Folio Institutional Monthly Advisor Call
January 29, 2014

Today's Agenda

- **Service Updates**
  - Account Transfer Form

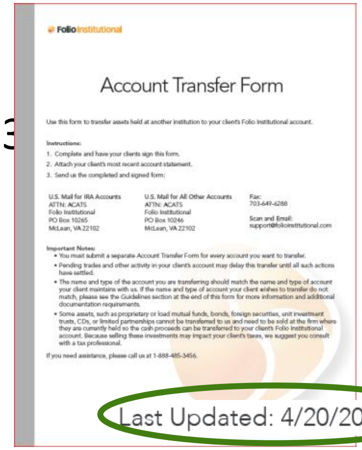
- **Tax Season**
  - Key Dates
  - Tax Center
  - Help Center
  - Top 5 FAQs

- **Conclusion**
  - January Advisor Call Video
  - February Advisor Call

Service Update

- **Account Transfer Form**
  - Updated on April 20, 2013
  - Available as a pdf download in Help/Forms

- **Out-of-date Account Transfer Forms for IRA accounts listing U.S. Bank as successor IRA custodian will be rejected after January 1, 2014. Use the Account Transfer Forms for IRA transfers that show Kingdom Trust Company as the successor IRA Custodian.**



Folio Institutional

Account Transfer Form

Use this form to transfer assets held at another institution to your client's Folio Institutional account.

Instructions:

1. Complete and have your clients sign this form.
2. Attach your client's most recent account statement.
3. Send us the completed and signed form:

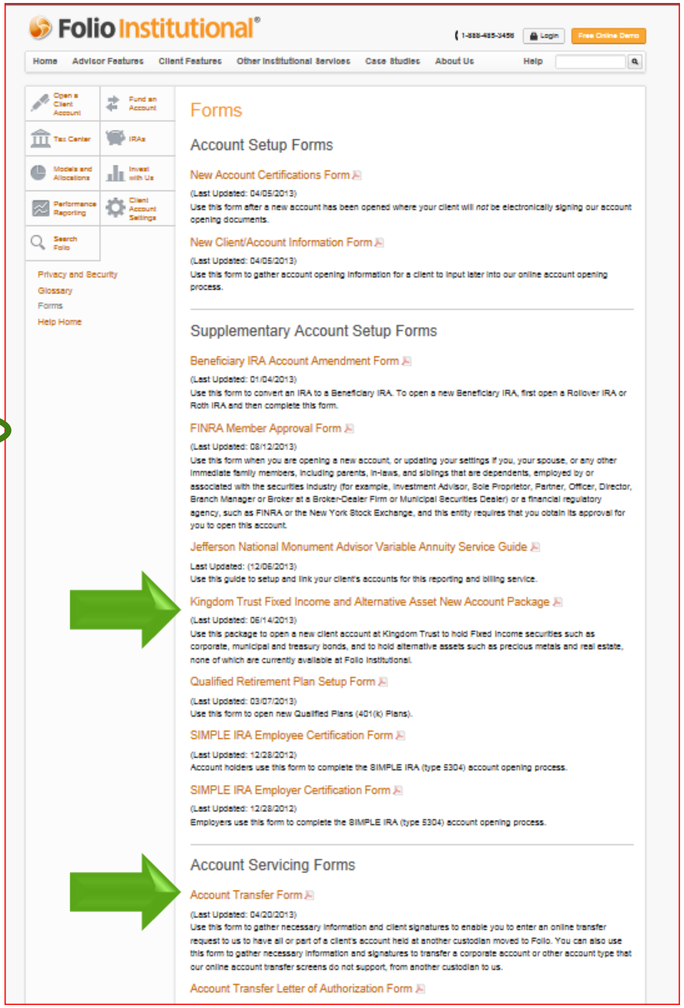
U.S. Mail for IRA Accounts	U.S. Mail for All Other Accounts	Fax:
ATTN: ACATS	ATTN: ACATS	703-649-6288
Folio Institutional	Folio Institutional	
PO Box 10265	PO Box 10246	Scan and Email:
McLean, VA 22102	McLean, VA 22102	support@folioinstitutional.com

Important Notes:

- You must submit a separate Account Transfer Form for every account you want to transfer.
- Pending trades and other activity in your client's account may delay this transfer until all such actions have settled.
- The name and type of the account you are transferring should match the name and type of account your client maintains with us. If the name and type of account your client wishes to transfer do not match, please see the Guidelines section at the end of this form for more information and additional documentation requirements.
- Some assets, such as proprietary or load mutual funds, bonds, foreign securities, unit investment trusts, CDs, or limited partnerships cannot be transferred to us and need to be sold at the firm where they are currently held so the cash proceeds can be transferred to your client's Folio Institutional account. Because selling these investments may impact your client's taxes, we suggest you consult with a tax professional.

