



City of Grand Island

Tuesday, March 08, 2011

Council Session

Item G15

**#2011-61 - Approving Investment Advisory Agreement with Smith
Hayes Advisers, Inc.**

Staff Contact: Mary Lou Brown

Council Agenda Memo

From: Mary Lou Brown, Finance Director

Meeting: March 8, 2011

Subject: Approval of Investment Advisory Agreement with Smith Hayes Advisers Inc.

Item #'s: G-15

Presenter(s): Mary Lou Brown, Finance Director

Background

Mr. Rod Cerny and Smith Hayes Advisers, Inc. have been the co-managers for the backstop funds to the pension obligations that are administered by Wells Fargo. Mr. Cerny, the day-to-day investment manager, was formerly with McCarthy Group Advisors (MGA). MGA was acquired by Westwood Holdings Group Inc. (Westwood) of Dallas, Texas last fall. That transition was approved by Council at the October 12, 2010 Council meeting.

Discussion

Mr. Cerny has recently moved from Westwood to Smith Hayes Advisers, Inc. and will be providing the same day-to-day investment management functions as in the past. As a result of this change, it is necessary that the investment funds be moved from Smith Hayes Financial Services to Smith Hayes Advisers, Inc. The attached Investment Advisory Agreement enables this change to occur.

The attached Investment Advisory Agreement directs Smith Hayes Advisers, Inc. to oversee the management, investment, reinvestment, buying, selling, brokerage and all other aspects of the assets contained in the portfolio. In addition, Smith Hayes Advisers, Inc. will have the right and power to make all decisions regarding the nature, amount and timing of purchase and sell decisions and will keep the City apprised of account information and provide general investment advice.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve the Investment Advisory Agreement with Smith Hayes Advisers Inc.
2. Postpone the issue to a future meeting.
3. Take no action.

Recommendation

City Administration recommends that the Council approve the Investment Advisory Agreement with Smith Hayes Advisers, Inc.

Sample Motion

Move to approve the Investment Advisory Agreement with Smith Hayes Advisers, Inc.

SMITH HAYES

Financial Services Corporation

Terence A. Millard
Vice President

February 3, 2011

Mary Lou Brown
Finance Director/City Treasurer
City of Grand Island
P.O. Box 1968
Grand Island, NE 68802-1968

Dear Mary Lou,

We are writing today to provide you with information about your investment account managed by Rod Cerny. As you know Rod was employed by McCarthy Group Advisors which was acquired by Westwood Holdings of Dallas, Texas last fall. Smith Hayes Advisers, Inc ("Smith Hayes") has been working with the folks at Westwood to ensure the seamless management of your account during this transition. We had hoped that things would continue without disruption to you.

However, on February 2, 2011 we were informed by Westwood that Rod Cerny would no longer be managing your accounts, and Westwood will be reaching out to each of you to sign paperwork to move your assets into one of their money management programs. We do not think a liquidation of your current account is in your best interest. We had only pursued the relationship with Westwood because of our confidence in Rod.

We have included paperwork necessary to terminate your relationship with Westwood Holdings. It is up to you to determine if you would like to continue your relationship with Smith Hayes, and to have your account managed in the same manner you are accustomed to, or move to the Westwood model. Your business is important to us, and we hope you will continue to do business with Smith Hayes. **If that is the choice you make please execute the enclosed paperwork and return to Smith Hayes.**

If you are unsure of which course is best for you at this time, please take the time you need to make this decision. Because your account is held with Smith Hayes, you are always able to call us and provide instructions on the assets in your account.

Sincerely,



Terence A. Millard
Vice President

1553 27th Avenue
Columbus, Nebraska 68602-0963
402-564-1878 888-881-1878 Fax 402-564-2753
Member NASD & SIPC

February 3, 2011

Westwood Management Corp
1125 South 103rd Street, Suite 580
Omaha, NE 68124

Client Account Registration – City of Grand Island Firefighters Fund

To Westwood Holdings:

This letter has been sent to inform you that I wish to terminate any and all management, advisory or sub-advisory agreements with Westwood holding Group, Inc. or any of its affiliates. This letter is effective immediately upon receipt by your firm.

Sincerely,
City of Grand Island, Nebraska

Finance Director/City Treasurer

Date

This INVESTMENT ADVISORY AGREEMENT ("Agreement") is made as of , 20 11
between SMITH HAYES Advisers Inc. (the "ADVISER"), a Nebraska corporation and a registered investment adviser, and
City of Grand Island ("Client").

NOW THEREFORE, for good and valuable consideration, ADVISER and Client agree as follows:

1. Investment Advisory Relationship. Client hereby engages ADVISER to provide investment advisory services to Client for the Portfolio and ADVISER hereby accepts such engagement, subject to and upon the terms and conditions set forth herein.

2. Permitted Investments. Subject to Schedule I and any other applicable written limitations provided by Client, the Portfolio may be invested in every type and kind of corporate common and preferred stocks, options, warrants, rights, debt obligations, corporate and government bonds and notes, mutual and money market funds and all such other securities and assets as Client may hereafter direct to ADVISER in writing from time to time. All or a portion of the Portfolio may also be held in cash or cash equivalents.

3. Investment Advisory Services. ADVISER shall conduct periodic reviews, and in light of Client's investment objectives, provide general investment advice to Client from time to time. To enable ADVISER to provide such investment advisory services, Client shall develop with ADVISER or provide to ADVISER a written statement setting forth Client's investment objectives and any restriction constraining the management or investment of the Portfolio. Client shall provide ADVISER written directions regarding any revision of its investment objective and restrictions applicable to the Portfolio.

4. Discretionary/Non Discretionary Basis. It is agreed that Client's Account shall be managed by ADVISER in the following manner [choose one alternative]:

- ☐ (i) Advisory I Account. Adviser shall from time to time make recommendations to Client regarding specific purchases and sales for the Client's portfolio. All purchases and sales for the Client's portfolio shall be solely at the Client's direction. Adviser shall from time to time also review and make recommendations to Client regarding the allocation of exposure in equity and debt securities, foreign and domestic securities, mutual funds and cash or cash equivalents.
- ☒ (ii) Advisory II Account. ADVISER shall in its sole and absolute discretion, as Client's agent and attorney in fact and without further direction or ratification from Client, direct the management, investment, reinvestment, buying, selling, brokerage, and all other aspects of the assets contained in the Portfolio. ADVISER's power hereunder includes, without limitation, the right and power to make all decisions regarding the nature, amount and timing of purchase and sell decisions.

5. Brokerage of the Portfolio. Unless Client specifically directs otherwise in writing, ADVISER shall select the entities that will provide brokerage and execution services for the purchase and sale of the assets comprising the Portfolio. ADVISER anticipates that its affiliate, SMITH HAYES Financial Services Corporation ("SMITH HAYES"), will generally provide all brokerage and execution services through SMITH HAYES' clearing broker-dealer. SMITH HAYES will act as agent to Client on all brokerage transactions except when SMITH HAYES acts as a dealer in the execution of fixed income securities. If appropriate, and with the Client's authorization, transactions may be executed by SMITH HAYES as "principal." Any commissions charged by SMITH HAYES will be prominently disclosed on the trade confirmations. If the Client chooses not to conduct its transactions through SMITH HAYES, any following references in

this Agreement to SMITH HAYES will refer to the Client's selected broker-dealer. If appropriate and with notice provided to clients SMITH HAYES may execute cross transactions with among clients. Client authorizes SMITH HAYES to conduct such transactions. Client is hereby notified that their written consent to conduct cross transactions may be revoked at any time by providing written notice to their investment advisory representative.

Trades initiated by any investment adviser representative of the Adviser in securities recommended by the Adviser or by the investment adviser representative shall be placed only after the recommendation is communicated to those clients for which the recommendation is appropriate given their investment objectives and policies and then only after such clients have been given a reasonable time that day to place an order of the security. At times, ADVISER and SMITH HAYES may aggregate client orders to obtain lower execution costs and better fill prices. It is also possible that the ADVISER'S and SMITH HAYES employees' personal trades, if any may be included in such bundled trades. Upon execution of such bundled trades, orders will be averaged, priced and rebilled to the appropriate client's account. Partial executions will be allocated on a pro rata basis. No client will be favored over another.

6. Custody of Portfolio. ADVISER shall have the authority, in its sole discretion, to have the Client's securities which are subject to this Agreement held in "street name" or the Client's name by whatever clearing agency, broker, dealer, custodian or other depository it shall choose.

7. Fee for ADVISER's Services. It is agreed that [choose one alternative]:

- ☐ (i) ADVISER's fee shall be paid by Client by check from resources outside of the Portfolio.
- ☒ (ii) ADVISER's fee shall be paid out of the assets comprising the Portfolio.

In consideration of the investment advisory services described in Section 3 above, ADVISER shall be paid fees in accordance with the Fee Schedule attached hereto as Schedule II, or as otherwise set forth on Exhibit A. If option (i) above is selected such fee shall be paid within 14 days of the date of ADVISER's billing, and if such fee is not paid promptly, ADVISER may deduct the amount of the unpaid fee from the Account. If option (ii) above is selected, such fee shall be deducted from the account promptly after the start of the subject billing term.

8. Client Acknowledgment. Client understands that ADVISER assumes no responsibility other than to render the services called for hereunder in accordance with ADVISER's best judgment, and ADVISER does not imply or guarantee profits or freedom from loss in connection with its activities with respect to the Portfolio. Client understands that the ADVISER will be acting in a similar capacity for other customers who may or may not be similarly situated as is Client and have similar investment objectives, and that the account activity for such other customers (including those who are similarly situated) may differ in kind and quantity from those taken with respect to Client's Portfolio.

