (if the deposited item has not been paid) (iii) reviewing your records and other information and conducting any additional research as may be reasonable to determine the issuer's identity (if you do not know the identity of the issuer of the deposited item). If you fail to cooperate with the Bank, at any time without advance notice to you, the Bank may reverse or otherwise adjust any credit made to the Bank Account for a lost or destroyed deposited item.

s. Deposits of Non-U.S. Items
The Bank may refuse to accept for deposit or collection an item that is payable in currency other than U.S. Dollars or an item that is not drawn on a financial institution chartered in the U.S. If the Bank accepts any such item

for deposit or collection, you accept all risk associated with foreign currency fluctuation (exchange rate risk) and with any late return of the item. You agree that the Bank may use the Bank's current buying and selling rate, as applicable when processing a non-U.S. item and may recover from the Bank Account, other bank account or the Brokerage Account as permitted under applicable law any loss incurred by the Bank as a result of its processing such an Item for you.

t. Breach of Warranties
If you breach any warranty that you make under the laws governing the Bank Account with respect to any item, you shall not be released or otherwise discharged from any liability for such breach so long as the Bank notifies you of the breach within 120 days after the Bank learns of the breach. If the Bank fails to notify you within this 120-day period, you shall be released from liability and discharged only to the extent that the Bank's failure to provide you notice within such time period caused a loss to you.

u. Acts and Omissions of Other Financial Institutions
When the Bank cashes or collects or accepts a deposited item, the Bank is not liable for the insolvency, neglect, misconduct, mistake, or default of another bank or person, or for the loss or destruction of a paper item. If a deposited item is lost or misrouted during the collection process or its subsequent return the Bank shall have no responsibility to you for the actions or inactions of any collecting or returning bank. The Bank may charge the Bank Account or Brokerage Account for the amount of the deposited item. You agree to cooperate with the Bank in recreating the deposited item.

v. Holds on Other Funds-Check Cashing
If the Bank cashes a check for you that is drawn on another bank, the Bank may withhold the availability of a corresponding amount of funds which may have been transferred to the Brokerage Account. Those funds will be available at the time funds from the check we cash would have been available if you had deposited it.

w. Electronic Funds Transfers

(i) General
The only electronic funds transfers ("electronic transfer") which can occur in relation to the Bank Account are the automatic end-of-day transfer of funds to the Brokerage Account. No fees will be charged by the Bank for electronic transfers associated with the Bank Account.

(ii) In Case of Errors or Questions about Your Electronic Transfers
In case of errors or questions about your electronic transfers, call **Wells Fargo Phone Bank** at **1-800-869-3557** or the number listed on the statement for your Bank Account, or write us at: Wells Fargo, Customer Correspondence, P.O. Box 6995, Portland, OR 97228- 6995 as soon as you can. If you think your statement is wrong or if you need more information about a transfer listed on the statement. The Bank must hear from you no later than 60 days after we send the FIRST statement on which the problem or error appeared. Tell the Bank your name and Bank Account number (if any) and describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information. Also, tell the Bank the dollar amount of the suspected error.

(iii) Reporting Unauthorized Electronic Transfers
If you believe an electronic transfer has been made without appropriate authorization, call **Wells Fargo Phone Bank** at **1-800-869-3557** or the number listed on your Bank Account statement or write: Wells Fargo, Customer Correspondence, P.O. Box 6995, Portland, OR 97228- 6995.

(iv) Liability for Transactions Covered by Regulation E
If your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if the Bank can prove that it could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, the Bank will extend the time periods.

(v) Investigation Of Claims Covered By Regulation E
If you tell the Bank orally, the Bank may require that you send your complaint or question in writing within 10 Bank Business Days. The Bank will determine whether an error occurred within 10 Bank Business Days after the Bank hears from you and will correct any error promptly. If the Bank needs more time, however, it may take up to 45 days to investigate your complaint or question. If the Bank decides to do this, it will credit your Bank Account within 10 Bank Business Days for the amount you think is in error, so that you will have the use of the money during the time it takes the Bank to complete its investigation.

If the Bank asks you to put your complaint or question in writing and it does not receive it within 10 Bank Business Days, the Bank may not credit your Bank Account. For errors involving new accounts, Point-of-Sale (POS), or foreign-initiated transactions, the Bank may take up to 90 days to investigate your complaint or question. For new accounts, the Bank may take up to 20 *Bank Business Days* to credit your Bank Account for the amount you think is in error. The Bank will tell you the results within three Bank Business Days after completing its investigation. If the Bank decides that there was no error, it will send you a written explanation.

Account Disclosures

1. AUTOMATED DEPOSITS, PAYMENTS, AND TRANSFERS

You may arrange for direct deposits to be made to, automated payments to be made from, and funds to be transferred between, your Accounts with us. We use the terms "automated credits" or "direct deposits" to indicate deposits made directly to your Account by electronic means; the terms "automated debits" or "automated payments" to indicate payments authorized in writing to be made from your Account by electronic means; and the term "telephone transfer" to indicate movement of funds between your authorized Accounts by use of a touch-tone telephone and personalized access codes.

Your acceptance of direct deposits, authorization of automated payments, or telephone transfer to or from your Account, is your agreement to the terms and conditions of this Agreement.

Any electronic fund transfer ("Transfer") that you make in connection with your Account, including, but without limitation, automatic deposits and payments, but excluding transactions with a bank card, will be governed by the following terms and conditions. These terms and conditions also serve as the disclosure required by the Electronic Fund Transfer Act and Regulation E in connection with Transfers.

a. Your Liability For Unauthorized Transfers.

You could lose the entire value, including your available margin, of your Account through any unauthorized Transfer. Therefore, you should notify us at once if you believe a Transfer has occurred in your account without your permission. Notifying us as soon as possible by telephone could minimize your possible losses. If you notify us within two (2) Business Days after you learn of the unauthorized Transfer, you can lose the lesser of $50.00 or the amount of the unauthorized Transfers. If you do not notify us within two (2) Business Days after you learn of the unauthorized Transfer, and we can prove that we could have stopped someone from making the unauthorized Transfer if you had notified us, then you can lose the lesser of $500.00 or the sum of (i) $50 or the amount of the unauthorized Transfers that occur within the two (2) Business Days; and (ii) the amount of unauthorized Transfers that occur after the close of two (2) Business Days and before notice to us, provided we establish that these unauthorized Transfers would not have occurred had you notified us within that two (2) day period. Should your Account Statement show any Transfer that you did not authorize, please notify us at once. If you do not notify us within sixty (60) days after the Account Statement was mailed, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped the unauthorized Transfer if you had notified us in time.

If a good reason (such as a long trip or hospital stay) keeps you from notifying us, the time periods above may be extended. If your Account is an "Institutional Account" (Corporation, Non-Profit Organization, Non-Corporate Organizations, Partnerships, Estates, Pension and Profit Sharing Plans (not including IRAs and Employee Stock Ownership Plans) and other Trusts), you are liable for all unauthorized Transfers up to the time at which you notify us.

b. Telephone Number and Address for Notification in the Event of Unauthorized Transfers.

If you believe that an unauthorized Transfer has occurred in your Account, write to us at the address listed on your Account Statement or call your Financial Advisor immediately or notify FCC at the following telephone numbers: Wells Fargo Advisors: 888-215-3904 or 704-383-0123.

c. Business Days

Our Business Days are Monday through Friday, except holidays observed by the New York Stock Exchange.

d. Types of Electronic Funds Transfers Available.

You may arrange with another party, such as your employer or a government agency, to electronically Transfer deposits directly to your authorized Account on a regular basis. You may authorize another party, such as an insurance company or mortgage company, to have payments transferred from your Account and sent directly to them on a regular basis. You may also direct funds be transferred from one of your authorized accounts to another by use of a touch-tone telephone and personalized access codes (where available). In addition to the types of transfers listed above, we periodically introduce new methods by which you may make funds transfers, such as by personal computer and or wireless devices. If the combined value of your Account is adequate, you may make any number and amount of transfers. At present, there is no minimum amount required for automatic debits. The availability of automatic debits to your Account will be limited to free credit and money market balances less funds needed to pay for any open orders and any uncleared deposits. Any loan value available to you on marginable securities, if your Account is a margin account, may not be available for the purpose of making automated transfers.

e. Fees

There are currently no fees charged by us for automated transfers.

f. Right to Receive Documentation of Transfers.

If you arrange to have direct deposits made to your Account at least once every sixty (60) days from the same person or company, you can call your Financial Advisor to verify such deposits. In addition, you will receive a periodic account statement (in accordance with Section 16) that will show all activity in your Account, including any Transfer.

g. Stop Payment Procedures and Liability.

If you have instructed us to make regular payments out of your Account ("Preauthorized Transfers"),you can stop such payments by writing or calling us at the address and telephone numbers shown in Section 1(b) above at least three (3) Business Days or more before the payment is scheduled to be made.

When you call, please: (1) state your name and account number; (2) the exact name of the payee, (3) the exact payment amount, and (4) the scheduled transfer date. Failure to provide correct and complete information may mike it impossible for us to stop payment of the preauthorized Transfer. You agree to indemnify and hold us harmless from and against any loss incurred by us as a result of our paying a preauthorized Transfer, if any of the information relied upon in the stop payment order is incorrect or incomplete (or as a result of our not paying a preauthorized Transfer for which a valid stop payment order is in effect). If you instruct us to stop a Preauthorized Transfer at least three (3) Business Days before the Transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

These stop payment procedures apply to institutional accounts (as defined in Section 1(a) above) as well. However, in no event will we guarantee the effectuation of, or be liable for, any stop payment request from an institutional account. You agree (if an institution) to hold us harmless for the amount(S.) of any stop payment order(S.) entered by you or on your behalf, and for all costs and expenses (including attorney fees) incurred by reason of the refusal to honor said payment(S.), and you further agree that if, contrary to such stop payment order(S.), payment is nevertheless inadvertently made through accident or oversight, we shall not be liable. This provision shall survive the termination of your Account.

Please note that stop payment orders will not appear on your period account statement.

h. Error Resolution Procedures.

In case of errors or questions about your transfers, please telephone or write to us at the telephone numbers and address listed in Section 1(B.) above as soon as you can if you think your Account statement is wrong, or if you need more information about a Transfer listed on the Account statement. We must hear from you no later than sixty (60) days after we send you the first statement on which the problem or error appears.

When you call, please: (1) state your name and account number; (2) describe the error or Transfer you are unsure about, and explain as clearly as you can why you believe it is in error or why you need more information; and (3) state the dollar amount of the suspected error. We will tell you the results of our investigation within ten (10) Business Days (twenty (20) for transfers to or from the Account within 30 days after the first deposit to the Account) after we hear from you and correct any error(s.) promptly. If we need more time, however, we may take up to forty-five (45) Business Days (ninety (90) for transfers to or from the Account within 30 days after the first deposit to the Account) to investigate your question. If we decide to do

this, we will provisionally credit your Account within ten (10) Business Days (twenty (20) for transfers to or from the Account within 30 days after the first deposit to the Account) for the amount you think is in error so that you will have the use of the money during the time it takes to complete our investigation. If we ask you to put your question in writing and we do not receive it within ten (10) Business Days, we may not provisionally credit your Account. If we determine there was no error, we will send you a written explanation within three (3) Business Days after we complete the investigation. You may ask for copies of the documents that we used in our investigation. For any Transfer occurring outside the United States, within ten (10) Business Days after we receive notice of an alleged error we will either resolve the claim or provisionally credit your Account while continuing to investigate the claim. If we need more time, however, we may take up to ninety (90) days to investigate the matter.

i. Additional provisions for Institutional Accounts
The provisions in this section apply only to transfers to or from Institutional Accounts. You agree that the Wells Fargo Online Access Agreement sets forth security procedures for electronic fund transfers that are commercially reasonable. For payment requests from Institutional Accounts, which are subject to Article 4A of the Uniform Commercial Code ("UCC 4A"), we are liable only for damages required to be paid under UCC 4A. In no event will we be liable for any special, indirect or consequential loss, damage, costs or expense of any nature, including, without limitation, lost profits, even if we have been informed of the possibility of such damages, except as may be required by law.

2. WIRE AND AUTOMATED CLEARING HOUSE TRANSFERS

a. Governing Rules
From time to time, you may be a party to an automated clearinghouse ("ACH") entry or a wire transfer that may be credited or debited against your Account. You agree that all wire transfers you initiate will be subject to the terms and conditions of our wire transfer agreement then in effect with respect to the type of transfer initiated. With respect to ACH transactions which you have authorized, you agree to be bound by the National Automated Clearing House Association ("NACHA") operating rules and any local ACH operating rules then in effect. With respect to other electronic funds transfers, you agree to be bound by any rules then in effect governing the use of any system through which the funds may be transmitted including, but not limited to, Federal Reserve Board Regulation J with regard to Fedwire and the Clearing House Interbank Payments System ("CHIPS") operating rules with regard to CHIPS.

b. Notice
You will be notified of the receipt of any ACH entry or wire transfer in your periodic account statement, but next-day or other notice will not be provided. If you believe a transfer has not been properly credited to you, you agree to promptly notify your Financial Advisor immediately.

c. Final Payment
Any credit resulting from an ACH credit or other wire transfer is provisional until final payment is received by us. We reserve the right to delay or prevent withdrawal of said funds pending verification of final payment. If final payment is not received, or if your Account was credited by mistake, you agree that we may reverse the credit to your Account or that you will otherwise reimburse us if funds in your Account are not sufficient. In the event that the payment does not become final, the originator will not be deemed to have paid you the amount of the credit.

d. Compensation
If you are entitled to compensation for any delay or improper completion of an ACH or wire transfer as a result of an error by us, our liability will be limited to the payment of interest for a period not exceeding the lesser of sixty (60) days or the period between the date of the error and the date of the correction. Any such compensation will be paid at our discretion by either (1) adjusting your Account balance to reflect the average balances you would have had but for the error, or (2) direct payment of cash in an amount equal to interest at the average applicable federal funds rate for that period.

e. Account Numbers
You agree that payment for ACH or wire credit transfers may be made solely by reference to the account number of the recipient. We are not obligated to determine whether a discrepancy exists between the name and the account number shown on the transfer information.

3. GUIDE TO INVESTMENT ADVISORY AND BROKERAGE SERVICES AT WELLS FARGO ADVISORS

We are highlighting important differences between our brokerage and investment advisory services, including our duties and obligations to you and how you pay for these services, so that you will be well informed in your selection of these services. Your Financial Advisor can help you determine which type, or combination of types, of accounts and services are best suited for you. Our specific services are described in more detail in other documents, which are available from your Financial Advisor.

Since we are registered as both a broker-dealer and an investment advisor, we can offer both types of accounts and services. **Our brokerage accounts and services are governed by different sets of laws and regulations from our investment advisory accounts and services, and therefore our obligations and duties to you are different for each.** When you have multiple relationships with us, each account or service will be governed by the specific laws applicable to the type of account or service you have with us - and therefore may be different from account to account or service to service.

a. Overview of Investment Advisory Services
When we act as a registered investment advisor, our primary service is our investment advice and/or our management of your money. At your choosing, we can provide these services on a discretionary basis (we/and or a third party manager/sub-advisor makes the investment decisions for you based on your investment objectives and risk tolerance) or on a non-discretionary basis (we provide investment advice and recommendations to you, but you make the final investment decisions).

If you select one of these services, a written agreement will describe the investment advisory relationship and our obligations to you. You also will receive a disclosure document describing the specific investment advisory service. These documents explain the types of services we provide, fees, research, affiliations, any conflicts between our interests and yours, and the business background of our key personnel.

Our Fiduciary Responsibilities to You Under Our Investment Advisory Services

If you are an investment advisory client, we owe you a fiduciary duty and must act in your best interest. This requires that we make full and fair disclosure of all material facts, especially potential conflicts of interest, and that we place your interests before our own. Our other obligations include:

- To have a reasonable, independent basis for our investment advice;
- To get the best execution possible for your trades when we are responsible for placing your trades;
- To ensure that investment advice is suited to your specific investment objectives, needs and circumstances;
- To get your consent before engaging in transactions with you for our own, an affiliate's, or another client's account; and
- To not unfairly advantage one client to the disadvantage of another.

Financial Planning
We also offer comprehensive financial planning as an investment advisory service. This is a separate advisory service and is not specifically tied to any underlying account or service that you may select. Upon delivery of the financial plan, the financial planning service ends and you decide whether to implement the financial plan and whether to do so through one or more brokerage or investment advisory accounts. There is no requirement that you implement the plan through us or our affiliates.

How You Pay
Your fees under an investment advisory account are typically an agreed-upon percentage of the assets held in your investment advisory account, however certain advisory accounts and services have different payment options. Pricing methods available through us are:

- **Asset-based Fee**

Your fee is an agreed-upon percentage of the assets in the account. This fee covers both our investment advice to you (and, in some cases, fees paid to third-party money managers) and your trading costs (note that other costs are not included). This fee is expressed as an annual percentage (for example, 3%), but is charged to your account on a quarterly basis in advance and is typically subject to a minimum dollar amount. Each of our investment advisory services has an agreement and disclosure document that explains its fees.

- **Fee Plus Commission**

In a few of our investment advisory programs, you can pay an asset-based fee equal to an agreed-upon percentage of the assets in your account plus commissions on

each trade. In these programs, the asset-based fees are typically paid to a third-party money manager you have selected to manage your account, and the commissions are paid to us to cover any investment advisory services we provide, such as asset-allocation services, ongoing portfolio monitoring and recommending portfolio adjustments, in addition to transaction costs in your account.

- **Other Fee Arrangements**

For Financial Planning services, we charge a one-time advisory fee. This fee covers the financial plan only; it does not cover any fees or costs for having us or another financial institution implement the plan. Investment consulting services provided to institutional clients may be provided via an asset-based fee, fee plus commission, one-time fee or hard dollar fee. A hard dollar fee is a set dollar amount paid on an agreed upon periodic basis for services provided. Hard dollar fees, in some instances, may be offset by other expenses incurred by the client.

Margin in Fee-Based Accounts

The use of margin is permitted in certain fee-based investment advisory programs. A margin debit balance does not reduce the market value of eligible program assets. Using margin in a fee-based account will increase your asset-based fee. When you choose to use margin to purchase additional securities, your total value of eligible program assets increases as does your asset-based fee. In addition, you will be charged margin interest on the debit balance in your account.

The increased asset-based fee that you pay may provide an incentive for your Financial Advisor to recommend the use of margin. The use of margin is not suitable for all investors, since it increases leverage in your account and therefore its risk. Please see the Margin Disclosure Statement and General Account Agreement and Disclosure Document for more details on the risks of margin use.

b. Overview of Brokerage Services

When we act as a broker, the primary service we provide to you is our trading capabilities for your account. You direct all trading in your brokerage account, except in limited cases. Within this type of account, we also may provide you with other incidental services such as custody of your assets, research reports and recommendations to buy, sell or hold assets in your account. It is your obligation to accept or reject any of these recommendations. We do not charge separately for these other services; they are included within the costs charged to you for your brokerage account.

When we make a recommendation to you in a brokerage account, we have an obligation to determine that the decision recommended would be suitable for you based on your stated investment objective, risk tolerance, tax status and other financial information you have provided to us. Your Financial Advisor may also assist you in identifying your overall investment needs and goals and creating investment strategies that are designed to pursue those investment goals.

Brokerage Services and Our Responsibilities to You

When we act in a brokerage capacity, we do not enter into a fiduciary relationship with you. Except under special circumstances, a brokerage relationship is not held to the same legal standard as an investment advisory relationship. For example, in a brokerage relationship, our obligation to disclose the nature of our business, conflicts of interest, fees and the background of our key personnel is more limited than in an investment advisory relationship.

In a brokerage relationship, we do have the following obligations:

- To deal fairly with you and have a reasonable basis for believing that any recommendations we make are suitable for you, given your investment objectives, risk tolerance, tax status and other disclosed financial information;
- To execute your trades with diligence and competence and provide the best execution possible in light of prevailing market conditions;
- To not charge excessive commissions and other fees;
- To provide honest and complete information when recommending a purchase or sale;
- To use due diligence to learn the essential facts about you.

