



**INVESTMENT ADVISORY SERVICES**  
**FORM ADV PART II**  
**Client Disclosure Brochure**

704 River Place  
Madison, WI 53716  
(608)221-4545

February 2008

## Advisory Services and Fees

Coordinated Capital Securities, Inc. (hereinafter "CCS") is a Wisconsin corporation located in Madison, Wisconsin. CCS is a securities broker-dealer registered under the Securities Exchange Act of 1934, a member of the Financial Industry Regulatory Authority, a Registered Investment Adviser and is licensed in numerous state jurisdictions. In its capacity as an Investment Adviser, the firm provides various advisory services including Portfolio Management to individuals, trusts, estates, corporations, foundations, and pension and profit sharing plans. Such services are described below. All other advisory services are in a separate Schedule H brochure.

### 1. Counseling Services.

CCS provides the following counseling services on an hourly or flat fee basis. Services are performed in the scope requested by client. Consideration is given to risk tolerance, income needs and short and long-term financial objectives.

- A. Financial Planning and Evaluation. Plans are based on each client's unique current and anticipated financial situations, risk analysis, investment objectives and needs.

Flat Fees. For Financial Plans, Evaluation, Retirement, Estate, Pensions and other advisory services fees will be quoted in advance and range from \$500 - \$5,000 depending upon the scope and complexity of the project requested. For example, a client asking for limited portfolio review could be charged a flat fee of several hundred dollars, while a client seeking a written comprehensive financial plan addressing retirement, investments, insurance, taxes, estate planning and related matters could be charged several thousand. Flat fees are offered to all clients and are not contingent. Each Representative of CCS may negotiate the fee based on the nature of the work, and not by the type of client. Prior to engagement, each client signs an agreement which provides an estimate of the total fee for service. Fees may vary from Representative to Representative. One-half of the fee will be due in advance.

- B. Advisory Consulting. When circumstances warrant, CCS and its Adviser Representatives may provide hourly consulting with respect to special situations and problems, e.g. the need to establish wills and/or trusts, a portfolio review of current investments, money management programs or a review of insurance coverage.

Hourly Fees. Advisory fees for consulting services are billed at a rate of \$50 to \$200 per hour and depend upon the nature and scope of the advice requested by the client, nature and number of investments in a client's portfolio, amount and nature of research required to complete the project and the scope and number of reports requested by a client. For example, a client requesting a portfolio review without a report or identification of financial problems and formulation of solutions, or an analysis of financial goals and objectives, would be charged \$150 per hour, while a client wanting a full written analysis addressing investment, estate, tax, insurance and related matters would be charged \$200 per hour. Hourly fees are offered to all Clients and fees are not contingent. Each Representative of CCS may negotiate the fee based on the nature of the work, and not by the type of client. Prior to engagement, each client signs an agreement which provides an estimate of the total fee for services. Fees may vary from Representative to Representative. One half the estimated fee will be due upon signing of the advisory agreement with the balance due after project completion.

- C. Pre-legal Organization and Compilation Service for Trusts. After providing client with financial planning, if there is a desire and need, to help achieve client's goals, Adviser Representatives may have the facility to provide the client with pre-legal planning for establishing a Trust, to be written by an attorney.

Fixed Fees. For Estates under \$200,000 the estimated fee for Pre-Legal Organization and Compilation Services for Living Trusts will be \$1,000 for a Basic Trust and \$1,300 for a Trust, Will & Durable Power of Attorney. Estates over \$200,000 will be negotiated with the client and price according to time involved. Additional work done by a the Adviser Representative to assist client in the transfer of assets, etc... will be charged an hourly fee ranging from \$50-\$200 per hour. The amount charged per hour will vary depending

the additional service being requested, the more complex the service, the higher the hourly charge. One half of the quoted fixed fee will be due at contract signing with the balance due after services are provided. Any hourly fee for additional work will be determined prior to the work being performed and agreed to by the Client.

- D. Retirement/Estate Analysis. An analysis of future needs and present asset for pre-retirement and/or estate planning.

Flat Fees. See description provided above for Financial Planning and Evaluation.

