

ERRORS AND OMISSIONS REPORTING

Clients are held harmless on all Trade Errors. Errors are settled in cash as soon as possible. Cascade Investment Counsel does not have any proprietary investment accounts to inventory or warehouse securities either purchased or sold in error. Cascade does not speculate on price recovery.

In our permanent files Cascade Investment Counsel has a folder for omissions/trade errors. Documentation for all trackable errors are placed in this file.

TD Ameritrade – TD Ameritrade, at the time of our first error, will create an ‘error’ account. Through 12/31/09 there have been no errors between TD Ameritrade and Cascade Investment Counsel.

Charles Schwab – Trade errors go to the Trade Errors team at C. Schwab. We settle with them on a ‘per trade’ basis. They track all errors. We call the regular Trade desk and select option for Trade Errors. Through 12/31/09 there have been no trade errors between Cascade and Charles Schwab.

UBS Financial – Bills us for Trade Errors on an individual error basis. From 3/31/1999 to 12/31/2009 the total value of Trade Errors with UBS billed to Cascade Investment Counsel has been \$559.20.

Prior to 12/30/2009, Trade Errors were noted on our trade blotters, and were held at front desk until errors were corrected by custodian, then filed in our Trade Blotter books. Starting 01/04/2010 copies of trade error data will be placed in a permanent Trade Error folder as well.

All other errors are corrected as soon as possible, and any charges are billed to us and paid by us immediately.

Updated 12/30/2009 DD