In a brokerage relationship, we are permitted to trade with you for our own account, for an affiliate or for another client, and we may earn a profit on those trades. The capacity in which we acted is disclosed on your trade confirmation. However, we are not required to communicate it in advance, obtain your consent, or inform you of any profit earned on the trades.

Envision℠

Envision is a proprietary client profiling and investment planning tool that is available to you at no charge. The Envision process helps you and your Financial Advisor clearly understand your personal values and goals and helps design a unique investment strategy suited to helping you achieve your goals. There is no requirement that you implement our suggestions or that you do business through us or our affiliates. You have the sole responsibility for deciding whether, when and how to implement suggestions contained in an Envision plan. If you choose to implement the Envision plan through us, you decide whether to do so through brokerage accounts, investment advisory accounts or a combination of both, and Envision can then help you review your progress towards your goals.

Envision is a brokerage service; it is not an investment advisory service. Unlike financial planning, Envision does not include a detailed analysis of insurance, real estate investment or savings strategies. It also does not cover estate and tax planning. If you want a broader, more comprehensive planning service, financial planning is available through us as an investment advisory service.

Brokerage Accounts - How You Pay for Services

Your costs under a brokerage account are based on a transaction charge, often called a commission, for each trade in your account.

- **Transaction-Based Commissions**
  In transaction-based pricing, you pay a commission or sales charge on each transaction. Other costs and charges also will apply to your account, and you pay separately for other services you request.

Titles and Designations

Our Registered Representatives are called Financial Advisors and they are registered as securities agents. Your Financial Advisor's compensation may be based on a combination of commissions and fees generated from the products sold to you. This registration entitles your Financial Advisor to sell, for example, stocks, bonds, derivatives, investment company products and insurance products (if they are also state insurance licensed). Most of our Financial Advisors also have additional registrations and/or licensing that permits them to offer investment advisory services.

Financial Advisors also have access to a variety of professional educational opportunities. These opportunities may lead to specialized designations in fields like retirement, investment management, financial planning or mutual funds, such as CERTIFIED FINANCIAL PLANNER® (CFP), Chartered Financial Analyst (CFA) or Certified Investment Management Analyst (CIMA), for example. These designations have varying degrees of training requirements and ongoing continuing education. We review each designation and its requirements thoroughly before allowing our Financial Advisors to obtain and use an industry designation. For more detail on titles and professional designations, please review the Guide to Financial Professionals at Wells Fargo Advisors.

Your Financial Advisor's use of any title or designation does not imply that they are providing you with any specific service, such as financial planning or other investment advisory services. Whether you are a brokerage or investment advisory client is dictated by the actual services that are agreed upon and provided.

Financial Advisor Bonuses and Incentives

Financial Advisors who join Wells Fargo Advisors may be eligible to receive incentives, one-time or ongoing bonuses and/or other compensation if they reach certain production levels or other targets. It is a common practice in the brokerage industry for Wells Fargo Advisors and other firms to pay bonuses to encourage Financial Advisors to join a new firm. This may provide your Financial Advisor with an incentive to recommend the transfer of your account to the new firm. Associates who refer new Financial Advisors to Wells Fargo Advisors may receive referral compensation based on the previous production of the referred Financial Advisor. Wells Fargo Advisors also has programs whereby a retired or terminated Financial Advisor may receive compensation for an agreed upon timeframe for production generated by the new Financial Advisor servicing your accounts even though the retired or terminated Financial Advisor may not provide further

services to you. In addition, certain programs or services may provide differing compensation to your Financial Advisor which may create an incentive to recommend one service over another in order to achieve or maintain certain production levels or other targets. Please review your options, including portability of assets, termination charges, fees, rates and product offerings carefully to ensure that they are consistent with your investment objectives and needs.

From time to time, Wells Fargo Advisors initiates incentive programs for Financial Advisors and other associates. These programs include, but are not limited to: programs that compensate associates for referring business to its affiliates (such as referrals for mortgages, trusts, or insurance services); programs that reward associates for promoting investment advisory services, preparing Envision investment plans, participating in advanced training, improving client service; and programs that reward Financial Advisors who meet total production criteria.

Financial Advisors who participate in these incentive programs may be rewarded with cash and/or non-cash compensation, such as deferred compensation, bonuses, training symposiums and recognition trips. Portions of these programs may be subsidized by external vendors and Wells Fargo Advisors affiliates, such as mutual fund companies, insurance carriers, or money managers. Therefore, Financial Advisors and other associates have a financial incentive to recommend the programs and services included in these incentive programs over other available products and services offered by Wells Fargo Advisors.

Wells Fargo & Company (Wells Fargo) one of the largest financial holding companies in the United States, provide a wide range of financial services to various mutual fund companies through subsidiaries and affiliates, including Wells Fargo Advisors. These other relationships provide financial and other benefits to Wells Fargo as well as Wells Fargo Advisors. During the course of annual business planning, business with our affiliates is included in establishing our sales goals. As a result, Wells Fargo Advisors may have an incentive to hire affiliate service providers for our advisory program services. We may recommend affiliated advisers and mutual funds to program clients, and may hire other affiliates to provide trade execution, clearing, platform administration services with respect to program services.

We intend, however, to make all recommendations independent of any such goals and based solely on our obligations to consider the clients' objectives and needs.

For more information on affiliate relationships please see the **Guide to Mutual Fund Investing at Wells Fargo Advisors.**

The following chart is a summary of the Investment Advisory and Brokerage Services we offer:

ADVISORY SERVICES

Separately Managed Accounts
Masters
Private Advisor Network
Wells Fargo Compass
Diversified Managed Allocations
Customized Portfolios
Allocation Advisors

Financial Advisor Directed
Private Investment Management
Fundamental Choice
Quantitative Choice

Client Directed Accounts
Asset Advisor

Mutual Fund Wrap
FundSource
Custom Choice
Pathways SM

Other Advisory Services
Comprehensive Financial Planning
Institutional Consulting

BROKERAGE SERVICES

Transaction-Based Brokerage
Standard Brokerage Account

Other Brokerage Services
Envision SM

4. A GUIDE TO INVESTING IN MUTUAL FUNDS

What you should know before you buy

Wells Fargo Advisors wants to ensure that you are investing in the mutual funds and the share classes that best suit your investment objectives, risk tolerance, time horizon and diversification needs. This guide will help you better understand the features and costs associated with the various share classes, as well as how your Financial Advisor and Wells Fargo Advisors are compensated when you invest in mutual funds. It will also help you take advantage of all available discounts as you work with your Financial Advisor. As always, if you have any questions about your mutual fund investments, please contact your Financial Advisor.

WHAT IS A MUTUAL FUND?

A *"mutual fund"* is a company that pools money from many investors and invests the combined holdings in a single portfolio of securities that is professionally managed. To manage risk, the fund's manager attempts to diversify the fund's investments according to the fund's investment objective. Funds generally invest in a variety of investments, including U.S. or international stocks, bonds, money market instruments or any combination of these. Individual investors own shares of the fund, whereas the fund or the investment company owns the underlying investments chosen by the manager.

Since the first U.S. mutual fund appeared in 1924, investors have entrusted their savings for homes, education, retirement and other major financial goals to mutual funds. As of 2010, over 7,600 mutual funds hold about $11 trillion in assets for approximately half of all American households.* Working with some of the most prominent mutual fund families, Wells Fargo Advisors offers over 350 different mutual fund families to investors.

Certain mutual funds are domiciled and operated outside of the United States and are only available to people or entities that do not qualify as *"U.S. persons"* under Reg S of the Securities Act of 1933. These funds are called "offshore" mutual funds and, although they are not registered as securities in the United States, they function similarly to U.S. mutual funds in terms of structure, investments, operations, risks and costs.

As the number of mutual funds has grown, some mutual funds have become increasingly complex and specialized and may employ complicated investment strategies, such as leverage and short selling, to manage their portfolios. In addition, these complex funds more commonly invest in alternative investments such as commodities, foreign currencies and derivatives.

The level and type of risk associated with mutual funds may therefore vary significantly from one fund to another. As a result, it is important to have a complete understanding of the investment strategies and underlying products from which a mutual fund derives its value to evaluate the risks. These risks are outlined in full in the mutual fund's prospectus, which we urge you to read. Complex funds in particular are subject to a number of risks, including increased volatility and greater potential for loss, and are not suitable for all investors. Before investing in any mutual fund, you should read its prospectus and discuss your investment goals and objectives with your Financial Advisor.

** Source: icifactbook.org/fb_data.html*

Funds for Sophisticated Investors

Non-traditional mutual funds are not suitable for all investors. They are designed for sophisticated investors who:

- Understand the risks associated with the use of leverage and other complex strategies
- Understand the consequences associated with daily leveraged investment results
- Accept the risks and volatility associated with investing in complex mutual funds
- Intend to actively monitor and manage their investments on a daily basis

Non-Traditional Mutual Funds

These funds are speculative in nature, seek to replicate the market performance of an underlying index, and use sophisticated investment strategies to provide a positive or negative multiple of that fund's or benchmark's performance on a daily or monthly basis. Non-traditional mutual funds commonly employ short selling and leverage by using total return swaps, futures contracts and options to seek to achieve the desired investment exposure.

Non-traditional mutual funds may be *"leveraged"* or *"inverse,"* as defined below. They function like traditional mutual funds but offer leverage, may perform inversely to the index or benchmark they track, or do both. These non-traditional mutual funds generally rebalance daily, although some rebalance monthly. They are complex financial instruments designed to meet a stated investment objective, although their performance can change significantly from their stated objective on a daily or monthly basis, depending on the trading session.

Leveraged mutual funds
Leveraged mutual funds attempt to track a multiple of the daily (or monthly) returns of the index or benchmark they track, usually by using total return swaps. A leveraged mutual fund may be two-times (2x) or three-times (3x) leveraged, or a similar positive multiple (2.5x), which means it attempts to provide two times, three times or two-and-a-half times the daily index return or loss, respectively. For instance, the double-leveraged mutual fund seeks to provide a 2% gain on that daily return for each 1% increase in the fund's return. Conversely, if the fund drops 1%, your loss, in theory, would be 2% for that given day, assuming the mutual fund is rebalanced daily.

Inverse mutual funds
Some leveraged mutual funds are inverse, or *"short"* funds, meaning that they seek to deliver the opposite of the performance of the index or benchmark they track. An inverse mutual fund generally engages in trading strategies, such as short selling, or enters into total return swap agreements and futures contracts. An inverse mutual fund seeks to deliver the inverse (-1x) of the index's performance, whereas a one-and-a-half times (-1.5x), two times (-2x) or similar negative multiple-leveraged inverse mutual fund seeks to deliver the specified multiple that is opposite of the index's performance.

Both leveraged and inverse non-traditional mutual funds are speculative trading vehicles, and so they are not suitable for investors who are interested in a buy-and-hold strategy, particularly in volatile markets. The effects of mathematical compounding can grow significantly over time, leading to scenarios whereby performance over the long run can differ significantly from the performance of their underlying fund or benchmark during the same period of time.

Although these products are fundamentally similar to traditional mutual funds, they are not long-term investments. As mentioned above, non-traditional mutual funds are trading vehicles and, as such, generally offer exchange privileges with limited holding periods or transaction fees within the same share class.

Generally, non-traditional mutual funds anticipate that investors will frequently redeem or exchange shares of the funds, which may cause the non-traditional mutual funds to experience high portfolio turnover, resulting in higher transaction costs. Large movements of assets into and out of the funds may negatively affect a fund's ability to achieve its investment objective. As a result, these products are subject to a number of risks that transcend those of traditional mutual funds.

Mutual funds are sold by prospectus. The prospectus contains information you should carefully consider, including the fund's investment objectives, risks, charges and expenses and other important information about the investment company. Your Financial Advisor can provide you with a free prospectus upon request for any mutual fund you may be considering. You should read it carefully before investing.

Target-Date Mutual Funds

A *"target-date"* mutual fund (also known as a *"life-cycle"* or *"age-based"* fund) is designed to provide a simplified investment strategy through a single investment. The goal of these funds is to actively manage the underlying portfolio by focusing on a particular time horizon based on a date in the future (such as 2020, 2030 or 2040), and adjusting the asset mix in the portfolio, the inherent level of risk and the volatility as the target date approaches. Because these funds have an enhanced asset allocation component and are often composed of several individual funds, the expenses are generally higher than traditional funds.

Target-date funds generally consist of a blend or bundle of existing mutual funds. This *"fund of funds"* concept may provide greater diversification, but it may do so at the cost of higher ongoing fees and expenses associated with the underlying investments. The mutual fund manager formulates the investment strategy and approach to risk for each fund. Therefore, the allocation and performance of one fund may be noticeably different than the allocation and performance of another with the same targeted date.

If you consider investing in one of these funds, be sure to assess the fund details and make sure that its objectives and holdings are consistent with your risk tolerance and personal investment objectives. Target-date funds should not be selected based solely on age or retirement date. They do not provide a guaranteed return and do not guarantee protection of principal. In addition, target-date funds' asset allocations may be subject to change. They may not meet their stated investment objectives and goals, and may lose money. These funds should be reviewed on a periodic basis to ensure that they remain consistent with your overall investment objectives.

Fixed Income mutual funds

Fixed income funds, also known as bond funds, are a type of mutual fund that invests primarily in a portfolio of bonds or similar debt securities in order to pursue a particular investment objective. Bond funds may invest in a specific type of bond, or a mix of bonds or investments such as government, municipal, convertible and zero-coupon bonds as well as mortgage-backed securities.

Bond funds have unique risks and characteristics, and can lose value especially in periods of rising interest rates. The inverse relationship associated with traditional bond prices and yields also applies to bond funds. When interest rates rise, the bond prices fall and correlated bond fund values may drop as well. The opposite is true as well; if interest rates and bond yields fall, then bond prices could rise. Therefore, the underlying bonds held in a bond fund are subject to credit, interest rate, reinvestment, prepayment and liquidity risk, which may be reflected in the bond funds net asset value. It is important to note that the fees and expenses of the mutual fund can erode the interest rate and net asset value of a bond fund, thus reducing the return to the investor.

Bond funds do not have a fixed maturity date. The lack of a fixed maturity date and potential investors' demands for redemption are factors that may also have a negative affect on the funds NAV and share price. The net asset value of a bond fund may be affected by a number of factors related to the underlying securities including but not limited to, credit quality, duration, liquidity and security structure.

Municipal bond funds are funds that invest primarily in tax-free municipal securities and are subject to the creditworthiness of their issuers. Although income from municipal securities is generally free from federal taxes and state taxes for residents of the issuing state, capital gains, if any, will be subject to taxes. Income for some investors may also be subject to the Federal Alternative Minimum Tax (AMT). Municipal bond funds are subject to the same risks as their underlying municipal securities. Economic issues may affect the performance of the municipal bond issuer. As a result, principal is at risk or subject to fluctuation. For instance, if the underlying municipality defaults or the security is downgraded, then the value of your portfolio may also decrease. Some single-state municipal bond funds may offer tax benefits, but may lack the diversification of a fund that invests in multiple-state issues such as a multi-state or national fund.

You should not buy a fixed income fund based solely on the yield. It is important to consider all risks and characteristics of a bond fund when making your investment decisions.

High yield and floating rate mutual funds

High yield and floating rate mutual funds both invest primarily in *below investment grade* securities (sometimes called junk bonds). The securities held within high yield and floating rate funds are often rated below investment grade by one or more of the nationally recognized statistical rating organizations or may not be rated by a rating agency.

These funds take on the risks of the underlying instruments held in the fund portfolio. For instance, the "*floating rate*" indicates that the interest rate tied to the underlying instruments will rise and fall, or float, with the variable rate changes and market conditions. These interest rates usually adjust every 30-90 days. Investors should take interest rate spreads, credit quality, and collateral into account when considering the fund's portfolio.

High yield and floating rate funds are considered speculative and carry increased risks of price volatility, underlying issuer creditworthiness, illiquidity and the possibility of default in the timely payment of interest and principal, which may affect the value of your portfolio. These funds do not maintain a

stable net asset value and should not be considered cash alternative funds. You can lose money in these funds. Unlike money market mutual funds the investment objective is not to maintain a stable net asset value. For more information about individual high yield bonds, please read **A Guide to Investing in High Yield Bonds by Wells Fargo Advisors** (www.wellsfargoadvisors.com/guides).

Complex Mutual Funds

Some mutual funds employ complex and specialized investment strategies. These funds commonly invest in alternative investments such as commodities, foreign currencies, and derivatives, and may employ a flexible approach to invest widely across asset classes and use complicated and aggressive investment strategies such as leveraging and short selling to manage their portfolios.

The level and type of risk associated with complex mutual funds may vary significantly from one fund to another. It is important to have a broad understanding of the investment strategies and underlying products from which a complex mutual fund derives its value in order to evaluate its risks. Complex funds are subject to a number of risks including increased volatility and greater potential for loss and are not suitable for all investors.

Money Market Mutual Funds

A money market fund is an open-end mutual fund that is required to invest in low-risk short-term securities, which may include municipal securities. Money market funds are generally liquid due to the short-term nature of their underlying investments and are typically used by investors who have a low risk tolerance. Investors interested in a conservative alternative for their discretionary money may find that money market mutual funds may allow for preservation of capital, liquidity and return on principal. History, however, has shown that investing in money market funds is not without risk. Typically, money market funds try to keep their net asset value (NAV) at a constant $1.00 per share. This stability and per-share NAV is implied, but not guaranteed.

Cash sweep programs utilizing money market funds allow your otherwise uninvested cash holdings to "*sweep*" automatically from your brokerage account into a money market fund sweep program that offers SIPC insurance.* These sweep options are generally considered lower risk and are liquid in nature, giving investors the ability to potentially earn a return on cash holdings or funds being set aside for a future purchase.

An investment in a money market fund or a cash sweep program differs from having a traditional bank deposit money market account and is not insured by the Federal Deposit Insurance Corporation (FDIC). Similar to bond funds, money market funds and sweep program options carry fund operating expenses not associated with an individual fund and are subject to the risks discussed above as well as manager risk. Before investing in any money market fund or cash sweep program, you should discuss your investment goals and objectives with your Financial Advisor and understand the features, characteristics, risks and costs associated with the investment vehicle. For more information on money market mutual funds and cash sweep programs, contact your financial advisor, or read **A Guide to Investing in Cash Alternatives by Wells Fargo Advisors** (www.wellsfargoadvisors.com/guides).

** SIPC does not insure the quality of investments or protect against losses from fluctuating market value.*

Which share class is right for you?

Before choosing a share class, consider the following questions:

- *How long do I plan to hold the fund?*
- *How much money do I intend to invest?*
- *Will I be purchasing more shares in the future?*
- *What expenses will I pay for each class?*
- *Do I qualify for any sales charge discounts?*

Talking with your Financial Advisor about these questions will help you make an informed decision when determining which share class(es) match your needs, resources and time horizon.

Costs of Investing in Mutual Funds

In addition to including information about a fund's objectives, risks and other characteristics, a fund's prospectus also includes a fee table listing the charges you pay, which include sales charges and annual operating expenses. You can pay these charges in a variety of ways, depending on the share class you choose. We also describe fee-based accounts and mutual fund switches below.

Sales Charges
These charges provide compensation for the fund company, Wells Fargo Advisors and your Financial Advisor, who helps you select funds to pursue your investment objectives. Most sales charges are either *"front-end"* (charged when you buy shares) or *"back-end"* (charged when you sell). A back-end charge is also called a *"contingent deferred sales charge (CDSC),"* because as you hold your shares for longer periods the charge is reduced or eliminated.

Operating expenses
Many of the costs associated with running a mutual fund are operating expenses - or, simply put - the cost of doing business. Included in fund operating expenses are management fees, 12b-1 fees,[1] shareholder mailings and other expenses. Operating expenses are not paid directly as a fee, but they are deducted from the fund's assets, so they reduce investment returns.

It is important to note that, generally, non-traditional mutual funds incur higher overall expenses due to periodic rebalancing and the use of complex investment strategies. The fund's prospectus will note the fund's expense ratio (a measure of what it costs an investment company to operate a mutual fund, expressed as a percentage of the fund's net assets), which helps you compare the annual expenses of various funds.

