

Lamon & Stern 408 (b)(2) Disclosure

Lamon & Stern

Disclosure Statement under ERISA Section 408(b)(2)

Pursuant to section 408(b)(2) of the Employee Retirement Security Act of 1974, as amended (“ERISA”), this Disclosure Statement contains information you should know about the services to be provided to your plan and the fees and compensation we expect to receive for those services. We, Lamon & Stern, provide this Disclosure Statement to support your determination that our compensation is reasonable in relation to the services we provide.

Lamon & Stern is registered with the U.S. Securities and Exchange Commission (“SEC”) as both a broker-dealer. Lamon & Stern provides financial products and services to customers.

Lamon & Stern may offer the following services to ERISA plans:

Lamon & Stern and your representative may make available “package” group retirement plans.

Lamon & Stern and your representative may provide consulting services for your plan.

Lamon & Stern and your representative may provide Wrap Fee Program services for your plan.

Lamon & Stern and your representative may provide brokerage services for your plan.

Your representative may provide third party administration for your plan.

Disclosures about our “package” group retirement plans; consulting, wrap fee, and brokerage services; and your representative’s third party administration services are provided below.

You should consider the disclosures appropriate to the services your plan is receiving from Lamon & Stern.

“Package” Group Retirement Plans

For more information about our “package” group retirement plans, please visit Lamon & Stern’s website (www.LamonAndStern.com).

Description of Services

Included in the brokerage services that we offer, Lamon & Stern also makes available “package” group retirement plans, which include group annuities or funding contracts and/or mutual funds.

As part of these services, we not only process transactions, but also maintain customer records, operate computer systems and other processes and procedures, support your representatives, observe SEC and other compliance requirements, and provide SIPC coverage, among other things.

We utilize Pershing LLC (“Pershing”) to provide trade execution and clearance services for a segment of our business. Products and services available through Pershing within the brokerage platform include, but are not limited to, stocks, bonds, exchange traded funds, options, mutual funds, unit investment trusts, annuities and various cash management services. In other cases, the providers of annuities, mutual funds or group retirement plan have arranged for a trading platform through which we access, trade and clear investments.

We may also provide certain consulting services related to your “package” group retirement plan. For additional information relating to consulting services that might be offered, please refer to pages 4-5 of this Disclosure Statement.

Our Status

In making available “package” group retirement plans, Lamon & Stern acts as your representative of a member firm of FINRA.

Our Compensation

For more detailed information, see Lamon & Stern's website (www.LamonAndStern.com).

If you require additional information relating to direct compensation received by Lamon & Stern, we will provide you with relevant portions of Lamon and Stern's Clearing Agreement with Pershing.

Direct Compensation. We may receive certain direct compensation relating to brokerage services offered to "package" group retirement plans. We may also receive certain direct compensation relating to consulting services offered to a "package" group retirement plan. The amount and manner of receipt of our compensation for services relating to "package" group retirement plans, including on termination of those services, is described in the plan document.

Compensation on Termination. We receive no compensation on termination of our brokerage services for your plan except:

As described in the Client Brokerage Fee Schedule for your plan; or

If the annuity or mutual fund in which your plan is invested includes a "contingent deferred sales charge" ("CDSC") or similar charge on redemption of or withdrawal from that investment, as described in the prospectus or other offering document for that investment. If applicable, upon redemption or withdrawal, the CDSC is generally rolled into the new plan on a case-by-case basis.

Either your plan or Lamon & Stern may terminate your agreement at any time. Lamon and Stern is entitled to any unpaid fee for services provided prior to termination. Your plan is entitled to a full refund of any prepaid, unearned fee.

Compensation for Affiliates or Subcontractors. In general, your representative's compensation is

A portion of the direct and indirect compensation received by Lamon & Stern (other than "partner" payments and remittances from Pershing), which varies with our arrangement with each representative. The sale of certain products may result in higher direct and indirect compensation to Lamon & Stern, and thus compensation to your representative; plus

If applicable, additional forms of deferred, incentive or other compensation.

Consulting Services

For more information about our consulting services plans, please visit Lamon & Stern's website (www.LamonAndStern.com).

Description of Services

We provide consulting services pursuant to an agreement with your plan. Our services include:

Enrollment and Participant Meetings. We hold group enrollment meetings to provide plan participants with education related to (1) plan features, (2) benefits and requirements of enrollment, (3) instructions on enrolling in the plan, and/or (4) participant investment education, including services to former plan participants as they separate from service. Investment education does not include individualized securities or allocation recommendations to plan participants.

General Education. We provide written updates regarding legal, regulatory, and financial issues relevant and material to the plan sponsor. All written materials are for general education purposes only and are not considered to be tax or legal advice.

Investment Policy Statement. We provide a written investment policy statement or evaluation and recommendations for any existing investment policy statement.

Plan Design or Replacement. We (1) provide written evaluation of and recommendation for the design of a new plan; (2) educate you regarding potential changes, updates or replacement of an existing plan; and/or (3) assist with replacing the current plan product, vendor and/or platform, including the preparation of a request for proposal ("RFP") in consultation with, and at the direction of, the plan sponsor, answering vendor or service provider questions regarding an RFP, and providing written evaluation of and recommendations on RFP responses.

Service Provider Liaison. We act as a liaison to service providers.

Our Status

In providing consulting services, Lamon & Stern acts as a broker-dealer member firm of FINRA and your representative acts a registered representative of that broker-dealer.

Our Compensation

Direct Compensation. The amount and manner of receipt of our compensation for consulting services, including on termination of those services, is described in your agreement.

Indirect Compensation. Lamon & Stern does not receive any form of indirect compensation in respect to its consulting services relating to a qualified plan.

Compensation on Termination. Either your plan or Lamon & Stern may terminate the your agreement at any time. Lamon & Stern is entitled to any unpaid fee for services provided prior to termination. Your plan is entitled to a full refund of any prepaid, unearned fee.

Compensation to Affiliates or Subcontractors. Your representative's compensation is:

A portion of the compensation received by Lamon & Stern for the consulting services, which varies with our arrangement with each representative; plus

If applicable, additional forms of deferred, incentive or other compensation.

End of Document.

Friday, October 21, 2016