

SAMCO Capital Markets, Inc.

Regulation Best Interest Disclosure

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Regulation Best Interest Disclosure

This disclosure provides information about the business practices, compensation and conflicts of interest related to the SAMCO Capital Markets, Inc. (“SAMCO”, “our”, “we”, “us”) offers brokerage services to you and our customers. This guide summarizes important information concerning the scope and terms of those brokerage services that are offered by us and details the material conflicts of interest that arise through our delivery of brokerage services to you. We encourage you to review this information carefully, along with any applicable account agreement(s), along with any disclosure documentation you may receive or have received from us.

As you review this information, we would like to remind you that we are registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer providing brokerage services, and a member firm of the Financial Industry Regulatory Authority (“FINRA”) and the Municipal Securities Rulemaking Board (“MSRB”). As a broker-dealer, SAMCO transacts business in various types of securities, including mutual funds, exchange-traded funds, stocks, bonds, options, private placements and other investment products, while offering such services to clients located domestically, as well as outside of the U.S. Additional information about SAMCO and its financial professionals is available on FINRA’s website at www.brokercheck.finra.org, or via the SEC’s website at www.sec.gov.

Brokerage Services

When you establish a brokerage account with us, you have the ability to, buy, sell, and hold investments within your account. The primary service we provide is our trading capability. We execute purchases and sales on your behalf, and as directed by you. In a brokerage services relationship, we can trade with you for your account, for an affiliate or for another client, and we can earn a profit on those trades. The capacity in which we act is disclosed on your trade confirmation. However, we are not required to communicate it in advance, obtain your consent, or inform you of any profit earned on trades.

Cash Brokerage and Margin Brokerage Accounts

We provide brokerage services through either a cash brokerage account or margin brokerage account, based on your eligibility and selection. In a cash brokerage account, you must pay for your purchases in full at the time of purchase. In a margin brokerage account, you must eventually pay for your purchases in full, but you may borrow part of the purchase price from our clearing firm, Pershing LLC (“Pershing”). This is generally referred to as a “*margin loan*.” The portion of the purchase price that is loaned you is secured by securities in your account, also referred to as “*collateral*.” You will incur interest costs as a result of your margin activity, which will be determined by Pershing. While many securities are eligible to be used as collateral for a margin loan, some securities are not available for margin collateral purposes.

Given that a margin-enabled brokerage account has specific eligibility requirements, unique costs, and governing regulatory requirements, our default brokerage option is our cash brokerage account. You must execute a separate margin agreement before engaging in margin brokerage activity. Included with your margin agreement is a copy of the Margin Disclosure Statement. This statement contains important information you should understand and consider before establishing a margin brokerage relationship with us. For more information on our margin brokerage services, contact your investment professional (“Registered Representative”) or refer to our Margin Disclosure Statement available upon verbal request, you can contact Lee Maverick at 512-794-9100.

Brokerage Account Types

We offer many different brokerage account types including individual and joint accounts, custodial accounts, Delivery Versus Payment (“DVP”) accounts, estate and trust accounts, corporate accounts, partnership accounts, individual retirement accounts and other types of retirement accounts and accounts to facilitate private placement transactions, as outlined in our account agreement(s). You should refer to our account agreement(s) for more information concerning available account types or speak with your Registered Representative.

Incidental Brokerage Services, Recommendations and Account Monitoring

Within your brokerage account, we may also provide other incidental services such as research reports, and recommendations to buy, sell, or hold assets. Generally, when we make a securities recommendation, or investment strategy recommendation or recommendation regarding securities, we act in a brokerage capacity, and as such, we do not agree to enter into a fiduciary relationship with you. However, when we make a securities recommendation, or investment strategy recommendation, to an account covered by ERISA, we are fiduciaries within the meaning of Employee Retirement Income Security Act and the Internal Revenue Code.

It is important for you to understand that when your Registered Representative makes a brokerage recommendation to you, we are obligated to ensure the recommendation is in your best interest, considering reasonably available alternatives, and based on your stated investment objective, risk tolerance, liquidity needs, time horizon, financial needs, tax status, and other financial information you provide us. You may accept or reject any recommendation. It is also your responsibility to monitor the investments in your brokerage account, and we encourage you to do so regularly. We do not commit to provide on-going monitoring of your brokerage account. If you prefer on-going monitoring of your account or investments, you should speak with your Registered Representative about whether an advisory services relationship is more appropriate for you.

Please also consider that from time to time we may provide you with additional information and resources to assist you with managing your brokerage account. This may include but is not limited to educational resources, sales and marketing materials, performance reports, asset allocation guidance, and/or periodic brokerage account reviews. When we offer these services and information, we do so as a courtesy to you. These activities are not designed to monitor specific investment holdings in your brokerage account, they do not contain specific investment recommendations about investment holdings, and you should not consider them a recommendation to trade or hold any particular securities in your brokerage account. Upon your request, we will review such information and reports with you and may provide you with investment recommendations, but we are not under a specific obligation to do so.