- E. Quarterly Asset-Based Portfolio Counseling. CCS and its Adviser Representatives may provide quarterly reviews and consulting services for a client's investment portfolio. Depending on the counseling service agreed to, a written report may or may not be provided.

Quarterly Asset-Based Fees. Fees for quarterly asset-based consulting may not exceed 1.00% a year based on the market value of asset under review. This fee may be negotiated and is payable quarterly in advance. The valuation of the client's portfolio is based upon the closing price on the last day of the previous quarter. The fee for any period less than a full quarter is pro-rated. Upon receipt of written authorization from the client, the fee may be deducted directly from a client's account when due. Account statements provided to the client by the account custodian or fund company shall show the amount deducted. Clients having brokerage services provided by Adviser Representatives may receive a discount from schedule full service commission rates subject to a \$50.00 minimum per transaction cost.

Clients may agree to not be billed separate fees for the advisory services and instead pay for services by purchasing "C Class" mutual fund shares, which pay a 1.0% annual fee to CCS. Notwithstanding the fact that this will be deemed to be the Client's investment advisory fee, the Client understands that other funds are available that offer a breakpoint for large purchases which would result in a lower sales load. In the event that the Client terminates their investment advisory agreement with CCS, CCS will continue to receive fees as "broker of record" until such time as the Client transfers their account to another firm.

CCS does not guarantee the results of recommendations made and losses can occur. The decision to accept any recommendation or advice provided by CCS and its Adviser Representatives and all decisions regarding implementation thereof are left to the client.

The agreement for Counseling Services may be terminated by five (5) days written notice from one party to the next. Upon termination, all unearned, pre-paid fees are returned to client.

Adviser Representatives who set their own advisory fees may, at their discretion, decide to reduce in whole or in part the advisory fee they charge based upon the amount of commissions the Adviser Representative earns from securities and insurance sales made to clients. These fee reductions are negotiated between the Adviser Representative and client before services begin, thus will vary from client to client.

## 2. **Continuous Investment Management Services.**

Adviser Representatives can also provide account management services which involve continuous investment supervision over certain shares of stock, bonds, securities, cash or other property within a client's portfolio. Purchases and sales of securities made for clients accounts are subject to client's prior approval unless discretionary authorization is given by the client. Portfolio management is dedicated to meeting each client's investment objectives relative to an individual or entity's appropriate risk profile. Management services begin by Adviser Representatives assisting each client in determining the client's investment objectives. The Adviser Representative then manages each client's investments in a manner consistent with their objectives.

Adviser Representatives are inclined to use fundamental analysis when evaluating client securities and making purchase and sale recommendations. They also consider technical and cyclical market factors before deciding the appropriate action to take in a client's account. Advice given to any client may differ from advice given, or the timing and nature of action taken, with respect to other client accounts. CCS and its Adviser Representatives will make a reasonable effort to follow all investment management restrictions and instructions expressed to the firm by a client.

Fees. Fees for Continuous Management Services may not exceed 2.0% per year based on the market value of assets under management. This fee may be negotiated and is payable quarterly in advance. The valuation of the client's portfolio is based on the closing prices on the last day of the previous billing quarterly period. The fee for any period less than a full quarter is prorated. Upon receipt of written authorization from the client, the fee may be deducted directly from a client's account when due. Account statements provided to the client by the account custodian or fund company shall show the amount deducted. Clients having brokerage services provided by Adviser Representatives may receive a discount from scheduled full service commission rates subject to a \$50.00 minimum per transaction cost.

Clients may agree to not be billed separate fees for the advisory services and instead pay for services by purchasing "C Class" mutual fund shares, which pay a 1.0% annual fee to CCS. Notwithstanding the fact that this will be deemed to be the Client's investment advisory fee, the Client understands that other funds are available that offer a breakpoint for large purchases which would result in a lower sales load. In the event that the Client terminates their investment advisory agreement with CCS, CCS will continue to receive fees as "broker of record" until such time as the Client transfers their account to another firm.

