

## Prospectus Auditing Services

Broker Village audits mutual fund prospectuses and related documents. Often, errors exist in numeric tables and/or suitability text is inconsistent with the math. Problems compound if actual or perceived conflicts-of-interest exist.

We can help firms fix problems if they exist...or attest that they don't. For each fund, we can determine if:

- Conflicts of interest exist at the advisor, B/D, or fund firm levels;
- Fee and performance tables are accurate and consistent with SAI text; and if
- Textual rationales are consistent with the math; and if.
- Share class sales limits are suitable for typical trade sequences;

### Auditing Team

The same math firm, CPA firm, and securities lawyer that created the math for FINRA's [Fund Analyzer](#) will do all work. We guarantee that your prospectus figures precisely match FINRA's. Audits can be re-verified annually.

Broker Village focuses on conflicts-of-interest and suitability text. [Capossela, Cohen](#) focuses on accuracy of prospectus tables. Pat Foster's legal work concerns the veracity and consistency of disclosure.

Broker Village supplies the algorithms for several regulatory calculators. Capossela audited much of the math. They're a 30-person, high-end CPA firm and member of the [BDO Siedman](#) Alliance. BDO is the world's 5th largest CPA firm, with 600+ offices in 158 countries. Ms. Foster issued the legal opinion on the related math. An industry veteran, her specialty is mutual fund compliance.

### Proposal Specifics

We suggest audits for several funds due to differences in portfolio composition. For *each fund* we will:

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| <ul style="list-style-type: none"> <li>• Determine if conflicts exist for advisor, B/D, and fund firm; if so, trace underlying causes</li> <li>• Determine proper sales limit for each share, by account type</li> <li>• Provide basic corroborating EXCEL file</li> <li>• Review suitability text for agreement with the math</li> <li>• Issue Attestation Letter that complies with the CFA Institute's research report rules</li> </ul>                   | } | <p>Broker Village<br/>Math Work</p>    |
| <ul style="list-style-type: none"> <li>• Verify accuracy of fee and return tables, testing for proper use of CDSCs, B/A flips, loads, etc.</li> <li>• Verify that figures in the various tables are consistent with the actual prospectus text</li> <li>• Issue AICPA-compliant Attestation Letter attesting to the accuracy of the prospectus tables</li> <li>• Submit a report listing the procedures performed and results of those procedures</li> </ul> | } | <p>Capossela<br/>CPA Work</p>          |
| <ul style="list-style-type: none"> <li>• Verify if the rationale for share class choice, offered by the prospectus, agrees with the math</li> <li>• Suggest additional text for Tax Considerations and Share Class sections of each prospectus</li> <li>• Issue Legal Opinion concerning the findings and whether math and disclosure are consistent</li> </ul>  | } | <p>Pat Foster, Esq.<br/>Legal Work</p> |

### Per Fund Pricing

The number of funds to audit is firm-dependent. There are two pricing levels *per fund*:

- a) **Math and CPA:** This pricing is per fund and is very affordable.
- b) **Math, CPA, Legal:** This pricing is slightly more expensive, but still very affordable.