Clearing Services

We have entered into an agreement with Pershing to carry your account on a fully disclosed basis and provide certain back office functions. We share responsibilities with Pershing with respect to your account as set forth in your Customer Agreement that was delivered to you upon opening of your account with . Pershing Please refer to your Customer Agreement for more information on how such responsibilities have been allocated between us.

Account Minimums and Activity Requirements

There is no minimum initial account balance required to open a brokerage account with us. However, if you either fail to fund your account or do not return account opening documents as required, your account will be closed. In addition, some types of brokerage accounts have minimum account activity requirements and/or minimum on-going balance requirements that must be maintained, or your

brokerage account will be closed. These requirements are detailed in the account agreement(s) you receive when you opened your brokerage account.

You should also understand that our Registered Representatives may establish their own minimum account balance requirements for the brokerage accounts they service. For example, a dedicated Registered Representative may choose to service only those brokerage account clients who satisfy account-specific or total household asset conditions. Minimum asset requirements are disclosed to you orally by your Registered Representative.

Understanding Risk

It is important for you to understand that all investments involve risk, including the risk that you may lose your entire principal. Further, some investments involve more risk than other investments. Higher-risk investments may have the potential for higher returns but also for greater losses. The higher your “risk tolerance,” meaning the amount of risk or loss you are willing and able to accept in order to achieve your investment goals, the more you may decide to invest in higher-risk investments offering the potential for greater returns. We align your risk tolerances with investment needs to offer you different investment objectives from which to choose (see below). You should select the investment objective and risk tolerance best aligned with your investment goals and needs.

Investment goals typically have different time horizons and different income and growth objectives. Generally, investment goals are on a spectrum, with “Income” investors typically holding the smallest percentage of higher-risk investments, followed by “Growth and Income” investors holding some higher-risk investments, and finally “Growth” investors holding a significant portion of their portfolio in higher-risk investments. Risk tolerance also varies, and we measure it on a continuum that increases from “Conservative” to “Moderate” to “Aggressive,” and finally “Trading and Speculation.” See the chart below for details.

Investment Objective	Investment Objective Description	Risk Tolerance	Risk Tolerance Definition
Income	Income portfolios emphasize current income with minimal consideration for capital appreciation and usually have less exposure to more volatile growth assets.	Conservative	Conservative Income investors generally assume lower risk, but may still experience losses or have lower expected income returns.
		Moderate	Moderate Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest income returns.
		Aggressive	Aggressive Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.
Growth & Income	Growth and Income portfolios emphasize a blend of current income and capital appreciation and usually have some exposure to more volatile growth assets.	Conservative	Conservative Growth and Income investors generally assume a lower amount of risk but may still experience losses or have lower expected returns.
		Moderate	Moderate Growth and Income investors are willing to accept a modest level of risk that may result in increased losses in exchange for the potential to receive modest returns.

		Aggressive	Aggressive Growth and Income investors seek a higher level of returns and are willing to accept a higher level of risk that may result in greater losses.
Growth	Growth portfolios emphasize capital appreciation with minimal consideration for current income and usually have significant exposure to more volatile growth assets.	Conservative	Conservative Growth investors generally assume a lower amount of risk but may still experience increased losses or have lower expected growth returns.
		Moderate	Moderate Growth investors are willing to accept a modest level of risk that may result in significant losses in exchange for the potential to receive higher returns.
		Aggressive	Aggressive Growth investors seek a higher level of returns and are willing to accept a high level of risk that may result in more significant losses.
Trading and Speculation	Trading and Speculation investors seek out a maximum return through a broad range of investment strategies which generally involve a high level of risk, including the potential for unlimited loss of investment capital.		

Our recommendations are based in part on your risk tolerance and investment objectives as outlined above. We encourage you to carefully consider your investment objectives and risk tolerance before investing.

Cash Sweep Program Feature

Our brokerage services include a Cash Sweep Program feature. This program permits you to earn a return on uninvested cash balances in your brokerage account by allowing cash balances to be automatically “swept” into a “Cash Sweep Vehicle,” until such balances are otherwise required to satisfy obligations arising in your account. These Cash Sweep Vehicles include interest-bearing deposit accounts, and if permissible, money market mutual funds or such other sweep arrangements made available to you. You will receive additional information concerning the Cash Sweep Program in your account agreement(s). More information about the Cash Sweep Program can be found in the [Sweep Money Market Mutual Fund & FDIC-Insured Deposits Program Rates & Bank Lists](#) disclosure, or is available upon request. Please call Joseph L. Maverick, at 512-794-9100, to request this information. Additionally, you will receive additional information concerning the Cash Sweep Program in your account agreement(s).