Redemption Fees
A short-term redemption fee may be charged when shareholders redeem their mutual fund shares before a specified period, as defined by the mutual fund company. This fee may be charged regardless of the initial sales charge paid. Redemption fees are designed to discourage frequent trading in mutual funds and to offset the costs associated with those trades. These fees are paid directly to the mutual fund company and not to the Financial Advisor. Each fund's rules about short-term redemption are different. It is important to check the mutual fund's prospectus for the specific redemption period and schedule of fees.

Share Class
Typically, a mutual fund offers more than one *"class"* of its shares to investors. Each class represents a proportionate amount of ownership in the mutual fund's portfolio. Each share class will charge different fees and expenses, depending on the class you choose, and these fees can affect the return of your investment over time. Although there are many different classes of mutual fund shares, the most common are *"Class A," "Class B"* and *"Class C,"* which are explained in more detail below.

Class A shares - These are sometimes simply called *"A shares"* and typically impose a front-end sales charge (a fee charged when you first buy a mutual fund) that is deducted from your initial investment. The operating expenses of the fund are generally lower for A shares than for B or C shares. You should also be aware that most funds offer discounts (called *"breakpoint discounts"*) on the front-end sales charge for large investments - so as the size of your total investment within a fund family increases, the sales charge may decrease.

Also, most domestic mutual fund families allow investors to aggregate holdings in related accounts to reach a breakpoint (and so receive a discount). This is called *"rights of accumulation (ROA)."* Those breakpoints typically occur at $25,000, $50,000, $100,000, $250,000, $500,000 and $1 million but may vary with the fund.

Finally, most fund families permit investors to sign a *"letter of intent (LOI)"* indicating an intention to invest a certain amount in the fund over a certain period of time, entitling them to a breakpoint discount at lower initial levels of investment. Each fund's rules about ROAs and LOIs differ, and so it is important to ask your Financial Advisor about the particular fund family's rules before investing to make sure you receive any available discounts.

Class B shares - Class B shares typically do not have a front-end sales charge and impose higher annual operating expenses than A shares. Although B shares do not impose a front-end sales charge, it is important to note that they are not *"no-load"* funds (see the definition below). This is because B shares normally impose a CDSC, which you pay if you sell your shares within a certain number of years. The CDSC generally gets smaller each year and usually is eliminated after the seventh or eighth year.

1 The fund company takes 12b-1 fees out of the fund's assets each year for marketing and distribution expenses, which may include compensating Financial Advisors or other investment professionals.

Some B shares may convert to A shares at that point.

In view of the CDSC and lack of breakpoints, investors often find B shares to be most appropriate when investing modest amounts for longer periods. In situations where B shares do not convert to A shares and the operating expenses remain at a higher level, B shares may not be the most economical choice over longer holding periods. Many fund companies permit investors to aggregate B share and C share positions with new A-share purchases to obtain breakpoints. As a best practice, Wells Fargo Advisors has set limits to help ensure that the best interest of clients is served whatever the purchase size may be.

Class C shares - Typically, class C shares do not have a front-end sales charge and generally impose a lower CDSC than B shares, often 1% for 1 year. Like B shares, C shares normally impose higher annual operating expenses than A shares - but, unlike some B shares, they typically do not convert to A shares. If you buy a C share, the sales charge is applied annually to the expense ratio. Investors who want flexibility and who have a shorter investment time horizon may find that C shares best meet their needs; however, not all fund families offer C shares.

C shares are generally most appropriate for investors who want more flexibility in constructing and managing a diversified portfolio. When taking into consideration the total costs and expenses of C shares, investors should think carefully about whether C shares are an appropriate investment class for their investment goals. Once again, Wells Fargo Advisors has set limits to help ensure that the best interest of clients is served, regardless of the purchase size.

Class I shares - These are an institutional share class that are typically sold without a sales charge and offer lower annual costs and management expenses than traditional share classes like A, B and C shares. Furthermore, I shares generally do not feature a CDSC for the sale of your shares. As a result of these lower costs and expenses, I shares are typically offered at a much higher minimum investment amount than class A, B or C shares.

No-load shares - Although no-load shares do not carry either front- or back-end sales charges, they do impose ongoing fees and expenses. If you purchase or sell no-load funds through a brokerage account, you may pay a transaction fee to Wells Fargo Advisors. This transaction fee may be charged by Wells Fargo Advisors to cover costs incurred while placing the trade with the mutual fund company on your behalf, and sending trade confirmations and statements. Keep in mind that other fees and expenses apply to ongoing investment in mutual fund shares and that these are described in the fee table in the prospectus.

Expense Fund Analyzer

To compare expenses by share class, you may want to use the Fund Analyzer tool provided by the Financial Industry Regulatory Authority (FINRA) at http://apps.finra.org/fundanalyzer/1/ fa.aspx. This fund and expense calculator is not available for offshore funds.

Advisory Fee-Based Accounts

Investors can also buy mutual funds through fee-based accounts. At Wells Fargo Advisors, these accounts include discretionary and non-discretionary investment advisory fee-based programs. Instead of paying a sales charge or commission on each transaction, you pay an annual fee based on a percentage of the account's value, which is billed quarterly. Annual fund operating expenses still apply.

These programs offer funds as either institutional, advisory, no-load shares or A shares, where the front-end sales charge is waived. I and Advisory share classes are commonly made available in Wells Fargo Advisors' advisory programs.

These programs and accounts also provide other benefits and features that may not be available in a traditional Wells Fargo Advisors brokerage account. Therefore, the total cost of purchasing and holding a fund in these programs may be more than in a traditional brokerage account.

Fee-based programs are generally not designed for excessively traded or inactive accounts and may not be suitable for all investors.

Mutual Fund Switches

As your objectives change, you can switch among the mutual funds in the mutual fund family whose objectives most closely meet your needs, without incurring an additional sales charge. Staying within the same mutual fund family may be preferable, because switching from one mutual fund family to another may involve additional costs or fees.

On the other hand, there may be legitimate reasons to switch to a mutual fund in another mutual fund family, or another type of investment product, such as a variable annuity or unit investment trust, when the original mutual fund family does not offer the type of investment product you are interested in.

If you do choose to switch to a mutual fund in a different mutual fund family or to another type of investment, and your account is based on commission, you will most likely incur a sales charge on the new investment. In addition to the new sales charge, you will be subject to a new redemption period if you switch into share classes that have CDSCs, such as B and C shares. In those instances when a mutual fund switch to a different mutual fund or to another investment product will result in a new commission being charged, you will receive a mutual fund switch letter. This letter discloses general information regarding your switch, including the potential availability of an exchange within your existing open-end mutual fund family, as well as the possibility of additional costs and expenses.

You should also be aware that there may be tax consequences related to your sale, redemption or exchange of mutual fund shares. If you have questions about the possible tax consequences of a sale, redemption or exchange of your mutual fund shares, you should consult your tax advisor prior to making any such investment decision.

It is also important for you to consider how your overall investment may be affected by a mutual fund switch, depending on the type of fund you own.

Additional Considerations when Purchasing Mutual Funds

Another factor that affects your costs is how you invest in mutual funds. For example, if you open and maintain your retirement account directly with a mutual fund company, you may qualify for benefits, such as net asset value (NAV) privileges, ROA and breakpoint discounts (both described above). However, if you open and maintain your retirement account with Wells Fargo Advisors, you may forfeit your right to these benefits and privileges. As a result, your costs associated with the retirement plan and mutual fund purchases may be greater if you invest through our firm.

Prior to investing in a mutual fund, you should explore whether you qualify for any of these benefits and consider investing directly with the fund company rather than with the assistance of your Financial Advisor.

You will be assessed a transaction fee (a fee paid to process a trade) for purchases and sales of both load and no-load mutual funds through Wells Fargo Advisors. You will be assessed an accommodation fee for no-load funds purchases only; however, this fee does not apply to eligible trades in advisory program accounts. Mutual funds offered by Wells Fargo Advisors may be purchased in an advisory account without a ticket charge or by processing the transaction with a check and application sent directly to the mutual fund company. Every mutual fund offered by Wells Fargo Advisors may be purchased without a ticket charge by processing the transaction with a check and application sent directly to the mutual fund company. Your Financial Advisor does not receive compensation from the transaction fee or accommodation fee.

Feel free to ask your Financial Advisor how he or she will be compensated for any mutual fund transaction.

RISKS

Mutual funds are generally actively managed. Fund managers may purchase or sell securities in the fund portfolio in an attempt to take advantage of changing market conditions. It is possible for a mutual fund to hold securities, even though their market value and dividend yields may have changed.

A mutual fund may carry the same investment risk as the securities within the fund. Securities in a fund portfolio may depreciate, and the fund may not achieve its intended objective. In addition, each mutual fund is subject to specific risks that vary depending on the fund's investment objectives and portfolio composition.

Non-traditional mutual funds are complex products, and are subject to a number of risks that transcend those of traditional mutual funds and other risks discussed in this guide. Consequently, these funds should only be purchased by sophisticated investors who understand the speculative nature of these investments.

Before making an investment in a non-traditional mutual fund, you should

consider all the risks associated with, but not limited to, your financial ability to purchase complex products in volatile markets. Other factors to consider include how periodic rebalancing may increase your exposure in response to the day's gains or reduce your exposure in response to the day's losses, and the fact that some funds are not intended to be held long term. In addition, some non-traditional mutual funds may be thinly traded, which could affect your ability to sell your shares quickly. Finally, non-traditional mutual funds may enter into various total return swap agreements with different counterparties. If the counterparty engaged in a swap agreement becomes unable to deliver its share of the contract, it will default on the swap, which will negatively affect the value of the non-traditional mutual fund.

Each type of mutual fund offers unique risks and characteristics. Please refer to each fund's prospectus for additional details.

INVESTOR CHARACTERISTICS

Selecting the appropriate program and mutual funds for your investment objectives involves a number of factors, such as fund strategies, fund performance history, risks, investment time horizon, fees and expenses, and portability, among others. You should review any program's disclosure document as well as a fund's share classes, as detailed in the fund prospectus, to fully evaluate your options.

In addition, you should be aware that certain mutual funds may not be transferable from one investment firm to another. As a result, if you or your Financial Advisor changes investment firms, you may need to choose to liquidate these products, which may incur additional fees or tax consequences. In some instances, it may be prudent to leave these mutual funds at the previous firm rather than transfer them.

It is important to remember that you are not required to sell such mutual funds when you or your Financial Advisor changes firms. You can open an account with the new firm and transfer only the mutual funds you wish to move. It is not required that you move everything in your previous account or liquidate mutual funds that are not transferable.

To make the decision that is most appropriate for your financial situation, you should talk with your Financial Advisor.

HOW YOUR FINANCIAL ADVISOR AND WELLS FARGO ADVISORS ARE COMPENSATED ON MUTUAL FUNDS

For helping you choose mutual funds, Wells Fargo Advisors and your Financial Advisor are paid in ways that vary with the type of fund (equity or fixed income), the amount invested and the share class.

- As mentioned above, Wells Fargo Advisors is paid by the fund family from the fees you pay. Part of that payment then goes to your Financial Advisor.

- For most purchases, a Financial Advisor's compensation is based on a compensation formula applied (for A shares) to the front-end sales charge described in the fund's prospectus, or (for B and C shares) to the selling fee (known as a *"sales concession"*), which is set and paid by the fund family.

- Ongoing payments (known as *"residuals"* or *"trails"*) on mutual fund shares are set by the fund family and generally paid to Financial Advisors.

- In certain fee-based accounts, Financial Advisors' compensation is based on a percentage of the assets in the account, rather than on concessions or trails as mentioned above.

The compensation formula to determine the amount of payment to your Financial Advisor is the same for all mutual funds. However, some funds may carry higher sales charges than others, and that may create an incentive for Financial Advisors to sell such funds.

Offshore mutual funds also normally carry asset-based service fees. These service fees are assessed by the mutual fund company and paid to Wells Fargo Advisors, which ***may*** pass them to your Financial Advisor as part of his or her compensation. These fees vary by fund company, fund and share class, and can be as low as 0.25% or as high as 1.5% annually. For more information, please read the prospectus carefully.

Wells Fargo Advisors, which is a non-bank affiliate of Wells Fargo & Company, may enter into certain direct or indirect compensation arrangements with other Wells Fargo & Company affiliates. For example, Wells Fargo Advisors and its affiliates typically receive compensation or credit in connection with the referral of certain business among Wells Fargo & Company subsidiaries, including the sale of mutual funds.

ADDITIONAL COMPENSATION RECEIVED BY WELLS FARGO ADVISORS FROM MUTUAL FUND COMPANIES

In addition to the transaction-based commissions received by Wells Fargo Advisors and your Financial Advisor, Wells Fargo Advisors receives compensation paid by the fund companies, not related to individual transactions, for the ongoing account maintenance, marketing support, educational and training services performed by Wells Fargo Advisors in support of mutual fund sales. This *"non-commission"* compensation received by Wells Fargo Advisors from fund companies can be broken down into five general categories:

- Networking and omnibus platform services compensation
- Revenue sharing
- Intra-Company compensation arrangements
- Training and education support
- Other compensation for general services provided to funds

This additional cash compensation may influence the selection of mutual funds that Wells Fargo Advisors and Firm associates make available for recommendation. Wells Fargo Advisors reserves the right to restrict the mutual fund companies that we offer to clients based on payment of additional cash compensation.

Please note that these compensation arrangements are described in varying levels of detail in the prospectus and the Statement of Additional Information (SAI), which is a supplementary document to the prospectus, for each mutual fund offered by Wells Fargo Advisors. We included this section in this guide to provide you with enhanced disclosure about the compensation arrangements between Wells Fargo Advisors and mutual fund companies, in particular, as well as any associated potential conflicts of interest.

Networking and omnibus and platform services fees

These fees are designed to compensate Wells Fargo Advisors for providing varying degrees of customer account and administrative services for those Wells Fargo Advisors' customer accounts holding mutual funds. In recent years, fund companies have outsourced many of these operations functions to broker-dealers such as Wells Fargo Advisors. The following are examples of networking, omnibus and platform services: the processing of purchases, redemptions and exchanges; check processing; dividend reinvestments; preparation and mailing of consolidated account statements; delivery of fund proxies and shareholder materials; tax reporting; maintaining ownership records; and other sub accounting and record-keeping services. Wells Fargo Advisors is responsible for all its costs associated with networking and omnibus services we perform including but not limited to technology and personnel. Wells Fargo Advisors receives networking and omnibus platform service fees from mutual fund companies available in both transaction-based and/or advisory program accounts.

The compensation paid for networking, platform and omnibus services is negotiated separately with each fund company and each individual fund. If a client owns multiple funds in one fund family, Wells Fargo Advisors generally receives networking, omnibus and platform services compensation for each individual fund. The compensation paid for networking, omnibus and platform services may be considered revenue sharing.

Wells Fargo Advisors may receive networking compensation based on a dollar amount per year, per client account with an individual fund or based on a percentage of assets in a fund. Networking compensation is paid at a rate up to $12 per year, per client account or at a rate of up to 12 basis points on assets.

Compensation paid to Wells Fargo Advisors for omnibus services is generally higher than networking compensation because Wells Fargo Advisors is required to perform a more extensive array of services to clients and the fund for omnibus accounts.

Wells Fargo Advisors may receive omnibus compensation based on a dollar amount per year, per client account with an individual fund or based on a percentage of assets in a fund. Omnibus compensation is paid at a rate up to $25 per year, per client account or at a rate of up to 35 basis points on assets as agreed upon by the fund company and Wells Fargo Advisors. Depending on asset levels, basis point pricing may result in higher or lower compensation than a per position fee.

For example, $10,000 held in a given fund,

might incur a per position fee up to $25 or a basis point fee up to $35. These fees are indirectly borne by the fund client, in that we do not bill or collect these fees from clients. Specific fund fees are disclosed in the fund prospectus and included in its expense ratio.

Revenue Sharing
Revenue sharing is paid to Wells Fargo Advisors for providing continuing due diligence, training, operations and systems support and marketing to Financial Advisors and clients with respect to mutual fund companies and their funds. Wells Fargo Advisors receives revenue sharing payments from mutual fund companies available in both transaction-based and/or investment advisory programs.

Revenue sharing fees are usually paid by the fund's investment advisor, or an affiliate, as a percentage of Wells Fargo Advisors' aggregate value of client assets invested in the funds. In certain instances, revenue sharing may be paid as a percentage of annual new sales to clients, or as a combination of a percentage of new sales and a percentage of aggregate client assets. The percentage amounts are typically established in terms of basis points, which are equal to one one-hundredth of 1%. For example, if Wells Fargo Advisors receives 10 basis points in revenue sharing for a given fund, it would receive $10 for each $10,000 of total assets in client accounts in the fund.

Wells Fargo Advisors receives different revenue sharing rates from each fund family, and may receive different revenue sharing rates for certain funds within a particular fund family.

Fund companies pay Wells Fargo Advisors revenue sharing compensation at an annual rate of up to 20 basis points on aggregate client assets (on a $10,000 client position, 20 basis points equals $20 per year).

However, certain funds may pay Wells Fargo Advisors a negotiated, fixed annual amount for revenue sharing, regardless of the amount of assets held in client accounts or in new sales to clients.

In addition to receiving revenue in connection with the sale of mutual funds, Wells Fargo Advisors receives revenue sharing in connection with the sale of offshore funds, variable annuities and unit investment trusts.

Offshore funds, which are generally not available to U.S. investors, have different expense structures than domestic funds and pay revenue sharing at annual rates of up to 55 basis points on aggregate client assets (on a $10,000 client position, 55 basis points equals $55 per year).

In addition to the transaction-based commissions received by Introducing Firm and your Financial Advisor, Clearing Firm receives compensation paid by mutual fund companies and/or their affiliates, not related to individual transactions, for the ongoing account maintenance, marketing support, educational and training services in support of mutual fund sales conducted by Introducing Firm.

Intra-Company compensation arrangements
Wells Fargo Advisors also receives compensation from other Wells Fargo & Company subsidiaries including Wells Fargo Advantage Funds, a mutual fund family. The revenue sharing received by Wells Fargo Advantage Funds is at an annual rate of up to 20 basis points on aggregate client assets. In addition to this compensation, Wells Fargo Advisors may also receive direct compensation or indirect accounting credits in connection with the referral of certain business among Wells Fargo & Company subsidiaries. These intra-company arrangements include payments or credits to Wells Fargo Advisors for financial, distribution, administrative and operational services that it provides to affiliated mutual funds, their investment advisers or distributors. Wells Fargo Advisors has compensation arrangements in place for assets under management in the Wells Fargo Advantage Funds fund family. As a result of these arrangements, Wells Fargo Advisors may benefit from increased sales of affiliated funds and products to a greater extent than from increased sales of funds and other investment products provided by other firms in which they do not have a similar economic interest.

Training and education compensation
Wells Fargo Advisors offers multiple ways for mutual fund families to provide training and education to our Financial Advisors. This training and education may be offered in local branch offices or in larger group settings, including at the national level. Certain mutual fund families have agreed to dedicate resources and funding to provide this training and education at our nationally-organized events. This commitment could lead our Financial Advisors to focus on the mutual funds offered from these mutual fund families versus the mutual funds offered by families which are not represented during these training and education support sessions. Wells Fargo Advisors selects the mutual fund families that participate in the training and education events based on a variety of qualitative and quantitative criteria. The subset of mutual fund families that offer this support and participate in nationally-organized training and education events may change periodically.

Mutual fund companies may also provide compensation to offset or reimburse Wells Fargo Advisors for costs incurred in conducting comprehensive training and educational meetings for its Financial Advisors. These meetings or events are held to teach Financial Advisors about the product characteristics, sales materials, suitability, customer support services and successful sales techniques as they relate to various mutual funds.

Likewise, from time to time, product sponsors will reimburse Wells Fargo Advisors for expenses incurred by individual branch offices in connection with conducting training and educational meetings, conferences or seminars for Financial Advisors and customers. Also, Financial Advisors may receive promotional items, meals or entertainment or other non-cash compensation from product sponsors.

Although training and education compensation is not related to individual transactions or assets held in client accounts, it is important to understand that, due to the total number of product sponsors whose products are offered by Wells Fargo Advisors, it is not possible for all mutual fund companies to participate in a single meeting or event. Consequently, those product sponsors that do participate in training or educational meetings, seminars or other events gain an opportunity to build relationships with Financial Advisors; these relationships could lead to additional sales of that particular fund company's products.

