

Insurance Products

Affiliates of AIC may also be licensed insurance agents and sell insurance products.

Affiliates of AIC may be licensed with several life, disability, and other insurance companies. AIC may recommend insurance products offered by these companies. If AIC's clients purchase these products through the firm, AIC will receive the normal commissions. Thus a conflict of interest may exist between AIC's interests and those of its advisory clients. The client is under no obligation to purchase products AIC may recommend, or to purchase products either through AIC or through these insurance agents, brokers or companies.

Real Estate Brokerage

Affiliates may be independently licensed as real estate agents or brokers and may recommend the purchase of real estate or trust deeds and/or make referrals to unaffiliated real estate brokers. If clients purchase properties or trust deeds, the Affiliates may receive a commission or finder's fees. Thus a conflict of interest may exist between the interests of our Affiliates and those of our advisory clients. The client is under no obligation to purchase real estate or deeds of trust through Affiliates or the real estate brokers they recommend.

Other Independent Businesses

Affiliates may operate independent businesses outside of their affiliation with AIC and may provide services, which may include, but may not be limited to, investment advisors, attorneys, CPAs, or enrolled tax agents. These outside activities are not under the auspices of AIC.

Disclosure of Material Conflicts

All reasonable material conflicts of interest are disclosed regarding AIC, its representatives or any of its employees, which could be reasonably expected to impair the rendering of unbiased and objective advice.

Item 11. Code of Ethics, Participation/Interest in Client Transactions and Personal Trading

Code of Ethics

AIC's Code of Ethics is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940. The Code is based upon the principle that AIC and its employees owe a fiduciary duty to clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid (i) serving their own personal interests ahead of clients, (ii) taking inappropriate advantage of their position with the firm, and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

The purpose of AIC's Code of Ethics is to preclude activities which may lead to or give the appearance of conflicts of interest, insider trading, and other forms of prohibited or unethical business conduct. As such, AIC and its employees are prohibited from engaging in fraudulent, deceptive, or manipulative conduct. AIC and its employees have an affirmative duty of utmost good faith to act solely in the best interest of its clients.

AIC will provide a complete copy of its Code of Ethics to any client or prospective client upon request.

Participation/Interest in Client Transactions