Brokerage service models and products

We offer a variety of service models, from full-service brokerage account to self-directed brokerage accounts. For more specific information on what might be available to fit your needs, please call your Registered Representative or contact Joseph L. Maverick at 512-794-9100.

Brokerage Fees and Our Compensation

It is important to consider that while a brokerage relationship can be a cost-effective way of investing your assets, it is not for everyone given the fees and costs involved.

Transaction-Based Fees

You will pay transaction-based fees for trades you decide to enter into, such as buying and selling stocks, bonds, exchange traded products, mutual funds, annuity contracts, purchasing and exercising options and other investment purchases and sale. These transaction-based fees are generally referred to as a “*commission*,” “*mark up*,” “*sales load*,” or a “*sales charge*.” Transaction-based fees are based on a host of factors, including, but not limited to:

- Underlying product selection
- Your brokerage service model and account type
- Size of your transaction and/or overall value of your account
- Frequency of your trade activity
- Available discounts and/or fee waivers

Account and Service Fees

You will pay fees for various operational services provided to you through your brokerage account. These fees are set at least annually and communicated to you through information included in your account statement and other notifications. These fees do not apply to all account types and may be waived under certain conditions.

You should understand that based on the brokerage service model you choose, the same or similar products, accounts and services may vary in the fees and costs charged to you. For more information concerning our administrative and service fees, please contact your Registered Representative or call Joseph L. Maverick at 512-794-9100.

How We Are Compensated

We receive direct and indirect compensation in connection with your accounts. Direct compensation is taken directly from the affected account. Indirect compensation is compensation paid in ways other than directly from the account and may impact the value of the associated investments in your account. The sections below describe the compensation that we receive in connection with various investments that may be available to you. In many cases, the descriptions that follow refer to a prospectus or offering documents.

Investment Product Compensation

Equity and Other Exchange Traded Securities

All commissions are on a transaction basis, and these commission can be negotiated with your Registered Representative. You may or may not be charged a commission on equity trades; however, you will pay Pershing a ticket charge on all equity transactions. Please visit with your Registered Representative for any additional questions you might have.

Option Rates Equity and Index

Options compensation is received as direct compensation, as described below. All commissions are on a transaction basis, and these commission can be negotiated with your Registered Representative. You may or may not be charged a commission on option transactions; however, you will pay Pershing a ticket charge on all option transactions. Please visit with your Registered Representative for any additional questions you might have.

Fixed Income Products

Fixed income products include by way of example, domestic corporate debt, U.S. Government securities, municipal securities, foreign corporate debt, and corporate sovereign debt. SAMCO provides access to the fixed income market by providing our clients with access to corporate debt, U.S. Government securities, municipal securities, foreign corporate debt, and or corporate sovereign debt (“Fixed Income Products”). When SAMCO buys or sells Fixed Income Products on your behalf, we may impose a markup (“*increase*”) or markdown (“*decrease*”) in the price of transactions we execute on a principal basis or riskless principal basis, in accordance with industry guidelines. Our compensation for the purchase of a Fixed Income Products for you is based solely on the markup we charge you for the purchase of a Fixed Income Product, and is essentially the difference between an investment's lowest current market price in the market, and the price charged to you for said Fixed Income Product. Our compensation for the sale of a Fixed Income Product for you is based solely on the markdown we impose, and is difference between the market value of the Fixed Income Product, and the lower price that we that we purchase the Fixed Income Product from you. The securities industry has imposed rules and guidelines on markups and markdowns to protect investors in the fixed income market. We maintain policies and procedures designed to help ensure compliance with those rules and guidelines.

The maximum markup/markdown on a transaction with a customer that we receive when acting in a principal capacity typically does not exceed 3.0% of the value of the security. On rare occasions, a markup/markdown may exceed 3.0% on a deeply discounted security or hard to find. In many cases, the actual markup/markdown percentage is lower based on factors such as quantity, price, type of security, rating, maturity, etc. The securities industry has imposed rules and guidelines on markups and markdowns to protect investors in the fixed income market. We maintain policies and procedures designed to help ensure compliance with those rules and guidelines.

Mutual Funds

We currently offer numerous mutual funds varying in share class structure and investment style. If you invest in mutual funds, we receive direct and indirect compensation in connection with such mutual fund investments, as described below.

12B-1/Shareholder Service Fees. 12b-1 fees, also known as trails, are paid by the fund, and paid to us out of fund assets under a distribution and servicing arrangement to cover distribution expenses and sometimes shareholder service expenses that we may provide on the fund’s behalf. Shareholder servicing fees are paid to respond to investor inquiries and provide investors with information about their investments. These fees are asset-based fees charged by the fund family. These fees range from 0.00% to 1.25%, but the majority of these fees are below 0.85%. These fees may be passed on to us and may in turn be passed on to your Registered Representative as a commission.