Additional compensation for general services provided to funds
Fund companies compensate Wells Fargo Advisors and its affiliates for certain business services that Wells Fargo Advisors provides to the funds in connection with their day-to-day operation. The range of services that Wells Fargo Advisors and its affiliates provide to these investment advisors includes investment banking, research and trading. Wells Fargo Advisors also has a dedicated institutional sales force that specializes in facilitating trading for institutional investors, which may include portfolio managers of mutual funds that are sold by Wells Fargo Advisors. Wells Fargo Advisors is compensated for the services provided in connection with these relationships, and the compensation received may vary from fund to fund and advisor to advisor.

POTENTIAL CONFLICTS OF INTEREST ASSOCIATED WITH ADDITIONAL COMPENSATION ARRANGEMENTS

It is important for clients to understand that compensation received for networking and omnibus and platform services, revenue sharing, training, education and other services varies from fund family to fund family and even from fund to fund within a particular family. Accordingly, a potential conflict of interest exists when Wells Fargo Advisors receives more compensation from one fund family (or from one fund) than it receives from peer fund families (or from peer funds).

Wells Fargo Advisors has adopted policies reasonably designed to control and limit these potential conflicts of interest. These policies include, but are not limited to, the following:

- Require networking, omnibus, platform service fees and revenue-sharing agreements to be in writing, and prohibit agreements or provisions that call for Wells Fargo Advisors to provide preferential marketing and promotional treatment to a fund family as a condition of paying or receiving networking, omnibus, platform service fees or revenue sharing fees.
- Prohibit the sharing of any portion of networking fees, omnibus fees, revenue sharing fees or intra-company compensation with Financial Advisors in their role as a Financial Advisor.
- Require the mutual fund distributor or advisor to directly compensate Wells Fargo Advisors for revenue sharing by wire transfer or check, and prohibit funds and their portfolio managers from directing investment portfolio trades to Wells Fargo Advisors as *"indirect"* compensation for revenue sharing.
- Require reimbursement payments for general educational and training expenses and for expenses associated with conducting individual branch office training, and educational activities to be recorded and approved.

- Limit the annual dollar value of gifts or other non-cash items that mutual fund companies and their representatives can provide to Financial Advisors.

To help increase transparency concerning these compensation relationships, you will find a list of all the fund families that pay Wells Fargo Advisors networking, omnibus, platform services and/or revenue sharing compensation in a table on the last pages of this guide.

In addition to those funds listed in the table, it is important for you to understand that almost every fund that is sold by Wells Fargo Advisors provides some degree of educational, training or other noncash compensation to Wells Fargo Advisors and its Financial Advisors. For example, if you attend training or educational meetings with your Financial Advisor and a representative of a mutual fund is in attendance, you should assume that the mutual fund has paid or reimbursed Wells Fargo Advisors for part of the total costs of the meeting or event.

Wells Fargo Advisors offers a wide variety of fund families for our Financial Advisors to sell or recommend, including funds that do not compensate Wells Fargo Advisors for any or all of the services above. The payment of revenue sharing or any other compensation is not a prerequisite for a fund to be made available through Wells Fargo Advisors. However, Wells Fargo Advisors, in its discretion, reserves the right in the future to limit mutual fund companies that do not adequately support the firm's efforts or meet other economic criteria.

Wells Fargo Advisors Incentive Programs
From time to time, Wells Fargo Advisors initiates incentive programs for all its team members, including Financial Advisors. These programs include, but are not limited to, the following: programs that compensate associates for attracting new assets and clients to Wells Fargo Advisors or referring business to its affiliates (such as referrals for mortgages, trusts or insurance products); programs that reward associates for promoting investment advisory services; preparing Envision® investor reviews; participating in advanced training; improving client service; and programs that reward Financial Advisors who meet total production criteria.

Financial Advisors who participate in these incentive programs may be rewarded with cash and/or non-cash compensation, such as deferred compensation, bonuses, training symposiums and recognition trips. Portions of these programs may be subsidized by external vendors and Wells Fargo Advisors affiliates, such as mutual fund companies, insurance carriers or money managers. Therefore, Financial Advisors and other associates have financial incentives to recommend the programs and services included in these firm-sponsored incentive programs rather than other available products and services offered by Wells Fargo Advisors.

AFFILATE RELATIONSHIPS WITH MUTUAL FUND COMPANIES

Wells Fargo & Company (Wells Fargo), one of the largest financial holding companies in the United States, provides a wide range of financial services to various mutual fund companies through its subsidiaries and affiliates, including Wells Fargo Advisors. These other relationships provide financial and other benefits to Wells Fargo as well as Wells Fargo Advisors. These relationships include the following services:

- Wells Fargo Advisors, through its affiliates, provides investment management and other services to our affiliate, the Wells Fargo Advantage Funds family of mutual funds.
- Wells Fargo, through its affiliates, distributes the Wells Fargo Advantage Funds (as well as unaffiliated mutual funds).
- Golden Capital Management, LLC ("GCM") is an affiliate of Wells Fargo and a sub-advisor for Wells Fargo Advantage Funds.

During the course of annual business planning, business with our affiliates is included in establishing Wells Fargo Advisors' sales goals. However, our Financial Advisors are instructed to make their recommendations independent of any such goals and based solely on the clients' objectives and needs.

Additionally, within the division that operates in Wells Fargo Bank financial centers and some Wells Fargo stores, both Financial Advisors and Licensed Bankers can assist you with your mutual fund investment needs. A Licensed Banker is a Wells Fargo Bank associate who is registered with Wells Fargo Advisors to sell only certain investment products.

Licensed Bankers may also refer you to a Financial Advisor, and they may work as a team. In these instances, both the Financial Advisor and the Licensed Banker may be compensated for the sale of a mutual fund, but the Licensed Banker may receive less through this referral arrangement than from a direct sale. Referrals and recommendations are made independent of compensation arrangements and based solely on the client's needs and objectives.

YOUR RELATIONSHIP WITH WELLS FARGO AND COMPANY

Wells Fargo appreciates your confidence and wants to make your brokerage and banking relationships clear and convenient for you. Your Wells Fargo Advisors Financial Advisor may serve as your Relationship Manager not only for your brokerage accounts and services with Wells Fargo Advisors, but also for products and services with Wells Fargo Bank, N.A, including trust accounts of which you may be a beneficiary or agency accounts in which you may have an interest.

The responsibilities of Wells Fargo Advisors and your Financial Advisor, when acting in a brokerage or investment advisory capacity or in introducing you to a banking product or service, are different from the responsibilities of Wells Fargo Bank and your Financial Advisor when acting in a role as Relationship Manager for a Wells Fargo Bank trust or agency account. Your Financial Advisor, in a brokerage or investment advisory capacity may recommend or assist you with a transaction that does not concern the Wells Fargo Bank trust or agency account for which he or she will be compensated. If you decide to enter into such a transaction, you will receive specific disclosures in connection with the transaction, including all relevant information and a description of the compensation that your Financial Advisor will receive. You will have the opportunity to ask for more information about the compensation to your Financial Advisor on such a transaction.

If you have questions about any product or service offered or what role your Financial Advisor or any other Wells Fargo team member is serving, or what compensation is being paid with respect to any product or service, please ask your Relationship Manager or Financial Advisor.

Before buying any mutual fund, it is important for you to read and understand the fund's prospectus. If you have any questions about a specific fund, or the information in the fund's prospectus, contact your Financial Advisor. Additionally, to learn more about mutual funds in general, contact your Financial Advisor or visit the following websites:

Wells Fargo Advisors:
www.wellsfargoadvisors.com

Investment Company Institute:
www.ici.org

Financial Industry Regulatory Authority:
www.finra.org

Securities and Exchange Commission:
www.sec.gov

Securities Industry and Financial Markets Association:
sifma.org

FUND FAMILIES WITH AGREEMENTS WITH WELLS FARGO ADVISORS - as of January 2013

361 Capital Fund †
Aberdeen ‡
Absolute Strategies †
Adams Harkness †
Advisor One †
AEGIS Financial Corp †
American First Quantitative Funds †
Ancora Securities †
Akre Funds †
ALPS †
Al Frank Funds †
Alger ‡ **
AllianceBernstein ‡ **
Allianz Global Investors ‡
Alpine ‡
Amana ‡
American Beacon ‡
American Century ‡
American Funds ‡ ***
American Independence ‡
Ameristock Funds †
Ancora †
Angel Oak Capital Advisors †
Apex †
Appleseed ‡
Appleton ‡
AQR ‡
Aquilia Group of Funds †
Arbitrage †
Ariel Investments ‡
Arrow ‡
Artio Global ‡
Artisan Funds ‡
Ascentia ‡
Aspen †
Aston ‡
Auxier Focus Fund †
Ave Maria †
AXA Enterprises †
Baron ‡
BB&T †
Beck Mack and Oliver †
Berwyn †
BlackRock ‡ **
Bogle Investment Management †
Boyar Value Funds †
BNP Paribas † **
Brandes Inv. Partners ‡
Brandywine Funds †
Bridgeway Funds †
Bridgehampton †
Brown Advisory Funds †
Buffalo ‡
Burnham †
Calamos ‡
Caldwell Orkin †
California Funds †
Calvert ‡
Cambiar Funds †
CAN Slim †
Catalyst Funds †
Causeway Capital ‡
Champlain Funds †
Chase Investment Counsel ‡
CM Advisors ‡
CMG †
Cohen & Steers ‡
Collar Fund †
Colorado BondShares †
Columbia ‡
Commonwealth Fund †
Compass EMP †
Copeland Trust †
Cornercap †
Cornerstone/Keystone ‡
Crawford †
Credit Suisse ‡
CRA Investment Funds †
CRM ‡
Cullen Capital †
Cullen Funds †
Currency Strategies Fund †
Cushing MLP Fund †
Davidson †
Davis ‡ **
Diamond Hill †
Direxion ‡
Domini Funds †
Doubleline ‡
Dreman ‡
Dreyfus ‡
Dreihaus †
DSM ‡
Dunham Funds ‡
Duncan Hurst †
DWS Investments ‡
Eagle Funds ‡
EAS †
Eaton Vance ‡ **
Edgar Lomax †
Emerald ‡
Empiric Funds ‡
Equinox †
Equity Investment Corp ‡
Estabrook †
Europac †
Evermore †
E I I Realty Securities †
Fairholme Funds †
FBP †
FBR ‡
Federated ‡
Fenimore Funds ‡
Fidelity Advisors ‡ **
Fifth Third †
First Dominion Capital †
First Eagle ‡
First Pacific (FPA) †
First Trust †
FMI ‡
Fort Pitt †
Forward/Kensington ‡
Fountain Head †
FPA Funds †
Franklin Templeton ‡ **
Fund † * X Upgrader †
FundVantage Trust (Estabrook) ‡
Gabelli ‡
GE ‡
GKM Funds †
Golden †
Goldman Sachs ‡
Goodhaven †
Gotham †
Grandeur Peak †
Great Lake Funds †
Greenspring †
Hansberger Global Investors ‡
Harbor Fund †
Harding Loevner Funds †
Hartford ‡
Hatteras Capital ‡
Heartland Funds ‡
Henderson Global ‡
Hennessy Funds †
Heritage †
Highmark Funds ‡
Hillman ‡
Homestead Funds †
Hotchkis & Wiley ‡
HSBC ‡
Huber †
Huntington ‡
Hussman †
ICON ‡
IndexIQ †
ING ‡
Innealta †
Integrity Funds Distributor †
Intrepid †
Invesco ‡ **
Investec ‡ *
Ironclad †
ISI †
IVA Funds ‡
Ivy ‡
Jacob Funds †
James Advantage ‡
Janus ‡ **
John Hancock ‡
Jordan †
JP Morgan ‡ **
Kalmar Pooled Investment †
Keeley ‡
Kensington †
Keystone Mutual Fund †
Kinetics ‡
Ladenburg Thalman ‡
Lateef †
Laudus Funds †
Lazard ‡
Legg Mason * / Legg Mason Partners **
/ Western Asset Management ‡
Leuthold Funds †
Liberty Street Horizon Fund ‡
Lincoln (Delaware Funds) ‡
Linde Hansen †
LKCM Funds †
LoCorr Funds †
Longleaf †
Longview †
Lord Abbett ‡
Madison Mosaic Funds ‡
Mainstay ‡
Managers Investment Group ‡
Manning & Napier ‡
Marketfield ‡
Marketocracy ‡
Marshall Funds †
Matrix Fund †
Matthew 25 Fund †
Matthews Asian Funds ‡
Merk †
Metropolitan West †
Metzler Pyden & Rygel †
MFS ‡ **
Midas Funds †
Miller ‡
MMA Praxis Funds ‡
Monteagle †
Morgan Stanley ‡ *
MTB ‡
Munder ‡

* Offshore funds only
** Includes domestic and offshore funds
*** Pays fixed amount based on a proprietary formula

‡ Both Networking/Omnibus Platform and Revenue Sharing Agreement
† Networking/Omnibus Agreement only

Mutual Funds Series Trust †
Mutuals.com ‡
Nationwide ‡
Natixis ‡
Needham Funds ‡
Neuberger Berman ‡
New Alternatives Fund †
Nicholas Group †
Nieman Funds †
Nomura ‡
Northern Funds †
Northern Lights Fund Trust †
Northern Lights Fund Trust II †
Northern Lights Fund Trust III †
Northern Trust ‡
Nuveen ‡
Oak Associates Funds †
Oakmark Funds †
Oberweis Funds †
OCM Mutual Fund ‡
Old Mutual/Skandia ‡ **
Olstein ‡
Oppenheimer ‡
Orinda Funds †
O'Shaugnessy †
Osterweis Fund †
Pacific Life ‡
Paradigm ‡
Parnassus Funds †
PAX World Mutual Fund †
Payden Rygel Funds †
Pear Tree ‡
Perimeter Funds ‡
Permanent Portfolios †
Perritt †
PIMCO ‡
PIA Funds †
Pioneer ‡ **
PNC Funds ‡
Polaris †
Pollen †
Portfolio 21 †
Primecap †
Principal ‡
ProFunds ‡
Prudential ‡ **
Putnam ‡ **
Pyxis †
Quaker ‡
Quantitative Managed Futures †
RBC Funds ‡
Rainier ‡
Rheinhart Partners ‡
Renaissance Capital †
Rice Hill James †
RidgeWorth ‡
RiverNorth Capital ‡
RiverPark Funds †
Robeco ‡
Roosevelt ‡
Roumell †
Royce ‡
RS Funds ‡
Russell ‡
Rydex ‡
Salient Advisors †
Satuit Funds/Rafferty Capital ‡
Schooner †
Schroder Investment Management ‡ **
Schwab Funds †
Schwartz Investment ‡
Scout ‡
Security Funds ‡
SEI ‡
Seligman ‡
Sentinel ‡
Simple Alternatives †
SIT Funds ‡
Snow Capital †
Sound Mind ‡
Sound Shore ‡
Southern Sun Funds ‡
Sparrow ‡
Stadion ‡
State Street ‡
Steelpath †
Stephens Funds ‡
Sterling Capital Fund ‡
Strategic Income ‡
Stratton Mutual Fund †
SunAmerica Asset Management †
Swan †
T. Rowe Price †
Tanaka ‡
Target †
TCW Funds ‡
Teberg †
TFS Fund †
Thesis †
Third Avenue ‡
Thomas White Funds †
Thornburg ‡
Thompson Plumb Funds †
Timothy Plan †
Tocqueville Funds ‡
Torray Funds ‡
Total Income & Real Estate Fund †
Touchstone Funds ‡
Transamerica Capital ‡
Turner Funds ‡
Tweedy, Browne †
UBS Global Asset Management ‡
US Global Investors †
Van Eck Global ‡
Versus Capital †
Vertical Capital Income †
Victory Funds †
Villere Funds †
Virtus ‡
Wasatch Funds †
Weitz Funds ‡
Wells Fargo Advantage Funds ‡
Wentworth, Hauser and Violich ‡
William Blair ‡
Williamsburg Government †
Wilmington ‡
Wilshire Funds †
Winslow Green Mutual †
Wintergreen †
World Funds †
Wright Investor ‡
Yacktman ‡
Yieldquest Funds †

Funds that invest in international securities or markets can involve different risks than U.S. investments. These risks include political and economic instability, changing currency-exchange rates, non-U.S. tax implications and differences in financial-accounting standards. These factors may result in greater price volatility.

Not all products, services or investments are available for sale in all countries. The information contained in these pages is not an offer to sell or a solicitation of an offer to buy any investment mentioned herein, and no offers or sales will be made in jurisdictions in which the offer and sale of the investment is not authorized, qualified or is exempt from regulation.

Offshore mutual funds are not authorized for sale to any U.S. person.

Wells Fargo Advisors is a non-bank affiliate of Wells Fargo & Company. Wells Fargo Funds Management, LLC is the investment advisor on each of the mutual funds within the Wells Fargo Advantage family of funds. Wells Fargo Advisors, LLC may receive compensation and indirect benefits from Wells Fargo Funds Management, LLC, Wells Fargo Advantage Funds and other Wells Fargo affiliates. Wells Fargo Bank, N.A. is an affiliate of Wells Fargo Advisors and a subsidiary of Wells Fargo & Company.

Investment and Insurance Products:

Not Insured by FDIC or any Federal Government Agency	**May Lose Value**	**Not a Deposit of or Guaranteed by a Bank or Any Bank Affiliate**

Wells Fargo Advisors is the trade name used by two separate registered broker-dealers: Wells Fargo Advisors, LLC and Wells Fargo Advisors Financial Network, LLC, Members SIPC, non-bank affiliates of Wells Fargo & Company.

5. GUIDE TO BUYING ANNUITIES

Before you buy any investment it is important to review your financial situation, investment objectives, risk tolerance, time horizon, diversification needs, and need for liquidity. Wells Fargo Advisors wants to make sure that if you are considering purchasing an annuity contract, you have also considered other investment options available to you, including mutual funds and life insurance.

Annuity contracts are designed generally for long-term retirement savings and should not be considered a short-term investment option. For most investors, investing in pre-tax investment options such as IRAs, 403(b)s, and 401(k)s should generally be fully taken advantage of before investing in an annuity contract.

While you will be able to have access to your money in an annuity contract by surrendering your contract or making a withdrawal, an annuity contract generally contains a surrender penalty, assessed by the issuing insurance company, for premature surrenders or withdrawals. Surrenders or withdrawals from an annuity contract before age 59½ may incur a 10 percent tax penalty in addition to ordinary income tax.

Wells Fargo Advisors operates on a number of different platforms. These include the National Brokerage Channel, the Wealth Brokerage Channel, and Wells Fargo Advisors Financial Network (FiNet). Financial Advisors can sell a variety of fixed and variable annuity contracts to meet your specific needs. .

How Can This Guide Educate Me, and How Can I Educate Myself?

This guide will help you better understand annuity contracts in general and the costs associated with various annuity contract types and features, as well as how your Financial Advisor and Wells Fargo Advisors are compensated when you invest in an annuity contract. Of course, this guide is not meant to replace the annuity prospectus, the underlying fund prospectuses, statements of additional information, or other offering material prepared by the insurance company. Please read these documents carefully before purchasing an annuity contract. Some of these documents will also describe the annuity contract features that you can choose as you work with your Financial Advisor.

Your annuity contract documentation should be kept with your other important documents. With most annuity contracts, the annuitant cannot be changed but the owner may be changed, however there may be tax implications. We recommend that you review your contract periodically or when there has been a change in your family situation.

As always, if you have any questions about your annuity investments, please contact your Financial Advisor.

What Is An Annuity Contract?

An *annuity* is a contract between you (the contract owner) and an insurance company. You purchase an annuity contract by making either a single payment or a series of payments. Once an annuity contract has been purchased, the insurance company agrees to make periodic payments to you, beginning either immediately or at some future date.

Depending on the insurance company's policy, you may have to begin making withdrawals, either systematically or as an annuitization, when you reach a specific age (e.g., age 80 or 90) as described in the contract or offering material prepared by the insurance company. Not all of the annuity contracts and benefits described below are available in all states. Ask your Financial Advisor about what is available in your state.

Types Of Annuity Contracts Annuity contracts can be divided into two different types: immediate and deferred. With an immediate annuity, you can convert assets into income and start receiving income payments right away; with a deferred annuity, assets accumulate, tax-deferred, until withdrawals are made, usually during retirement.

