

Use of Significant Investment Strategies

AIC does not employ any significant investment strategies, such as high frequency trading, that entail unusual risks. However, in the event that AIC did employ a frequent trading strategy, it is important to note that such a strategy can have an effect on investment performance, particularly through increased brokerage and other transaction costs and taxes.

AIC does not primarily recommend any particular type of security as part of its overall investment advisory services.

As with most investment products and because investment portfolios include securities, investing in securities involves risk of loss that you, as our client, should be prepared to bear.

Item 9. Disciplinary Information

Disclosure Events

There are no disclosure events involving a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which AIC or its management personnel are involved.

There are no disclosure events involving an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which AIC or its management personnel are involved.

There are no disclosure events involving a self-regulatory organization (SRO) proceeding in which AIC or its management personnel are involved.

Item 10. Other Financial Industry Activities and Affiliations

Broker/Dealer Affiliation

AIC is a registered securities broker-dealer, and as such, Affiliates of AIC may be licensed as registered securities salespersons. AIC's primary business is that of selling securities products for which AIC may earn a commission. AIC may recommend the purchase of securities, asset management services, or insurance products offered through the firm. If AIC's clients purchase these products through us, AIC will receive the normal commission or fees. Thus, a conflict 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 through AIC.

Neither AIC nor any of its management persons are registered, or have an application pending, to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

On occasion, AIC and its management persons may own securities products that are also recommended to clients which may present a potential conflict of interest. However, as a preventative measure, all client transactions will be conducted and implemented before any such transaction relating to any personal accounts of any affiliated persons of AIC. In addition to this measure, all of the aforementioned management persons of AIC will act in accordance with applicable securities laws and conduct their business to ensure overall compliance with Insider Trading rules and the Securities Fraud Enforcement Act of 1988.

In the event the client chooses to purchase investment products through AIC's management persons, in their individual capacities as registered representatives, they may receive brokerage commissions to effect securities transactions. The brokerage commissions charged by AIC may be higher or lower than those charged by other broker-dealers. In addition, AIC, as well as AIC's management persons (as