If you need assistance, please call us at 1-888-485-3456.

Last Updated: 4/20/2013



Folio Institutional®

1-888-485-3456 Login Free Online Demo

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Open a Client Account | Fund an Account | Tax Center | IRAs | Models and Allocations | Invest with Us | Performance Reporting | Client Account Settings | Search Folio

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Forms

Account Setup Forms

New Account Certifications Form
(Last Updated: 04/05/2013)
Use this form after a new account has been opened where your client will *not* be electronically signing our account opening documents.

New Client/Account Information Form
(Last Updated: 04/05/2013)
Use this form to gather account opening information for a client to input later into our online account opening process.

Supplementary Account Setup Forms

Beneficiary IRA Account Amendment Form
(Last Updated: 01/04/2013)
Use this form to convert an IRA to a Beneficiary IRA. To open a new Beneficiary IRA, first open a Rollover IRA or Roth IRA and then complete this form.

FINRA Member Approval Form
(Last Updated: 08/12/2013)
Use this form when you are opening a new account, or updating your settings if you, your spouse, or any other immediate family members, including parents, in-laws, and siblings that are dependents, employed by or associated with the securities industry (for example, Investment Advisor, Sole Proprietor, Partner, Officer, Director, Branch Manager or Broker at a Broker-Dealer Firm or Municipal Securities Dealer) or a financial regulatory agency, such as FINRA or the New York Stock Exchange, and this entity requires that you obtain its approval for you to open this account.

Jefferson National Monument Advisor Variable Annuity Service Guide
Last Updated: (12/06/2013)
Use this guide to setup and link your client's accounts for this reporting and billing service.

Kingdom Trust Fixed Income and Alternative Asset New Account Package
(Last Updated: 06/14/2013)
Use this package to open a new client account at Kingdom Trust to hold Fixed Income securities such as corporate, municipal and treasury bonds, and to hold alternative assets such as precious metals and real estate, none of which are currently available at Folio Institutional.

Qualified Retirement Plan Setup Form
(Last Updated: 03/07/2013)
Use this form to open new Qualified Plans (401(k) Plans).

SIMPLE IRA Employee Certification Form
(Last Updated: 12/28/2012)
Account holders use this form to complete the SIMPLE IRA (type 5304) account opening process.

SIMPLE IRA Employer Certification Form
(Last Updated: 12/28/2012)
Employers use this form to complete the SIMPLE IRA (type 5304) account opening process.

Account Servicing Forms

Account Transfer Form
(Last Updated: 04/20/2013)
Use this form to gather necessary information and client signatures to enable you to enter an online transfer request to us to have all or part of a client's account held at another custodian moved to Folio. You can also use this form to gather necessary information and signatures to transfer a corporate account or other account type that our online account transfer screens do not support, from another custodian to us.

Account Transfer Letter of Authorization Form

Key Dates

Folio Institutional

2013-2014 Tax Form Posting Schedule

Folio Institutional posts tax documents after all tax information is received and processed for an account. When forms are posted, a notification will be sent to the Message Center and the form will be available in the Tax Center, located in Statements & Tax Records.