Annuity contracts, both immediate and deferred, are offered in two ways: fixed and variable. Some annuity contracts are offered as a combination of fixed and variable. A fixed annuity contract is credited with a fixed or set interest rate, which is guaranteed by the insurance company. A variable annuity fluctuates depending on the investment performance of the investments selected. We also describe another kind of fixed annuity called an equity-index annuity.

Throughout this guide, the word "guarantee" refers to guarantees that are backed by the claims-paying ability of the issuing insurance company. If the insurance company is unable to meet the claims, the payments may not be made.

The following is a more detailed look at the various types of annuity contracts available today.

Immediate Annuities

An immediate annuity provides a stream of income for a specified period of time that you can choose select. This stream of income is typically referred to as an annuitization.

You pay a single purchase payment, and income payments typically begin 30 days later. Once you have selected a payment plan (monthly, quarterly, semi-annual or annual), income payments will last for the length of time selected.
Payment options include:

- period or term certain annuitization where payments are made for a specified period or term such as 10 years;
- life annuitization where payments last for the life or joint life of the contract annuitant(s); or
- or life with period-certain annuitization where payments last the longer of the life of the annuitant(s) or the period certain periods.

Upon death of the owner/annuitant of an immediate annuity, if the payment period has not ended and the contract payments are continued under the contract, the contract beneficiaries will receive the remainder of the required payments. Once the payment period has ended, the owner/annuitant will not receive any additional payments and will not receive any additional principal payment. These payout options typically cannot be changed once the client has selected them. An immediate annuity can be purchased on either a variable or fixed basis.

Immediate Variable Annuities

Immediate variable annuities offer a stream of income payments that will change during the term of the payout period. These payments will vary up or down following the first payment depending on the performance of the underlying subaccounts owned in the contract. The underlying subaccounts are in professionally-managed investment options that invest in the stock and/or bond markets. The investment options can provide you with potentially more income than immediate fixed annuities, but your income payments will be subject to market fluctuation.

Immediate Fixed Annuities

Immediate Fixed Annuities offer a fixed stream of income payments that do not change during the term of the payout period. Unlike immediate variable annuities, immediate fixed annuities generally do not provide any protection against inflation as payments made are fixed during the term of the immediate annuity.

Given the irrevocable nature of these contracts, investors should carefully consider their financial needs before they enter into one of these contracts.

Deferred Annuities

A deferred annuity allows you to accumulate money tax-deferred for long-term goals such as retirement. When you are ready to receive income from your annuity, you can withdraw funds as needed, or set up a regular withdrawal schedule guaranteed by the insurance company, which would last over a given time period in the same manner as for immediate annuities. Deferred annuities can be purchased on either a fixed or a variable basis. If you purchase an annuity within a tax-qualified retirement plan such as an IRA or 401(k), you will get no additional tax advantages from the annuity. Therefore, you should consider whether your annuity purchase would be more appropriate in a non-tax-qualified account. You should consider buying an annuity in a tax-qualified retirement account only if it makes sense because of the annuity's other unique features and benefits, such as lifetime income payments, death benefit protection, or an attractive interest rate on a fixed annuity. You should assess whether these other features and benefits of the annuity and the associated costs justify the purchase within a tax-qualified plan.

There are three general types of deferred annuities: fixed annuities, variable annuities and equity-index annuities.

Deferred Fixed Annuities

A deferred fixed annuity contract has a guaranteed fixed interest rate for a stated period of time. Depending on the terms of the contract, the issuing insurance company may adjust the rate periodically. When you buy a deferred fixed annuity contract, your money is placed in the general account of the insurance company. A specified rate of return (less any surrender charges) is guaranteed by the insurance company for a specified period of time and backed by its claims-paying ability. How the insurance company sets its rates depends on the terms of the annuity contract. Some annuity contracts offer multiple guaranteed interest periods with differing guaranteed interest rates. At the expiration of the period, you can choose to continue the annuity contract for

the same period at a new guaranteed rate, or you can choose a different period at its new guaranteed rate. Depending on the annuity contract, other options may be available, such as making a withdrawal, surrendering the annuity contract without a surrender charge, or beginning to receive periodic payments. Some fixed annuity contracts contain a Market Value Adjustment (MVA) feature. If a withdrawal above the free withdrawal amount is made prior to the end of the rate guarantee period, an MVA may apply. This MVA may be positive or negative, depending on the interest rate environment at the time of withdrawal. A negative MVA would cause a reduction to the contract value in addition to any applicable surrender charges. Generally speaking, MVAs are negative in an increasing interest rate environment and positive in a declining interest rate environment.

Sometimes an insurance company guarantees the initial interest rate for a period of time, typically three to five years, but then resets the interest rate periodically, at its own discretion. In addition, if you make a withdrawal or surrender your contract during the surrender charge period, a surrender charge may be assessed (see discussion of fees and charges later in the guide).

Deferred fixed annuities offer a guaranteed minimum rate of interest, not subject to equity market volatility. The rate, once set for the period, is not affected by fluctuations in market interest rates or the insurance company's yearly profit. However, deferred fixed annuities offer little flexibility, generally no adjustment against inflation, and less potential for growth than variable deferred annuities. Please read the contract and/or offering material, and consult with your Financial Advisor on the interest rates and the terms of the interest-rate guarantees, before purchasing a fixed annuity.

Deferred Variable Annuities
A deferred equity-index annuity is designed for those who wish to enjoy the potential benefits of owning an annuity with an interest rate based, in part, on any gains in an equity index. While not directly invested in equities, contracts are offered with a guaranteed minimum interest rate (i.e., a floor), in case there is a downturn in the index. This annuity typically provides you with an interest rate that is related to the positive return, if any, in the index, such as the S&P 500, while guaranteeing that you will receive at least a stated minimum fixed return on your purchase payment (less any surrender penalties for premature surrender). In addition, the amount credited may be capped, or other limitations may apply.

Deferred equity-index annuities generally have a holding period of five to 10 years. Liquidating or surrendering a contract before expiration of the holding period will typically reduce your return, may void any guarantees, and may result in a negative return. In addition, if you make a withdrawal or surrender your contract during the surrender charge period, a surrender charge may be assessed.

Deferred variable annuities
A deferred variable annuity generally offers a diverse selection of investment options, usually referred to as subaccounts. These subaccounts have varying investment objectives and risk levels. Be sure that the investment options you select are consistent with and suitable to your particular investment goals and objectives. The return on a variable annuity investment will depend on your investment allocation and the performance of the subaccounts you choose. You may experience a negative return in a variable annuity subaccount. If you make a withdrawal or surrender your contract during the surrender charge period (see below), a surrender charge may be assessed. In addition, you can transfer your money from one investment option to another without paying current tax on your investment income and gains.

This is an important feature because it permits you to change your investment strategy (for example from moderate risk to conservative risk), or change from poorly performing subaccounts to other subaccounts, without surrendering the contract. Dividends, interest, and capital gains remain invested, tax-deferred, until withdrawals are made, allowing you to control when income taxes are paid.

Excessive trading between subaccount investment options, otherwise known as market timing, is not a permitted activity. The insurance company may charge a fee for excessive transfers and freeze subaccount transfer privileges if market-timing activities occur. Often a variable annuity also includes a fixed account, which offers a guaranteed fixed interest rate for a stated period of time. This means that during the accumulation phase of a deferred variable annuity, you can allocate your investment not only to one or more variable investment options, but to a fixed investment option as well.

ANNUITY FEES AND CHARGES
There are several types of fees and charges in an annuity contract. Be sure you understand all these expenses before you invest. They will affect the value of your account and the return on your annuity.

If you withdraw money from an annuity contract or surrender the contract within a certain period of time after investing (the "surrender charge period," typically three to 10 years), the insurance company may assess a contingent deferred sales charge or CDSC. Usually, the surrender charge is a percentage of the purchase payment withdrawn and declines gradually over the surrender charge period. For example, a 7 percent charge might apply in the first year after investing, 6 percent in the second year, 5 percent in the third year, and so on, until the surrender charge no longer applies. New surrender charge periods usually start with each new purchase payment invested in the annuity, so new purchase payments may extend the surrender charge period beyond the original surrender charge period established at the purchase date.

However, many contracts will allow you to withdraw part of your account value each year - generally your annual interest earned, cumulative earnings, or up to 10 percent or 15 percent of your purchase payment - without paying a surrender charge (tax penalties may still apply, however). Some annuities do not have a surrender charge period or surrender charges. Your Financial Advisor can discuss any surrender period and charges associated with the annuity you are considering. When choosing an annuity contract, you should consider all charges and benefits - not just surrender charges.

Fixed Annuity Fees and Charges
When you buy a fixed annuity, your money is placed in the general account of the insurance company. When the insurance company sets the interest rate to be credited to an annuity contract, it usually considers not only the prevailing market rates, but also the costs of issuing and maintaining the annuity contract. Your Financial Advisor is paid a commission for selling the fixed annuity to you. The insurance company pays this commission out of its assets, which include any profits it makes on the annuity contracts.

Equity-index annuity fees and charges
Surrender charges and annual contract charges may apply to an equity-index annuity, as outlined above. For complete information on how the interest rate will be credited and on the fees and charges associated with an equity-index annuity, please consult your Financial Advisor. Your Financial Advisor is paid a commission for selling an equity-index annuity. The insurance company pays this commission out of its assets.

See the discussion of fixed annuity fees and charges above.

Variable Annuity Fees and Charges
In addition to the surrender charges mentioned above, variable annuities have other expenses you should be aware of. These fees and charges will reduce the value of your account and the return on your investment. They can include:

- **Mortality and expense** (M&E) risk charge. This charge is equal to a certain percentage of your account value, typically from 1.00 percent to 1.60 percent per year. The M&E risk charge can be used by the insurance company to offset the costs of selling the variable annuity, such as a commission paid to your Financial Advisor for selling the variable annuity to you, and to compensate the insurance company for the insurance risks that it assumes under the insurance contract.

- **Administrative fees** The insurer may deduct charges to cover record-keeping and other administrative expenses. This may be charged as a flat account maintenance fee (perhaps $25 or $30 per year) and/or as a percentage of your account value (typically about 0.15 percent per year). Some insurance companies waive the flat account maintenance fee on larger account values.

- **Subaccount expenses** You will also pay fees and expenses imposed by the underlying investment options in a variable annuity. The fees and expenses of the subaccounts include annual operating expenses such as management fees, 12b-1 (distribution) fees, cost of shareholder mailings, and other expenses. These expenses can range from zero percent annually for money-market subaccounts to as much as 2 percent annually for certain equity subaccounts. For a detailed explanation of these expenses, see the prospectus for the underlying funds.

- Fees and charges for other features

Certain features offered by some variable annuities - such as a stepped-up death benefit, a bonus credit feature, a guaranteed minimum income benefit, a guaranteed minimum withdrawal benefit, a guaranteed minimum accumulation benefit, or an earnings enhancement benefit - often carry additional fees and charges. Some of the features and options will be discussed below. Often the variable annuity contract will provide that once you have elected a particular benefit, you cannot later have that benefit removed. Therefore, before making any selection, you should discuss the long-term consequences with your Financial Advisor, including the long-term costs of such benefits.

Other Charges, such as fees for transferring part of your account from one investment option to another, may also apply and certain additional restrictions may be imposed upon your contract when you elect these features. You can find a description of the charges, and other important information for any variable annuity that you are considering, in its prospectus.

Types of Variable Annuity Contract Structures Insurance companies offer many types of contract structures to meet various investor needs. The structures offered vary in many ways, including the surrender charge, surrender charge period and ongoing M&E costs. Insurance companies can offer variable annuity contracts with no surrender charge period (often called C share annuities), surrender charge periods of three to four years (L share annuities), and surrender charge periods of six to seven years (B share annuities). Bonus credit annuities offer a bonus credit of 2 percent to 6 percent, based on the amount invested in the annuity, and can have even longer surrender charge periods of seven to 10 years.

Generally, annuities impose the surrender charge during the initial period that begins after the contract is purchased. However, some will begin a new surrender charge period with each subsequent payment. Once the surrender charge period ends, the contract is out of surrender and no further surrender charges will apply to withdrawals. However, gains on withdrawals are still subject to income tax and, if taken prior to age 59½, a 10 percent IRS penalty tax may apply.

M&E expenses are an ongoing cost, typically applied annually. Generally, the M&E fees are represented differently across share class and have an inverse relationship to surrender charges. The cumulative effect of the M&E fees should be considered in conjunction with risk tolerance, investment objectives, age, and time horizon in determining the appropriate share class to purchase. The following is a comparison of the typical costs associated with the most common share classes.

Share Class	Typical Mortality & Expense Costs	Typical CDSC Period
B	1.10-1.40%	7 years
Premium Enhanced (aka "bonus" or "X" shares)	1.40-1.75%	9 years
L	1.60-1.75%	4 years
C	1.65-1.80%	none

For reference only. Please see the product's prospectus for share class details including actual fees and charges.

B Share annuities do not have an initial sales charge, but do have a surrender (CDSC) charge. You will pay this sales charge when you make a partial or full surrender from the annuity during the CDSC period. The product prospectus will specify the terms of the surrender schedule. A typical B share surrender schedule averages six to seven years, with the surrender charge ranging from 5 percent to 7 percent and decreasing until it reaches zero.

B share annuities generally offer the lowest ongoing cost as the M&E charges are lower than other share class options. B shares are generally the most appropriate choice for investors with no short term liquidity concerns and/or have a need for long term optional riders.

Premium Enhanced or "Bonus" annuities offer a premium enhancement or purchase payment credit that provides the purchaser with an upfront return on their principal. The amount of the credit will vary by contract. In all cases, purchase payment credits are treated as earnings for distribution purposes and may be subject to income tax. Premium Enhanced or Bonus annuities typically have a surrender schedule that averages seven to 10 years, with the surrender charge ranging from 7 percent to 10 percent and decreasing each year the contract is in force, until it reaches zero.

Example: You purchase a variable annuity contract that offers a bonus credit of 3 percent on the initial purchase payment. You make a purchase payment of $20,000. The insurance company issuing the contract adds a bonus credit of $600 to your account, raising the total initial amount of the contract to $20,600.

Insurance companies frequently offset the cost for such a bonus credit by charging higher surrender or M&E charges and/or setting longer surrender charge periods (in some cases for the life of the contract). The resulting charges may equal or exceed the amount of the bonus credit. You therefore need to carefully consider the net benefit that the bonus feature can offer you. In some products, the bonus credit does not "vest" until after a period of time or "vests" in increasing percentages over a period of time. In other products, the bonus credit is credited immediately but may be recaptured if the contract is surrendered or a withdrawal is made during a specified period of time.

L Share annuities provide the flexibility of a shorter declining surrender charge schedule averaging three to four years. Typically L share annuities will have higher M&E charges than B shares, but less than C shares. L shares generally fall between B shares and C shares in terms of liquidity flexibility, surrender charges and M&E expense. L shares may be appropriate for investors willing to pay higher ongoing annual costs from greater liquidity. When purchasing an optional rider on an L share, you should consider the long-term nature of the rider when deciding whether or not you want to pay an additional cost for a shorter CDSC period.

C Share annuities provide more liquidity for investors by allowing cash surrenders without the front-end or back-end surrender charges associated with other variable annuities.

Because of this liquidity, C share annuities typically have significantly higher M&E charges. Therefore, C shares are best suited for investors willing to pay higher ongoing annual costs for greater liquidity. For investors with longer term objectives or who purchase an optional long term rider, a share class with lower long term costs may be more suitable.

These annuity contract structures vary in features, the fees and expenses charged, and the compensation paid to your Financial Advisor. Please ask your Financial Advisor to explain the contract structures available to make sure that any contract you purchase matches your investment time horizon and financial goals.

Variable annuity features

Variable annuities offer many features you may want to consider. They may be included as part of the contract, or they may be optional features or riders that you elect at the time of purchase.

Each optional feature typically carries a charge. This approach gives you the ability to select and pay for only the features you need. Since you may not be able to change your initial selection later, you should carefully consider these optional features before making a selection.

Optional features that can be added to contracts include guaranteed minimum death benefits, a bonus credit, guaranteed minimum income benefits, guaranteed minimum accumulation benefits, and guaranteed minimum withdrawal benefits. These features do not guarantee against day-to-day market fluctuations, and may be affected by subsequent additions or withdrawals during the accumulation phase of your annuity contract. However, they do provide additional features that may be valuable to you. These features may require limitations on the investment options you can choose.

There is no guarantee that this insurance feature, if purchased, will ever come into effect. Therefore, it is possible that you will receive no additional benefit for having incurred the additional expenses and contract restrictions associated with these riders.

It is important to note that the benefit base is not a cash or account value and so is not indicative of the market value of

your contract at any given point in time during the accumulation phase.

Guaranteed Minimum Death Benefit (GMDB)

Deferred annuity contracts usually provide for a death benefit if the owner and/or the annuitant dies while the contract is still in the accumulation phase. The payout structure of the death benefit varies by contract. The benefit can be payable as a lump sum or as annuity payments that generally must be paid in a specified period of time. If a spouse is the sole beneficiary, the spouse may have the additional option of continuing the contract tax-deferred.

Variable annuity contracts have traditionally offered a GMDB during the accumulation period. The GMDB is generally equal to the greater of (a) the contract value or (b) purchase payments less prior withdrawals. Many variable annuity contracts allow you, for an additional charge, to "step-up" or "ratchet" the death benefit up to the contract value on a specified date (e.g., annually). In addition, some contracts will raise the GMDB floor at a specified rate (e.g., 5 percent annually) for an additional charge.

Guaranteed Minimum Income Benefit (GMIB)

A GMIB is typically offered as an optional feature or rider to a variable annuity contract for an additional charge, generally ranging from 0.75 percent to 1.00 percent. Contracts with GMIBs have a waiting period, typically 10 years, before the benefit can be exercised. Age limits may also apply. For some contracts, if the benefit is exercised, only fixed immediate annuity payments are available; others offer variable immediate annuity payments as well.

The GMIB ensures under certain conditions that the owner may annuitize the contract based on the greater of (a) the actual account value or (b) a "benefit base" equal to purchase payments credited with some interest rate (usually between 3 percent and 7 percent) or the maximum anniversary value of the account prior to annuitization. The benefit guarantees that under the stated conditions, the contract owner will receive a minimum cash flow beginning at a future date as described above.

Guaranteed Minimum Withdrawal Benefit (GMWB)

A GMWB guarantees that you will receive a minimum withdrawal amount from your contract each year. This minimum amount may guarantee the return of your initial investment through systematic withdrawals over time and/or for your life. The amount of withdrawal that can be taken each year is typically between 4 percent and 7 percent. These withdrawals may be taken immediately or deferred until a later time. This feature often includes a step-up provision during a deferral period that is based on an annual interest rate (usually between 5 percent and 7 percent) and/or the contract value at specified periods (i.e. annually or quarterly). Once withdrawals begin, the step-up provisions may change. Many GMWBs offer a joint option that allows the guarantee to be based on the life of both spouses. This feature does not require you to make withdrawals from your contract and the withdrawals may be started and stopped at any time. It is important to note that a withdrawal exceeding the guaranteed annual amount may have a detrimental effect on the benefit base. The cost for this feature typically ranges from 0.40 percent to 1.25 percent.

Guaranteed Minimum Accumulation Benefit (GMAB)

A GMAB guarantees that after a specified period of time you will receive a minimum contract value. This minimum amount may be the amount of the initial premium or the initial premium with a growth or step-up component. This growth component may be based on the performance of the underlying investments or on a set percentage of the initial premium. The specified time period for these benefits ranges from five to 10 years. At the end of the specified period, if your contract value is less than a guaranteed amount, the insurance carrier will add the difference into your contract. The cost for this feature typically ranges from 0.50 percent to 0.90 percent.

Some variable annuities may offer other optional features. Please review their costs and benefits with your Financial Advisor.

Free Look Provision

You have the right to cancel your annuity contract within the free look provision period (usually 10 days following delivery of your annuity contract or whatever period is required by your state). If you exercise this provision, you will receive a refund in accordance with the terms of the contract and your state's regulations. In some instances, if the market value of the contract has declined during the free look period, you may not receive your entire initial purchase payment.