Front-end Sales Charge Fees/Contingent Deferred Sales Charges (CDSC). Front-end sales charge fees may be charged and paid to us, including your Registered Representative, when you purchase a fund. The front-end sales charge is deducted from the initial investment on certain share classes. This charge normally ranges from 0.00% to 5.75%. Some purchases may qualify for a reduced front-end sales charge due to breakpoint discounts based on the amount of transaction and rights of accumulation. In addition, some purchases may qualify for a sales charge waiver based on the type of account, and/or certain qualifications within the account. You should contact your Registered Representative if you believe you are eligible for sales charge waivers.

CDSC is a charge you pay upon withdrawal of money from a fund prior to the end of the fund’s CDSC period. CDSC charges range from 0.00% to 5.50%. CDSC periods can range from zero to seven years. This charge typically exists only on share classes that do not have a front-end sales charge. It is sometimes referred to as the back-end load. CDSCs are not charged when you purchase a fund. The fee charged will depend on the share class purchased by the investor. A CDSC is not passed on to your Registered Representative. You can find a description of the amount and payment frequency of all fees and expenses charged and paid by the fund in the fund’s prospectus. Fees and expenses disclosed

in the fund's prospectus are charged against the investment values of the fund. Please note that 12b-1s and similar fees or compensation received in connection with our affiliated funds are not received, or are rebated, on ERISA assets.

Data Agreement. All Mutual Funds companies we conduct business with under an agreement to solicit their products. The compensation is outlined in the prospectus. The Registered Representative receives up front commission from the Mutual Fund companies and a trailing commission depending on the fund. Specifics on the commission earned by the Registered Representative are contained in the prospectus.

Annuities

Our annuities consist of fixed, index, and variable annuities. Under arrangements with insurance companies, your Registered Representative, receive commissions from the insurance companies for the sale of annuities, as well as trail commissions, and they are considered indirect compensation. Commissions and trails paid to us vary by product type and may vary by insurance carrier. All annuity contracts are sold with a prospectus and additional information can be found in the prospectus.

Unit Investment Trusts (“UITs”)

Our UITs consist of Equity and Fixed-Income UITs. We, along with your Registered Representatives, are compensated in ways that vary depending on the type and terms of the UIT portfolio selected. The types of fees received by us are described below and are disclosed via the prospectus issued by the UIT provider; however, the maximum upfront sales charge paid typically ranges from 1.85% to 3.95% and can depend on the length of the term of the UIT. Your Registered Representative can provide you a copy of the most recent prospectus. The UIT provider deducts fees as compensation from the proceeds available for investments for marketing and distribution expenses, which may include compensating us as described in each UIT prospectus. All commission are on a transaction basis these commission can be negotiated with your Registered Representative. You may or may not be charged a commission. Please visit with your Registered Representative for any additional questions you might have.

529 College Savings Plans (“529 Plans”)

We currently offer numerous 529 plans, both state and out of state. We receive a front-end sales charge fee or a contingent deferred sales charge. If you invest in 529 Plans, we receive direct and indirect compensation in connection with such 529 Plan investments, as described below. You may also pay enrollment or one-time fees and or annual maintenance fees. See the prospectus, program brochure or plan description for a listing of each plan's fees. Many states offer favorable state tax treatment to residents in investing their home state 529 Plan. See the prospectus, program brochure or plan description for a listing of each plan's treatment of benefits to residents of their state.

Front-end Sales Charge Fees/Contingent Deferred Sales Charges (CDSC). Front-end sales charge fees be charged and paid to us, including your Registered Representative, when you purchase a fund. The front-end sales charge is deducted from the initial investment on certain share classes. This charge normally ranges from 0.00% to 5.75%. Some purchases may qualify for a reduced front-end sales charge due to breakpoint discounts based on the amount of transaction and rights of accumulation. In addition, some purchases may qualify for a sales charge waiver based on the type of account, and/or certain qualifications within the account. You should contact your Registered Representative if you believe you are eligible for sales charge waivers.

CDSC is a charge you pay upon withdrawal of money from a fund prior to the end of the fund's CDSC period. CDSC charges range from 0.00% to 5.50%. CDSC periods can range from zero to seven years. This charge typically exists only on share classes that do not have a front-end sales charge. It is sometimes referred to as the back-end load. CDSCs are not charged when you purchase a fund. The

fee charged will depend on the share class purchased by the investor. A CDSC is not passed on to your Registered Representative. You can find a description of the amount and payment frequency of all fees and expenses charged and paid by the fund in the 529 Plan's prospectus. Fees and expenses disclosed in the fund's prospectus are charged against the investment values of the fund.

