NATIONAL
ASSET
MANAGEMENT

AdvisorGuide

National Asset Management, Inc. an SEC Registered Investment Advisor and a subsidiary of National Holdings Corporation a publicly traded company symbol NHLD

Your turnkey outsourcing solution For Fee Accounts

For Institutional Use Only – Not for Retail Client Distribution

Introduction

- NAM AdvisorGuide platform is now available to dually registered BD/RIA firms. If you are looking to offer your IARs with one of the most complete and powerful fee based programs, please contact National Asset Management for an exclusive demonstration of this unique platform. Our extensive expertise and state-of-the-art managed account platform is designed to streamline and automate the features and services asked for by your IARs:

- Automated New Account processing, Proposal Generation, Account Aggregation, Model Building, Billing, Performance Reporting, and Compliance Oversight reports.

- Products- We have assembled some of the most innovative and comprehensive products available in the industry today.

Summary of Products

Rep as Manager portfolios, one of the most popular approaches in the independent market space today.

UMA, Our Unified Managed Account product is one of the most innovative approaches to asset allocation and diversification. The UMA can be populated with outside investment managers, ETFs , Mutual Funds, and Stocks. Or you can simply select form our pre-designed models.

SMA, Separately Managed Accounts, Excellent selection of managers, flexibility to add managers.

Monitoring, allowing your IARs to manage accounts regardless of custodian. This product opens the door for your IARs to manage their client assets at Variable Annuities, 401(k)s, 403(b)s, Mutual Fund direct, etc. You can view and oversee the process and IARs can help manage more of their clients' assets.

We invite you to view our system and products by calling 949-955-1955 ext 314 and ask for your private web demonstration of NAM Advisor Guide.

The Advisor Advantage

- Compete with top producers at larger firms
- Streamline your business with one single investment platform
- Create a steady stream of recurring revenue
- Add value and pay closer attention to important client relationships

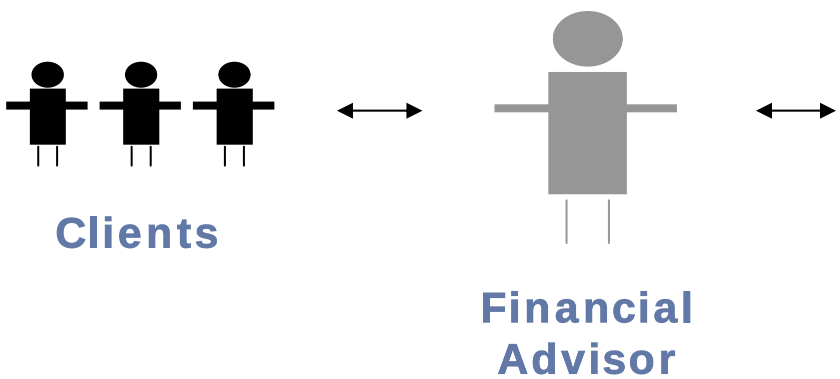
Six Reasons to Use Managed Accounts

1. Experience greater client satisfaction
2. Get paid continuously
3. Build equity in your business
4. Exposure to downturn is better managed
5. Ability to earn more money
6. Ability to manage time effectively

Ongoing Benefits of a Fee-Based Model

- Increases client retention
- Attracts a more affluent client base
- Creates a predictable fee/revenue stream
- Opens the door to a larger part of your clients' overall assets

NAM Solution



NAM-Advisor*Guide*

- ✓Client Profiling
- ✓Asset Allocation and Product Selection
- ✓Rep Managed, Model Management
- ✓Account Opening and Billing
- ✓Performance Reporting
- ✓Online Client Statements
- ✓Online Performance Calculation
- ✓Ongoing Portfolio Monitoring

Separately Managed Accounts

Mutual Funds

UMA & ETF

Rep as Manager

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Products *Offered through the Platform*

Foliofn
Foliofn Custody

Unified Managed Accounts*
(Min $25K)

Alliance

Mutual Funds, ETF's,
and Separate Accounts* (Min $25K)
fees vary depending on Manager selected

Rep As Manager

Strategies & Models* designed and created by advisor (Min $25K)

Monitoring
VA's 401(k)s, 403(b)s
Accts held away

Management of Accounts Held Away
(Min $25K)

AdvisorGuide offers Unified Managed Accounts **(UMA)**

A unique, effective, personalized, and automated state of the art investment product

