



NextStep Strategic Portfolios

Program Summary

Contacts: Kristina Tenney-Gatto & Brent Fields

Info: trading@totalclaritywealth.com

(630) 762-9352

Advisor (IAR) Responsibilities

1. Open Account at Custodian
2. Complete Client Suitability Information including TCWM IPQ & RPQ
3. Complete NSP Questionnaire and Select desired model
4. Review model and request change to a different model if needed or if client suitability changes
5. Request any needed distributions or notify NSP team of any contributions that need to be invested
6. All account maintenance such as address changes, beneficiary changes, etc.
7. Verify enough cash is available for management fees
8. Advisor can send out RMD or cash to a client if cash is available and then notify the NSP Team

Total Clarity Responsibilities

1. Set up accounts in requested models
2. Complete all trading for any managed model per allocations and rebalancing per model manager
3. Verify all holdings in available models and any subsequent trades are "approved" holdings per LPL's requirements
4. Generate cash if required for distributions or management fees
5. Subsequent deposits into accounts will be invested during next rebalance unless requested otherwise by the advisor.
6. "Set aside" any requested legacy holdings, requested cash, or any holdings specified on the NSP Questionnaire.
7. If advisor initiates a trade themselves the account will not be rebalanced until the next reallocation.
8. If an account is short on cash, we reserve the right to rebalance an account to provide needed cash for management fees or distributions
9. If cash is generated per a specific request, it will be held in the account and not be allocated into the model until further notice from the advisor. We will not send the money to the client.
10. Complete an annual review of all qualified accounts at the beginning of November to verify all RMDs have been completed. Notifications will be sent to advisors of any accounts for which RMDs that have not yet been completed.
11. The TCWM standard is to hold 2% cash in all models. This should cover management fees and other costs that may come up.

Communication between the NextStep Strategic Model team and the advisor is Key

NextStep Strategic Portfolio Managers do not contact the client. This service is being provided to the Investment Advisory Representative. NextStep Strategic Portfolio managers do not provide individualized discretionary advisory services to NSP clients. This is the responsibility of the IAR.

Trade errors made by the NextStep Strategic Model team will be covered by Total Clarity.

Trade Errors made by an advisor, will be covered by that advisor.

NSP accounts will be under a NSP Rep code/Master Account to provide an easy way for everyone to know which accounts are in this program.

Fees will be deducted from the account advisory fees every quarter on the IAR's Commission Statement. The fees shown in Schedule A include the NSP fee only. These fees do not include any transaction fees, admin fees charged by the custodian, such as IRA fees, wire fees, termination or transfer fees, etc. They also do not include the SIPC fees charged to the account or any CDSC fees charged upon liquidation of C shares.

The NSP Team will rebalance a new account into a model within 5-7 days of submission of the NSP Questionnaire and after the account has been funded.

Cash requests will be completed within 3 days of the request.