Loans and withdrawals

Loans and withdrawals have a negative impact on cash values and may also diminish any death benefit, guaranteed minimum living benefit, value of riders, or other features of your contract. Some contracts may also require a minimum value to keep an existing contract in force and you, the owner of the contract, have the responsibility to maintain such minimums to preserve the features of the contract.

Loans are generally not available from an annuity contract, except in certain qualified plans. If the annuity is part of a qualified plan, the loan must be repaid prior to the employee's termination from the employer or the amount will be considered a withdrawal, and will be subject to the penalty and taxes discussed above. Please refer to your annuity contract for a complete description of these options.

Annuity Tax Issues

Although annuities generally allow your investment to be held on a tax-deferred basis, you should be aware of certain tax issues before you purchase an annuity. For example:

- Gains or earnings on withdrawals from annuities, including partial withdrawals and surrenders, may be taxable. Generally, a withdrawal or distribution from an annuity consists of both an earnings component (taxable) and a principal component (non-taxable return of investment). If you take a taxable withdrawal before age 59½, you may have to pay a 10 percent penalty to the IRS on the amount of the gain in your contract, in addition to your normal income taxes.

- Taxable distributions from an annuity are generally taxed at the contract owner's ordinary income-tax rate and do not get the benefit of lower tax rates received by certain capital gains and dividends under current tax laws.

- If an annuity contract is owned by a non-natural entity (such as a corporation, partnership or LLC), the contract is generally not eligible for tax-deferral.

- IRS Revenue ruling 2008-24 applies to situations where an annuity holder uses a portion of the cash value of an existing annuity contract to purchase another annuity, commonly called a partial exchange. Withdrawals made from either contract within 12 months following the exchange will invalidate the tax-free nature of the exchange, unless you meet certain exceptions allowed by the ruling.

- The death of a contract owner (and, in some cases, the death of an annuitant) may result in taxable distributions that must be made from the contract within a specified period of time.

- Upon the death of the owner/annuitant of a contract, gains may be taxable to the beneficiary; the annuity assets may be included in the owner's estate; there is no step-up in the tax basis; and annuity assets will bypass probate, unless the contract owner's estate is the named beneficiary or no beneficiary is named. You should review your beneficiary designations periodically. Designations can be changed during the term of the annuity. Upon the death of the owner or annuitant, the insurance company should be notified immediately and settlement options reviewed.

- The tax-deferral benefit offered by annuities provides no additional tax benefit if they are held in tax-qualified accounts such as an IRA, 403(b), or 401(k). Special rules governing annuities issued in connection with a tax-qualified retirement plan restrict the amount that can be contributed to the contract during any year, the time when amounts can be paid from the contract, and the amount of any death benefit that may be allowed. In addition, the rules provide for different results when distributions, including death benefits, are made from these types of annuity contracts.

If you have purchased your annuity as an investment plan in an IRA account, the IRA custodian will be responsible for any tax reporting with respect to the annuity. Since distributions from an IRA must be reported, distributions will be paid and reported from the custodial account, which may include other assets in addition to your annuity contract. Therefore, if you wish to take a distribution from your annuity, you should first contact your Financial Advisor, not the insurance company. Please consult your tax

advisor and consider all the tax consequences before purchasing an annuity.

Tax-Free Exchange of Annuities

Section 1035 of the Internal Revenue Code allows you to exchange an existing annuity contract for a new one without paying any taxes on the income and investment gains in the original variable annuity account. The "1035 exchange" can be useful if another annuity has features that you prefer, such as a better optional benefit, different annuity payout options, or a wider choice of investments.

However, you may be required to pay surrender charges on your original annuity if you are still in the surrender charge period. In addition, a new surrender charge period generally begins when you exchange into the new annuity. This means that, for a significant period (as much as 10 years), you typically will be subject to a surrender charge (which can be as high as 9 percent of your withdrawals) if you withdraw funds from the new annuity. If your original contract has decreased in value below its living or death benefit, you will be giving up the difference by surrendering the contract. Further, the new annuity may have higher annual fees and charges than your existing annuity, which can reduce your returns.

What should I consider before investing in an annuity?

Annuities are long-term investments designed to meet retirement and other long-range goals. Annuities are not suitable for pursuing short-term investment goals, because substantial taxes and charges from the insurance company may apply if you withdraw your money early. Variable annuities also involve investment risks.

Before investing in any annuity contract, you should learn about the specific annuity you are considering.

Variable annuities are sold by prospectus. **You should request a prospectus and any other available material from the insurance company or from your Financial Advisor and read it carefully before you invest. The prospectus contains important information about the annuity contract that you should carefully consider before you invest — including risks, fees and charges, investment options, benefits, annuity payout options, and other important information.**

You should compare the benefits and costs of the annuity to other annuities and to other types of investments, such as mutual funds and life insurance, which could be more appropriate for your situation.

Before you decide to purchase an annuity, consider the following questions:

- Are you taking advantage of all your other tax-deferred opportunities, like 401(k)s and IRAs?

- Will you use the annuity primarily to save for retirement or a similar long-term goal?

- Are you investing in the annuity through a retirement plan or IRA (which would mean that you are not receiving any additional tax-deferral benefit from the variable annuity)? If so, are there features and benefits in the annuity contract, other than tax-deferral, that make an annuity purchase appropriate?

- Are you willing to take the risk that your account value may decrease if the underlying investment options in a variable annuity perform poorly?

- Do you understand the features of the variable annuity?

- If you are considering a fixed annuity, do you understand how interest will be credited to the annuity contract?

- Do you understand all of the fees and expenses that the annuity charges?

- Do you intend to keep your money in the annuity long enough to avoid paying any surrender charges if you have to withdraw money?

- If a variable annuity offers a bonus credit, will the bonus outweigh any higher fees and charges that the product may carry?

- Are there features of the annuity that you could purchase separately at a lower cost?

- Have you consulted with a tax advisor and considered all the tax consequences of purchasing an annuity, including the effect of annuity payments on your tax status in retirement or death benefit payments to your beneficiaries?

- If you are exchanging one annuity for another, do the benefits of the exchange outweigh the costs - such as any surrender charges you will have to pay if you withdraw your money before the end of the surrender period for the new annuity?

Insurance Company Ratings and What They Mean

The insurance company guarantees many features in the annuity, including rates of return for fixed accounts and the features discussed above, like the GMDB, GMIB, GMWB, or GMAB. Therefore, the financial strength of the issuing insurance company is very important.

Several independent, nationally-recognized rating agencies regularly review the financial records of insurance companies to assess their strength and claims-paying ability. The stronger and more secure the insurance company, the more likely it is that the insurance company will be able to pay the benefits offered. However, even a strong rating does not ensure that the insurance company will be able to meet all of its obligations under the annuity contracts. For information about insurance company ratings, ask your Financial Advisor to provide the ratings, or contact the following rating agencies: A.M. Best Company (ambest.com), Fitch's (fitchratings.com), Standard & Poor's Corporation (standardandpoors.com) and Moody's Investor Service (moodys.com). These ratings do not relate to the past performance or potential performance of the annuity's subaccounts.

Wells Fargo uses a careful review process to select the companies that we do business with. We utilize the rating agency reports, third party research, and internal risk management research to approve carriers that we offer, and we monitor financial strength on an ongoing basis.

When insurance companies are not able to meet their obligations, there are safety nets in place through the state guaranty associations. Guaranty funds offer protection up to a limit (which varies by state) to contract holders. For more information about these safety nets, you can go to the National Association of Life and Health Guaranty Associations Web site: nolhga.com.

How Compensation is Paid to Wells Fargo Advisors and Your Financial Advisor

Wells Fargo's subsidiaries and advisors are paid by the issuing insurance carriers whose products we sell. The subsidiaries include Wells Fargo Advisors, LLC, Wells Fargo Advisors Financial Network, LLC, Wachovia Insurance Agency, Inc., WS Insurance Services, LLC and a number of other affiliated insurance agencies registered in the states where we conduct business. Wells Fargo Bank and its subsidiaries receive compensation and other payments in many forms including commissions, residuals or trails, marketing support payments, payments for training and education, and fees for reinsurance transactions. The following sections outline how Wells Fargo and its advisors are paid.

For helping you choose an annuity, Wells Fargo Advisors and your Financial Advisor are paid in ways that vary based on the type of annuity, the issuing insurance company and the amount invested.

- **As mentioned above, Wells Fargo Advisors is paid by the issuing insurance company if we sell you their annuity.** Under an agreement with the insurance company, Wells Fargo Advisors is paid based on the amount of the purchase payments. Your Financial Advisor's initial compensation is based on a compensation formula applied to the purchase payments. This type of compensation is typically referred to as a commission. Commissions paid to Wells Fargo Advisors generally range from 1 percent of purchase payments to 6 percent of purchase payments. For example, a $10,000 transaction in an annuity would pay a commission ranging from $100 to $600. A portion of this commission is credited to the Financial Advisor.

- **Wells Fargo Advisors also receives ongoing payments, known as residuals or trail commissions, on invested assets that are held in your annuity for more than one year.** These ongoing payments are set by the insurance company, and Wells Fargo Advisors generally pays a portion of the trail commissions to Financial Advisors. Trail commissions generally range from 0 percent to 1 percent per year on invested assets. Invested assets of $10,000 would equate to a maximum trail of $100 per year assuming there is no growth in the annuity value. In general, the greater the commission paid, the lower the trail; and the lower the commission, the greater the trail.

- **Commissions and trails paid to Wells Fargo Advisors vary by contract structure (B share, L share, C share, and bonus)**

and vary by insurance carrier. Within each variable annuity there are usually multiple commission options a Financial Advisor can select. The annual fees and charges on the contract are not affected by the commission option selected by your Financial Advisor. However, the annual fees and charges on the contract will vary depending on the share class selected.

- The compensation formula to determine the amount of payment from Wells Fargo Advisors to your Financial Advisor is the same for all annuities. Some insurance companies pay Wells Fargo Advisors higher compensation for sales of their annuities than other companies. However, Wells Fargo Advisors does have limits on compensation paid.

- Branch Managers and Regional Sales Managers may also receive monetary incentives based on the revenues and profits of their branches though not based on the sale of any specific product. Feel free to ask your Financial Advisor how he or she will be compensated for any annuity transaction.

As we mentioned earlier, Financial Advisors can offer you a variety of fixed and variable annuities that are available through Wells Fargo Advisors. While Wells Fargo Advisors offers a broad platform with respect to the variety and number of insurance carriers and annuity products our Financial Advisors can sell or recommend, we have not reviewed every insurance company or product available for purchase. We reserve the right in the future to limit branch access to insurance carriers and annuity marketing companies that do not provide marketing support or meet other criteria. A list of other important information can be found in the "Other insurance company relationships" section of this guide.

Wells Fargo Advisors' Relationships with Insurance Companies

At Wells Fargo Advisors, in addition to the commissions described above, we receive marketing support payments from many of the insurance companies whose annuities we sell. These payments are made by the insurance company, an affiliate of the insurance company, or the investment management company that serves as manager of the underlying investment options for variable annuities. The payments may be used to pay for training and educational conferences and meetings for our Financial Advisors, company wholesalers, various administrative and record-keeping costs, educational meetings and seminars for our current and prospective clients, and due-diligence evaluations of the claims-paying ability of the insurance companies whose annuities we sell.

Marketing support payments are usually calculated as a percentage of annuity sales and/or the total assets held in annuities sold by Wells Fargo Advisors and Wells Fargo Advisors Financial Network as well as annual payments of up to $350,000 per insurance company. For variable annuities, the payments are based on sales and can range as high as 0.20 percent of your total purchase amount. If, for example, you invested $10,000 in an annuity contract through Wells Fargo Advisors, we could be paid up to $20 for marketing support. In addition, for invested assets that continue to be held in your annuity a year later, we can receive an additional payment of up to 0.05 percent annually of the dollar value. On a $10,000 holding, that would be an additional $5 per year. Insurance companies may also pay state insurance initial appointment fees and appointment renewal fees on behalf of Wells Fargo's insurance agencies and Financial Advisors. Appointment fees typically do not exceed $100 per appointment.

None of these payments are passed on to your Financial Advisor as commissions or ongoing payments. However, the payments may be used to fund some of the general benefits provided to your Financial Advisor that are described above. We believe that these financial arrangements do not affect the advice your Financial Advisor offers you.

Insurance companies and their affiliates use a variety of sources for funding the commissions and payments described above. The funding sources may include, but are not limited to, the fees and charges assessed by the insurance company under the annuity contract; revenues from the underlying investment options, if any, received by the insurance company, an affiliate of the insurance company, or the investment management company that serves as manager of the underlying investment options for variable annuities; and investment earnings on amounts allocated to the general account of the insurance company. Some of the information on certain of these funding sources and payments for variable annuities can be found in the prospectus or statement of additional information for the annuity, which is available on request from the insurance company. You can also find additional information regarding revenues from the underlying investment options in their prospectuses and statements of additional information.

The insurance companies at the end of this guide pay Wells Fargo Advisors for marketing support and/or service fees. For an updated list, see www.wachovia.com or www.wellsfargoadvisors.com.

Other Insurance Company Relationships

Wells Fargo and/or its affiliates have business relationships with some of the insurance companies that could include, among other things, providing underwriting services and other financing activities, advice on mergers and acquisitions, reinsurance, and commercial lending arrangements.

More specifically, as part of our relationships with insurance companies:

- Wells Fargo provides investment management and other services through its subsidiary the Evergreen family of mutual funds. Evergreen provides investment choices that are available in certain variable annuity subaccounts and also manages a portion of certain insurance company general account assets that back fixed annuity contracts offered through Wells Fargo Advisors. Evergreen earns investment management and other fees for the services it provides. Evergreen also engages in revenue sharing related to the subaccounts it manages by paying the insurance carrier whose funds it manages a portion of the revenue Evergreen earns.

- The Evergreen funds (as well as unaffiliated mutual funds) are distributed through Wells Fargo Advisors and other subsidiaries or affiliates of Wells Fargo.

- Underlying investment options managed by the investment management companies that are affiliated with Wells Fargo Advisors, and/or distributed by affiliates of Wells Fargo, can be found in variable annuities offered by Wells Fargo Advisors.

- Several of the annuity contracts offered are customized for Wells Fargo Advisors. This means that these annuity contracts offer subaccounts managed by our affiliates, as well as subaccounts from other investment management companies, which can be purchased only through a Wells Fargo Advisors Financial Advisor. The insurance companies that have customized annuities for Wells Fargo Advisors are Western National Life and Hartford. You can find an updated list of these companies at wellsfargoadvisors.com.

- Wells Fargo affiliates currently have reinsurance agreements with insurance carriers, which issue annuities through Wells Fargo Advisors. Reinsurance is the practice in which one insurance company, called the reinsurer, assumes some or all of the liability of another insurance company on insurance contracts it has issued. Such arrangements can result in either a financial gain or loss to those affiliates.

- Goals are not based on any particular carrier. We intend to make all recommendations based solely on our obligations to consider the clients' objectives and needs.

Should you have any questions about the affiliated subaccounts offered, the availability of products offered by Financial Advisors, or whether the annuity contract has been customized for Wells Fargo Advisors, ask your Financial Advisor.

Below is a list of insurance companies and annuity marketing companies that paid Wells Fargo Advisors for marketing support, account administration, or recordkeeping services in 2009. The companies that pay marketing support and the formulas by which they compensate us are subject to change in the future. For an updated list, see wellsfargoadvisors.com.

Allianz
AXA Distributors
Hartford
ING
Jackson National
John Hancock
Lincoln Financial Group
Metlife Investors Nationwide
New York Life
Ohio National
Prudential Financial
Riversource
SunLife Financial
Transamerica Life Insurance
Pacific Life

Annuities are long-term investments suitable for retirement funding and are subject to market fluctuations and investment risk. Fees are charged to pay for death benefits and

other riders guaranteed by the issuing insurance company. Withdrawals from an annuity before age 59½ may incur a 10 percent tax penalty in addition to ordinary income tax and surrender charges generally apply in the early years of the contract.

Variable annuities are sold by a prospectus. Please carefully consider the investment objectives, risks, charges, and expenses before you invest. The prospectus, which contains this and other information, can be obtained by calling your Financial Advisor. Read it carefully before investing.

To learn more about annuities, ask your Financial Advisor, or visit the following Web sites:

Wells Fargo Advisors and Wells Fargo Advisors Financial Network - wellsfargoadvisors.com

Wells Fargo Advisors - Wealth Brokerage (in-bank financial centers) - wachovia.com

National Association for Variable Annuities - navanet.org

Financial Industry Regulatory Authority - finra.org

Securities and Exchange Commission - sec.gov

Securities and Insurance Products: Throughout this guide, the word “guarantee” refers to guarantees backed by the claims-paying ability of the issuing insurance company. If the insurance company is unable to meet the claims, the payments may not be made. Annuities are available through insurance subsidiaries of Wells Fargo and other underwriters. Not available in all states. Favorable investment performance could result in a contract value that exceeds the benefit of the rider. In that case, the investor gets no additional benefits for the costs associated with the rider and investment returns would be reduced by the additional expense.

6. DISCLOSURE OF CLEARING AGREEMENT

Disclosure of the clearing arrangement is required by our regulators. FCC is the clearing correspondent for WFA. WFA has retained FCC to provide certain record keeping and operational services, which may include execution and settlement of securities transactions, custody of securities and cash balances, and extension of credit on margin transactions. These services are provided under a written Clearing Agreement between FCC and WFA. It is important that you understand the responsibilities of WFA and FCC under the Clearing Agreement, as outlined below. Please note that the outline below addresses the basic allocation of functions regarding the handling of your Account. It is not meant as a definite enumeration of every possible circumstance, but only as a general disclosure.

Responsibilities of WFA. WFA has general responsibility for servicing and supervising your Account through its own personnel in accordance with its own policies and applicable laws and regulations.

WFA is responsible for receiving and reviewing any financial or personal information about you and your investment strategies.

WFA is responsible for approving the opening of your Account and obtaining the necessary documentation.

WFA is responsible for making recommendations regarding a specific security and providing you with research or market interpretations regarding the advisability of purchasing or selling a specific security.

WFA is responsible for the acceptance and, in certain circumstances, the execution of securities orders. WFA may request that FCC assist with the execution of orders settled in your Account. In those cases where FCC assists WFA with execution, FCC is acting on behalf of WFA only and not directly for you. FCC may rely on any order or instruction it receives from WFA without further inquiry, and orders for your Account may only be entered by and through WFA and not directly from you.

WFA is responsible for knowing the facts about any orders for the purchase or sale of securities in your Account.

If WFA obtains possession of any securities intended for your Account, it is responsible for correctly identifying and promptly forwarding the same to FCC.

WFA is responsible for supervising the activities of the individual (if any) who services your Account, for resolving any complaints regarding the handling of your Account, and, in general, for the ongoing relationship that it has with you.

If you have an options account or engage in transactions in listed securities options, WFA is responsible for delivering a current Options Clearing Corporation brochure to you prior to your first options trade and delivering to you periodic updated versions of this brochure, notifying you when you have been assigned delivery responsibility on a short option position, and accepting exercise notices from you for long positions in your Account. WFA is further responsible for communicating all information to you regarding margin calls.

FCC is responsible for holding and safekeeping your securities. You may deliver securities and/or other property to FCC or WFA for deposit to your Account, provided, however, that FCC shall only be responsible for holding and safeguarding your securities and/or other property from the time they are actually received by FCC from you or WFA.

FCC is responsible for providing you with written confirmation of each transaction entered for your Account. FCC is also responsible for providing you with at least one quarterly summary of the status of your Account.

FCC is further responsible for: (1) collection from, or payment to, any third parties money due to you or from you for securities transactions in your Account; (2) receiving from, or delivering to, third parities securities purchased or sold; (3) collecting and paying to you any dividends or interest due on securities held in your Account; (4) on your instruction, process exchange rights and tender offers with respect to the securities in your Account; and (5) in the case of an account which trades in listed securities options, allocate assignment or exercise notices or execute notices to exercise.

FCC does not control, audit, or otherwise supervise the activities of WFA or its employees. FCC does not verify information provided by WFA regarding your Account or transactions processed for your Account nor undertake responsibility for reviewing the appropriateness of transactions entered by WFA on your behalf.