Strategic Diversification *with Tactical Overlay Option*

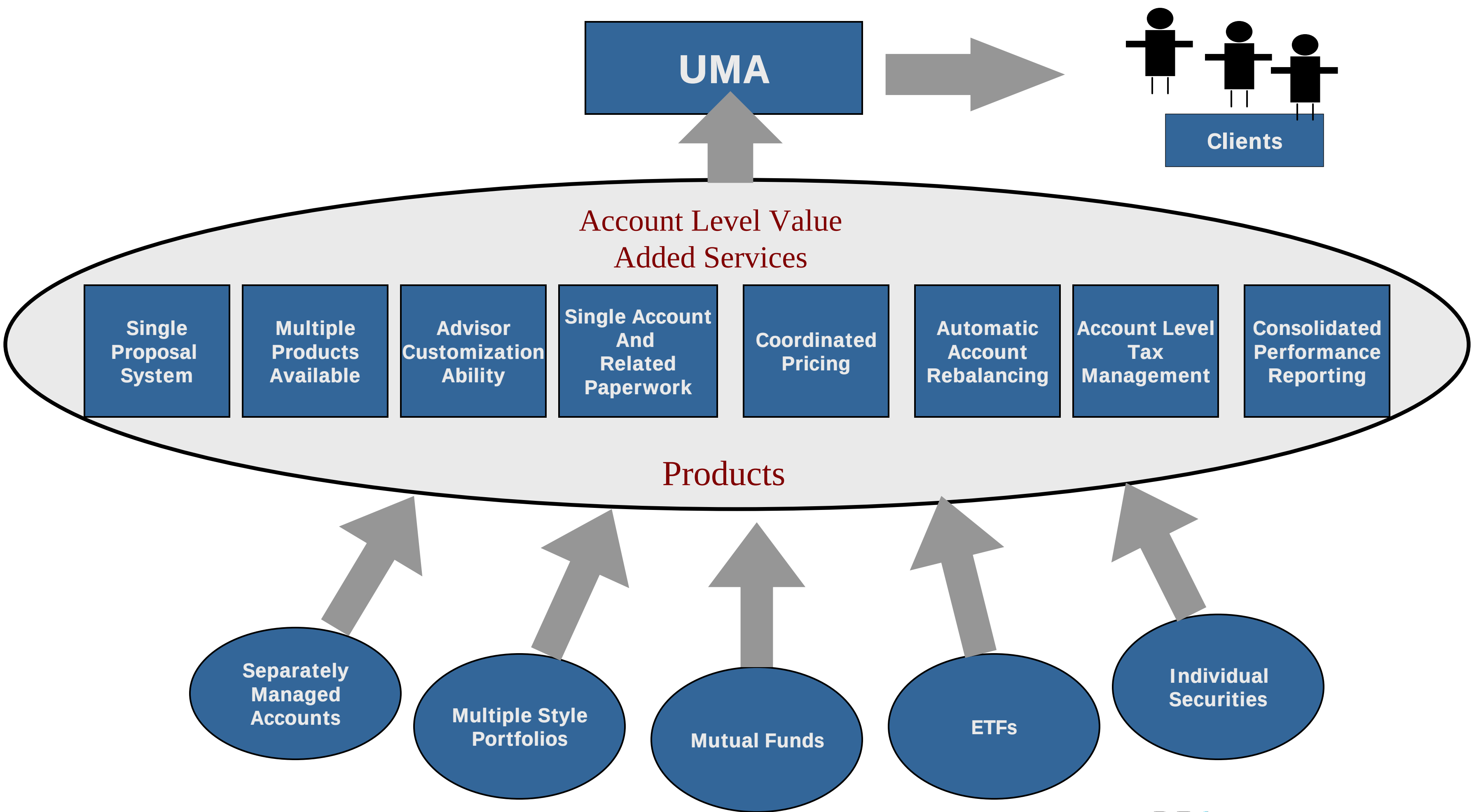
Greater potential for experiencing lower down market capture and higher up market capture

UMA offers multi-investment strategies. Each strategy is managed by an institutional manager with related expertise and focus, or by a designated ETF and/or a Mutual Fund. All separate strategies are held in the same account.

One account, one set of new account documents, one fee, and one statement.

UMA offers electronic statements and confirms delivered by e-mail.