### **3. Investment Manager Search and Monitoring Services:**

In those instances where a client may benefit from receiving portfolio management services from a firm other than CCS, CCS recommends its Manager Search and Monitoring Services. These services are generally offered with the assistance of manager search program sponsors which specialize in assisting other investment advisers, such as CCS, in providing advice about investment managers and preparing reports for use in monitoring the performance of portfolios managed by investment managers. Independent searches by CCS may also be performed without any manager search program sponsor's assistance.

Manager Search and Monitoring Services begin by a client identifying the client's investment objectives and manager selection criteria. CCS then presents a selection of investment management firms which CCS believes can satisfy the client's objectives and which will agree to enter into an investment management agreement with the client. Manager search program sponsors may assist CCS with manager presentations and with other duties related to providing the service. Generally, clients only have contact with their CCS Adviser Representative when selecting a manager and periodically determining the performance of the manager.

CCS usually uses manager background information prepared by manager search program sponsors which describe the histories, investment philosophies, risk factors, investment returns, and investing time frames on investment management firms. Generally, these firms have agreed to accept accounts of less than \$500,000 and stand ready to provide management services to a client provided the client's account size and other conditions meet the minimum standards established by the manager and further provided that the client's investment objectives are consistent with the manager's investment philosophy. To facilitate reporting capabilities, account assets are usually custodied at a custodian designated by the third party manager search program sponsor. These program sponsors are often securities broker-dealers which will also provide custodial services. They will also generally require a client to have all securities transactions for the client's account processed by it.

In those instances where CCS makes its own manager recommendations, it does so using managers it is familiar with and does not conduct any specialized search.

Once a client has selected a manager from those presented, CCS supplies the manager or manager search program sponsor with information regarding the financial background and investment objectives of the client to the extent such information is provided by the client. The client then enters into an advisory agreement with the manager or program sponsor whereby the manager agrees to accept and manage the client's account on a discretionary basis in accordance with the objectives of the client. CCS also provides periodic assistance in evaluating manager performance and, if necessary, recommendations to replace a manager selected. To the extent CCS becomes aware of changes in a client's financial circumstances or objectives; this information is relayed to the client's manager or manager search program sponsor. Updated financial information about a client is not collected by CCS on a regular

basis or given to a manager unless CCS is made aware of changes by the client. Clients may communicate such changes to the client's manager at any time.

CCS generally does not recommend the replacement of a manager based on short-term performance results. In the event there is significant change in the manager's investment philosophy, loss of significant investment management personnel or a change in ownership, CCS will re-evaluate the manager to determine whether the manager has changed from how the manager represented itself initially.

Each client grants the manager complete and unlimited discretionary trading authority so the manager can place transaction orders at will for a client's account. Each client has the opportunity to instruct the manager with respect to investment restrictions imposed on the management of the client's account and there is no restriction on a client contacting the manager directly for other purposes. Each client account with a manager is managed individually and is separate from the accounts of other clients of the manager. Each client receives confirmations of each securities transaction placed by the manager for the client's account, periodic custodian account statements, as well as summary of account performance (prepared by the manager search program sponsor or by the client's management firm) at least quarterly.

It is important to note that even though certain managers may have provided higher return results than other managers, they may not be presented to a client by CCS due to the influence of other factors, including the nature of a portfolio manager's investment style and time under which securities were managed to produce returns.

Fees for Manager Selection and Monitoring Services. Fees for manager selection and monitoring services from CCS without use of a third party program sponsor vary based upon assets under management and the manager selected. Total annual asset-based fees usually range from 1.50% to .80% with the client's manager and CCS splitting the fee for the service they provide. However, depending on the fees of the manager, CCS may receive more or less than 50% of the total fee based upon the value of the assets under management. Should the investment advisory agreement be terminated, which can occur upon written notice from one party to the other, the fee is prorated. Clients usually authorize both the manager and CCS to debit the client's account for the amount of fees due. A bill is sent to each client quarterly showing the calculation of the fee paid from the account. In those instances where a third party manager selection sponsor is used, the sponsor will collect an asset-based fee and pay the client's manager, itself and CCS from the amount collected. Total fees typically range from 3% to 1% with CCS's share being approximately 10% to 50% of the fee collected. The fees with third party program sponsors vary based upon the type and dollar value of assets under management, client objectives and restrictions and types of services included within the asset-based fee. For example, total fees for accounts invested only in mutual funds will be lower than those charged for accounts containing stocks and bonds. Also, program sponsors which are securities broker-dealers that include, wrap, commission costs within their asset-based fees will charge more than those sponsors which do not.