Client also acknowledges and understands that ADVISER may make recommendations with respect to securities of issuers of which ADVISER or SMITH HAYES, its officers, directors, employees or affiliates may (i) be directors, officers, financial advisers or consultants, or (ii) own securities of or otherwise have a financial interest therein.

9. Client Authority. If client is not a natural person, the individual executing and delivering this Agreement on behalf of Client hereby represents and warrants in their individual capacity that (i) the individual has the authority to bind Client, and (ii) Client possesses the requisite power and authority to enter into this Agreement. The individual executing this Agreement and Client further represent and warrant that Client's contemplated investment activities hereunder are in compliance with, and do not violate, any laws, regulations, and agreements applicable to Client.

10. Purchase Order Settlements. When Client has directed that a security be purchased, Client agrees to provide sufficient funds to cover such purchase on the settlement date. In the event Client fails to provide sufficient funds, SMITH HAYES may, at its option and without notice to Client, (i) settle on behalf of Client and collect the settlement amount and a reasonable rate of interest from Client, (ii) liquidate the security subject of the purchase order and recover any losses from Client or (iii) sell other assets owned by Client and held in any Account and recover any consequential loss from Client.

INVESTMENT ADVISORY AGREEMENT

11. Temporary Investment. Without in any way limiting any discretion otherwise given by Client to ADVISER hereunder or elsewhere, Client authorizes ADVISER to invest from time to time the free credit balances in any Account. Any such temporary investment shall be made in preselected money market funds and will accrue interest to the Client's benefit. Interest shall not accrue to and will not be paid on any non-invested free credit balances in an Account.

12. Reports and Communications. Client agrees that confirmations of orders and statements of Client's Account shall be considered to be accurate reflections of the activity subject of such reports, unless, within ten (10) days following receipt thereof, Client shall object to ADVISER. Such objection may be oral or in writing, but any oral objection must be immediately confirmed in writing by Client.

Portfolio Value for securities listed on a national securities exchange shall be valued at the last quoted sale price as of the applicable valuation date and all other assets comprising the Portfolio shall be valued in a manner determined in good faith by SMITH HAYES and to reflect fair market value.

13. Security Interest. As security for any and all liability of Client arising in favor of ADVISER, Client pledges to ADVISER a security interest and lien in all property held by the custodian in any account managed by ADVISER for Client. ADVISER is hereby authorized to make whatever disposition of pledged property it may deem appropriate to realize the security afforded by this provision. Client further agrees that ADVISER shall be entitled to exercise the rights and remedies in respect of the pledged property generally afforded a secured party under the Nebraska Uniform Commercial Code.

14. Proxy Voting. All securities of the Portfolio shall continue to be voted by Client unless ADVISER receives written instructions from Client directing ADVISER to exercise such voting privileges. Notwithstanding the receipt of such instructions, ADVISER may, upon written notice to Client, decline to accept responsibility for voting any securities of the Portfolio.

15. Dividends/Interest. All dividends and interest with respect to the securities in the Portfolio shall remain in and become part of the Portfolio (rather than being paid outside of the Portfolio directly to Client), unless otherwise stipulated in writing by Client.

16. Assignment and Termination. No assignment of this Agreement shall be made by ADVISER or Client without the prior consent of the other. Either Client or ADVISER may terminate this Agreement at any time by giving written notice of termination to the other, at which time all prorated fees (if previously received by ADVISER) for the incomplete portion of the subject quarter shall become due and payable to the Client. In addition, Client may terminate this Agreement upon notice given to ADVISER at any time within five (5) business days from the date of this Agreement without penalty.

17. Arbitration Disclosure. This agreement contains a predispute arbitration clause. By signing an arbitration agreement the parties agree as follows:

- a. All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed
- b. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- c. The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- d. The arbitrators do not have to explain the reason(s) for their award.

INVESTMENT ADVISORY AGREEMENT

- e. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- f. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- g. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class action who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

18. **Arbitration.** To the fullest extent allowed by law, any controversy or claim arising out of or relating to this Agreement shall be settled by arbitration in or as near to the Client or Lincoln, Nebraska, as is reasonably possible in accordance with the rules then in effect by one of the following arbitration tribunals: (i) the National Association of Securities Dealers, Inc., or (ii) the American Arbitration Association. Client understands that upon ADVISER's written demand, Client must select the arbitration tribunal within 10 calendar days after demand is made. Client agrees to provide written evidence (via certified mail) of that selection to ADVISER within said 10 days. If Client does not timely select the arbitration tribunal and inform ADVISER, then ADVISER may select the arbitration tribunal by notifying Client of ADVISER's selection in writing by certified mail. Client agrees that any judgment upon an award rendered by arbitration may be entered in any court having proper jurisdiction.

19. **Applicable Regulations.** All transactions made by ADVISER on behalf of Client pursuant to this Agreement are subject to applicable federal and state laws, and to the constitution, rules, regulations, customs and usage of the exchange or market (and its clearing house) here executed.

20. **Miscellaneous Provisions.**

ADVISER shall be entitled to act upon oral instruction given by Client so long as ADVISER reasonably believes such instruction was actually given by Client.

This Agreement shall be governed by the laws of the State of Nebraska. This Agreement shall bind Client's heirs, assigns, executors, successors, conservators and administrators, and inure to the benefit of ADVISER's successors and assigns. If any provision of this Agreement shall be determined to be invalid or without legal effect, the remaining provisions shall retain their respective force and effect.

In compliance with SEC Rule 14B-1 (c), unless Client provides a written objection, the custodian of the portfolio may release Client's name, address and security position to requesting companies in which Client holds securities.

No provision of this Agreement may be altered, changed or revised except by a written instrument signed by both parties.

Notwithstanding the provisions set forth in Section 13, in the event the Account is an Individual Retirement Account, or is governed by ERISA, then the assets comprising the Portfolio shall not be pledged as security for a loan and may not be assigned, transferred or otherwise encumbered, and no benefit, right or interest of Client shall in any way be subject to any legal process of execution, garnishment or attachment.

INVESTMENT ADVISORY AGREEMENT

If Client shall (i) become associated with a stock exchange or FINRA member firm or bank, trust company, insurance company or other financial institution, or (ii) become related to an employee or agent of ADVISER or SMITH HAYES, or (iii) become an officer, director or 10% stockholder of any publicly traded company, then Client agrees to inform SMITH HAYES in writing immediately.

No person, except Client, has any interest in the Account opened pursuant to this Agreement.

Client acknowledges that Client has received and reviewed Part II of ADVISER's Form ADV prior to the date of execution of this Agreement.

INVESTMENT ADVISORY AGREEMENT

AUTHORIZATION TO DEBIT ACCOUNT FOR PAYMENT OF FEE – If you have elected to have your fee payment debited out of your advisory account discussed in Section 7 of the Agreement, your signature below will serve as your acknowledgement and authorization of such election.

AUTHORIZATION TO RECEIVE PROSPECTUS VIA ELECTRONIC DELIVERY – SMITH HAYES may elect to deliver prospectuses to you via an electronic format. Generally, this will mean via cd rom or e-mail. Your signature below will serve as your acknowledgement and authorization of such election. If you would prefer to receive prospectuses via paper copy you may revoke this authorization by providing written notice to your investment adviser representative.

THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE (PAGE 5) WHICH CLIENT HAS READ.

ACCEPTANCE BY CLIENT

Client Name: City of Grand Island

Signature: _____

Dated: _____

Account Number: _____

If joint account:

Client Name: _____

Signature: _____

Dated: _____

ACCEPTANCE BY SMITH HAYES ADVISERS, INC.

Client Elects to Receive Transaction Confirmations: ☐ Daily ☐ Quarterly

Fee: .75

If charging less than the minimum required fee please indicate and provide the reason:

Investment Adviser Name: Terence A. Millard

Investment Adviser Signature: _____

Dated: _____

Principal Approval: _____

INVESTMENT ADVISORY AGREEMENT

SCHEDULE I

NAME: City of Grand Island

ACCOUNT NUMBER: _____

ADDRESS: P.O. Box 1968
Grand Island, NE 68802-1968

INITIAL ASSETS

CASH: \$ (ALL)

SECURITIES: (ALL) transfer from account K3X083127

ADDITIONAL COMMENTS: _____

Unsupervised Assets

I understand the following with respect to those securities listed below and held in my account, served by Smith Hayes Advisers, Inc.:

_____	_____
_____	_____
_____	_____
_____	_____

- 1) The securities holdings listed as unsupervised assets are included on the consolidated account statement for informational purposes only.
- 2) Smith Hayes Advisers, Inc. is **not** managing, monitoring or providing advice regarding the securities holdings listed in the Unsupervised Assets section of the agreement.
- 3) Smith Hayes Advisers, Inc. is not charging an investment advisory fee for these securities holdings.

INVESTMENT ADVISORY AGREEMENT

SCHEDULE II

FEE SCHEDULE

The fee charged for the investment advisory services hereunder is based upon the fair market value as of the last business day of a calendar quarter, on the assets contained in the Portfolio. However, there is a minimum annual fee of \$1,000.00. Fees may be negotiated and may be adjusted on a sliding scale based on the size of the account. The fees stated below reflect the annual fees. Fees are billed and charged on a quarterly basis. The securities in this account are subject to the following maximum investment advisory fees:

Choose option A, B or C. You must complete the chosen section completely.