Unified Managed Account (UMA) Workflow



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Alliance-Specialty Managers

- Additional 3rd party managers are available on the platform.
- Single manager, single account.
- Accounts are held at NFS; these managers use the NAM Advisor Guide platform to view and manage your client accounts.
- See the list of managers and their specialties, fees, and performance on the *Product* tab of the NAM AdvisorGuide site. Many of these managers can also manage your clients' annuity accounts.

Rep as Manager

- National Asset Management (NAM) offers a Rep as Manager program through AdvisorGuide
  - Discretionary Accounts-if you and your clients have selected to proceed with your accounts on a discretionary basis and without utilizing a 3rd party investment manager, you can use AdvisorGuide to :
    - Determine your strategies
    - Measure clients' risk level
    - Determine your fee structure
    - Build your models
    - Get approval on models
    - Assign models to accounts (client investment objective as measured by the risk tolerance questionnaire must be within the risk range of the model assigned)
    - Advisor can choose to pay for ticket charges and platform fee

Rep as Manager *Continues*

- Non-Discretionary Accounts
  - Your client may choose to provide no discretion
    - Create and provide the client with investment strategy
    - Determine fee structure
    - Client must agree to strategy and give consent before trades are executed
    - Determine risk level
    - Determine your fee structure
    - Build your models
    - Get approval on models
    - Determine accounts risk level
    - Assign models to accounts (evidence of client consent must be obtained)
    - Advisor can choose to pay for ticket charges and platform fee

Monitoring

NAM's Unique platform offers you the ability to manage your client accounts at most custodians.

Our AdvisorGuide platform is able to retrieve data from custodians other than NFS and Folio*fn*:

- Manage your clients VA sub accounts and collect a fee.
- Manage your clients' 401(k) accounts without waiting to transfer them to an IRA Rollover
- Manage your clients' 403(b) accounts
- Provide quarterly consolidated statements

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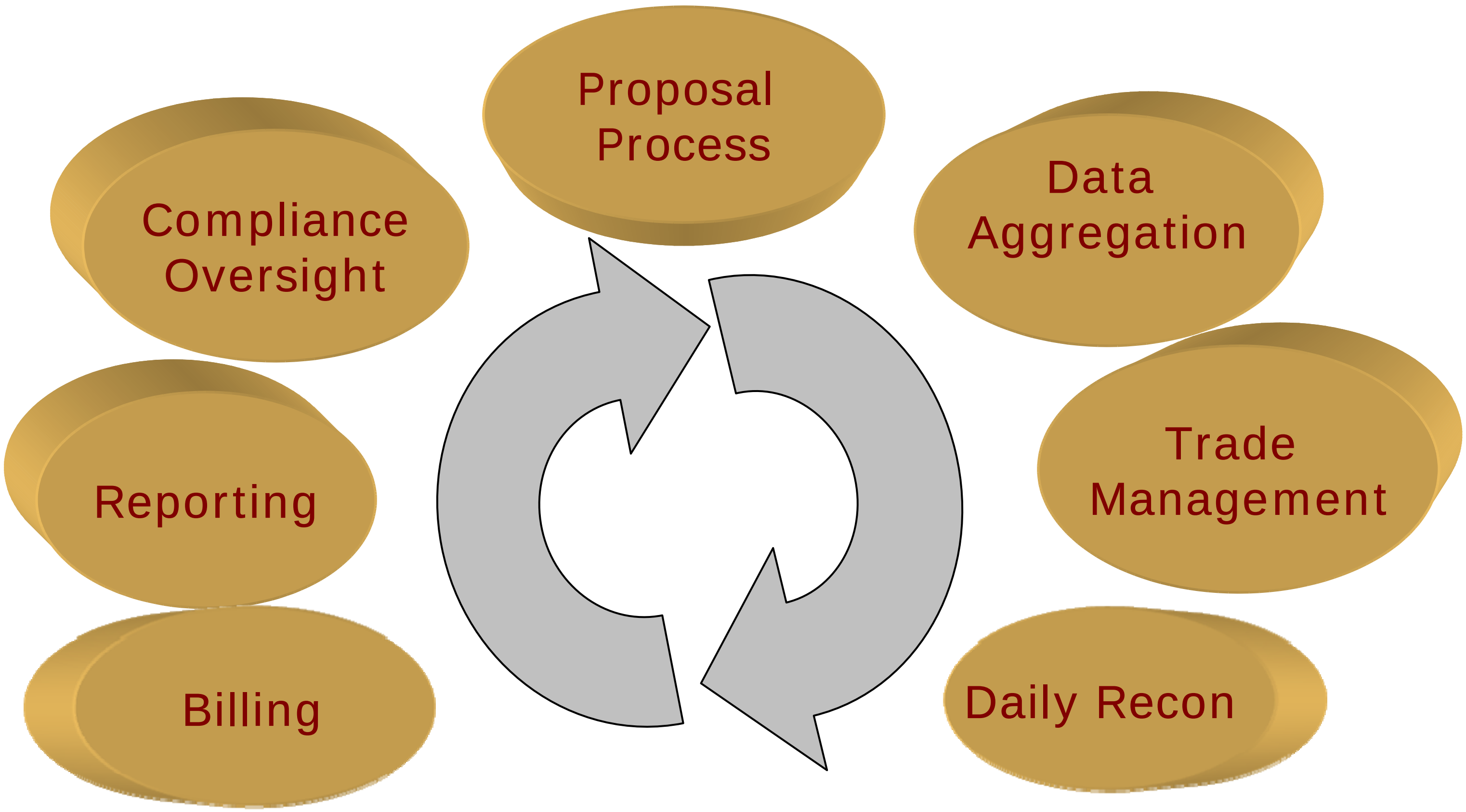
Comprehensive Operations Services



