



What you should know about Pearson Capital's management fee:

If assets under management exceed \$25,000, our management fee is one percent annually.

Smaller accounts below \$25,000 are assessed a fee of 2% annually.

We have any no additional entry or exit fees (loads) or service charges. Our management fee is extracted quarterly from the account at 25% of one percent.

Immediately following the quarterly management fee extraction, it is posted into your account history information available on line. It is also posted on your Waterhouse monthly statement.

First Quarter:.....January-February-March

Second Quarter.:April-May-June

Third Quarter:...July-August-September

Fourth Quarter:..October-November-December

(Example: \$100,000 under management, charging 1% fee/year would be a \$1,000 Divided in 4 quarterly billing periods, your fee would be \$250.00 per quarter.

Example: The fee extracted for Jan-Feb-March, 1st quarter, will be assessed by the amount of assets under management on the closing of the 4th quarter. The fee taken will be reflected on the TD Waterhouse statement for January. Arrangements can also be made to send a check semi-annually, rather than have the management fee extracted from the account. For those with two or more accounts, all management fees cans be charged to one account. Please call for additional information to learn more about these services.

A trading fee of \$15.00/per trade (sell or buy) is charged to your account and paid to TD Waterhouse where a part of your assets are held in an interest bearing money market account. Pearson Capital does not receive any part of the trading fee. TD Waterhouse does provide monthly statements recapping all activity. Every time a trade is made within your account you'll also receive written notification by mail arriving within three business days. For those requesting on-line account access, this service will be provided to you immediately by PCI. You can view your account history or performance at any time.