A.

Fee	
Equity Positions	_____ %
Fixed Income Positions	_____ %
Mutual Fund Positions	_____ %
Cash/ Cash Equivalents	_____ %
Other	_____ %

***If choosing the above option, a fee must be indicated for each category. You cannot charge 0% for any category.**

B.

Fee	
Advisory Fee for entire account	<u>.75</u> %

C.

Fee	
\$ _____ to \$ _____	_____ %
\$ _____ to \$ _____	_____ %
\$ _____ to \$ _____	_____ %

Fees for quarters when ADVISER does not provide investment advisory services for the entire quarter (i.e. those instances when the account is opened on a date other than the beginning of a calendar quarter or closed on a date other than the end of a calendar quarter) shall be pro-rated based on the number of days that this Agreement was in effect during the quarter and the total number of days in the quarter.

The advisory fees set forth above do not include charges for exchange fees, transfer taxes, and interest charges on debit balances (whether pursuant to a margin agreement or otherwise), wire transfer charges. IRA set up or termination charges, postage and handling charges and similar charges imposed on trades in securities which are additional charges that Client pays in connection with any brokerage account maintained at SMITH HAYES and or, National Financial Services Corporation or any other broker dealer that holds Clients funds and securities. See Exhibit A for additional Fee information.

INVESTMENT ADVISORY AGREEMENT

The Client is aware that should they hold any variable products, mutual funds, money market funds or similar funds, certain fees are separately charged by these products and funds in accordance with the product's and funds' prospectuses. Please refer to ADVISER's Schedule F for more discussion regarding commissions, fees and cost that may be associated with an advisory account.

For purposes of determining the fees customers are charged, the Portfolio Value for securities listed on a national securities exchange shall be valued at the last quoted sale price as of the applicable valuation date and all other assets comprising the Portfolio shall be valued in a manner determined in good faith by ADVISER to reflect the fair market value of the assets.

INVESTMENT ADVISORY AGREEMENT

EXHIBIT A

NEGOTIATED NON-WRAP ACCOUNT TERMS AND FEES

The custodian of the Portfolio is National Financial Services or other clearing brokers or custodians. Such custodians may impose fees for services rendered. Such fees include but are not limited to: postage and handling charges, asset transfer, legal, wire charges, annual IRA fees, account termination fees, debit card, check writing, insufficient funds fee, alternative investment fees, and overnight delivery fees. All confirmed trades are subject to postage and handling charges. SMITH HAYES may be re-allowed a portion of these fees by National Financial Services or such other custodians or clearing brokers.

INVESTMENT ADVISORY AGREEMENT

LIMITED POWER OF ATTORNEY – TRADING AUTHORIZATION

Limited to Purchase and Sales of Securities by:

SMITH HAYES Financial Services Corporation and/or
SMITH HAYES Advisers, Inc.
P.O. Box 83000
Lincoln NE 6850 1-3000

The undersigned hereby authorizes Terence A. Millard ("Agent") (whose signature appears below) as his/her agent and attorney in fact to buy, sell (including short sales) and trade in stocks, bonds, options and any other securities and/or contracts relating to the same, on margin or otherwise, in accordance with the terms and conditions of the undersigned's account at SMITH HAYES Financial Services Corporation or SMITH HAYES Advisers, Inc. (collectively "SMITH HAYES"). The undersigned agrees to indemnify and hold SMITH HAYES harmless from, and to pay SMITH HAYES promptly on demand, any and all losses arising there from or debit balance due in the undersigned account.

SMITH HAYES is authorized to follow the instructions of the Agent in every respect concerning the undersigned's account. The Agent is authorized to act in the undersigned's behalf in the same manner and with the same force and effect as the undersigned might or could do.

The undersigned ratifies and confirms any and all transactions previously made by the Agent for the undersigned's account.

This authorization and indemnity is in addition to (and in no way limits or restricts) any rights which SMITH HAYES may have under any other agreements with the undersigned.

This authorization and indemnity is continuing and shall remain in full force and effect until revoked by the undersigned by a written notice addressed to SMITH HAYES at the address listed above, but such revocation shall not effect any liability in any way resulting from transactions initiated prior to such revocation. This authorization and indemnity shall inure to the benefit of SMITH HAYES and its heirs and assigns.

Client Name: City of Grand Island

Signature: _____

Dated: _____

If joint account:

Client Name: _____

Signature: _____

Dated: _____

Authorized Agent Name: Terence A. Millard

Authorized Agent Signature: _____

Dated: _____

For Branch Use Only		
K3U		
BRANCH PREFIX	ACCOUNT NO.	
541	541	
RR	RR2	AGENCY
Are Holders Employees of your B/D? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		

BROKERAGE ACCOUNT APPLICATION

Important Information To help the government fight the funding of terrorism and money-laundering activities, Federal law and contractual obligations to National Financial Services LLC ("NFS") require that your Broker/Dealer verify your identity by obtaining your name, date of birth, address, and a government-issued identification number before opening your account. In certain circumstances, your Broker/Dealer may obtain and verify this information with respect to any person(s) authorized to effect transactions in an account. For certain entities, such as trusts, estates, corporations, partnerships, or other organizations, identifying documentation is also required. Your account may be restricted and/or closed if your Broker/Dealer cannot verify this information. Neither your Broker/Dealer nor NFS will be responsible for any losses or damages (including, but not limited to, lost opportunities) resulting from any failure to provide this information, or from any restriction placed upon, or closing of, your account.

► All items marked with this symbol are required. Applications that are missing required information will not be processed.

1. ACCOUNT SETUP

You must indicate an account type (either personal or entity). Types of ownership are governed by the laws of your state of residence. If you need information about which are appropriate in your state, please consult your state tax officials or your tax advisor. Additional paperwork is required for estate or entity accounts.

► No. of Account Holders: _____ Owners, trustees, custodians, authorized individuals

Personal Accounts

- | | | |
|--|--|--|
| <input type="checkbox"/> Individual | Transfer on Death: | Custodial: |
| Joint: | <input type="checkbox"/> TOD – Individual | <input type="checkbox"/> UGMA |
| <input type="checkbox"/> Tenants with Rights of Survivorship | <input type="checkbox"/> TOD – Joint Tenants with Rights of Survivorship | <input type="checkbox"/> UTMA |
| <input type="checkbox"/> Tenants in Common | <input type="checkbox"/> TOD – Joint Tenants in Entirety | Estate: |
| <input type="checkbox"/> Tenants in Entirety | | <input type="checkbox"/> Administrator |
| <input type="checkbox"/> Community Property | | <input type="checkbox"/> Executor |
| <input type="checkbox"/> Usufruct | | <input type="checkbox"/> Personal Representative |

Entity Accounts

- | | | |
|--|--|--------------------------------|
| <input checked="" type="checkbox"/> Corporation | Trust: | Non-Prototype: |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Under Agreement | <input type="checkbox"/> IRA |
| <input type="checkbox"/> Unincorporated Association | <input type="checkbox"/> Under Will | <input type="checkbox"/> Plan |
| <input type="checkbox"/> Limited Liability Company | | <input type="checkbox"/> Trust |
| Enter the tax classification (D = disregarded entity, C = corporation, P = partnership): _____ | <input type="checkbox"/> Other: _____ | |

For entity accounts, complete the Primary Account Holder section below for one authorized individual associated with the account. Provide entity details in Section 3.

2. PRIMARY ACCOUNT HOLDER

Provide personal information on the primary individual associated with this account.

Personal Information

For Tenants in Common, indicate this owner's share: _____

► FULL LEGAL NAME <i>first, middle, last</i>		► DATE OF BIRTH <i>mm/dd/yyyy</i>
DAY PHONE		EVENING PHONE
E-MAIL		
<input type="checkbox"/> Single/Divorced/Widowed	<input type="checkbox"/> Married	No. of Dependents: _____
► Legal Address <i>No P.O. boxes</i>		
ADDRESS LINE 1		
ADDRESS LINE 2		
CITY	STATE/PROVINCE	ZIP/POSTAL CODE
USA		
COUNTRY		

USA		
► COUNTRY OF CITIZENSHIP		
<input type="checkbox"/> SOCIAL SECURITY NO.	<input type="checkbox"/> TAXPAYER ID NO.	► COUNTRY OF TAX RESIDENCE
► TYPE OF GOVERNMENT-ISSUED ID		► ID NUMBER
► STATE/COUNTRY OF ID ISSUANCE	► ID ISSUANCE DATE	► ID EXPIRATION DATE
► Mailing Address <input type="checkbox"/> Same as Legal Address		
ADDRESS LINE 1		
ADDRESS LINE 2		
CITY	STATE/PROVINCE	ZIP/POSTAL CODE
COUNTRY		

PRIMARY ACCOUNT HOLDER *continued*

ACCOUNT NUMBER

Employer Information and Affiliations *Attach additional sheet if needed.*► Employment Status ☐ Employed ☐ Retired ☐ Not EmployedOCCUPATION INCOME SOURCE *If retired or not employed*

EMPLOYER NAME

ADDRESS LINE 1

ADDRESS LINE 2

CITY STATE/PROVINCE ZIP COUNTRY USA► ☐ I am ☒ I am not a senior foreign political figure, or a family member or close relative of a senior foreign political figure.

List additional account holders in Section 7.