Tax Documents	Posting Date	Additional Information
2013 Form 1099-R (All IRAs)	No later than 1/31/2014	Form 1099-R shows reportable IRA distributions. *Review any IRA, Roth Conversion, Recharacterization and Rollover distributions as well as Federal and State tax withholdings that have been requested throughout 2013 and alert us of any discrepancies as soon as possible by emailing support@folioinstitutional.com.*
2013 Consolidated Forms 1099, 8949, and .txf file downloads	No later than 2/28/2014	Consolidated Form 1099 shows capital gains, interest, dividends and other taxable amounts. Form 8949, Sales and Other Dispositions of Capital Assets, shows capital gains and losses, and replaces the gain/loss reports of prior years. .txf files contain realized gains and losses for upload into tax preparation software. Gain/Loss Report spreadsheets (.csv files) are available for download year round, and may also be useful in preparing your taxes. Corrected Form 1099 *If we receive updated information due to income reclassification from the issuers of your securities after you have received your Form 1099, we are required to send a corrected tax form with the revisions for Form 1099, Forms 8949, .txf downloads and gain/loss reports. Please be aware that the issuers of your securities may reclassify the income from your securities after we've issued your original Form 1099.*
2013 Form 5498 (All IRAs)	No later than 5/31/2014	Form 5498 shows reportable IRA contributions. *Review any IRA, Roth Conversion, Recharacterization and Rollover contributions that have been initiated in 2013 and alert us of any discrepancies as soon as possible by emailing support@folioinstitutional.com. The deadline to make corrections is September 30, 2014.*

Thank you for the opportunity to serve you. If you require assistance, email us at support@folioinstitutional.com or call 1-888-230-5635.

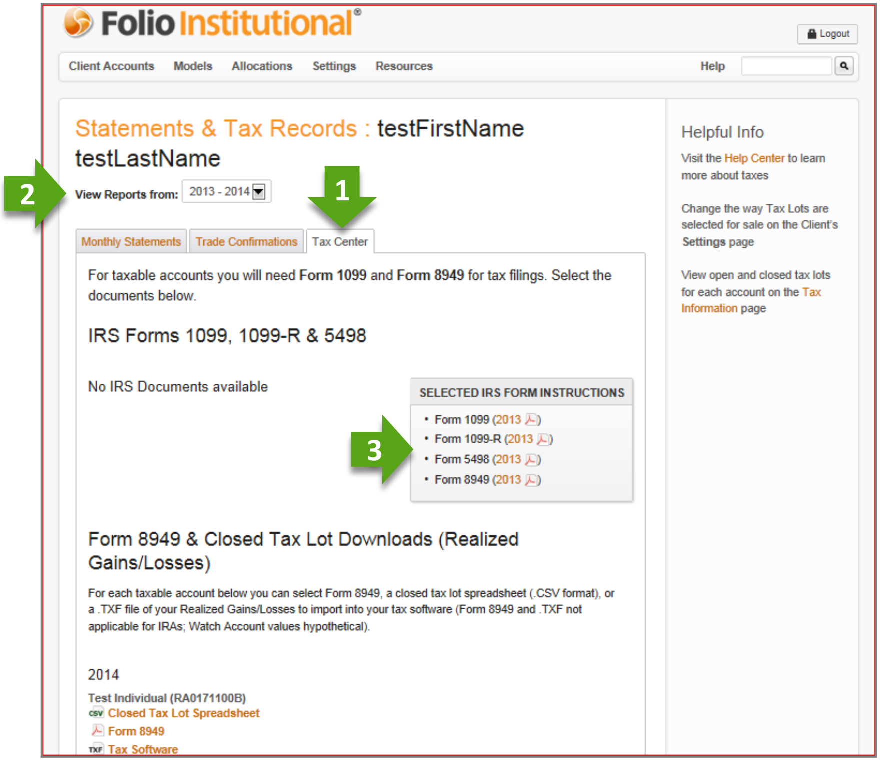
Tax Document	Posting Date
Preparing for Tax Season	1/27/2014
California Interest Reporting	1/26/2014
2013 Form 1099-R (All IRAs)	No Later Than 1/31/2014
2013 Required Minimum Distributions (RMD) Notices	No Later Than 1/31/2014
Beneficiary IRA Distribution Notices	No Later Than 1/31/2014
2013 Consolidated Forms 1099, 8949, and .txf File Downloads *Amended Consolidated Form 1099s, generally issued when companies reclassify prior year distributions, may be posted at any time. Reclassifications are typically completed by the end of March. Although we have no control over these reclassifications or their timing , we will promptly post amended forms as we receive them.*	No Later Than 2/28/2014
2013 Form 5498 (All IRAs)	No Later Than 5/31/2014

Tax Form Posting Schedule was available on the login page from 11/22/2013-12/31/2013. It will be available again beginning 1/31/2013.