Certificate of Deposits

We currently offer Certificate of Deposits (“CD”), which are deposit obligations of a depository institution (the “Issuer”) domiciled in the U.S. or one of its territories, the deposits and accounts of which are insured by the Federal Deposit Insurance Corporation (the “FDIC”). Each CD constitutes a direct obligation of the Issuer and is not, either directly or indirectly, an obligation of SAMCO or Pershing. CDs may be purchased both upon issuance (the primary market) and in the secondary market. Markups and or Markdowns are charged on a transaction basis, and paid to us, including to your Registered Representative, when you purchase a CD. Please visit with your Registered Representative for any additional questions you might have

Private Placements

We offer private placements of unregistered securities, which can be either be debt or equity securities. We compensated based on a percentage of your invested capital in the private placement. That percentage payable to us is set out and disclosed in the respective private placement memorandum, private offering memorandum or disclosure document, as well as in the subscription agreement you will executed to acquire an interest in a private placement (collectively the “Offering Documents”). The commission payable to us is non-negotiable, as it is negotiated between the sponsor or issuer of the private placement, prior to the offering of the private placement securities. Our compensation is generally paid out of the proceeds of the offering by the issuer, although it may be paid by the sponsor or an affiliated entity. See the Offering Documents for a discussion of the compensation arrangements with the sponsor and or issuers.

Your Registered Representative may receive a portion of the compensation, as determined the Registered Representative and us. Your Registered Representative can provide you with the most recent private Offering Documents which in addition to disclosing our compensation arrangements, also discloses additional fees and costs imposed on the private placement investment by the issuer and its affiliates, risks related to investing in that private placement, the minimum investments accepted, the suitability requirements of investors, and other information critical to an investors decision to invest in any such private placement. It should be noted that private placement securities are illiquid, there is no public market for the securities, and no such public market is expected to develop in the future.

Operational Fees Charged Directly to Your Account

Pershing and SAMCO receives compensation for various operational and administrative services provided to you through your brokerage account. The fees for these services are set out below.

Margin Debit Interest

When a customer purchases security on margin, Pershing extends a line of credit to the customer, and charges interest on the margin balance which in turn is shared with SAMCO. Pershing charges between .75% and 2.75% in interest over the Fed Funds Target Rate on outstanding debit balances in margin accounts (“Brokers Call Rate”). The Federal Fund Target Rate is the interest rate charged by one bank, for an overnight loan of money stored at the Federal Reserve, to another bank, as determined by the Federal Open Market Committee of the Federal Reserve.

Miscellaneous Account Services Fees - Pershing

SAMCO does not share in general account administrative and services fees with Pershing. Notwithstanding that, the general account administrative and services fees charged by Pershing to both brokerage and advisory accounts are set forth on Addendum A, Schedule of Maximum Charges (“Schedule of Account Fees”), which is attached hereto and incorporated herein for all purposes. Please note that Pershing has the right to amend such fees and charges without notice, and SAMCO recommends you review your account documentation with Pershing regarding such fees. Please visit with your Registered Representative for any additional questions you might have regarding the operational and administrative fees charge by Pershing to your account.

Trade Corrections

If a customer holds an account at SAMCO and a trade error caused by SAMCO occurs in the account, SAMCO will cancel the trade from the customer account and remove the monetary loss to the customer from the account. If a trade correction is required as a result of a customer negligence (e.g., if a customer does not make full payment for purchases or fails to deliver negotiable securities for liquidations before trade settlement), SAMCO will cancel the trade and any resulting monetary loss will be borne by the customer. In the case of a trade that requires a correction and that resulted in a monetary gain to the customer, such gain may be removed from the account and may result in a financial benefit to SAMCO.

Compensation for Termination of Services

Other than any contingent deferred sales charge for a fund (as described under the Mutual Funds section above, if applicable), IRA termination fees (when applicable), and account transfer fees, we would not receive any additional compensation in connection with the termination of its services. If you have questions or need additional copies, contact your registered representative.

Revenue Sharing

We currently have a revenue sharing arrangement with Pershing that allows for sharing in revenues for Margin Accounts and Bank Deposit Sweep accounts.

Customer Cash Balance Interest

We earn a monthly fee calculated on the average net asset balance in the sweep account that ranges from 0 to 50 basis points for administrative and marketing support. Please note that “basis points” are a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form).

Margin Debit Balances

We earn a monthly fee on margin debit balances of 100 basis points over the Brokers Call Rate published by Pershing. SAMCO has a financial incentive to encourage margin borrowing because SAMCO earns compensation in the form of interest, transaction charges and other fees on investments made with borrowed amounts; therefore, maintains an incentive to recommend margin accounts. That financial incentive creates a conflict of interest insofar as SAMCO and your Registered Representative benefits from your decision to borrow and incur the various fees and interest described above. If contemplating use of margin, please consult the Pershing’s Margin Agreement and related disclosures for additional details.

FDIC Money Market Sweep

On funds sweep into the Wells Fargo Bank Deposit Sweep Account, we earn a monthly fee of calculated on the average net cash assets in the account per the table below, exclusive of ERISA and advisory accounts. (Please note that the Federal Fund Target Rate is defined as the interest rate charged by one bank, for an overnight loan of money stored at the Federal Reserve, to another bank, as determined by the Federal Open Market Committee of the Federal Reserve).