► ☐ Check this box if you are a control person or affiliate or an immediate family/household member of a control person or affiliate of a publicly traded company under SEC Rule 144 (this would include, but is not limited to, a director, 10% shareholder, policy-making officer, and members of the board of directors). If yes, provide name of company:

COMPANY NAME

COMPANY SYMBOL/CUSIP

► ☐ Check this box if you are affiliated with, or employed by, a stock exchange, or a member firm of an exchange or Financial Industry Regulatory Authority (FINRA), or a municipal securities dealer. If yes, provide name of entity:☐ Same as My Employer.

AFFILIATED ENTITY NAME

ADDRESS LINE 1

ADDRESS LINE 2

CITY STATE/PROVINCE ZIP COUNTRY

3. ENTITY ACCOUNT INFORMATION

This section is only required for entity accounts. For additional holders, go to section 7 or 8.

► ENTITY NAME City of Grand Island Firefighters Fund
► TAX ID NUMBER 47-6006205 COUNTRY OF TAX RESIDENCE USA► Legal Address *No P.O. boxes*ADDRESS LINE 1 100 E. 1st StreetADDRESS LINE 2 Grand Island, NE 68802
CITY STATE/PROVINCE ZIP/POSTAL CODECOUNTRY USA► COUNTRY OF ORGANIZATION USA TRUST DATE *Required for Trusts*
► ENTITY ID DOCUMENT STATE/COUNTRY OF ID ISSUANCE► Mailing Address ☐ Same as Legal AddressADDRESS LINE 1 P.O. Box 1968ADDRESS LINE 2 Grand Island, NE 68802
CITY STATE/PROVINCE ZIP/POSTAL CODECOUNTRY USA

4. SUITABILITY

Financial Profile *For joint accounts, provide combined information.*

► Annual Income

From all sources

- ☐
- Under \$25,000
-
- ☐
- \$25,000 - \$50,000
-
- ☐
- \$50,001 - \$100,000
-
- ☐
- Over \$100,000

\$

► Estimated Net Worth

Excluding primary residence

- ☐
- Under \$50,000
-
- ☐
- \$50,000 - \$100,000
-
- ☐
- \$100,001 - \$500,000
-
- ☐
- Over \$500,000

\$

► Investable/Liquid Assets

Including cash and securities

- ☐
- Under \$50,000
-
- ☐
- \$50,000 - \$100,000
-
- ☐
- \$100,001 - \$500,000
-
- ☐
- Over \$500,000

\$

► Federal Tax Bracket

- ☐
- 15% or below
-
- ☐
- 25% to 27.5%
-
- ☐
- 27.5% or above

Account Funding Source

- ☐
- Asset appreciation
-
- ☐
- Business revenue
-
- ☐
- Inheritance
-
- ☐
- Legal/insurance settlement
-
- ☐
- Sale of assets
-
- ☐
- Savings from earnings

☐ Other: _____

Investment Profile

► Investment Objectives Rank your investment objectives for this account in order of importance (1 being the highest). Review the attached Customer Agreement for important information on investment objectives.

- ___ Preservation of capital
- ___ Income
- ___ Capital appreciation
- ___ Speculation
- ___ Trading profits
- ___ Other: _____

► Risk Tolerance

- ☐
- Conservative
-
- ☐
- Moderate
-
- ☐
- Aggressive
-
- ☐
- Combination: _____

► Investment Time Horizon

- ☐
- Short (0-5 years)
-
- ☐
- Intermediate (6-10 years)
-
- ☐
- Long (over 10 years)

☐ Combination: _____► General Investment Knowledge ☐ Good ☐ Limited ☐ Extensive

► Investment Product Knowledge

Please enter the account holder's level of knowledge in each of the following:

	None	Limited	Good	Extensive
Stocks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bonds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mutual Funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Variable Contracts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Limited Partnerships	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. ACCOUNT CHARACTERISTICS**Service Instructions****► Proceeds from Sales** Choose one.

- ☐ Hold in core account investment vehicle (if specified) or in brokerage account
- ☐ Send by check to mailing address of account
- ☐ Send by external bank link (EFT)
- ☐ Send by intra-bank payment (IBP)
Consult Broker/Dealer for availability
- ☐ Delivery vs. payment (DVP)

► Security Purchases Choose one.

- ☐ Hold in street name
- ☐ Register certificates to account name and send to mailing address
- ☐ Delivery vs. payment (DVP)

► Dividend/Distribution Income Choose one. Note that any dividend/distribution income sent to a DVP account will remain there pending additional instructions.

- ☐ Handle all dividends and distributions like sales proceeds
- ☐ Reinvest mutual fund and equity dividends, handle all other distributions like sales proceeds
- ☐ Reinvest mutual fund dividends, handle all other distributions like sales proceeds
- ☐ Reinvest equity dividends, handle all other distributions like sales proceeds
- Pay all distributions in cash and send a check:
- ☐ Weekly ☐ Twice a Month ☐ Monthly ☐ Quarterly

Bank Information

Required if you choose external or internal bank link. Also required if you want to establish standing instructions for electronic transfers between your brokerage account and your bank account.

Bank Account Type ☐ Checking ☐ Savings

ABA NUMBER

ACCOUNT NUMBER

Core Account Investment Vehicle

Consult your Broker/Dealer for a list of available investment vehicles. If you do not choose an investment vehicle for your Core Account (the "Core Account Investment Vehicle"), your Broker/Dealer may invest your cash/credit balances in a taxable interest-bearing credit account or in a default Core Account Investment Vehicle of its choice while awaiting reinvestment. Different Core Account Investment Vehicles may have different rates of return and different terms and conditions, such as FDIC insurance or SIPC protection. If you do not select a Core Account Investment Vehicle, your Broker/Dealer may not consider these differences when selecting a default Core Account Investment Vehicle for you. You authorize your Broker/Dealer to change the investment vehicle in your Core Account at its discretion.

Prime
INVESTMENT VEHICLE NAME

PRXX
INVESTMENT VEHICLE SYMBOL

Additional Authorized Trader

Attach additional sheet if necessary. You must also submit a Trade Authorization form.

Authorize this person to trade on this account.

NAME

- ☐ Limited Trading Authority
- ☐ Full Trading Authority
- ☐ Power of Attorney
- ☐ Other: _____

Duplicate Information**To Account Holders**

- ☐ If selected, New Account Profiles (NAPs) and Revised Account Profiles (RAPs) regarding changes to investment objectives, additional account holder address changes, and name changes will be sent to each account holder's mailing address. If not selected, these communications will be mailed to the mailing address of the account and deemed to have been delivered to all account holders.

To Third Party

Attach additional sheet if necessary. Completing this section will be considered your request to your Broker/Dealer to instruct NFS to send the type(s) of duplicate documents checked to the party or parties indicated.

Send this party duplicate: ☐ Statements ☐ Trade Confirmations

NAME

ADDRESS

CITY

STATE/PROVINCE

ZIP/POSTAL CODE

COUNTRY

Optional Features You must qualify to add these features to your account. Additional applications will be required.

Indicate any features in this section that you would like to request. Consult your Broker/Dealer for availability and eligibility, and to obtain the appropriate additional application(s) to apply for the features(s) you want.

Account Features

- ☐ Margin
- ☐ Options
- ☐ Fee-Based Account *Indicate type below.*

ACCOUNT TYPE

Cash Management and Banking Features

Choose no more than one.

- ☐ Brokerage Portfolio
- ☐ Brokerage Access

ACCOUNT NUMBER

6. BENEFICIARY/FBO INFORMATION

This section is required for Transfer on Death, Custodial, Estate, Trust and Non-Prototype accounts, and does not apply to other types of accounts.

Share percentages must total 100% for primary and 100% for contingent. Use percentages only, not dollar amounts.

If beneficiary is a trust, provide trust name, names of all trustees, beneficiaries, date trust was established.

Before making a Per Stirpes designation, consult with an estate planning attorney and see the Customer Agreement for important information. If you make any Per Stirpes designation, provide name of executor or other contact:

CONTACT/EXECUTOR NAME

PRIMARY Beneficiaries/FBO

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

CONTINGENT Beneficiaries

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

NAME OF BENEFICIARY ☐ Spouse ☐ Non-Spouse ☐ Trust ☐ Entity

☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. DATE OF BIRTH/TRUST mm/dd/yyyy

COUNTRY OF CITIZENSHIP/ORGANIZATION % SHARE

NAME OF TRUSTEES *if applicable* ☐ Per Stirpes

ACCOUNT NUMBER

7. ADDITIONAL ACCOUNT HOLDERS

Use this section to provide personal information on any additional individuals associated with this account (such as a joint owner, authorized individual, custodian, administrator, trustee, partner, or participant). If there are more than two account holders, see instructions at bottom of page.

Personal Information

For Tenants in Common, indicate this owner's share: _____

► FULL LEGAL NAME *first, middle, last* ► DATE OF BIRTH *mm/dd/yyyy*

DAY PHONE

EVENING PHONE

E-MAIL

☐ Single/Divorced/Widowed ☐ Married No. of Dependents: _____
► Legal Address *No P.O. boxes* ☐ Same as Primary Holder's Legal Address

ADDRESS LINE 1

ADDRESS LINE 2

CITY STATE/PROVINCE ZIP/POSTAL CODE

COUNTRY

► COUNTRY OF CITIZENSHIP

► ☐ SOCIAL SECURITY NO. ☐ TAXPAYER ID NO. ► COUNTRY OF TAX RESIDENCE

► TYPE OF GOVERNMENT-ISSUED ID ► ID NUMBER

► STATE/COUNTRY OF ID ISSUANCE ID ISSUANCE DATE ► ID EXPIRATION DATE

► Mailing Address ☐ Same as Legal Address of This Account Holder

ADDRESS LINE 1

ADDRESS LINE 2

CITY STATE/PROVINCE ZIP/POSTAL CODE

COUNTRY

Employer Information and Affiliations *Attach additional sheet if needed.*► Employment Status ☐ Employed ☐ Retired ☐ Not EmployedOCCUPATION INCOME SOURCE *If retired or not employed*

EMPLOYER NAME

ADDRESS LINE 1

ADDRESS LINE 2

CITY STATE/PROVINCE ZIP COUNTRY

☐ I am ☐ I am not a senior foreign political figure, or a family member or close relative of a senior foreign political figure.

