

## Privacy

### Policy

As a registered investment adviser, Strategic Asset Management, Inc. must comply with SEC Regulation S-P (*OR if state-registered: with the Privacy Rule of the Gramm-Leach-Bliley Act (GLB) as administered and enforced by the Federal Trade Commission*), which requires registered advisers to adopt policies and procedures to protect the "non-public personal information" of natural person consumers and customers and to disclose to such persons policies and procedures for protecting that information.

Further, and as a SEC registered advisory firm, our firm must comply with new SEC Regulation S-AM, to the extent that the firm has affiliated entities with which it may share and use consumer information received from affiliates.

Strategic Asset Management, Inc. must also comply with the California Financial Information Privacy Act (SB1) if the firm does business with California consumers.

### Background

#### Regulation S-P / Privacy Rule

The purpose of these regulatory requirements and privacy policies and procedures is to provide administrative, technical and physical safeguards which assist employees in maintaining the confidentiality of non-public personal information ("NPI") collected from the consumers and customers of an investment adviser. All NPI, whether relating to an adviser's current or former clients, is subject to these privacy policies and procedures. Any doubts about the confidentiality of client information must be resolved in favor of confidentiality.

For these purposes, NPI includes non-public "personally identifiable financial information" plus any list, description or grouping of customers that is derived from non-public personally identifiable financial information. Such information may include personal financial and account information, information relating to services performed for or transactions entered into on behalf of clients, advice provided by Strategic Asset Management, Inc. to clients, and data or analyses derived from such NPI.

### Regulation S-AM

SEC Regulation S-AM, effective 9/10/2009, with a postponed compliance date from 1/1/2010 to 6/1/2010, requires SEC investment advisers, and other SEC regulated entities, to the extent relevant, to implement limitations on the firm's use of certain consumer information received from an affiliated entity to solicit that consumer for marketing purposes. Regulation S-AM provides for notice and opt-out procedures, among other things. The compliance date was extended to allow registered firms to establish systems to meet the new regulatory requirements.

### Responsibility

James S. Flower is responsible for reviewing, maintaining and enforcing these policies and procedures to ensure meeting Strategic Asset Management, Inc.'s client privacy goals and objectives while at a minimum ensuring compliance with applicable federal and state laws and regulations. James S. Flower may recommend to the firm's principal(s) any disciplinary or other action as appropriate. James S. Flower is also responsible for distributing these policies and procedures to employees and conducting appropriate employee training to ensure employee adherence to these policies and procedures.

### Procedure

Strategic Asset Management, Inc. has adopted various procedures to implement the firm's policy and conducts reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which include the following:

#### *Non-Disclosure of Client Information*

Strategic Asset Management, Inc. maintains safeguards to comply with federal and state standards to guard each client's non-public personal information ("NPI"). Strategic Asset Management, Inc. does not share any NPI with any nonaffiliated third parties, except in the following circumstances:

- | as necessary to provide the service that the client has requested or authorized, or to maintain and service the client's account;
- | as required by regulatory authorities or law enforcement officials who have jurisdiction over Strategic Asset Management, Inc., or as otherwise required by any applicable law; and
- | to the extent reasonably necessary to prevent fraud and unauthorized transactions.

Employees are prohibited, either during or after termination of their employment, from disclosing NPI to any person or entity outside Strategic Asset Management, Inc., including family members, except under the circumstances described above. An employee is permitted to disclose NPI only to such other employees who need to have access to such information to deliver our services to the client.

#### *Safeguarding and Disposal of Client Information*

Please refer to Cybersecurity Policy. In addition, physical offices are protected by locks on office doors that are locked at night; paper records are scanned and shredded shortly after receipt.

#### *Privacy Notices*

Strategic Asset Management, Inc. will provide each natural person client with initial notice of the firm's current policy when the client relationship is established. Strategic Asset Management, Inc. shall also provide each such client with a new notice of the firm's current privacy policies at least annually. If Strategic Asset Management, Inc. shares non-public personal information ("NPI") relating to a non-California consumer with a nonaffiliated company under circumstances not covered by an exception under Regulation S-P, the firm will deliver to each affected consumer an opportunity to opt out of such information sharing. If Strategic Asset Management, Inc. shares NPI relating to a California consumer with a nonaffiliated company under circumstances not covered by an exception under SB1, the firm will deliver to each affected consumer an opportunity to opt in regarding such information sharing. If, at any time, Strategic Asset Management, Inc. adopts material changes to its privacy policies, the firm shall provide each such client with a revised notice reflecting the new privacy policies. The Compliance Officer is responsible for ensuring that required notices are distributed to the Strategic Asset Management, Inc.'s consumers and customers.