Conflicts of Interest

Like all financial service providers, SAMCO and its Registered Representatives have conflicts of interest when we provide brokerage services to you. A conflict of interest is a situation in which we engage in a transaction or activity where our interest is materially adverse to your interest. The mere presence of a conflict of interest does not imply that harm to your interests will occur, but it is important that we acknowledge the presence of conflicts. Moreover, our regulatory obligations require that we establish, maintain, and enforce written policies and procedures reasonably designed to address conflicts of interest associated with our recommendations to you.

Our conflicts of interest are typically the result of compensation structures and other financial arrangements between us, our Registered Representatives, our clients and third parties. We offer a broad range of investment services and products and we receive various forms of compensation from our clients, affiliated and non-affiliated product providers and money managers, and other third parties as described above. Securities rules allow for us, our Registered Representatives, and our affiliates to earn compensation when we provide brokerage services to you. However, the compensation that we and our Registered Representatives receive from you varies based upon the product or service you purchase, which creates a financial incentive to recommend investment products and services that generate greater compensation to us.

We are committed to taking appropriate steps to identify, mitigate and avoid conflicts of interest to ensure we act in your best interest when providing brokerage recommendations to you. Below you will find additional information related to our conflicts of interest. This information is not intended to be an all-inclusive list of our conflicts, but generally describes those conflicts that are material to your brokerage relationship. In addition to this disclosure, conflicts of interest are disclosed to you in your account agreement(s) and disclosure documents, and other information we make available to you.

Compensation We Receive from Clients

Transaction-based conflicts

In your brokerage account you pay certain fees (commissions and sales charges) in connection with the buying and selling of each investment product, including mutual funds, variable annuities, alternative investments, exchange traded funds, equity securities, and bonds. Where these fees apply, the more transactions you enter into, the more compensation that we and your Registered Representative receive. This compensation creates an incentive for us to recommend that you buy and sell, rather than hold, these investments. We also have an incentive to recommend that you purchase investment products that carry higher fees, instead of products that carry lower fees or no fees at all.

Markups and markdowns for principal transactions

When you buy or sell bonds and other fixed-income securities, such as structured products, we may impose a markup (increase) or markdown (decrease) in the price of transactions we execute on a principal, riskless agency basis, and in accordance with industry regulations. In those transactions,

we are compensated based upon the difference (mark-up) between the price you pay for securities purchased from us and the price we sell such securities to you over the prevailing market price, or the difference (markdown) between the price you sell securities to us and the price we purchase such securities from you over the prevailing market price. We maintain policies and procedures reasonably designed to help ensure compliance with the mark-up and mark-down industry rules.

Account maintenance and other administrative fees

While Pershing charges account maintenance and other administrative fees with respect to the services we provide or make available to you through your brokerage account, we do not share in those fees and charges.

Compensation Related to Proprietary Products

We do not offer proprietary products.

Compensation We Receive from Third Parties

Third-party payments we receive may be based on new sales of investment products, creating an incentive for us to recommend you buy and sell, rather than hold, investments. In other cases, these payments are made on an ongoing basis as a percentage of invested assets, creating an incentive for us to recommend that you buy and hold investments (or continue to invest through certain third-party managers, advisers or mutual funds).

The total amount of payments we receive varies from product to product. It also varies from the compensation we receive in connection with other products and services we may make available to you. We have an incentive to recommend investment products and services that generate greater payments to us. This compensation generally represents an expense embedded in the investment products and services that is borne by investors, even where it is not paid by the Product Sponsor and not directly from the investment product or other fees you pay. The types of third-party compensation we receive include:

- **Revenue Sharing.** Margin interest and cash sweep accounts and other sharing received and negotiated with Pershing, that are included in the transaction costs outlined above.
- **Trail Compensation.** Ongoing compensation from Product Sponsors may be received by us and shared with our Registered Representatives. This compensation (commonly known as trails, service fees or Rule 12b-1 fees in the case of mutual funds) is typically paid from the assets of the investment product under a distribution or servicing arrangement and is calculated as an annual percentage of invested assets. The amount of this compensation varies from product to product. We have an incentive to recommend that you purchase and hold interests in products that pay us higher trails.

Additional Compensation and Benefits from Product Sponsors and Other Third Parties

We and our Registered Representatives, associates, employees, and agents receive additional compensation from third parties including:

- Pershing provides services to us, including research, execution, brokerage, custody and access to mutual funds and other investments. Additionally, other services provided assist us in managing and administering clients' accounts. These services are provided based in part on the assets held at the respective custodians, and as such, creates an incentive for us to direct clients to their custodial platforms.

The amount of these payments or benefits is not dependent or related to the level of assets you or any other of our clients invest through us.