► ☐ Check this box if you are a control person or affiliate or an immediate family/household member of a control person or affiliate of a publicly traded company under SEC Rule 144 (this would include, but is not limited to, a director, 10% shareholder, policy-making officer, and members of the board of directors). If yes, provide name of company:

COMPANY NAME COMPANY SYMBOL/CUSIP

► ☐ Check this box if you are affiliated with, or employed by, a stock exchange, or a member firm of an exchange or Financial Industry Regulatory Authority (FINRA), or a municipal securities dealer. If yes, provide name of entity: ☐ Same as My Employer.

AFFILIATED ENTITY NAME

ADDRESS LINE 1

ADDRESS LINE 2

CITY STATE/PROVINCE ZIP COUNTRY

8. ENTITIES THAT ARE ACCOUNT HOLDERS

Provide information on any entity that is an account holder. Be sure to also provide, in Section 2 or 7, personal information on at least one individual associated with this account. If there is more than one entity that is an account holder, see instructions at bottom of page.

Entity Information *If this account holder is an entity, provide information below.*

► ENTITY NAME

► TAX ID NO. ► COUNTRY OF TAX RESIDENCE

► Legal Address *No P.O. boxes*

ADDRESS LINE 1

ADDRESS LINE 2

CITY STATE/PROVINCE ZIP/POSTAL CODE

COUNTRY

► STATE/COUNTRY OF ORGANIZATION ► TRUST DATE *For Trusts Only*

► ENTITY ID DOCUMENT ► STATE/COUNTRY OF ID ISSUANCE

► Mailing Address ☐ Same as Legal Address

ADDRESS LINE 1

ADDRESS LINE 2

CITY STATE/PROVINCE ZIP/POSTAL CODE

COUNTRY

Copy and complete this page for each additional owner (whether an individual or an entity). Number each copied page as follows: 5.1, 5.2, 5.3, etc.

9. CUSTOMER AGREEMENT AND SIGNATURE**To My Broker/Dealer and National Financial Services LLC**

I am at least 18 years of age and am of full legal age in the state in which I reside. In consideration of your accepting one or more accounts, I hereby acknowledge that I have read, understood and agree to the terms set forth in the Customer Agreement herein. I understand that upon issuer's request, in accordance with applicable rules and regulations, my Broker/Dealer will disclose my name to issuers of securities if securities are held in my account so that I can receive important information unless I do not consent to disclosure, and I will notify my Broker/Dealer if I do not consent (I may not be able to object to this disclosure for certain securities issued by investment companies that are registered under the Investment Company Act of 1940, or as required by law).

If I have not checked the box for Affiliations, I represent and warrant that I am not affiliated with or employed by a stock exchange or a broker/dealer or I am not a control person or affiliate of a public company under SEC Rule 144 (such as a director, 10% shareholder, or a policy-making officer), or an immediate family or household member of such a person.

I understand that telephone calls to my Broker/Dealer may be recorded, and I hereby consent to such recording. Reports of executions of orders and statements of my account shall be conclusive if not objected to in writing within five (5) days and ten (10) days, respectively, after transmitted to me by mail or otherwise.

I understand that it is my responsibility to read the prospectus or disclosure document, as applicable, for any mutual fund which I purchase or exchange or Bank Deposit Sweep Program into which I have funds transferred or invest. I have received and read the applicable prospectus or disclosure document for the mutual fund or Bank Deposit Sweep Program in which I am investing or to which I am transferring funds — including, but not limited to, any mutual fund or Bank Deposit Sweep Program that I choose for my Core Account — and I agree to the terms of the prospectus or disclosure document, as applicable, and the Customer Agreement.

If I choose the consumer (non-business) version of a Bank Deposit Sweep Program for my core account investment vehicle, I represent that I am:

If I am a U.S. citizen, U.S. resident alien or other U.S. person, I certify under penalties of perjury that: (1) the Social Security Number or Taxpayer Identification Number that I provided on this application is correct (or I am waiting for a number to be issued to me); and (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding for failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and (3) I am a U.S. citizen or other U.S. person, including a U.S. resident alien.

☐ If you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return, check this box to indicate that you do not certify item 2 above.

If I am not a U.S. citizen, U.S. resident alien or other U.S. person, I am submitting the applicable Form W-8 with this form to certify my foreign status and, if applicable, claim tax treaty benefits.

Pre-Dispute Arbitration

This account is governed by a pre-dispute arbitration clause, which appears on the last page of the Client Agreement, and you acknowledge that you have received a copy of this clause.

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Signature and Date are required.

► **SIGNATURES.** All account holders (owners and authorized individuals) must sign and date in accordance with the signature requirements outlined in the account's supporting documents.

X

1. SIGNATURE

DATE mm/dd/yyyy

X

4. SIGNATURE

DATE mm/dd/yyyy

X

2. SIGNATURE

DATE mm/dd/yyyy

X

5. SIGNATURE

DATE mm/dd/yyyy

X

3. SIGNATURE

DATE mm/dd/yyyy

X

6. SIGNATURE

DATE mm/dd/yyyy

For Branch Use Only

541 Millard

REGISTERED REP. NO./NAME

SIGNATURE

DATE mm/dd/yyyy

OFFICE MANAGER/PRINCIPAL NAME

SIGNATURE

DATE mm/dd/yyyy

SMITH HAYES

Financial Services Corporation

Member FINRA & SIPC

LETTER OF AUTHORIZATION

☒ One - Time

☐ Standing (*all future disbursements*)

☐ Cash

☐ Securities

☐ Cash & Securities

☐ Dividends/Interest Only

This is to authorize **SMITH HAYES Financial Services Corporation** to disburse/transfer

From Account: K3X-083127

Account Registration: CITY OF GRAND ISLAND FIREFIGHTERS FUND

TRANSFER to another **SMITH HAYES Financial Services Corporation** account

Account Number: _____

Account Registration: _____

☒ **Cash** ALL

☒ **Securities** (*please list below*)

Quantity

Description

Cusip

ALL

CASH DISBURSEMENT

☐ **Wire**

Recipient: _____

Address: _____

City: _____

State: _____

Zip Code: _____

Acct #: _____

Bank: _____

ABA #: _____

City: _____

State: _____

Zip Code: _____

☐ **Issue Check**

Payable to: _____

For Account of: _____

Account Number : _____

Address: _____

City: _____

State: _____

Zip Code: _____

Signatures: All registered owners of account must sign below.

Client Signature _____

Date _____

Client Signature _____

Date _____

1225 L Street, Ste. 200
Lincoln, NE 68508
(800) 279-7437

10250 Regency Circle, Ste. 400
Omaha, NE 68114
(866) 865-1700

1553 27th Avenue
Columbus, NE 68601
(888) 881-1878

OPS121107.1

FORM ADV**Part II - Page 1 Uniform Application for Investment Adviser Registration**

Name of Investment Adviser: SMITH HAYES Advisers, Inc.			
Address:	(Number and Street)	(City) (State) (Zip Code)	Area Code: Telephone Number:
1225 "L" Street, 200 Centre Terrace	Lincoln, NE 68508	(402)	476-3000

This part of Form ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any governmental authority.

Table of Contents

<u>Item Number</u>	<u>Item</u>	<u>Page</u>
1	Advisory Services and Fees	2
2	Types of Clients	2
3	Types of Investments	3
4	Methods of Analysis, Sources of Information and Investment Strategies	3
5	Education and Business Standards	4
6	Education and Business Background	4
7	Other Business Activities	4
8	Other Financial Industry Activities or Affiliations	4
9	Participation or Interest in Client Transactions	5
10	Conditions for Managing Accounts	5
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12	Investment or Brokerage Discretion	6
13	Additional Compensation	6
14	Balance Sheet	6
	Continuation Sheet	Schedule F
	Balance Sheet, if required	Schedule G

{L0682775.1}(Schedules A, B, C, D, and E are included with Part I of this Form,
for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form
are not required to respond unless the form displays a currently valid OMB control number.

FORM ADV
Part II - Page 2

Applicant:
SMITH HAYES Advisers, Inc.

SEC File Number:
801-56902

Date:
6/10/2009

1. A. Advisory Services and Fees.
(check the applicable boxes)

For each type of service provided, state the approximate %
of total advisory billings from that service.
(See instruction below.)

