

Services and Compensation Disclosure

Updated as of 06/01/2021

Guide to Fees and Services

This disclosure is being provided to satisfy the Department of Labor's fee disclosure requirements under section 408(b)(2) of the Employee Retirement Income Security Act of 1974 (ERISA). This disclosure contains a description of services provided to the plan and/or its participants as well as sources of compensation received by us or our affiliates. We realize not all plans are subject to this requirement. We are providing this disclosure to all plans, regardless of our regulatory obligation, in order to provide greater transparency of our fees and services.

The terms "participant," "you," and "your" are used throughout this document to refer to the person(s) or organization(s) who engage us for the services described herein. The terms "we," "our," and "us" refer to Carolinas Investment Consulting LLC together with our affiliates.

I. Description of Services

We may provide some or all of the following services to the plan:

Investment services, including establishing objectives, asset allocation analysis, investment policy statement review and design: We may assist you in preparing an Investment Policy Statement and establishing your investment objectives, policies and constraints, risk tolerance, and appropriate benchmarks. You will be responsible for review and final approval of the Investment Policy Statement and resolve any questions with your Financial Advisor prior to approving it. No assurance has been or can be given that you will achieve the investment objectives reflected in your Investment Policy Statement.

Investment Manager and Mutual Fund evaluation, search and selection and ongoing Investment Manager review and due diligence: We may provide recommendations and investment research to assist in determining plan investment options and portfolio design. We may also provide ongoing evaluation of selected investment managers and mutual funds.

Investment Performance Review: We may provide reports on a periodic basis outlining performance history for the investments held within the plan. These reports may include a combination of: Market Commentary; Plan Asset Allocation Summary; Risk and Return Analysis; Investment Cost Analysis; Investment Research; and overall review for comparison to the Investment Policy Statement and stated market benchmarks.

Plan Services: We may provide general plan services, such as reviewing the plan features and operations in connection with plan goals and objectives, and educating plan fiduciaries and plan sponsors on general guidelines, information and investment alternatives. In addition, we may assist in the coordination of services with Third Party Administrators and/or Actuaries.

Employee Services: We may provide services to the plan participants to build awareness of the benefits and features of your retirement plan. These services may include: Conducting Enrollment Meetings; Assistance with Overall Investment Education; as well as promoting Retirement Readiness.

Important Note: The information included in this disclosure describes the services that we would expect to provide to you with respect to the plan. The disclosure is not intended as, and does not constitute an agreement for, services from the firm, and it does not create a contractual relationship or provide any type of guarantee with respect to the pricing of any services. Any future services relating to the plan would be

provided in consultation with you, and they would be subject to your cooperation, and reporting of timely and accurate information by us.

We do not act as a fiduciary or registered investment advisor for the plan unless we have entered into an Advisory Agreement with you which explicitly provides that we will act as a fiduciary.

II. Compensation

We may receive direct and indirect compensation in connection with plan accounts. Direct compensation is taken directly from the affected account. Indirect compensation is compensation paid other than directly from the account and may impact the value of the associated investment in your account. The sections below describe the direct and indirect compensation that we receive in connection with various investments that may be available to you in connection with our services. In many cases, the descriptions that follow refer to a prospectus or offering documents.

A. Investment Company Directly Held and Recordkeeping Agreements

Your plan may be funded by a group annuity contract or held under a recordkeeping agreement. In such cases, we provide brokerage services for the plan, including investment of plan assets and ongoing support and services for the brokerage related servicing. We receive compensation from the mutual fund or insurance company. In many cases, the prospectus, policy or contract should be referred to for more details and a description of the amount and payment frequency of all fees and expenses charged and paid by the fund or company.

1. 12b-1/Shareholder Service Fees

Annual 12b-1 fees, also known as trails, are paid by the fund and paid to us out of fund assets, under a distribution and servicing arrangement, to cover distribution expenses and sometimes shareholder service expenses that we may provide on the fund's behalf. Shareholder servicing fees are paid to respond to investor inquiries and provide investors with information about their investments. These fees are asset based fees charged by the fund family. These fees vary but the majority of these fees are under 1%. These fees may be passed on to us and may in turn be passed on to your Financial Advisor as a commission.