Product Share Classes

Some product sponsors offer multiple structures of the same product (e.g., mutual fund share classes) with each option having a unique expense structure, and some having lower costs to you as compared to others. We are incentivized to make available those share classes or other product structures that will generate the highest compensation to us.

Compensation Related to Our Affiliates

We earn compensation from the sale of insurance products to our brokerage customers. The amount of this compensation varies from insurance product to product. We have an incentive to recommend that you purchase insurance products to increase insurance compensation. However, we maintain policies and procedures designed to ensure that the recommendations to purchase insurance products are suitable for your needs, and in your best interest.

Compensation Received by Registered Representatives

General

Our Registered Representatives are compensated both as independent contractors and as salaried employees. Registered Representatives are compensated in a variety of ways based on the percentage of revenue generated from sales of products and services to clients and/or total assets under advisement, including brokerage account activity. The percentage received can vary (typically between 40% to 50%) depending on his or her agreements with us and the investment product or service recommended, and can be more or less than what he/she would receive at another brokerage firm. This compensation may vary by the product or service associated with a recommendation. In addition to upfront-transaction based compensation, some products feature on-going residual or “trail” payments. Thus, Registered Representatives are incentivized to recommend products that have higher fees as well as those with on-going payments. Notwithstanding that conflict, we have controls established to identify and mitigate this risk.

Typically, a Registered Representative’s payout schedule (periodically adjusted by us at our discretion) increases with production and asset levels. The same payout schedule is reduced when Registered Representatives discount certain client fees and commissions, or client relationship asset levels are below minimums established by us from time to time.

As a result, Registered Representatives have an incentive to provide brokerage recommendations that result in selling more investment products and services, as well as investment products and services that carry higher fees. Registered Representatives also have an incentive to provide brokerage recommendations to gather more assets under management and to increase brokerage trading activity, and to reduce the amount of discounts available to you. Notwithstanding those conflicts, we have controls established to identify and mitigate this risk.

Registered Representatives have a financial incentive to recommend you rollover assets from a Qualified Retirement Plan (“QRP”) to a brokerage Individual Retirement Account (“IRA”) because we will be paid compensation on those assets, for example, through commissions, fees and/or third party payments. A customer should be aware that such fees and commissions likely will be higher than those the customer pays through the plan, and there can be custodial and other maintenance fees. As securities held in a retirement plan are generally not transferred to an IRA, commissions and sales charges may be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges previously paid on transactions in the plan. Notwithstanding the above, we maintain policies and procedures designed to ensure that rollover recommendations are in your best interest.

Brokerage accounts do not feature an on-going fee based on assets under management. Registered Representatives are incentivized to recommend you transition your brokerage services account to an

advisory account to generate on-going revenue where your brokerage account has minimal activity. Further, Registered Representatives are incentivized to recommend you transition your brokerage account to an advisory account after you have already placed purchases resulting in commissions and/or other transaction-based brokerage fees. We have controls established to identify and mitigate this risk. Registered Representatives also have an incentive to provide higher levels of service to those clients who generate the most fees.

Other Registered Representative Activities

Registered Representatives may be motivated to place trades ahead of clients in order to receive more favorable prices than their clients. To address this conflict, we maintain policies and procedures and a Code of Ethics designed to ensure you obtain best execution on your securities transactions executed through us.

Additional Resources

<u>Title</u>	<u>Web Address</u>
SAMCO Form CRS	https://www.samcocapital.com/regulatory-disclosures
SAMCO DOL Fiduciary Disclosure	https://www.samcocapital.com/regulatory-disclosures
SAMCO Legal Disclosures	https://www.samcocapital.com/regulatory-disclosures
FINRA	https://www.finra.org/
SIPC	https://www.sipc.org/
BrokerCheck	https://brokercheck.finra.org/
Pershing Disclosures	https://www.pershing.com/disclosures#panel1
Mutual Fund, Money Market and Bank Deposit Disclosures	https://www.pershing.com/global-assets/pdf/disclosures/per-mutual-fund-money-fund-and-bank-deposit-program-disclosures.pdf
Important Information Regarding Money Market Mutual Funds	https://www.pershing.com/global-assets/pdf/disclosures/per-important-information-regarding-money-market-mutual-funds.pdf
Annuity Fees and Revenue Disclosure	https://www.pershing.com/global-assets/pdf/disclosures/per-annuity-fees-and-revenue.pdf
Float Disclosure	https://www.pershing.com/global-assets/pdf/disclosures/per-float.pdf
Information Statement – Securities Financing Transactions	https://www.pershing.com/global-assets/pdf/disclosures/per-eu-article-15-info-stmt.pdf
Sweep Money Market Mutual Fund & FDIC-Insured Deposits Program Rates & Bank Lists	https://www.pershing.com/rates

SCHEDULE OF MAXIMUM CHARGES

Your investment advisor has entered into an agreement with Pershing Advisor Solutions LLC (Pershing Advisor Solutions) to provide certain services related to your brokerage account for a fee. Below is the schedule of maximum charges for these services which are applied to your account on either a transaction or asset-level basis. Please note that any changes in this pricing agreement will take effect after 30 days written notice.