Tax Center

- **You and your clients will receive an alert in your Message Center following the posting of any tax form**

- **Tax Forms will be posted in your client's Statements & Tax Records**
  1. Select the Tax Center tab to view all postings
  2. Use the drop-down menu to choose which year's tax documents to view and download
  3. Access 2013 IRS instructions for forms 1099, 1099-R, 5498 and 8949



Top 5 FAQs | Amended Form 1099

Q1. Why is my client receiving an amended Form 1099?

- Certain investments, including but not limited to a mutual funds, reclassify one or more income payments previously paid
  - Original income paid as an ordinary dividend, then reclassified to a capital gain or a non-taxable return of capital distribution
- Changes to the tax character of other corporate actions.
- Changes to customer information (e.g. Name, Address, Tax ID)
- Folio has little control over reclassifications but will promptly post amended Form 1099s online when they become available
  - Email message posted to Message Center

Top 5 FAQs | Cost Basis Securities

Q2. Where do I find the cost basis of securities?

- Realized Gain/Loss report, Form 1099-B, Form 8949
- Monthly statements
- Trade confirmations

Top 5 FAQs | Gross Proceeds

Q3. Why are the amounts reported for sales proceeds so high?

- Form 1099-B reports gross proceeds
  - Defined as the gross sales price (less commissions) from the sale of a security
- For 'Covered' securities, adjusted cost basis is also reported on the 1099-B
  - Cost basis is typically the purchase price for the shares
  - Cost basis can be adjusted as a result of wash sales, return of capital distributions and other of corporate actions
- Capital Gain (or loss) upon the sale is generally determined by the difference between the sale price and the adjusted cost basis of a given security
  - Report actual gain/loss using IRS Form 8949 and Form 1040, Schedule D

Top 5 FAQs | IRA Distributions

Q4. My client took a distribution from a Traditional IRA and rolled the money back into an IRA within 60 days. Why was the distribution reported on Form 1099-R?

- Any IRA distribution, taxable or otherwise, is reported to the IRS
- Rollover distributing firm reports the distribution on Form 1099-R
- Rollover receiving firm also reports the amount to the IRS on Form 5498
- The distribution is reported but not taxed based on the two report Forms
- As long as the distributed assets are eligible for rollover and are rolled back within 60 days, they're not subject to taxes