2. Front-end Sales Charge Fees/Contingent Deferred Sales Charges (CDSC)

Front-end sales charge fees may be charged and paid to us when you purchase a fund. The front-end sales charge is deducted from the initial investment on certain share classes. This charge normally ranges from 0% to 5%. Some purchases may qualify for a reduced front-end sales charge due to breakpoint discounts based on the amount of the transaction and rights of accumulation.

CDSC is a charge you pay upon withdrawal of money from a fund prior to the end of the fund's CDSC period. CDSC charges normally range from 0% to 5%. CDSC periods can range from 0 to 10 years. This charge typically only exists on share classes that do not have a front-end sales charge. It is sometimes referred to as the back-end load. CDSCs are not charged when you purchase a fund. The fee charged will depend on the share class purchased by the investor.

You can find a description of the amount and payment frequency of all fees and expenses charged and paid by the fund in the fund's prospectus. Fees and expenses disclosed in the fund's prospectus are charged against the investment values of the fund.

B. Annuities

Our annuities consist of fixed, index and variable annuities. Under arrangements with insurance companies, we receive commissions from the insurance companies for the sale of annuities, as well as trail commissions, and they are considered indirect compensation. Commissions and trails paid to us vary by share class and may vary by insurance carrier. Within variable annuities there are usually multiple commission options a Financial Advisor can select. The annual fees and charges on the contract that will be paid in the aggregate are not affected by the commission option selected by your Financial Advisor. In general, the greater the commission paid, the lower the trail; and the lower the commission, the greater the trail. For specifics regarding the exact option chosen for a particular annuity contact your Financial Advisor.

For fixed, index and variable contract annuities, commission options range from 0% to 7% while trail commission options range from 0% to 5%.

C. Training and Education

Money managers and mutual fund families may provide training and education compensation to offset or reimburse us for costs incurred in conducting comprehensive training and educational meetings for our Financial Advisors. These meetings or events are held to educate Financial Advisors on product characteristics, suitability, and various other topics.

From time to time, managers or product providers will reimburse us for expenses incurred in connection with conducting training and educational meetings, conferences or seminars for Financial Advisors and participants. Also, Financial Advisors may receive promotional items, meals or entertainment or other non-cash compensation from product providers.

Although training and education compensation is not related to individual transactions or assets held in participant accounts, it is important to understand that, due to the total number of product providers whose products are offered by us, it is not possible for all companies to participate in a single meeting or event. Consequently, those product providers that do participate in training or educational meetings, seminars or other events gain an opportunity to build relationships with Financial Advisors; these relationships could lead to sales of that particular company's products.

We receive varying amounts of training and education compensation from companies. There are also some companies that do not provide any training and education compensation to us.

D. Fees Payable Among Unaffiliated Parties

1. Accounts Carried by Charles Schwab & Co and Fidelity Institutional Wealth Services

With respect to advisory accounts held at Schwab and Fidelity, through our affiliated registered investment advisor, Carolinas Wealth Consulting LLC, any brokerage services provided to the plan's participants are provided by such corresponding custodian. Both Schwab and Fidelity perform trade execution, clearing, and other related services. Both Schwab and Fidelity receive compensation for their services and trade execution and will issue a separate disclosure report to plan sponsors.

III. Participant Information Required under ERISA 404(a)

To the extent that you or another plan fiduciary must provide certain fee information to plan participants as required by ERISA Section 404(a), this disclosure document contains information that you may need to describe any “brokerage windows” or “self-directed brokerage accounts” available as participant investment options in your plan. In addition, the regular account statements and confirmation statements sent to you by the Annuity Company, Investment Company, or Custodian in connection with participant accounts will contain information about fees and expenses that are charged at the account level. However, please note that neither this document nor any other account or confirmation statements provided by us is intended to satisfy your requirements of ERISA Section 404(a). Therefore, you will need to review the information contained in those documents to determine if other supplementary information must also be provided.

If you have questions or need additional copies of this disclosure, please contact us by mail: Carolinas Investment Consulting LLC, 5605 Carnegie Blvd. Suite 400, Charlotte, NC 28209 or by telephone: 800-255-2904.