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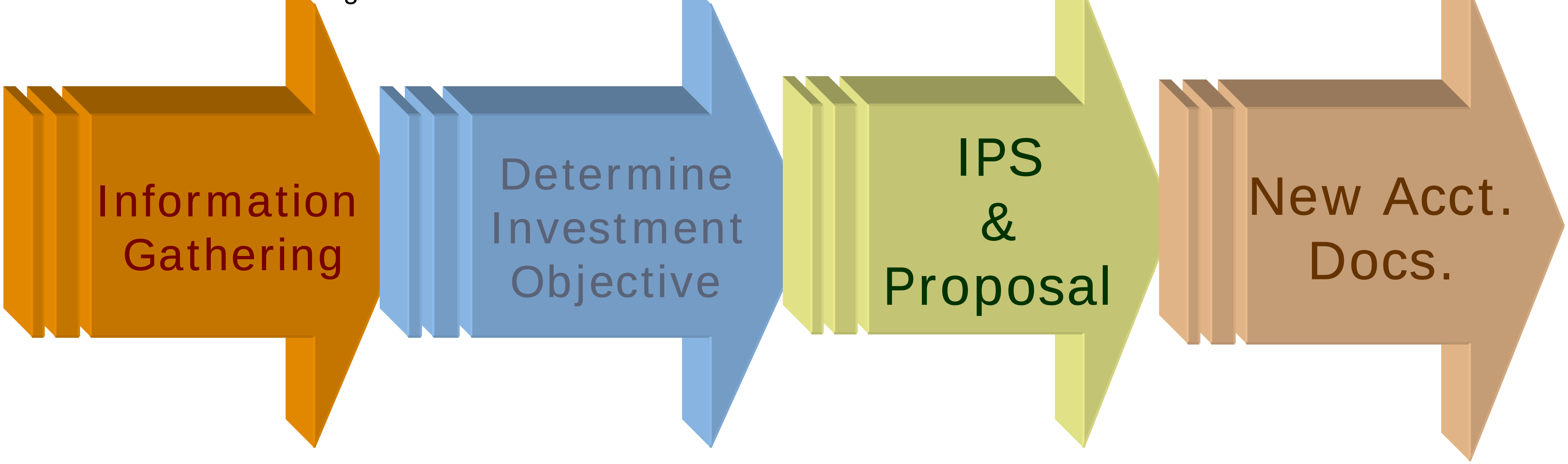
Platform Services

Proposal System

- New Account and Proposal: from Main screen choose New Account and Proposals,, follow the screen directions to create new account, populate paperwork, generate IPS