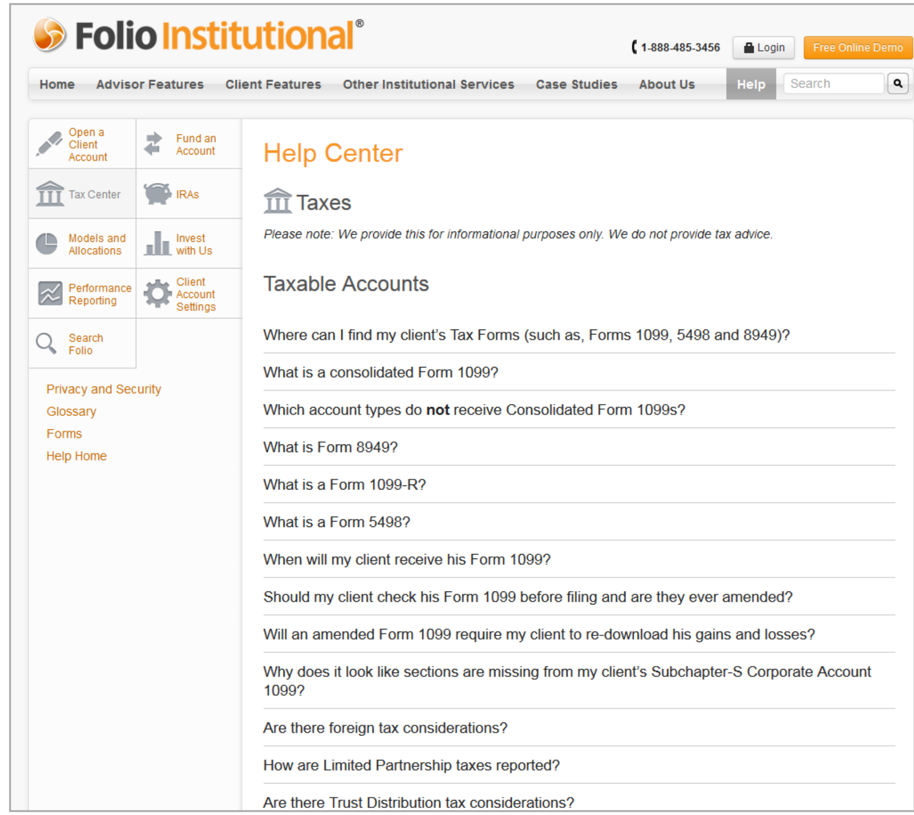
Top 5 FAQs | Form 5498

Q5. Why did my client receive a copy of IRS Form 5498?

- We are required to use Form 5498 to report to your client and the IRS:
  - Any IRA contributions
  - Rollovers from employer-sponsored retirement plans to IRAs including direct rollovers
  - Conversions of Traditional IRAs to Roth IRAs
  - Re-characterizations of IRA contributions
  - December 31 fair market value of an IRA
- IRS deadline for making prior year IRA contributions is generally April 15. Since the reporting of IRA information cannot be finalized before this deadline, the IRS requires Folio to send Form 5498 no later than May 31
- Form is not needed to file a return - use it to verify that the information we reported to the IRS is correct and then keep with tax records

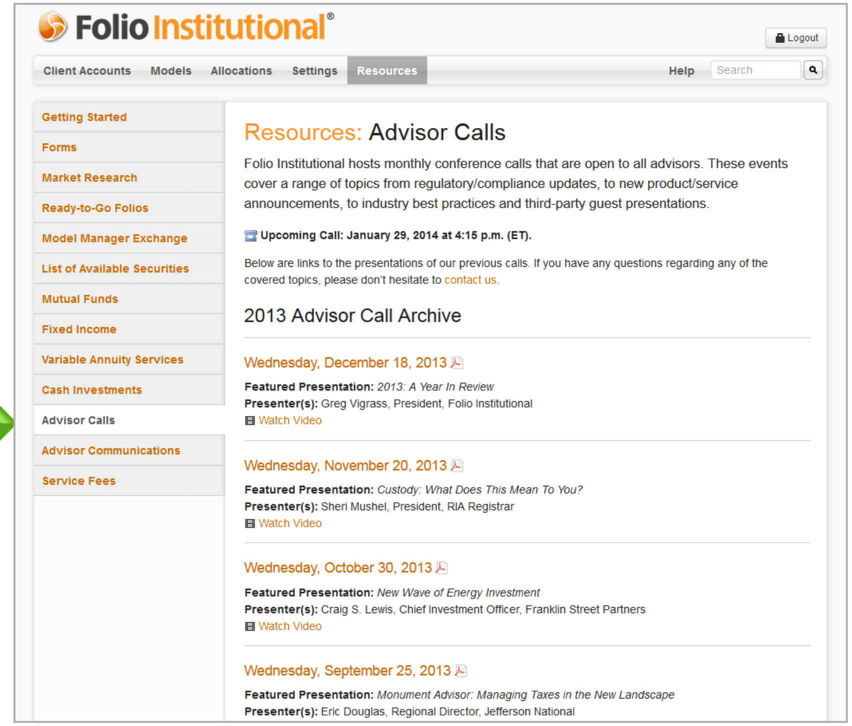
Help Center

- **Tax FAQs available in the Help Center**



Easily Access Past Advisor Calls

- **Download past presentations directly from the Folio Institutional Resources Page**
- **Recording of this call will be available online on 1/31/2014 after 6:00 PM ET**



February Advisor Call

- **Date and time**
  - Wednesday, February 26, 2014
  - 4:15 PM ET
- **Featured presentation**
  - Impact Investing in the Public Markets by Betsy M. Markus, Senior Vice President of First Affirmative Financial Network
  - Who should attend: Advisors, model managers, chief investment officers
- **Invite additional team members**
  - Send email to support@folioinstitutional.com

Folio Institutional Support Lines

- **Advisor Direct Line** 1-888-230-5635
- **Email** info@folioinstitutional.com
- **Hours** Monday-Friday: 7:00 a.m.– 12:00 a.m. ET
  Saturday-Sunday: 8:00 a.m. – 4:00 p.m. ET

Thank you for joining us!

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