Applicant:

- X (1) Provides investment supervisory services 94 %
— (2) Manages investment advisory accounts not involving investment
supervisory services %
X (3) Furnishes investment advice through consultations not included in
either service described above 2 %
— (4) Issues periodicals about securities by subscription %
— (5) Issues special reports about securities not included in any service described above %
— (6) Issues, not as part of any service described above, any charts, graphs, formulas,
or other devices which clients may use to evaluate securities %
X (7) On more than an occasional basis, furnishes advice to clients on
matters not involving securities 2 %
— (8) Provides a timing service %
X (9) Furnishes advice about securities in any manner not described above 2 %

- B. Does applicant call any of the services it checked above
financial planning or some similar term? Yes No
X —

C. Applicant offers investment advisory services for: (check all that apply)

- X (1) A percentage of assets under management — (4) Subscription fees
X (2) Hourly charges — (5) Commissions
X (3) Fixed fees (not including subscription fees) X (6) Other

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients – Applicant generally provides investment advice to: (check those that apply)

- X A. Individuals X E. Trusts, estates or charitable organizations
X B. Banks or thrift institutions X F. Corporations or business entities other than
those listed above.
— C. Investment companies — G. Other (describe on Schedule F)
X D. Pension and profit sharing plans

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV
Part II - Page 3

Applicant:
SMITH HAYES Advisers, Inc.

SEC File Number:
801-56902

Date:
6/10/2009

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input checked="" type="checkbox"/> (1) exchange-listed securities | |
| <input checked="" type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> I. Options contracts on: |
| <input checked="" type="checkbox"/> (3) foreign issuers | <input checked="" type="checkbox"/> (1) securities |
| | <input type="checkbox"/> (2) commodities |
| <input checked="" type="checkbox"/> B. Warrants | |
| | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities
(other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> K. Interests in partnerships investing in: |
| | <input checked="" type="checkbox"/> (1) real estate |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input checked="" type="checkbox"/> (2) oil and gas interests |
| | <input checked="" type="checkbox"/> (3) other (explain on Schedule F) |
| <input checked="" type="checkbox"/> F. Municipal securities | <input type="checkbox"/> L. Other (explain on Schedule F) |
| <input type="checkbox"/> G. Investment company securities | |
| <input checked="" type="checkbox"/> (1) variable life insurance | |
| <input checked="" type="checkbox"/> (2) variable annuities | |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| <input type="checkbox"/> (1) Charting | <input type="checkbox"/> (4) Cyclical |
| <input checked="" type="checkbox"/> (2) Fundamental | <input checked="" type="checkbox"/> (5) Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|--|
| <input checked="" type="checkbox"/> (1) Financial newspapers and magazines | <input type="checkbox"/> (5) Timing services |
| <input checked="" type="checkbox"/> (2) Inspections of corporate activities | <input checked="" type="checkbox"/> (6) Annual reports, prospectuses, filings with
the Securities and Exchange Commission |
| <input checked="" type="checkbox"/> (3) Research materials prepared by others | <input checked="" type="checkbox"/> (7) Company press releases |
| <input checked="" type="checkbox"/> (4) Corporate rating services | <input type="checkbox"/> (8) Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|---|
| <input checked="" type="checkbox"/> (1) Long term purchases
(securities held at least a year) | <input checked="" type="checkbox"/> (4) Short sales |
| <input checked="" type="checkbox"/> (2) Short term purchases
(securities sold within a year) | <input checked="" type="checkbox"/> (5) Margin transactions |
| <input checked="" type="checkbox"/> (3) Trading
(securities sold within 30 days) | <input checked="" type="checkbox"/> (6) Option writing, including covered options,
uncovered options or spreading strategies |
| | <input type="checkbox"/> (7) Other (explain on Schedule F) |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV
Part II - Page 4

Applicant:
SMITH HAYES Advisers, Inc.

SEC File Number:
801-56902

Date:
6/10/2009

5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No
X —

(If yes, describe these standards on Schedule F.)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- formal education after high school
- year of birth
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☒ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each box checked, describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|---|
| <input checked="" type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input checked="" type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input checked="" type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input checked="" type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes No
X —

(If yes, describe on Schedule F the partnerships and what they invest in.)

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV
Part II - Page 5

Applicant:
SMITH HAYES Advisers, Inc.

SEC File Number:
801-56902

Date:
6/10/2009

9. Participation or Interest in Client Transactions

Applicant or a related person: (check those that apply)

- ☒ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☒ B. As broker or agent, effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client, effects transactions in which client securities are sold to or bought from another brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions. Describe on Schedule F, your Code of Ethics, and state that you will provide a copy of your Code of Ethics to any client or prospective client upon request.)

10. Conditions for Managing Accounts

Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account?

Yes No
X —

(If yes, describe on Schedule F.)

11. Review of accounts.

If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. For reviews, include their frequency, different levels, and triggering factors. For reviewers, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

The primary supervision is the responsibility of the Designated Supervisors. The Designated Supervisors delegate to the designees to perform daily transaction review and random audits to test compliance of internal policies, and review account portfolios for suitability and portfolio management practices. Material discrepancies are brought to the attention of the Designated Supervisors for resolution. Branch managers, including but not limited to Mr. Moore, perform quarterly reviews of the advisory accounts. The Compliance officer will perform a review of the Company's advisory services and supervision at least annually.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Clients receive confirmations of executed transactions, monthly or quarterly brokerage account statements (depending on account activity) and quarterly performance reports.

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

FORM ADV
Part II - Page 6

Applicant:
SMITH HAYES Advisers, Inc.

SEC File Number:
801-56902

Date:
6/10/2009

12. Investment or Brokerage Discretion

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

(1) securities to be bought or sold?	Yes X	No —
(2) amount of the securities to be bought or sold?	Yes X	No —
(3) broker or dealer to be used?	Yes X	No —
(4) commission rates paid?	Yes X	No —

B. Does applicant or a related person suggest brokers to clients? Yes No
X —

For each yes answer to A, describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

13. Additional Compensation

Does the applicant or a related person have any arrangements, oral or in writing, where it:

A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to a client Yes No
X —

B. directly or indirectly compensates any person for client referrals? Yes No
— X

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet.

Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet? Yes No
— X

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV**

Continuation Sheet for Form ADV Part II

Applicant:
SMITH HAYES Advisers,
Inc.

SEC File Number:
801-56902

Date:
6/10/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: SMITH HAYES Advisers, Inc.		IRS Empl. Ident. No.: 47-0805744
Item of Form (identify)	Answer	
Part II Page 2 Item 1 (D)	<p>SMITH HAYES Advisers, Inc. ("SHAI") provides investment supervisory services for a fee based upon a percentage of assets under management. In addition, SHAI furnishes advice to clients on matters relating to investments. This includes project consultation and general financial advice to individuals, businesses and corporations.</p> <p>SHAI and its representatives will generally not accept the responsibility to vote proxies. Unless otherwise directed in writing, the customer will retain sole authority to vote the proxy. Any written request to direct the Adviser to vote proxies must be submitted to Compliance and approved by a Designated Supervisor. The Designated Supervisors will generally not approve requests to vote client proxies unless client and investment advisory service can provide sound reasoning as to why the advisory rep should vote the proxy. Managers of The Concordant Fund, SMITH HAYES Capital 25 or future similar offerings will accept the responsibility to vote client proxies for holdings within the funds. Proxies will be voted in client's best interest. For specific procedures regarding proxy voting or for information regarding how your proxies were voted contact your investment advisory representative</p> <p>Fees for Advantage I and II accounts are largely of the "wrap account" variety and we refer you to Schedule H (written Disclosure Statement) for more information. Generally, wrap accounts are structured so that no brokerage commissions are charged to the clients. Compensation earned by the investment adviser representative and SHAI is the quarterly advisory charge and any other charges specifically disclosed to the client.</p> <p>Advisory I and II accounts are individually managed accounts and are charged a fee for the management and advice. Generally, these accounts are structured so that no commissions will be charged by SMITH HAYES Financial Services Corp. ("SHFSC"). However, charges for services imposed by SHFSC's clearing firm, National Financial Services, L.L.C., will be assessed to the client.</p> <p>The Managed Account Solutions platform includes the Strategic Advisers Program, Sigma, Separate Account Program, Multi-Manager Account Program, Rep as Portfolio Manager accounts. These accounts are largely of the wrap account variety as defined above. These accounts are offered in conjunction with Envestnet Asset Management, Inc "Envestnet" as the platform manager and National Financial Services "NFS". Envestnet will provide the technology program on which these accounts function and render investment advice to Adviser and/or Client, including recommending an appropriate asset allocation for Client and specific investment managers or investment products. NFS provides trade execution and custodial services with respect to these accounts. Clients electing these options will pay the fee stated in their investment advisory agreement. A portion of this fee will be paid to Envestnet, NFS, and any applicable third party or sub-manager with the remainder being retained by SHAI. Please refer to the Managed Account Terms and Conditions and Statement of Investment Selection documents for more specific information on these accounts.</p> <p>SHAI and its investment advisor representatives may act as a solicitor and refer clients to unaffiliated third-party investment advisors that offer asset management services to clients. As a result, SHAI and its investment advisor representatives may be paid a portion of the fee charged and collected by the third-party investment advisor in the form of solicitor fees or consulting fees. Moreover, the unaffiliated third-party investment advisor may execute trades in a client's account through an affiliated broker-dealer of SHAI, and consequently SHAI's affiliated broker-dealer and SHAI's investment advisor representatives as registered representatives of SHAI's affiliated broker-dealer also collect commissions for the execution of such trades. Each solicitation</p>	

