

Advisor Managed

The Advisor Managed sleeve is intended for those accounts that hold other securities, including stocks, bonds, mutual funds, ETFs, cash, etc. that the advisor manages outside of our models. This sleeve also includes models that have been approved by AEW and are directly managed by advisors. Additionally, this sleeve serves as a catch-all for any assets not accounted for in an initial allocation. In these cases, these securities will be placed in this sleeve by default.

Key Features:

- Asset-based pricing
- Client cost = 30 bps + Advisor's annual fee (**additional custodial fees may apply*)
- Advisor is responsible for allocation and maintaining adequate cash for billing
- Models must be pre-approved by AEW Investment Committee

Fee Addendum:

The example below is the best practice for identifying Advisor-Managed accounts on the AEW Fee Addendum:

Unless otherwise specified in the schedule below, the fee for all household accounts will be 1.5 ^(REQ)

FOR ANY SPECIFIC MODEL/SLEEVE/ACCOUNT FEES, PLEASE DESIGNATE BELOW:

(example: models with an upcharge, Alternatives, reporting only accounts)

Regardless of whether wrap fee pricing was selected on the Client Agreement, accounts marked as transactional on the table below will be billed on a transactional basis (this means that brokerage commissions and/or transaction fees will be separately charged by the custodian per transaction and charged directly to Client by the custodian). Transactional pricing is set by the custodian and may be changed pursuant to the custodian's policies.

Account	Designation	IAR Fee + Platform Fee	Model Manager Fee	Total Advisory Fee	Transactional (yes or no)
	Advisor Managed	1.0	0	1.0	No

NOTE: In this example, the fee of 1.0% represents the overall fee to the client. The advisor would receive a 0.7% payout which is less the 30 bps platform fee.

If the Advisor-Managed account is not specifically indicated on the fee addendum, AEW will bill according to the overall household fee as indicated in Blue above.

Additional Information:

Residual assets will flow into the Managed Account sleeve systematically, not Advisor Managed.

Rebalancing of an Advisor-Managed model is possible if the weighting is set during the initial allocation.

The Fee Addendum does not constitute trade instructions and will not drive the allocation or labeling of these sleeves. Advisors will need to submit cases through the AEW platform or via a mass allocation spreadsheet to ensure accounts are set up according to the client's wishes.

AEW will begin billing once the allocations have been made. All accounts are billed monthly in areas based on the average daily balance.

Cash is NOT considered a billable asset.

*Additional fee's may include but are not limited to: Some additional custodial fees could include: Transaction (buys/sells) fees, transfer/re-registration fees, custody fees, pass-through (ADR) fees and short-term trading fees.

Billing Statement:

The example below represents how an Advisor-Managed account would reflect on the advisor's monthly billing statement:

Rep: Test Rep		Rep No: Sample		Broker/Dealer: Sample					
Billing Period: Sample									
Client Name	Mgmt Style	Custodian	Acct #	Billed Value	Days in Cycle	Fee Schedule	RIA	RIA Adj	RIA Total
Test Client 2	Advisor Managed	Fidelity	656-xxxxx Advisor	\$75,715.89	31/365	F100	\$45.01	\$0.00	\$45.01
Test Client 2	AEW Inst'l Alpha Income & Growth	Fidelity	656-xxxxx Income	\$98,596.99	31/365	F140	\$62.80	\$0.00	\$62.80
Client Total (Test Client 2):				\$174,312.88			\$107.82	\$0.00	\$107.82