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Platform Services

- Trade Management System

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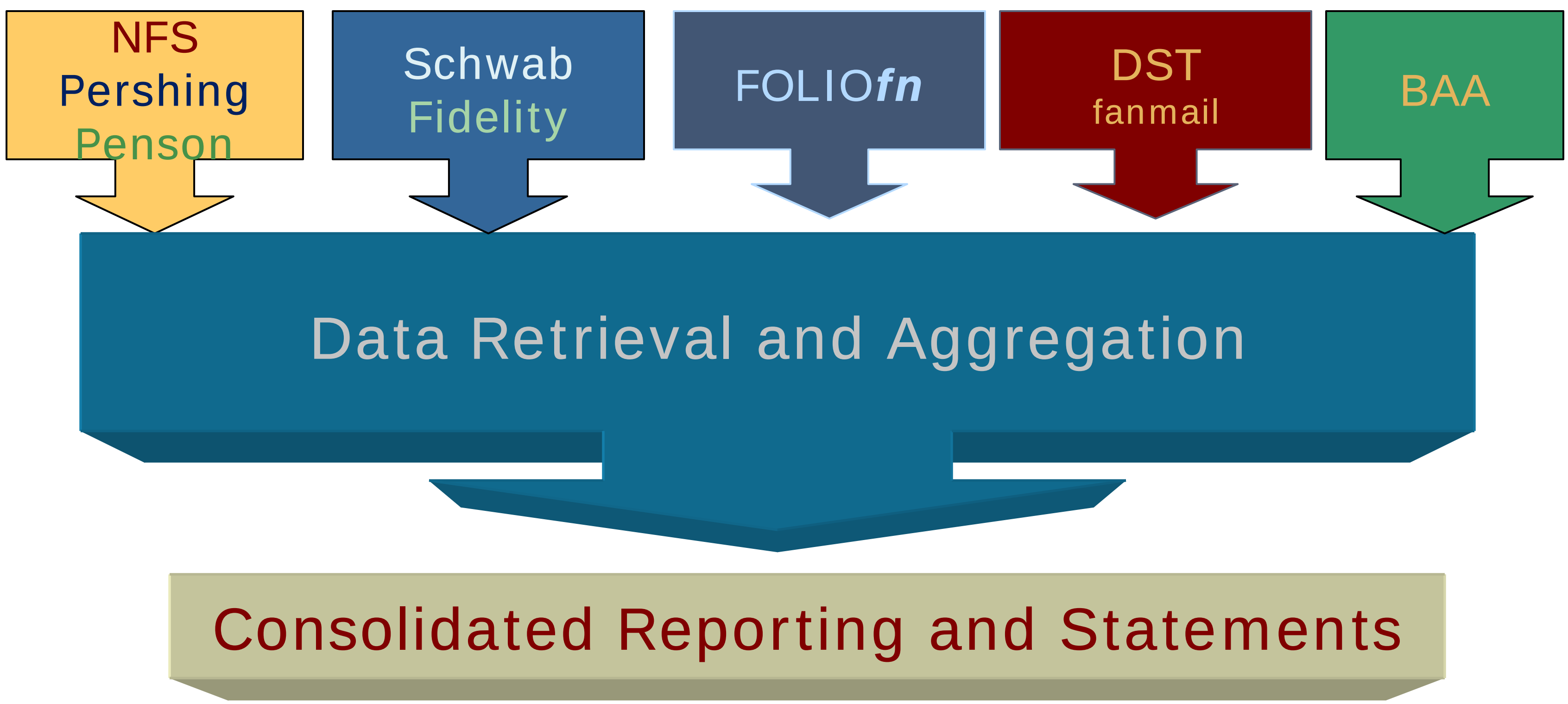
Platform Services