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV**

Continuation Sheet for Form ADV Part II

Applicant: SMITH HAYES Advisers, Inc.	SEC File Number: 801-56902	Date: 6/10/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: SMITH HAYES Advisers, Inc.		IRS Empl. Ident. No.: 47-0805744
Item of Form (identify)	Answer	
	<p>arrangement is performed pursuant to a written solicitation agreement and is in compliance with SEC Rule 206(4)-3.</p> <p>SHAI and/or its investment advisor representatives will assist the client with identifying the client's risk tolerance and investment objectives. Advisor and/or its investment advisor representatives will recommend third-party investment advisors in relation to client's stated investment objectives and risk tolerance. A client may select a recommended third-party investment advisor based upon the client's needs. Clients will enter into an agreement directly with the unaffiliated third-party investment advisor.</p> <p>Investment advisor representatives will be available to answer questions the client may have regarding their account and act as the communication conduit between the client and the third-party investment advisors. Third-party investment advisors may take discretionary authority to determine the securities to be purchased and sold for the client. Neither SHAI nor its investment advisor representatives will have any trading authority with respect to client's managed account with the third-party investment advisor(s).</p> <p>Third-party managed programs generally have account minimum requirements that will vary from investment advisor to investment advisor. Account minimums are generally higher on fixed income accounts than equity based accounts. A complete description of the third-party investment advisor's services, fee schedules and account minimums will be disclosed in the third party investment advisor's Form ADV, Schedule H Disclosure Brochure, or similar Disclosure Brochure which will be provided to clients at the time an agreement for services is executed and account is established. Client reports will depend upon the third-party investment advisor.</p> <p>Clients are advised that SHAI and its investment advisor representatives may have a conflict of interest by only offering those third-party investment advisors that have agreed to pay a portion of their advisory fee to advisor and investment advisor representative and execute client trades through SHAI's affiliated broker-dealer and consequently pay a commission to SHAI's broker-dealer and SHAI's investment advisor representatives in their separate capacity as a registered representative of SHAI's affiliated broker-dealer. Clients are advised that there may be other third-party managed programs that may be suitable to the client that may be less costly with respect the investment advisory fees and trade execution costs borne by the clients. No guarantees can be made that client's financial goals or objectives will be achieved. Further, no guarantees of performance can be offered. Investments involve risk, including the possible loss of principal.</p> <p>SHAI may invest client accounts in mutual funds ("Mutual Funds"). The Mutual Funds are purchased through SHFSC under selling agreements between SHFSC and the Mutual Funds which permit SHAI clients to purchase them with no load. An investment of a client's account in a Mutual Fund will result in a layering of fees. That is, the client will pay indirectly an investment management fee and other fees to the Mutual Fund's investment adviser and will also pay SHAI its investment advisory fee.</p> <p>As a result of the investment of a client's account in Mutual Funds, additional compensation may be paid to SHAI and or SHFSC in the form of "Rule 12b-1 fees" and/or "shareholder and or administrative servicing fees." This compensation is not paid directly by the client, but is paid by the Mutual Fund, the Mutual Fund's sponsor and or its distributor. However, to the extent that the compensation is paid by the Mutual Fund, the compensation is indirectly paid by the client. This compensation is paid to SHAI for assisting the Mutual Fund, its sponsor and distributor in the distribution of the Mutual Funds and for providing certain other services.</p> <p>The Rule 12b-1 fees and shareholder and administrative services compensation paid by Funds are described in the Mutual Funds' Prospectuses and Statements of Additional Information.</p>	

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV**

Continuation Sheet for Form ADV Part II

Applicant:
SMITH HAYES Advisers,
Inc.

SEC File Number:
801-56902

Date:
6/10/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: SMITH HAYES Advisers, Inc.	IRS Empl. Ident. No.: 47-0805744
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Item of Form (identify)	Answer
	<p>Additionally, in some cases Mutual Fund sponsors and distributors pay additional amounts to supplement what a Mutual Fund pays. These are required to also be disclosed by the Mutual Funds in their Prospectuses and Statements of Additional Information, although in many cases these are negotiated. The Rule 12b-1 and shareholder servicing and administrative services fees and supplements, if any, vary between Mutual Funds.</p> <p>SHAI may have an incentive and conflict of interest to recommend one Mutual Fund over another Mutual Fund as a result of the compensation paid to it by the various Mutual Funds. SHAI Investment Advisor Representatives may also be paid a portion of the compensation paid which also may create an incentive and a conflict of interest for them in recommending investments in their client's accounts. Notwithstanding such incentives and conflicts of interest, SHAI recommends Mutual Funds to their clients based on among other things, the client's investment objectives and directions, the comparative quality of the Mutual Funds management, Mutual Fund expense ratios and Mutual Fund performance.</p> <p>Clients should read the Mutual Funds' Prospectuses and Statements of Additional Information regarding compensation paid by the Mutual Funds. More specific additional information about the compensation paid to SHAI and SHFSC in connection with investments in Mutual Funds is available on request.</p> <p>The Advantage I and II and Advisory I and II accounts do not have a minimum asset value requirement. All accounts are subject to a minimum fee of \$250 per quarter or \$1,000 annually, unless otherwise approved by the President. Fees for Advantage and Advisory accounts are payable at the beginning of each quarter or at the end of each quarter, as indicated by the client's account agreement. The client may terminate the contract at any time and receive a prorated refund, or only be required to pay a pro-rated portion of the advisory fee.</p> <p>The applicant may offer education or other services to retirement plan sponsors in compliance with 404 (c) ERISA regulations. Fees for education or other services are determined on a case-by-case basis, taking into consideration the number of plan participants, location and number of sites to service and the features of the plan itself.</p> <p>Fees for The Concordant Fund ("Concordant Fund") are a combination of percentage of assets under management and a performance-based fee. Every member in Concordant Fund pays a base annual fee equal to .7% of the assets in Concordant Fund. If the managers of Concordant Fund meet or exceed its benchmark index, the S&P 500, the base fee shall increase to 1% of the assets in Concordant Fund. If the managers' performance exceeds the S&P 500, an additional performance fee of 20% of the amount of over performance shall be charged.</p> <p>Fees for SMITH HAYES Capital 25, Limited Partnership ("Cap 25 Fund") are equal to 1.65% per annum of the aggregate value of the portfolio stocks owned by Cap 25, as determined by their closing sale prices as of the last business day of each calendar quarter, and all of Cap 25 Fund's cash items. The fee is payable on a quarterly basis in advance.</p> <p>Fees and other expenses applicable to the Concordant Fund and the Cap 25 Fund are described in detail in the Private Placement Memorandums for each which are only available to selected and accredited investors.</p>
Part II Page 3	The applicant and its affiliated broker/dealer have advised customers on investments in partnerships in many different industries. Some include venture capital and partnerships investing

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV**

Continuation Sheet for Form ADV Part II

Applicant:
SMITH HAYES Advisers,
Inc.

SEC File Number:
801-56902

Date:
6/10/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: SMITH HAYES Advisers, Inc.		IRS Empl. Ident. No.: 47-0805744																																
Item of Form (identify)	Answer																																	
Item 3 K (3)	directly in equity securities. These are not deemed material to the applicant's business.																																	
Part II Page 4 Item 5	SHAI investment advisor representatives are required to pass all requirements of the particular states in which they conduct business.																																	
Part II Page 4 Item 6	<p>EDUCATION AND BUSINESS BACKGROUND</p> <p>Supervisors of SMITH HAYES Advisers, Inc Investment Adviser Representatives are as follows: Thomas C. Smith and Allen J. Moore.</p> <p>EDUCATION</p> <table border="0"> <tr> <td>Allen J. Moore</td> <td>Thomas C. Smith</td> </tr> <tr> <td>Doane College, Crete, NE</td> <td>University of Nebraska, Lincoln, NE</td> </tr> <tr> <td>BA Psychology</td> <td>BS Business</td> </tr> <tr> <td></td> <td>Administration/Economics</td> </tr> </table> <p>John L. Decker, Jr.</p> <p>University of Nebraska- Lincoln</p> <p>BSBA- Economics</p> <p>Masters of Business Administration</p> <p>BUSINESS BACKGROUND</p> <table border="0"> <tr> <td>Allen J. Moore</td> <td>Thomas C. Smith</td> </tr> <tr> <td>CONLEY SMITH Investment Advisers</td> <td>CONLEY SMITH Investment Advisers</td> </tr> <tr> <td>6/95 to 9/99, Representative</td> <td>4/95 to 8/99, Chairperson</td> </tr> <tr> <td>SMITH HAYES Financial Services Corp.</td> <td>SMITH HAYES Financial Services Corp.</td> </tr> <tr> <td>7/99 to Current, President</td> <td>12/85 to Current, Chairperson</td> </tr> <tr> <td>5/91 to 7/99, Vice President & Sales</td> <td>SMITH HAYES Companies</td> </tr> <tr> <td>Manager</td> <td>9/85 to Current, Chairman</td> </tr> <tr> <td>SMITH HAYES Advisers, Inc</td> <td>SMITH HAYES Portfolio Mgmt.</td> </tr> <tr> <td>10/97 to Current, President</td> <td>12/85 to 4/95, President</td> </tr> <tr> <td>Kirkpatrick Pettis Smith Polian</td> <td>SMITH HAYES Advisers, Inc</td> </tr> <tr> <td>5/77 to 5/91, Vice President & Sales</td> <td>10/97 to Current, Chief Executive Officer</td> </tr> <tr> <td>Manager</td> <td></td> </tr> </table> <p>John L. Decker, Jr.</p> <p>SMITH HAYES Financial Services Corp.</p> <p>9/96 to 4/02, Representative,</p> <p>VP of Public & Corp. Finance</p> <p>Douglas Theatre Co.</p> <p>5/02 to 4/08, Chief Financial Officer</p> <p>SMITH HAYES Financial Services Corp.</p> <p>5/08 to Current, Representative, EVP</p> <p>SMITH HAYES Advisers, Inc., EVP</p>		Allen J. Moore	Thomas C. Smith	Doane College, Crete, NE	University of Nebraska, Lincoln, NE	BA Psychology	BS Business		Administration/Economics	Allen J. Moore	Thomas C. Smith	CONLEY SMITH Investment Advisers	CONLEY SMITH Investment Advisers	6/95 to 9/99, Representative	4/95 to 8/99, Chairperson	SMITH HAYES Financial Services Corp.	SMITH HAYES Financial Services Corp.	7/99 to Current, President	12/85 to Current, Chairperson	5/91 to 7/99, Vice President & Sales	SMITH HAYES Companies	Manager	9/85 to Current, Chairman	SMITH HAYES Advisers, Inc	SMITH HAYES Portfolio Mgmt.	10/97 to Current, President	12/85 to 4/95, President	Kirkpatrick Pettis Smith Polian	SMITH HAYES Advisers, Inc	5/77 to 5/91, Vice President & Sales	10/97 to Current, Chief Executive Officer	Manager	
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**Schedule F of
FORM ADV**

