

VALUE OF AN ADVISOR

The financial industry sometimes confuses investors by not clearly articulating the various roles and responsibilities of different industry participants. The list below is intended to clarify the role and value of an independent, fiduciary based advisor and to help set the proper relationship expectations.

1. SOMEONE I CAN TALK TO AND ANSWER MY QUESTIONS.

The markets have become enormously complex, and so too has dealing with most financial companies. Large investment companies have increasingly turned toward automation and non-personalized advice for individuals. An independent advisor is there to answer your specific questions, work with investment companies on your behalf and provide advice specifically for you.

2. SOMEONE WHO CAN HELP ME WITH INCOME PLANNING.

Intelligent income planning is the key to making your assets last. From helping to determine which accounts to take withdrawals from first, to making sensible investments that balance the need for current and future income. This is where much of the advisor's training plays a role in helping to formulate income planning strategy for you.

3. SOMEONE TO HELP ME SELECT AND MONITOR THE RIGHT INVESTMENTS.

There is no one "right" investment. An independent, fiduciary based advisor can select from the vast array of investments available to determine what is appropriate for you. Much time and effort goes into evaluating, monitoring, selecting and adjusting investments over time. A good advisor will have a professional investment philosophy and process that they implement and often overseen by a seasoned investment committee.

4. SOMEONE WHO HAS THE POTENTIAL FOR A LONG-TERM RELATIONSHIP.

The value of an investment advisor can accumulate over time. From year to year, life has a way of changing our priorities and circumstances. An advisor is there to lessen the burden on you and your family during a variety of different life events.

5. SOMEONE WHO CAN HELP MANAGE VOLATILITY AND SWINGS IN THE MARKET.

There has been great innovation in the opportunity set available to investors. But it also has created a knowledge gap for most individual investors (and many in the industry). A fiduciary based advisor takes it

upon themselves to stay on top of industry trends and deliver best of breed solutions to their clients. An advisor can help use some of these innovative tools to manage the volatility exposures in client portfolios. A good advisor will also help to provide context and discuss the proper course of action to clients during the inevitable swings in the markets.

6. SOMEONE WHO CAN SERVE AS MY FIDUCIARY.

A fiduciary has a responsibility to act in your best interest and is held to a higher standard of care. Surprisingly, this is not the industry standard. From selecting investments, to looking out for you and your family's long-term financial situation, a fiduciary advisor is an advocate for your best interests.

7. SOMEONE WHO CAN KEEP ME ON THE RIGHT PATH.

An advisor, like a good coach or trainer, is trying to make or keep you financially fit. An advisor can help reduce procrastination, identify unique investment opportunities, or simply help course correct when necessary. An advisor keeps up to date with changes in the industry and regulations to make sure you are optimizing your portfolio allocation.

8. HOW WE FULFILL OUR FIDUCIARY OBLIGATIONS.

As investment advisors, Brookstone and its IARs act as fiduciaries for all of our investment management clients. This means that we have an obligation to act in the best interests of our clients and to provide investment advice in the clients' best interests. We avoid engaging in any activity that could create a conflict of interest with any client; however, if a conflict of interest does arise, full disclosure of that conflict will be made to the client. Reasonable care must be employed to avoid misleading clients and full and fair disclosure of all material facts (including fees) to clients and prospective clients will be made.

We fulfill our fiduciary obligations by collecting information about you and your investment goals so that our recommendations are customized to be in your best interests. We disclose all fees, and conflicts, in this brochure and in the client agreement (Investment Policy Statement parts A and B) which are acknowledged by your signature.