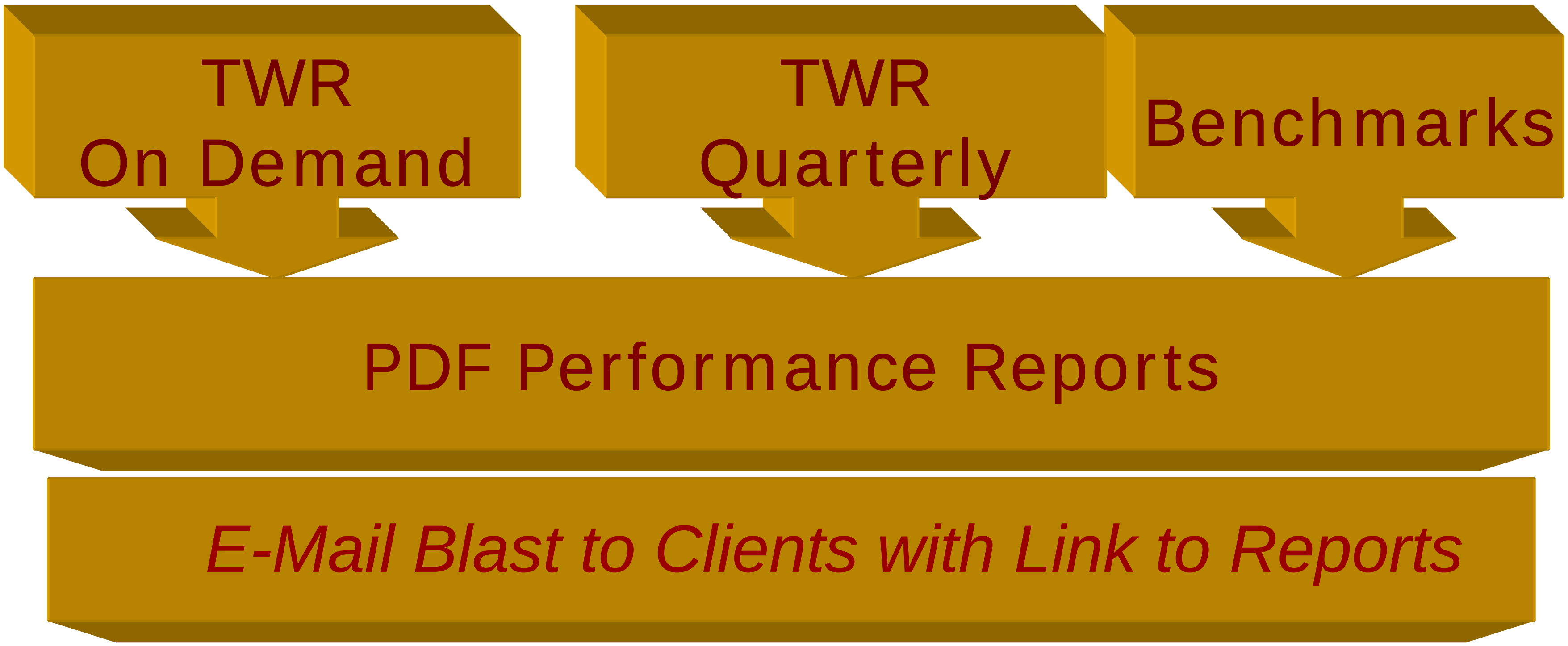
Account Retrieval and Aggregation

•Assets such as DPP's, Real Estate, or other valuables can be also added below the line to capture all client's assets. From Portfolio tab, select statement to view quarterly reports



Platform Services

- Performance Calculation and Reporting
  - From the main NAM AdvisorGuide screen choose Portfolio, Performance Calculations, select account, period, and run calculation



Platform Services

Billing

- **Monthly Avg Acct** *billed in advance using avg daily values of prior month*
- **Tiered Matrix** *applying a lower fee rate to higher dollars invested, each tier may receive a different fee percentage*
- **Linear Matrix** *applying a lower fee rate to entire invested amount, as the account value increases*
- **Uniform Advice** *billing notification to clients*
- **Ability to charge one acct for another**
- **Ability to suppress positions from billing**
- **Unified and Automated Application**

Summary of Client Benefits

- ✓ Access to institutional asset managers
- ✓ A broad product choice
- ✓ Personalized diversification strategies
- ✓ User-friendly manager research
- ✓ Ongoing portfolio monitoring and rebalancing
- ✓ Online account access and reporting
- ✓ Fee-based structure that ensures objectivity

Summary of Advisor Benefits

- ✓ Ability to earn more money
- ✓ Minimize your liability
- ✓ Ability to manage time more efficiently
- ✓ Less operational work and cost
- ✓ Flexibility of product selection
- ✓ Institutional level reports
- ✓ Build value in your practice

NAM Services and Pricing

✓Your dually registered BD/RIA will receive access to some or all aforementioned features and products.
✓Your platform through NAM will be private labeled for your use.
✓You will have access to and support of experienced and very knowledgeable professionals at NAM.

Platform Pricing:

✓Customization and Conversion (one time)	$10,000.00
✓Per account fee	$7.25 per month
✓Asset Fee annually	9 .5BPS (.095%)

(Minimum Monthly fee of $4500.00 will apply)

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To access Advisor Guide:

Visit **"www.namadvisorguide.com"** and follow the easy tabs to access the many features of this platform

- Contact us for more information and a demonstration of our platform:
  - **National Asset Management**
    - **Vali Nasr @ 949.955.1955** vnasr@namadvisorguide.com

We are eager to assist you to succeed in your fee based business

Thank you for Your interest!

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