In those instances where a third party money manager pays a fee to CCS which is higher than the fee that CCS could have earned alone, or could have received from another third party manager, a conflict of interest exists.

#### **4. Business Consulting Services:**

Adviser Representatives may provide planning or ongoing consulting for businesses. As part of this service, the Adviser Representative will gather financial data, outline goals, identify problems, assess risk tolerance and define investment objectives based on the individual needs of the business. Areas for discussion and planning may focus on cash flow management, taxes, employee benefits, and/or succession planning. This data is gathered for preparation of a written financial plan or to provide ongoing consulting services. Service may also include the review and analysis of specific issues and advice as contracted.

Fees. Fees for consulting and business plans are based upon the complexity of the work, the professional level of the Adviser Representative providing the service, and the geographic location. Payment of fees is determined by each individual arrangement. Generally, for individual plans, a fixed fee will be quoted upon the execution of client advisory agreement with half of the fee due upon the signing of the Agreement and the

balance due upon the delivery of the written plan. Initial meetings prior to being retained for a financial plan or, ongoing consultation services may be computed at an hourly rate. The amount of fees is contained in each advisory agreement.

Fees for the consulting and business planning are negotiable. Initial meeting fee charges may be waived at the sole discretion of the Adviser Representative. Fees for on-going consultations may be waived or negotiated based upon implementation of large portfolios through the Adviser Representative in his or her capacity as a securities registered representative or insurance agent.

The Client may terminate the Agreement without penalty within five (5) business days of signing the Agreement. Either party may terminate the Agreement upon written notice to the other party. Client will be entitled to a refund of any prepaid planning fees less a charge for any time spent on preparing the plan up to the point of termination. After the five business day period, hourly Clients will owe for any time spent up to the point of termination based on the hourly rate agreed upon in the Agreement.

#### 5. General Information Regarding Counseling, Management and Consultative Services

Financial plans are not required to be implemented through the Adviser Representative. However, if the plan is implemented through the Adviser Representative, and if there is any commission earned, the commission may be used to offset the cost of the plan. Because CCS and/or the Adviser Representative may receive selling or other compensation for products recommended in a financial plan that are purchased through the Adviser Representative, Clients should be aware that a conflict of interest exists.

Fees are not collected more than six months in advance for services to be rendered.

Transactions authorized by a client receiving either Counseling or Management Services are consummated by payment or delivery by or to a custodian bank, custodian broker, or such other person appointed by the client of all cash and/or securities due to or from the client. The Adviser Representative instructs all brokers executing orders on behalf of the client to forward copies of notices of all transactions promptly after execution to the client and to the Adviser Representative, unless the client otherwise instructs CCS. CCS itself does not provide custody services.

## **Types of Clients**

CCS generally provides investment advice to individual pension and profit sharing plans, trusts, estates or charitable organizations, corporations or other business entities.

## **Types of Investments**

The types of securities which CCS and its Adviser Representatives will offer advice on are equity securities traded on stock exchanges and over-the-counter, bonds, warrants, certificates of deposit, municipal and government securities, variable life insurance policies, variable annuity contracts, redeemable shares of investment companies, limited partnership interests involving real estate, cable television, equipment leasing and oil and gas interests.

## **Method of Analysis, Sources of Information, and Investment Strategies**

- Methods of Analysis. CCS and its Adviser Representatives security analysis methods will be fundamental in nature.
- Sources of Information. The main sources of information used by CCS and its Adviser Representatives in connection with its advisory services will be financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports of issuers of securities, prospectuses and reports filed by issuers of securities with the U. S. Securities and Exchange Commission, company press releases and estate planning, financial planning and income tax services purchased on a subscription basis.
- Investment Strategies. The investment strategies used by CCS and its Adviser representatives to implement the investment advice given to clients will be long term purchases, generally defined as the purchase of securities to be held for one (1) year or more and may include covered option writing, or spreading strategies.