In all the above matters relating the servicing of your Account, FCC has no involvement and assumes no responsibility unless otherwise specified.

Responsibilities of FCC
In general, FCC is only responsible for those services provided at the request or direction of WFA as contemplated by the Clearing Agreement.

FCC is responsible for extending credit to you for transactions involving margin or otherwise. While WFA is responsible for communicating all information to you regarding margin and maintenance requirements, including margin calls, FCC may contact you as well with respect to any margin deficiencies in your Account.

FCC is responsible for maintaining books and records relating to the settlement and clearing of cash and securities transactions in your Account. To the extent FCC provides execution services for WFA, FCC will maintain records relating to execution. All communications between you and WFA, including correspondence and documents relating to advertising and promotion will be maintained solely by WFA.

7. BUSINESS CONTINUITY

The following information concerns First Clearing, LLC (hereinafter referred to as "FCLLC") efforts to ensure that impact to your business is minimized as in the event of an emergency or disaster.

Securities Industry regulations require each member firm to create and maintain a business continuity plan reasonably designed to meet its obligations to its clients or other counter-parties. In accordance with these requirements, FCLLC has designed a business continuity plan to address possible scenarios in efforts to minimize any service impact to our introducing firms or their clients.

In keeping with the regulatory requirements, the business continuity plan for FCLLC is designed to address key areas of concern - including but not limited to the following:

- Data back-up and recovery;
- Mission critical systems;
- Financial and operational assessments;
- Alternate means of communication between FCLLC and its customers;
- Alternate means of communication between FCLLC and its employees;
- Alternate physical locations of employees;
- Critical business constituent, bank and counter-party impact;
- Regulatory reporting;

- Communications with regulators; and
- How FCLLC will ensure that customers have access to their funds and securities in the event FCLLC determines it is unable to continue its business.

Since events creating business disruptions may vary in nature and scope, FCLLC has anticipated scenarios in which the following are affected:

- A primary FCLLC building at its headquarter location
- An FCLLC branch location
- A city wide area
- A regional area

Regardless of the scope of potential disruption, FCLLC intends to continue to provide service to its introducing firms and their clients. In the event where a primary building or business district is affected, the firm is fortunate to have a divided corporate presence in the Richmond, VA and St. Louis, MO areas. The facilities in both areas are also served by UPS systems and have 24-hour security services. Should one of the primary buildings in Richmond or St. Louis be affected by a disruption, alternate facilities exist in each area that can be used to help restore operations.

In the unlikely event of a citywide or regional disruption, FCLLC has established recovery sites approximately 150 miles from the Richmond area and 28 miles from its St. Louis headquarters that can be used to restore time sensitive functions as soon as key employees are relocated to the facility. Additionally, as a subsidiary of Wells Fargo & Company (Wells Fargo), FCLLC would intend to take advantage of any available facilities of other Wells Fargo & Company (Wells Fargo) affiliates that may be located in other geographic regions. In the event that any such disruption occurs, we have developed alternative service arrangements, systems, locations, and contingency plans to ensure that any service affected is quickly restored.

FCLLC has identified several computer applications with Mission Critical or High criticality ratings and has documented this within the business continuity plans. Our primary application provider, Thomson Transaction Services, Inc. has conducted successful testing with FCLLC, generally two times per year since November 2000. Finally, through its parent company, FCLLC utilizes data centers, located in other states, which regularly perform disaster recovery testing.

At a minimum, the FCLLC business continuity plan is reviewed, updated and tested on an annual basis. Additionally, our primary internal and external application providers periodically conduct testing of their own back-up capabilities to ensure that, in the event of an emergency or significant business disruption, they will be able to provide us with the critical information and applications we need to continue or promptly resume our business. When testing our plan, we review the recovery time and resumption time period for all mission critical systems.

Making sure that any type of disruption does not unduly affect our introducing firms or their clients is extremely important to us, and our business continuity plan is designed to allow us to continue to provide the quality service you have come to expect from FCLLC.

Margin Disclosure Statement

IT IS IMPORTANT THAT YOU READ AND UNDERSTAND THIS INFORMATION PRIOR TO OPENING A MARGIN ACCOUNT.

Wells Fargo Advisors, LLC, Wells Fargo Advisors Financial Network, LLC and First Clearing, LLC (hereinafter collectively referred to as "WFA") are furnishing this document to you to provide some basic facts about purchasing securities on margin, and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement provided by WFA. Please consult your Financial Advisor regarding any questions or concerns you may have with your margin accounts.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price through WFA. If you choose to borrow funds from WFA, you will open a WFA margin account. The securities purchased are the collateral for the loan to you. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, WFA can take action, such as issue a margin call and/or sell securities or other assets in any of your accounts held with WFA, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading securities on margin. These risks include the following:

- **You can lose more funds than you deposit in the margin account.** A decline in the value of securities that are purchased on margin may require you to provide additional funds to WFA, which has made the loan(s), to avoid the forced sale of those securities or other securities or assets in your account(s).

- **WFA can force the sale of securities or other assets in your account(s).** If the equity in your account falls below the maintenance margin requirements or our higher "house" requirements, WFA can sell the securities or other assets in any of your accounts held with us to cover the margin deficiency. You also will be responsible for any shortfall in the account after such a sale.

- **WFA can sell your securities or other assets without contacting you.** Some investors mistakenly believe that firms such as WFA must contact them for a margin call to be valid, and that the firm cannot liquidate securities or other assets in their accounts to meet the call unless the firm has contacted them first. This is not the case. While we will try to notify you of margin calls, we are not required to do so. However, even if we have notified you and provided a specific date by which you can meet a margin call, we can still take necessary steps to protect our financial interests, including immediately selling the securities without notice to you.

- **You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.** Because the securities are collateral for the margin loan, WFA has the right to decide which security to sell in order to protect our interests.

- **WFA can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice.** These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause us to liquidate or sell securities in your account(s).

- **You are not entitled to an extension of time on a margin call.** While an extension of time to meet margin requirements may be available to customers under certain conditions, a customer does not have a right to the extension.

Securities in your margin account may be loaned to or by WFA. To the extent WFA determines, in accordance with Federal tax regulations, that your securities have been loaned, payments received by you with respect to such securities (including payments in lieu of dividends) may be reclassified as substitute payments. Substitute payments may be reported on different tax reporting forms than payments received on the underlying securities and may be subject to different tax consequences and rates. You are advised to contact your tax advisor to discuss the tax treatment of substitute payments.

Your Financial Advisor may receive compensation based on the amount of your margin loans, which may take the form of a percentage of your margin balances or the interest you pay on an ongoing basis.

Investment and Insurance Products:

Not Insured by FDIC or any Federal Government Agency	**May Lose Value**	**Not a Deposit of or Guaranteed by a Bank or any Bank Affiliate**

Wells Fargo Advisors is the trade name used by two separate registered broker-dealers: Wells Fargo Advisors, LLC and Wells Fargo Advisors Financial Network, LLC, Members SIPC, non-bank affiliates of Wells Fargo & Company

Statement of Interest Charges

Accounts on which Interest is charged • Calculation of Interest • Lien and Collateral

To assist you in managing your borrowing needs and to familiarize you with the terms under which credit is extended on your account, we have developed this Statement of Interest Charges. Please review the explanation of applicable interest rate charges prior to establishing a margin position.

Accounts on which Interest is Charged

Payments for purchases in cash accounts should be received on or before the settlement date shown on the trade confirmation. If your payment is received after that date, a late payment charge may be posted to your cash account.

Disbursement for a sale in a cash account is not required to be made prior to the settlement date displayed on the confirmation of the transaction.

Occasionally, we may honor your request to receive payment of the sale proceeds prior to the due date.

If this privilege is utilized, an interest charge may be posted to your account. Interest may be charged on margin credit extended for the purpose of purchasing, carrying or trading in securities. Interest charged is calculated on a settlement date basis and the detail supporting the calculation will be displayed on your monthly statement.

Calculation of Interest

Your annual rate of interest will vary depending on the size of your daily adjusted debit balance. The adjusted debit balance is the net total of the settled balances in your cash and margin accounts, first reduced by any available free credit balances in your cash account.

Short positions are "marked-to-market" daily. Since the security sold short must be borrowed in order to deliver it to the buying broker, the credit that results from the sale is not available to you. The market value of the short sale is debited against your margin balance to arrive at an adjusted debit balance for interest purposes. The daily closing price is used to determine any appreciation or depreciation of a security sold short which will then adjust your daily net balance.

The annual rate of interest applicable to your account will be computed using a selected rate above, at, or below our Base Rate ("Base Rate"). The Base Rate is set at our discretion with reference to commercially recognized interest rates, industry conditions relating to the extension of margin credit and general credit market conditions. The annual rate of interest will change without prior notice to you, in accordance with changes in our Base Rate.

The table of interest rates is as follows:

Margin Debit Balance	Rate of Interest
$0 to $24,999.99	Base Rate + 3.625%
$25,000 to $49,999.99	Base Rate + 2.500%
$50,000 to $99,999.99	Base Rate + 2.375%
$100,000 to $249,999.99	Base Rate + 0.750%
$250,000 to $499,999.99	Base Rate + 0.625%
$500,000 to $999,999.99	Base Rate + 0.500%
$1,000,000 to 4,999,999.99	Base Rate
$5,000,000 to 9,999,999.99	Base Rate - 0.500%
$10,000,000 and above	Base Rate - 0.750%
Unpaid Cash Account Balance	Base Rate + 3.625%

Interest is computed daily on the basis of a 360 day year using the following formula:

$$\frac{\text{Adjusted Debit Balance}}{1} \times \frac{\text{Interest Rate}}{100} \times \frac{\text{Number of Days}}{360}$$

Lien and Collateral

You agree to satisfy promptly all margin and maintenance calls. Should your account fall below minimum maintenance requirements, WFA may liquidate securities, commodities and/or other property in your Account, or any other account with WFA or our affiliates in which you have an interest, without notice to you, to ensure that minimum maintenance requirements are satisfied.

Cash Sweep Program Disclosure Statement

Summary Please consult the full text of the disclosure statement below for further information at the pages indicated.		
How the Cash Sweep Program Works	Our Cash Sweep Program allows you to earn a return on the uninvested cash balances–for which no interest is otherwise earned or paid–in your account by automatically placing ("sweeping") cash balances into a sweep vehicle until such balances are invested by you or otherwise needed to satisfy obligations arising in connection with your account.	Page 52
Available Sweep Options	The available sweep options currently consist of one or more affiliated and non-affiliated money market mutual funds and/or interest-bearing deposit accounts at three affiliate banks. Eligibility for each available sweep vehicle is determined by account type.	Page 52
Rate of Return	The rates of return for the sweep options vary over time. Current rates can be obtained from your investment professional, by calling the general inquiries phone number listed on the front of your account statement, or found on our website at www.wellsfargoadvisors.com. • The rate of return on the Bank Deposit Sweep is set by the affiliated banks, which may seek to pay as low a rate as possible consistent with their views of competitive necessities. With certain exceptions the rate will be tiered based upon account type and the overall household value of your account(s) with Wells Fargo Advisors. • Money market mutual funds seek to achieve the highest rate of return (less fees and expenses) consistent with prudence and their investment objectives. • There is no guarantee that the yield on any particular cash sweep will remain higher than others over any given period. The rate of return on any of our sweep vehicles may be lower than that of similar investments offered outside of the Cash Sweep Program. The Cash Sweep should not be viewed as a long-term investment option. If you desire to maintain cash balances for other than a short-term period and/or are seeking the highest yields currently available in the market, please contact your investment professional at the number on your account statement to discuss investment options that may be available outside of the Cash Sweep Program to help maximize your return potential consistent with your investment objectives and risk tolerance.	Page 52
Duty to Monitor	You must monitor and determine the best cash sweep for you under this program. You may also elect not to participate in the Cash Sweep Program and instead periodically invest cash balances directly.	Page 53
Changes to the Sweep Program	You will be notified if we modify the Cash Sweep Program in a way that results in changing the sweep vehicle for your account. Unless you tell us otherwise within the time period specified in the notice, your cash balances will be moved to the new sweep vehicle that we designate under the program.	Page 53
Benefits to Wells Fargo Advisors	We may charge fees and receive certain benefits under the different sweep vehicles. A portion of these fees and benefits may be shared with your investment professional. Because of these fees and benefits, we have a financial incentive to select the particular sweep vehicles included in our program.	Page 53
Differing Risks and Account Protection	Money market mutual funds and the bank deposit sweep are subject to different risks and account protection: • Money market mutual funds invest in high quality, short-term securities and seek to maintain a stable value but are subject to market risks and potential value loss. They are not bank accounts and not subject to FDIC insurance protection. They are instead covered by SIPC, which protects against the custodial risk (and not a decline in market value) when a brokerage firm fails by replacing missing securities and cash up to a limit of $500,000, of which $250,000 may be cash. • The bank deposit sweep is not subject to market risk and value loss but is subject to the risk of a bank's failure. In the unlikely event a bank fails, deposits at each bank are eligible for FDIC insurance protection up to a limit of $250,000 (including principal and interest) per depositor in each insurable capacity (e.g. individual or joint). This limit includes any other deposits you may have at each bank outside of this program. **You are responsible for monitoring your bank balances in this program and the balances in any of your other bank accounts at the same bank to determine if these, in total, exceed FDIC insurance limits**. Monies held in the Bank Deposit Sweep are not covered by SIPC.	Page 54 Page 55

Investment and Insurance Products:

Not Insured by FDIC or any Federal Government Agency	May Lose Value	Not a Deposit of or Guaranteed by a Bank or Any Bank Affiliate

Wells Fargo Advisors, LLC is a registered broker-dealer and separate non-bank affiliate of Wells Fargo & Company

Introduction

Under the Wells Fargo Advisors Cash Sweep Program (the "Sweep Program"), uninvested cash balances - for which no interest is otherwise earned or paid - in your account are automatically swept into interest-bearing deposit accounts ("Bank Deposit Sweep") or, if available, money market mutual funds ("Money Market Funds") or such other sweep arrangements made available to you (collectively "Cash Sweep Vehicles"), until these balances are invested by you or otherwise needed to satisfy obligations arising in connection with your account.

Available Cash Sweep Vehicles
Eligibility for each available Cash Sweep Vehicle is determined by account type and can be obtained from your investment professional. For standard brokerage accounts, the Bank Deposit Sweep serves as the exclusive Cash Sweep Vehicle for eligible clients. The Bank Deposit Sweep consists of interest-bearing deposit accounts at three banks affiliated with Wells Fargo Advisors ("Affiliated Banks"). Further information regarding the Bank Deposit Sweep, including eligibility requirements, is contained below in the section entitled, *Additional Information Regarding the Bank Deposit Sweep*. For Command Asset Program accounts, the default Cash Sweep Vehicle when your account is opened will be the Bank Deposit Sweep for eligible clients until you subsequently choose an available tax-advantaged Money Market Fund. The Cash Sweep Vehicle for ineligible clients for both account types will be a taxable Money Market Fund. The Money Market Funds offered in the Sweep Program may include those for which an affiliate of Wells Fargo Advisors provides investment management and other services, including the Wells Fargo Advantage Money Market Funds. Prior to, or at the same time your available funds are first swept into an available Money Market Fund, you will be furnished with the appropriate prospectus, which should be read carefully.

If you do not select a Cash Sweep Vehicle when you open your account, or you select an ineligible Cash Sweep Vehicle, your Cash Sweep Vehicle will be, and any cash balances transferred to, the Bank Deposit Sweep if you are eligible (if not, your Cash Sweep Vehicle will be (and any cash balances transferred to) an available Money Market Fund selected by us). If you wish to specify a different Cash Sweep Vehicle, if available for your account type, you may do so at any time by contacting us. Existing balances in your prior Cash Sweep Vehicle will be automatically transferred to the new Cash Sweep Vehicle you select.

How the Sweep Program Works
On each business day (or on a weekly basis for standard brokerage accounts if the cash balance is less than a minimum amount) available cash balances will be automatically swept into the Cash Sweep Vehicle for your account. Shares or cash held in your Cash Sweep Vehicle will be automatically redeemed in order to settle a transaction, serve as collateral for a margin loan or short sale, or satisfy any other obligations.

Timing of Credits - Your Cash Sweep Vehicle will be credited: (i) in the case of available cash balances resulting from the proceeds of securities sales, on the settlement date of the securities sale and (ii) in the case of available cash balances resulting from non-trade-related credits (i.e., the receipt of dividends, interest payments, or deposits), on the business day after receipt by Wells Fargo Advisors of the non-trade-related credit (unless there is a trade-related debit item pending in your account due to settle in one business day, in which case only that amount exceeding the trade-related debit will be credited to your Cash Sweep Vehicle). Available cash balances will not earn a rate of return until swept into your Cash Sweep Vehicle.

Timing of Debits - Your Cash Sweep Vehicle is automatically debited to satisfy obligations arising in connection with your brokerage account, including administrative and other fees, and charges in connection with a margin account. Cash Sweep Vehicle balances will also be debited as necessary in connection with certain account activity and services, including securities transactions, preauthorized electronic transfers, automated payments, checks, or debits from using the linked credit cards. Your brokerage account will be scanned automatically for debit items each day. Debit balances will be satisfied automatically from: (i) available cash balances; (ii) funds in any Money Market Fund no longer serving as your Cash Sweep Vehicle, (iii) through the withdrawal of funds from your Cash Sweep Vehicle; and (iv), where applicable, from margin loans.

Access to Funds - You may only access the balances held in your Cash Sweep Vehicle through your brokerage account at Wells Fargo Advisors. As required by federal banking regulations, the Affiliated Banks reserve the right to require seven days prior notice before permitting a transfer out of the Bank Deposit Sweep. The Affiliated Banks have no intention of exercising this right at the present time. In addition, the Money Market Funds may reserve the right to require one or more days prior notice before permitting withdrawals. Please review the prospectus for the Money Market Fund for further information.

Statements and Confirmations - Your account statement will indicate your balance, detail transactions, and reflect interest or dividends relating to your Cash Sweep Vehicle. These account statements are provided in lieu of separate confirmations of sweep transactions.

Interest/Dividends Payable - Interest on cash in the Bank Deposit Sweep is accrued daily, compounded monthly and credited to your account on the last business day of each monthly statement period. Dividends on the shares in the Money Market Fund will not be payable in cash but will be reinvested each month in additional shares of the applicable Money Market Fund at the current net asset value. Dividends are not guaranteed and are subject to change or elimination.

Rate of Return
The rate of return for each available Cash Sweep Vehicle can be obtained from your investment professional, by calling the general inquiries phone number listed on the front of your account statement or found on our website at www.wellsfargoadvisors.com. These rates will vary over time and may be lower than rates available to clients making deposits directly with the Affiliated Banks or at other banks, or available by investing directly in other money market mutual funds not offered through the Sweep Program.

The interest rate for the Bank Deposit Sweep is based on prevailing business and economic conditions, and is set by Wells Fargo Advisors, working with the Affiliated Banks. The rate will be based upon account type and with certain exceptions the total household value of assets in your account(s) with Wells Fargo Advisors such that clients in higher asset tiers will generally receive higher interest rates. The total household value will include any balances in the Bank Deposit Sweep, as well as all other assets listed in your Wells Fargo Advisors account statements, except for those shown under the "Other Assets/Liabilities" section. The grouping of accounts into a household can be performed by your investment professional based on account eligibility and family relationships. In general, a household may contain all of your personal accounts as well as the accounts of your spouse or domestic partner, dependents, and wholly-owned businesses. Command Asset Program and Resource accounts in the Bank Deposit Sweep may receive a tier rate that is generally higher than that paid to other account types. Command Asset Program accounts will be tiered based on the total household value of assets in your account(s) with Wells Fargo Advisors as described above. Resource accounts will be tiered based on the cash balance in the account and household value will have no affect on rates in the Resource account. Tiers and interest rates on different tiers may change from time to time at Wells Fargo Advisors' discretion. Interest rate tiering does not apply to deposits from certain other accounts. Please contact your investment professional at the number on your account statement to find out more about householding and to ensure all eligible accounts are grouped in a household.