Continuation Sheet for Form ADV Part II

Applicant: SMITH HAYES Advisers, Inc.	SEC File Number: 801-56902	Date: 6/10/2009
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: SMITH HAYES Advisers, Inc.		IRS Empl. Ident. No.: 47-0805744
Item of Form (identify)	Answer	
Part II Page 4 Item 7 B & C	The applicant may be involved from time to time in brokerage and life insurance sales. Such sales are a minor part of the applicants' business, as most of such sales are offered through the applicant's affiliate, SMITH HAYES Financial Services Corporation ("SHFSC"). The applicant's executive officers spend approximately 70% of their collective time on SHFSC business and 30% of their time on SHAI business.	
Part II Page 4 Item 8 C (1)	SHAI is wholly owned by SMITH HAYES Companies. SHFSC (also wholly owned by SMITH HAYES Companies) may effect purchases and sales of securities on behalf of the adviser.	
Part II Page 4 Item 8 C (9)	SHFSC, a wholly owned subsidiary of SMITH HAYES Companies, is a registered Insurance Agency in several states.	
Part II Page 4 Item 8 D	Thomas C. Smith, Chairman of SHAI, is 50% owner of Midwest First Financial ("MWFF") and Concorde Opportunity Fund Advisers, LLC, ("Concorde"). MWFF is the general partner of four real estate limited partnerships in which customers of SHAI have invested. Concorde is the managing member of a real estate limited liability company.	
	<p>Allen Moore, President of SHAI, is managing member of SMITH HAYES Investment Partners ("SHIP"). SHIP is the General Partner of Cap 25 Fund.</p> <p>SHAI is controlled by SMITH HAYES Companies. SMITH HAYES Companies is the manager of Energy Partners.</p> <p>SHAI is the managing member for The Concordant Fund.</p> <p>SHAI customers may be informed of any future offerings of MWFF partnerships, Concorde Funds, Cap 25 Fund, Energy Partners, or the Concordant Fund. However, SHAI clients will purchase such assets through SHFSC, and not SHAI.</p>	
Part II Page 5 Item 9 A	Principal transactions with advisory clients are primarily limited to public underwritings covered by a prospectus for fixed-income investments. When appropriate and with the consent of the advisory client upon execution, transactions may be executed between the client and SHFSC acting in its dealer capacity. The client must receive disclosure information regarding pricing, best execution and possible conflict of interest when SHFSC acts in the capacity of principal prior to settlement of the transaction.	

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of
FORM ADV**

Continuation Sheet for Form ADV Part II

Applicant:
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Item of Form (identify)	Answer	
Part II Page 5 Item 9 B, D, E	<p>Clients are generally directed to SHFSC, an affiliated broker dealer, for brokerage services. SHFSC's clearing broker dealer provides SHFSC with trade execution and custodial services for advisory accounts. The use of one broker dealer may limit the ability to provide best price and execution to its clients. Clients may incur additional transaction costs when over-the-counter trades are affected on their behalf through the broker dealer on an agency basis.</p> <p>As disclosed under Part II, Page 4, Item 8 D customer of SHAI may be informed of investment opportunities in Midwest First Financial, Concorde Opportunity Fund, Capital 25 Fund, Energy Partners, and/or the Concordant Fund.</p> <p>Related persons of the advisor may, on occasion, purchase and sell securities that are recommended to advisory investors. Applicable oversight is performed to monitor related persons' transactions.</p> <p>The purpose of the SMITH HAYES Advisers, Inc. Code of Ethics (the Code) is to outline general standards of conduct for our employees and to our clients. SHAI related persons may purchase investments that it recommends to clients. The Code of Ethics defines Access Persons and addresses the following: Confidentiality and Conduct, Conflicts of Interest and Reporting Requirements, and Gifts and Entertainment. A copy of SHAI Code of Ethics is available upon request.</p>	
Part II Page 5 Item 10	<p>The Advantage and Advisory I and II accounts do not have a minimum asset value requirement, but will incur a minimum charge of \$1000 annually unless otherwise approved. All accounts on the MAS platform will incur a minimum fee of \$500 in addition to the charges assessed by the manager, Envestnet, and National Financial Services. Please refer to the MAS Fee schedule for specific charges.</p>	

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**Schedule F of
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Item of Form (identify)	Answer	
Part II Page 6 Item 12 A, B	<p>SHAI's authority to exercise investment discretion is dependent upon the nature of the authority granted the applicant by each individual client. Generally, all clients will be directed to SHFSC, its affiliate, for execution of transactions. Executing through one broker dealer may limit the ability for SHAI to provide the best price and execution to its clients. Clients may incur additional transaction cost when over the counter trades are effected on their behalf through the broker dealer on an agency basis. If commissions are paid as a part of the negotiated compensation paid to the advisor, the commission will be at or below the standard commissions charged to other brokerage customers.</p> <p>SHAI and SHFSC may execute cross transactions between an advisory account and a brokerage account where there is no reasonable secondary market for securities (generally local and/or non-rated fixed income municipal securities or small lot fixed income securities). Cross transactions are not allowed where clients are "advised" on both sides of the transaction, which includes solicited, discretion-exercised and advisory transactions. Pricing of securities transactions will be calculated as follows: (i) SHAI will obtain two independent bid-and-ask quotes, take the midpoint of such bids and asks and average the midpoints; or (ii) if no reasonable bid-and-ask quote can be obtained due to the type of security (ex. local and/or non-rated fixed income municipal security), the Investment Committee made up of Al Moore and Tom Smith will determine the appropriate price. There will be no commission charged to advisory clients in a cross transaction other than the investment advisory fee, unless otherwise agreed upon in writing.</p> <p>SHAI may aggregate clients' orders to obtain lower execution costs and better fill prices. Upon execution with multiple fills, orders will be averaged, priced and rebilled to the appropriate client's account. Partial fills will be allocated on a pro rata basis. No client will be favored over another. SHAI employees' trades may be bundled with client orders, but will never take precedence over a client's order. If an order must be allocated in a different manner than described above, SHAI's Compliance Officer must approve rationale for the departure from procedure.</p>	
Part II Page 6 Item 13 A	<p>SHFSC may route trades to specific market makers since it does not act as a market maker. In return, SHFSC would receive remuneration, which is based on the total number of trades routed to a specific market maker.</p> <p>SHAI and its investment advisor representatives may receive referral fees for referring clients to unaffiliated third-party investment advisors. Moreover, SHAI's affiliated broker-dealer and SHAI's investment advisor representatives as registered representatives of SHAI's affiliated broker-dealer also collect commissions for the execution of client trades at the direction of unaffiliated third-party investment advisors through SHAI's affiliated broker-dealer. The amount of fees received may increase as the amount of assets referred to the unaffiliated third-party investment advisor increases. The services provided as well as the fee sharing arrangements with unaffiliated investment advisors will vary. Clients will be provided a copy of the unaffiliated investment advisor's solicitation disclosure document and Form ADV Part II or similar disclosure document, containing at least the information contained in the ADV Part II that will disclose specific details of the referral arrangement and the fees that will be paid.</p>	

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

RESOLUTION 2011-61

WHEREAS, Mr. Rod Cerny and Smith Hayes Advisers, Inc. currently serve as the City of Grand Island's co-investment managers for the backstop funds to the pension obligations that are administered by Wells Fargo; and

WHEREAS, Mr. Cerny was formerly with McCarthy Group Advisors and they were acquired by Westwood Holding Group, Inc. last fall; and

WHEREAS, Mr. Cerny is joining Smith Hayes Advisers, Inc. and will be providing the same day-to-day investment management functions as in the past; and

WHEREAS, it is necessary to transfer the investment funds from Smith Hayes Financial Services to Smith Hayes Advisers, Inc.; and

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor is hereby authorized and directed to sign on behalf of the City of Grand Island, the Investment Advisory Agreement that directs Smith Hayes Advisers, Inc. to oversee the management, investment, reinvestment, buying, selling, brokerage and all other aspects of the assets contained in the portfolio. In addition, Smith Hayes Advisers, Inc. will have the right and power to make all decisions regarding the nature, amount and timing of purchase and sell decisions and will keep the City apprised of account information and provide general investment advice.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such Agreement with Smith Hayes Advisers, Inc. on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, March 8, 2011.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	<input type="checkbox"/>	_____
March 4, 2011	<input type="checkbox"/>	City Attorney