## **Education and Business Standards**

CCS requires those individuals who are involved in the creation of financial plans for clients or in the preparation of evaluations for, or rendering of consulting or account management services to clients to have education and experience sufficient to perform their specific function and to have all required business licenses and experience to perform their duties.

## **Education and Business Background**

### **Mari J. Buechner**

Year of Birth: 1965

Education: 1987 graduate of University of Wisconsin-Madison, Bachelor of Science Degree in Finance and Marketing.

Licenses: Ms. Buechner is registered as a General Securities Representative and a General Securities Principal with the Financial Industry Regulatory Authority (FINRA), and is also licensed as a Securities Agent in various state jurisdictions.

Business Background: Ms. Buechner has been actively engaged in the securities business since 1988. She is the President and Chief Executive Officer of Coordinated Capital Securities, Inc.. Ms. Buechner is a past NASD District 8 Committee member, a member of the FINRA Independent Dealer/Insurance Affiliated Committee, FINRA Licensing and Registration Committee and volunteers her time to work on various FINRA consultative committees. She is also a Board member of the Financial Services Institute.

### **Larry E. Peters**

Year of Birth: 1941

Education: 1967 graduate of University of Wisconsin-Madison, Bachelor of Science Degree in Economics.

Licenses: Mr. Peters is registered as a General Securities Representative, General Securities Principal, Financial Operations Principal, Municipal Securities Principal and Options Principal with the Financial Industry Regulatory Authority (FINRA), and is licensed as a Securities Agent in various state jurisdictions.

Business Background: Since 1969, Mr. Peters has been actively engaged in the financial planning, investment advisory, securities and insurance business. He is a Director and Executive Vice President of Coordinated Capital Securities, Inc.

### **Donna J. Peters**

Year of Birth: 1945

Education: 1965 graduate of Madison Business College Associate Degree, Court Reporting.

Licenses: Ms. Peters is registered as a General Securities Representative and a General Securities Principal with the Financial Industry Regulatory Authority (FINRA), and is licensed as a Securities Agent and an Insurance Agent in various state jurisdictions.

Business Background: Ms. Peters has been actively engaged in the securities business since 1983. She is a Director and the Executive Vice President of Coordinated Capital Securities, Inc. Ms. Peters served as a Committee Clerk for the State Assembly for the State of Wisconsin from November, 1965 until July, 1980.

## **Other Business Activities**

The principal business activity of CCS is that of a securities broker-dealer primarily involved in the offer and sale of redeemable shares of investment companies, limited partnership interests, municipal and government securities and variable annuities. The firm also introduces customer accounts and stock and bond transactions, on a fully-disclosed basis, to First Clearing Corporation (FCC), a securities broker-dealer located at 901 E. Byrd Street, Richmond, VA 23211-1357. FCC may provide certain custodial

services for accounts fully disclosed to FCC from CCS. The principal officers and Advisory Representatives of CCS are registered as securities and insurance representatives and spend the majority of their time offering and selling securities on behalf of the firm.

## **Other Financial Industry Affiliations**

CCS, is registered as a securities broker dealer. The principal officers of the Adviser may be engaged in other business activities such as real estate, tax preparation and accountancy independent of their affiliation with CCS.

Some Registered Representatives of CCS are also licensed to sell insurance through affiliated and non-affiliated companies. Therefore these individuals will be able to affect insurance recommendations for any Clients electing to receive this service. It is understood that these individuals will be able to receive separate and typical compensation for insurance and/ or annuity implementation, which may be in addition to any financial planning fee, or other advisory fee charged by CCS to as advisory Client for advisory services.