Wells Fargo Advisors and the Affiliated Banks do not have a duty to provide the highest rates prudently available and may instead seek to pay as low a rate consistent with their views of competitive necessities. Lower rates may be more financially beneficial to Wells Fargo & Company and its affiliates, including the Affiliated Banks and Wells Fargo Advisors, and their respective personnel. There is no necessary linkage between bank rates of interest and the highest rates available in the market, including any money market mutual fund rates. By comparison, a Money Market Fund generally seeks to achieve the highest rate of return (less fees and expenses) consistent with the fund's investment objective, which can be found in the fund's prospectus. (Money Market Fund rates may, however, be affected by the fees imposed by the particular class of shares selected by us for the Sweep Program.) As a result, the current rate of return on each Cash Sweep Vehicle will vary over time and there is no guarantee that the return on any particular Cash Sweep Vehicle will remain higher than the others over any given period.

The Cash Sweep Vehicle for your account should not be viewed as a long-term investment option. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your investment professional at the number on your account statement to discuss investment options that may be available outside of the Sweep Program to help maximize your return potential consistent with your investment objectives, liquidity needs and risk tolerance. Please note, however, that available cash accumulating in your account will not be automatically swept into any investment you purchase outside of the Sweep Program.

Your Responsibility to Monitor Your Cash Sweep Vehicle

As returns on the Cash Sweep Vehicles, your personal financial circumstances and other factors change, it may be in your financial interest to change your Cash Sweep Vehicle (if another option is available for your account type) or invest cash balances in products offered outside of the Sweep Program consistent with your investment objectives and risk tolerance. Wells Fargo Advisors does not have any duty to monitor the Cash Sweep Vehicle for your account or make recommendations about, or changes to, the Sweep Program that might be beneficial to you.

Alternatives to the Sweep Program

You may elect not to participate in the Sweep Program and/or periodically invest cash balances directly in available money market mutual funds or other products offered as direct investments outside of the Sweep Program by providing instructions to your investment professional. Please note if you elect not to participate in the Sweep Program, accruing cash balances will not earn a rate of return prior to direct investment. In addition, available cash will not be automatically swept into any money market mutual fund or other investment that you purchase outside of the Sweep Program.

Your investment professional can provide further details and additional information, including a prospectus, for any of the money market mutual funds available for direct investment outside of the Sweep Program. Please read the prospectus carefully before investing. Investments in money market mutual funds are not guaranteed or insured by the FDIC or any other government agency and are not deposits of a bank or bank affiliate. Although money market mutual funds seek to preserve their net asset value at one dollar per share, it is possible to lose money by investing in money market mutual funds.

Changes to Cash Sweep Vehicles

From time to time, Wells Fargo Advisors may modify the Sweep Program, which may result in changing the Cash Sweep Vehicle for your account. If we make any change, there is no guarantee that such change will provide an equal or greater rate of return to you during any given period, and the rate of return may be lower. You will receive advance notice of any change in the Sweep Program that results in changing the Cash Sweep Vehicle for your account. Unless you object within the time period specified, Wells Fargo Advisors will transfer the balances from your prior Cash Sweep Vehicle into any new Cash Sweep Vehicle. If the trading activity in your account results in a “Pattern Day-Trader” designation, you may select an available Money Market Fund as your Cash Sweep so the balance can be used towards the minimum equity trading requirement. If a day-trader account uses the Bank Deposit Sweep, the balance will not count towards the minimum equity trading requirement.

If you decide to enroll in a new product or service that doesn’t offer your current Cash Sweep Vehicle, your new Cash Sweep Vehicle will become the Bank Deposit Sweep if you are eligible (if not, your Cash Sweep Vehicle will be an available Money Market Fund selected by us) unless you select a different available Cash Sweep Vehicle.

Administrative Fee

In addition to any other fees and expenses charged directly by the Money Market Funds, we charge an administrative fee at an annualized rate of 30 basis points (0.30%) of assets held in the Class A share class of the Wells Fargo Advantage Money Market Funds. This fee will be directly deducted from the dividends you receive from these Money Market Funds and your periodic account statement will reflect such dividends net of this fee. The administrative fee is intended to compensate us for administrative services we provide in offering the Sweep Program, for related processing costs and account maintenance services we provide in connection with processing sweep transactions. Because the administrative fee is not charged by the Money Market Fund, we will report to the Internal Revenue Service (e.g., on Form 1099-DIV) the total amount of dividends paid to you by the Money Market Fund (i.e., the gross dividend), not the dividend after deduction of the administrative fee (i.e., the net dividend). In contrast, the estimated current yield for Money Market Funds shown on account statements will reflect the net dividend after deduction of the administrative fee. You should consult with your tax advisor as to the deductibility of this administrative fee. The administrative fee is not charged on the Bank Deposit Sweep or with respect to ERISA or IRA accounts participating in any of our investment advisory programs.

Benefits to Wells Fargo Advisors and Others

Wells Fargo Advisors and its affiliates receive fees and benefits for services provided in connection with the Sweep Program, and we may choose to make available the Cash Sweep Vehicles that are more profitable to us and our affiliates than other money market mutual funds or bank deposit accounts. A portion of these fees may be paid to your investment professional.

Wells Fargo Advisors and its affiliates may receive distribution (Rule 12b-1), investment management, service fees and other compensation as a result of sweeping available cash into the Money Market Funds. These fees, which vary depending on the Money Market Fund (and class thereof) used, are paid directly by the Money Market Funds but ultimately borne by you as a shareholder in the fund.

Wells Fargo Advisors and its affiliates, including the Affiliated Banks, benefit financially from cash balances held in the Bank Deposit Sweep as well. As with other depository institutions, the profitability of the Affiliated Banks is determined in large part by the difference or “spread” between the interest they pay on deposit accounts, such as the Bank Deposit Sweep, and the interest or other income they earn on loans, investments and other assets. As noted above, the Affiliated Banks may pay rates of interest on the Bank Deposit Sweep that are lower than prevailing market interest rates. The participation of the Affiliated Banks in the Bank Deposit Sweep is expected to increase their respective deposits and, accordingly, overall profits.

Wells Fargo Advisors will receive fees and compensation from the Affiliated Banks and/or their affiliates in connection with the Bank Deposit Sweep. This compensation will be in an amount of up to a $35 annual flat fee for each Wells Fargo Advisors account that is eligible to sweep into the Bank Deposit Sweep at the Affiliated Banks. Wells Fargo Advisors also profits on the difference or “spread” between the interest it pays you on the Bank Deposit Sweep and a percentage of what the Affiliated Banks earn on loans, investments and other assets. The larger the spread, the more Wells Fargo Advisors will earn. Wells Fargo Advisors has a conflict of interest because it influences both what it pays you in interest and what it receives in compensation on the Bank Deposit Sweep. This compensation is subject to change and we may waive all or any part of this fee at any time without notice. In addition, certain employees, including investment professionals, of Wells Fargo Advisors may receive incentive compensation based in part on assets in the Bank Deposit Sweep or the profitability of the Bank Deposit Sweep for the Affiliated Banks and their joint parent company, Wells Fargo & Company. We shall also receive a benefit by retaining any interest earned (generally at the Federal Funds rate) on cash balances awaiting disbursement or prior to such balances being swept into your Cash Sweep Vehicle. As a result of the fees and benefits described above, the Bank Deposit Sweep may be significantly more profitable to us than other available Cash Sweep Vehicles, if any.

SIPC Insurance

The Securities Investor Protection Corporation (SIPC) protects customers of its members against the custodial risk to clients of securities brokerage firms like Wells Fargo Advisors in the event such firms become insolvent. Unlike FDIC insurance, SIPC does not insure against the failure of a security, the quality of investments, or declines in the value of investments. Instead, SIPC protects each client's securities (which include Money Market Funds) and cash held in a client's brokerage account at an insolvent brokerage firm by replacing missing securities and cash of up to $500,000 per client, including $250,000 for claims for cash. Wells Fargo Advisors provides additional coverage, at no cost to you, through London Underwriters (led by Lloyd's of London Syndicate) ("Lloyd's"). For clients who have received the full SIPC payout limit, Wells Fargo Advisors’ policy with Lloyd’s provides additional coverage above the SIPC limits for any missing securities and cash in client brokerage accounts up to a firm aggregate limit of $1 billion (including up to $1.9 million for cash per client). This account protection

package does not cover losses resulting from declines in the market value of your investments. For more information on SIPC coverage, please see the explanatory brochure at www.sipc.org or call 202-371-8300. For more information about Lloyd's, please visit www.lloyds.com.

Since monies in the Bank Deposit Sweep are held at banks, they are NOT covered by SIPC or Lloyd's. They are instead covered by FDIC insurance. Please see the section entitled FDIC Insurance Coverage below.

Additional Information Regarding the Bank Deposit Sweep

Introduction

The Bank Deposit Sweep consists of interest-bearing deposit accounts at three Affiliated Banks, each a depository institution regulated by bank regulatory agencies under various federal banking laws and regulations. If the Bank Deposit Sweep is your Cash Sweep Vehicle, available cash balances in your account are automatically deposited into the Bank Deposit Sweep.

Deposits

Periodically, the uninvested cash balances in your brokerage account will be deposited at one or more bank deposit accounts maintained at the Affiliated Banks. No evidence of ownership, such as a passbook or certificate, will be issued to you and deposits in the Bank Deposit Sweep may not be made in the name of Wells Fargo Advisors (or its agents) for the benefit of its clients. However, your brokerage account statement will reflect all deposits, withdrawals, Affiliated Bank deposit balance(s) and applicable interest rate.

Generally, deposits will be made at Wells Fargo Bank, N.A. up to $250,000, and then any available cash in excess of $250,000 will be deposited into two other Affiliated Banks. Once your deposits exceed $750,000, more than $250,000 may be deposited at Wells Fargo Bank, N.A. and may not be FDIC insured. For Resource Accounts, deposits will be made at Wells Fargo Bank Northwest, N.A. up to $250,000, and then any available cash in excess of $250,000 will be deposited into two other Affiliated Banks. Once your deposits exceed $750,000, more than $250,000 may be deposited at Wells Fargo Bank Northwest, N.A. and may not be FDIC insured.

Cash intended for deposit into the Bank Deposit Sweep must be deposited through your brokerage account and cannot be placed directly by you into an Affiliated Bank. Only balances transferred by Wells Fargo Advisors will be eligible for inclusion in the Bank Deposit Sweep and deposits by you into Affiliated Banks, outside of the Bank Deposit Sweep, may adversely affect the FDIC coverage of your funds.

Withdrawals

Monies on deposit at the Affiliated Banks will be automatically withdrawn from the bank deposit accounts in the event of a debit in your Wells Fargo Advisors account or, on settlement date, to pay for securities purchased for or sold to your Wells Fargo Advisors account. Debits may also be created by writing a check on your Wells Fargo Advisors account, making payments via online bill payment service, withdrawing funds through your debit card, or to pay other liabilities owed to Wells Fargo Advisors. Checks, ACH payments, debit cards, ATM withdrawals, direct deposits, credits and other transactions and items for your Wells Fargo Advisors account are processed through that account rather than through the bank deposit accounts. Wells Fargo Advisors will debit and credit your bank deposits to accommodate this processing.

FDIC Insurance Coverage

Balances on deposit in the Bank Deposit Sweep, together with any other of your deposits at the Affiliated Banks, are insured by the FDIC, an independent agency of the U.S. government, up to a maximum amount in accordance with the rules of the FDIC. Deposits (including principal and interest) at each of the three Affiliated Banks are eligible for federal deposit insurance up to $250,000. Balances in the Bank Deposit Sweep in excess of $750,000 will be deposited at the first Affiliated Bank in the order described above, and may not be FDIC insured. Different ownership categories of accounts are separately insured. Please see the Deposit Insurance-General Information section below for further information.

If you have other deposits at the Affiliated Banks outside of the Bank Deposit Sweep, you must aggregate all such deposits with your Bank Deposit Sweep balance for purposes of determining FDIC coverage. If your total funds on deposit at any Affiliated Bank exceed the applicable FDIC insurance limit, the FDIC will not insure your funds in excess of the limit. **Please note that you, and not Wells Fargo Advisors, are responsible for monitoring the total amount of your deposits at the Affiliated Banks in order to determine the extent of FDIC insurance coverage available. If you expect to have total deposits at the Affiliated Banks, including balances through the Bank Deposit Sweep, that exceed FDIC insurance coverage limits, you should carefully consider whether you should arrange for the direct investment of amounts exceeding such coverage.**

In the event that federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you by the FDIC. However, there is no specific time period during which the FDIC must make insurance payments available. Furthermore, you may be required to provide certain documentation to the FDIC before insurance payments are made.

If you have additional questions about FDIC insurance, please contact your investment professional at the number on your account statement. You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one capacity. You may also obtain publicly available information by contacting the FDIC, Office of Consumer Affairs, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342 or 800-925-4618 (TDD)), or by accessing the FDIC website at www.fdic.gov.

Differences between the Bank Deposit Sweep and Money Market Funds

The Money Market Funds available as Cash Sweep Vehicles are registered with the SEC pursuant to the Investment Company Act of 1940. The Bank Deposit Sweep consists of interest-bearing deposit accounts at the Affiliated Banks, each regulated by bank regulatory agencies under various federal banking laws and regulations. Deposits in the Bank Deposit Sweep are eligible for FDIC insurance as described above. The Money Market Funds purchase high quality, short-term securities in seeking to maintain their net asset value of one dollar per share. There is no guarantee that this net asset value per share will always be maintained and you may lose money by investing in Money Market Funds. Funds invested in a Money Market Fund are not guaranteed or insured by the FDIC or any other government agency and are not deposits of a bank or bank affiliate, including the Affiliated Banks.

Changes to Sweep Banks

Wells Fargo Advisors may from time to time make changes to the Bank Deposit Sweep that include adding, deleting, replacing or changing the sequence of Affiliated Banks, which may result in increasing or decreasing the overall FDIC insurance available through the Bank Deposit Sweep. In such instances, you will be notified in advance of the change if it affects your account. If an Affiliated Bank no longer makes the Bank Deposit Sweep available, you will be provided the opportunity to establish a direct depository relationship with that bank, subject to its policies and procedures. If you do not wish to establish a direct relationship with the bank, your funds will be transferred to another available sweep bank. The consequences of maintaining a direct depository relationship with an Affiliated Bank are discussed below under Relationship with Wells Fargo Advisors. Wells Fargo Advisors may notify you of any of these changes by means of a letter, an entry on your brokerage account statement, an entry on a trade confirmation or by other means.

Information about the Affiliated Banks

The Affiliated Banks are wholly-owned subsidiaries of Wells Fargo & Company, the fourth largest bank holding company in the United States based on assets ("Wells Fargo & Company"). Wells Fargo Advisors is a nonbank affiliate of the Affiliated Banks and Wells Fargo & Company. The Affiliated Banks are regulated by bank regulatory agencies under various federal banking laws and regulations. Additional information regarding the Affiliated Banks and Wells Fargo & Company is available at www.wellsfargo.com.

Deposits in the Bank Deposit Sweep are obligations of each Affiliated Bank where the monies are deposited and are not obligations of, or guaranteed by, Wells Fargo & Company or any of its other affiliates, including Wells Fargo Advisors. Neither Wells Fargo & Company nor Wells Fargo Advisors guarantees in any way the financial condition of the Affiliated Banks nor are they responsible for any insured or uninsured portion of any deposits with the Affiliated Banks.

Relationship with Wells Fargo Advisors

Wells Fargo Advisors will act as your agent in establishing and maintaining the Bank Deposit Sweep, including making deposits to and withdrawals from the Bank Deposit Sweep. Your first deposit into the Bank Deposit Sweep will constitute your appointment of Wells Fargo Advisors as your agent in connection with your Bank Deposit

Sweep. No evidence of ownership, such as a passbook or certificate, will be issued to you and deposits in the Bank Deposit Sweep may be made in the name of Wells Fargo Advisors, or its clearing agent, for the benefit of its customers. Accordingly, all transactions involving the Bank Deposit Sweep must be made through Wells Fargo Advisors and all inquiries relating to the Bank Deposit Sweep should be directed to Wells Fargo Advisors.

If you decide to remove Wells Fargo Advisors as your agent with respect to the Bank Deposit Sweep, you may establish a direct depository relationship with an Affiliated Bank by requesting to have your deposit relationship established in your name, subject to applicable law and the Affiliated Bank's terms and conditions. If Wells Fargo Advisors terminates your use of the Bank Deposit Sweep or if you choose to remove Wells Fargo Advisors as your agent with respect to the Bank Deposit Sweep, Wells Fargo Advisors will have no further responsibility for automatically crediting your brokerage account with payments made with respect to your accounts with the Affiliated Banks and will not automatically withdraw funds from your accounts with the Affiliated Banks to satisfy debits in your brokerage account.

Deposit Insurance-General Information

General Information. The Bank Deposit Sweep is insured by the FDIC, an independent agency of the U.S. government, up to a maximum amount of $250,000 (including principal and accrued interest) per depositor in each insurable capacity (e.g. individual or joint) at each Affiliated Bank when aggregated with all other deposits held by you at the same Affiliated Bank in the same capacity. Your funds become eligible for deposit insurance immediately upon placement in the Bank Deposit Sweep. Any deposits that you maintain directly with an Affiliated Bank, or through an intermediary (such as Wells Fargo Advisors or another broker), will be aggregated with your Bank Deposit Sweep balances at each Affiliated Bank for purposes of FDIC insurance coverage limits.

In the unlikely event that federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you. There is no specific time period during which the FDIC must make insurance payments available. Furthermore, you may be required to provide certain documentation to the FDIC and Wells Fargo Advisors before insurance payments are made. For example, if you hold deposits as trustee for the benefit of trust participants, you may be required to furnish affidavits and provide indemnities regarding an insurance payment.

The application of FDIC insurance coverage limits by account type is illustrated by several common factual situations discussed below. To assist you with calculating your aggregated deposits and the associated coverage, the FDIC has an Electronic Deposit Insurance Estimator available at www2.fdic.gov/edie.

Single Accounts - Accounts owned by one person, and titled in that person's name only, are added together and the total insured up to $250,000 at each Affiliated Bank (for a total of up to $750,000 when deposited at all three Affiliated Banks). This account category does not include joint accounts, certain trusts, and individual retirement accounts, which are protected in a separate category and discussed below.

Custodial Accounts - Funds in accounts held by a custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act) are not treated as owned by the custodian, but are added to other deposits of the minor and insured up to $250,000 in the aggregate per Affiliated Bank (for a total of up to $750,000 when deposited at all three Affiliated Banks).

Joint Accounts - For accounts owned by two or more people, each person's share is insured up to $250,000 separately at each Affiliated Bank in addition to the $250,000 allowed on other deposits owned individually in one or more single accounts (for a total of up to $1,500,000 for accounts with two joint owners when deposited at all three Affiliated Banks).

Revocable Trust Accounts - A revocable trust account indicates an intention that the deposit will belong to one or more named beneficiaries upon the death of the owner(s). A revocable trust can be terminated at the discretion of the owner. There are two types of revocable trusts: informal trusts - known as Payable on Death (POD) or "Totten Trusts" - and formal trusts - known as "living" or "family" trusts. Both informal and formal revocable trusts are insured up to $250,000 per owner for each beneficiary if the FDIC requirements are met. All deposits that an owner holds in both informal and formal revocable trusts are added together for insurance purposes and the insurance limit is applied to the combined total. A revocable trust account established by a husband and wife that names the husband and wife as sole beneficiaries will be treated as a joint account, and will be aggregated with other joint accounts subject to the rules described above under "Joint Accounts."

Irrevocable Trust Accounts - Deposits in an account established pursuant to one or more irrevocable trust agreements created by the same person will be insured for up to $250,000 per Affiliated Bank for the interest of each beneficiary provided that the beneficiary's interest in the account is non-contingent (i.e., capable of determination without evaluation of contingencies). The deposit insurance of each beneficiary's interest is separate from the coverage provided for other accounts maintained by the beneficiary, the grantor, the trustee or other beneficiaries. A beneficiary's interest in funds held in irrevocable trust accounts created by the same person will be aggregated and insured up to $250,000 at each Affiliated Bank.

Individual Retirement Accounts - Deposits held in self-directed retirement accounts, including traditional, Roth, SEP and SIMPLE IRAs, are eligible for FDIC insurance of up to $250,000 in the aggregate at a bank for a total of up to $750,000 when deposited at all three Affiliated Banks.

Print