## **Participation of Interest in Clients' Securities and Insurance Transactions**

After a client's financial plan or other project has been completed, or an evaluation report prepared, a registered representative of CCS, who most often is the client's Adviser Representative, may recommend to clients that they purchase or sell various securities and purchase various insurance products to implement action recommended. Generally, CCS, will act as broker in connection with the purchase and sale of securities, although on occasion it will act as principal in riskless transactions involving debt securities. Coordinated Capital Consultants, Inc., ("CCC"), an affiliate of CCS, may act as general agent in the sale of insurance products purchased by clients after accepting purchase recommendations made in their financial plans. CCS, CCC, and its registered securities and insurance representatives will have a financial interest in such transactions because they will receive all or part of the commissions or mark-ups or mark-downs paid by clients for whom such securities transaction are effected, and commission on insurance contracts purchased by clients. Thus, when Advisory Representatives who are also registered as securities or insurance salespersons recommend the purchase of products they sell for commissions, a conflict of interest exists.

Clients who retain CCS to prepare financial plans or evaluation reports or consulting or special services are under no obligation to purchase or sell any securities through CCS, or to purchase any insurance through CCC, or their representatives. Furthermore, comparable investment and insurance products may be available at competitive rates through other unrelated securities and insurance professionals and entities.

The principal officers and registered representatives and insurance agents of CCS, and CCC, may, from time to time, purchase and sell securities and purchase insurance contracts for their own accounts identical to those recommended to clients. Client transactions are given priority.

## **Code of Ethics**

CCS expects its employees and Adviser Representatives to maintain high standards of ethical conduct. CCS is dedicated to supporting the ethical culture of the firm. Because of the high importance that CCS places on ethical conduct, CCS has adopted a Code of Ethics that all Adviser Representatives are required to adhere to. CCS's Code of Ethics mandates high standards of business conduct and professionalism.

CCS has established the following restrictions under its Code of Ethics in order to ensure its fiduciary responsibilities:

- No person of CCS shall prefer his or her own interest to that of the advisory Client.
- A director, officer, member or employee of CCS shall not buy or sell securities for their personal portfolio(s) where their decision is substantially, derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry.
- All Clients are fully informed that CCS Adviser Representatives may receive separate compensation when effecting transactions during the financial planning implementation process.

- CCS emphasizes the unrestricted right of the Client to select and choose any broker or dealer and/or insurance company the Client wishes. Clients should understand that advisory services provided under certain programs offered by CCS would require the Client selecting and using CCS and the Associate of CCS to qualify for participation in the advisory service or program.
- CCS requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- Adviser Representatives are expected to conduct their personal securities transactions in accordance with the Personal Trading Policy and will strive to avoid any actual or perceived conflict of interest with the client. All of the CCS's Adviser Representatives are required to report Initial and Annual Holdings Reports. Quarterly reporting of personal securities transactions is also required.
- Any individual not in observance of the above may be subject to remedial sanctions, including termination of employment and association with CCS.

## **Conditions for Managing Accounts**

Generally, CCS does not impose any condition in connection with providing advisory services.

## **Review of Accounts**

Account Review Frequency of account review varies according to advisory service. Reviews of accounts will be done upon Client request and/or at least annually. The Adviser Representative who manages the account will perform the review. The number of accounts managed by each Adviser Representative will vary considerably and cannot be estimated. As CCS is also a broker/dealer, account reviews for managed accounts are performed as required by SEC and FNRA guidelines, first utilizing branch managers (registered principals) and then branch office inspections by the broker/dealer. Home office personnel also conduct secondary reviews on a random basis. Changes in the economy, world events, news on various investments/products, among others may prompt additional reviews of any account that may be affected.

Regular Reports to Clients Clients will receive statements from investment sponsors and/or custodians at least quarterly on all managed accounts with most accounts producing a monthly statement any time there is activity in the account. Those Clients contracting only for hourly consultations or for the preparation for a financial plan will not receive regular reports on their accounts as their advisory services contract expires upon completion of the analysis and payment of the invoice. Refer to Item 1D disclosures for delivery of fee statement procedures.

## **Investment or Brokerage Discretion**

In some of its management contracts, CCS is granted, and does exercise, discretionary authority to select the securities to be bought and sold and the amount of securities to be bought and sold. When exercising this authority, CCS Adviser Representatives can place transaction orders for client accounts without contacting the client on a trade-by-trade basis for advance permission to place the orders.

Although CCS also has authority to select the brokerage firm through which transaction are placed, CCS Adviser Representatives usually suggest that clients use the brokerage services of CCS, thus do not exercise discretion to secure the services of any other broker-dealer. When establishing an account with CCS, securities custody services are performed by CCS's transaction clearing firm. This firm carries client accounts on its records, processes transactions ordered by CCS representatives, provides computer access to CCS for client positions and provides quotes and data needed by CCS for its reports to clients. Although a client is not obligated to utilize the custody services of CCS's transaction clearing firm, CCS believes that its use is a convenient means of obtaining efficient transaction executions, and account reference and reporting services. Receipt of such services by CCS creates an inducement and conflict of interest for CCS since referring clients to any other firm may result in higher reporting and overhead costs to CCS.

Clients should be aware that designating and using a single broker-dealer, including CCS, for execution of securities transactions, will not allow CCS to receive research from other broker-dealers in return for commission business, to combine transaction orders with those of other client accounts for volume commission discounts or allow CCS to exercise discretion to evaluate the quality of execution services and commissions of other broker-dealers. Clients should also be aware that CCS representatives are allowed to set commission rates paid by clients on transactions effected through the representatives. Therefore, commission rates will vary from client-to-client and also may be higher or lower than available through other firms.

Because of these factors, designating CCS may not result in best price or execution of client transactions.

## **Additional Compensation**

CCS has entered into written agreements with Adviser Representatives that will solicit individuals and entities to become consulting and account management clients. These Adviser Representatives are paid 80%-90% of the advisory fee charged to clients under the standard fee schedule of CCS, provided that these individuals prepare the actual plans or provide the management services under the supervision of CCS.

CCS, as a broker-dealer, clears its transactions through First Clearing, LLC (FC). As part of the services it provides FC supports the operations of CCS and indirectly CCS, by providing software, account access, reporting capabilities, billing support, limited securities research, exception reports, and other support services. Adviser Representatives typically recommend the services of CCS and FC because using any other firm would cause CCS's internal operating expenses to be more.

CCS and its Adviser Representatives may refer clients to third party money managers in return for a portion of the fee earned by the manager. The referral fee arrangement is disclosed to clients prior to the client entering into a management agreement with the manager. After making the referral Adviser Representatives typically provide counseling services designed to monitor the performance of the manager selected by the client.

## **Privacy Notice to Our Clients**

Coordinated Capital Securities, Inc. strongly believes in protecting the confidentiality and security of information we collect about you. This notice describes how we treat the information we receive about you.

Why We Collect And How We Use Information. When we evaluate your request for our services, provide investment advice to you and process transactions for your account, you typically provide us with certain personal information necessary for these transactions. We may also use that information to offer you other services we provide which may meet your investment needs.

What Information We Collect. The personal information we collect may include: Name and address; Social Security number or tax payer identification number; Assets; Income, Account Balance; Investment Activity; Accounts at Other Institutions.

How We Protect Information. We do not sell your personal information to anyone. We treat information about current and former clients and their accounts in a confidential manner. Our employees may access information and provide it to third parties only when completing a transaction at your request or providing our other services to you. At your request, we may disclose information to attorneys, accountants, lawyers, securities professionals and others to assist us, or them, in providing services to you. We may also share information with companies that perform services on our behalf, such as the companies that we hire to perform marketing or administrative services. Companies we may hire to provide support services are not allowed to use your personal information for their own purposes. We may make additional disclosures as permitted by law. We also maintain physical, electronic, and procedural safeguards to protect information. Employees and our professional service representatives are required to comply with our established information confidentiality provisions.

Access to And Correction of Information. Generally, upon your written request, we will make available information for your review. Information collected in connection with, or in anticipation of, any claim or legal proceeding will not be made available. If your personal information with us becomes inaccurate, or if you need to make a change to that information, please contact us at the number shown below so we can update our records.

Further Information. For additional information regarding our privacy policy, please contact us by writing to us at 704 River Place Commerce Center III, Madison, WI 53716 or calling (608) 221-4545.