In many instances, your investment advisor has negotiated lower rates on your behalf. Should you have any questions, please contact your investment advisor. **** Fee includes commission charged by SAMCO in excess of Pershing Fee. The difference in cost resulting from the commission should be viewed as additional compensation by SAMCO.**

TRANSACTION-BASED PRICING

TRADING SERVICES		ADDITIONAL SERVICES	
	FEE		FEE
Equities/ETF	\$.16 per share ¹	Foreign Currency Deposit Charge	5%
Fixed Income Transactions	\$65.00 per ticket	Account Termination	\$150.00 per account
Mutual Funds²		Compensatory Interest for Failed Trades	Pass through
Mutual Fund Exchanges	\$30.00 per exchange	Cash Due Interest	Pershing Base Lending Rate + 1.00% ⁶
No Load Funds and Load Funds	\$45.00 per ticket ³	DK Interest	Pass through
No-Transaction-Fee Funds	No charge	Direct Registration System (DRS) Transfer Out	\$20 per item
Options	\$3.50 per contract ¹	No-Transaction-Fee (NTF) FundVest[®] Early Redemption	
Precious Metals	\$40.00 per transaction	Non-Retirement Account	\$100.00 per event
Unit Investment Trusts	\$70.00 per transaction	Pershing LLC Retirement Account (as custodian)	\$100.00 per event
Periodic Investments	\$30.00 per event	Foreign Receives and Delivers	
CLEARANCE-ONLY FEES (TRADEAWAYS)⁴	FEE	Euroclear	\$70.00 per item
Equities **	\$9.00 per ticket	All Other Foreign Agents	\$90.00 per item
Fixed Income	\$45.00 per ticket	Safekeeping (Physical Certificates)	
Options (CMTA) **	\$9.00 per ticket	U.S. Securities	\$9.00 per security, per month
CORESTONE ACCOUNT[®]	FEE⁵	Foreign Securities	\$9.00 per security, per month
Silver Account	\$25.00 per year ¹⁰	Register and Ship Securities	\$50.00 per event
Silver Plus Account	\$75.00 per year	Legal Transfers	\$400.00 per event
Gold Account	\$125.00 per year	Unrelated Business Taxable Income Tax Preparation and Return Filing	\$400.00 per return
Platinum Account	\$175.00 per year	Option Exercise and Assignment	
Corporate Gold Account	\$175.00 per year	Currency Options	\$300.00 per notification
Corporate Platinum Account	\$275.00 per year	Equity Options	\$40.00 per notification
RETIREMENT AND SAVINGS ACCOUNTS	FEE	Wired Funds	\$30.00 per event
Annual Maintenance		Paper Surcharge⁸	
IRA, Roth IRA, Education Savings Account, 5305-SEP	\$45.00 per account, per year (at end of the calendar year)	Paper delivery of account statements	\$5.00 per statement mailed
All other plans, including 401(k)	\$60.00 per account, per year (at end of the calendar year)	Paper delivery of trade confirmations	\$6.00 per confirmation mailed
Qualified Retirement Plan and 403(b)(7) loans	\$60.00 per loan	Checking	
Roth IRA Conversions	\$35.00 per conversion	Overnight Delivery Fee ⁷	\$50.00 per event
MARGIN DEBIT	FEE	Bounced Checks	\$30.00 per event
Interest Rate (USD)	Pershing Base Lending Rate + 2.25% ⁶	Personal – Reorder	\$10.00 per event
Interest Rate (Non-USD)	Central Bank Target Rate + 5.00%	Carbon Copy - Initial order	\$20.00 per event
Margin Extensions	\$25.00 per event	Carbon Copy – Reorder	\$30.00 per event
Non-Purpose Loans	Prime +3%	Business – Initial Reorder	\$55.00 per event
ALTERNATIVE INVESTMENT NETWORK	FEE	Business - Reorder	\$45.00 per event
Annual Administration	\$300.00 per position	Business – Binder	\$25.00 per event
Eligibility Review	\$500.00 per review	Retrieve Copy of Paid Checks	\$4.00 per event
Redemption	\$75.00 per position, per year (at end of the calendar year)	Cash Advance Fee (non-ATM)	0.50% of principal (\$4.00 minimum)
Re-registration	\$75.00 per position, per year (at end of the calendar year)	Retrieve Copy of Paid Debit Card Draft	\$4.00 per event
Subscription/Transaction	\$75.00 per purchase	Checking Stop Payment (non-Corestone Account)	\$20.00 per event
GLOBAL EXECUTION, CLEARANCE AND FOREIGN SETTLEMENT SERVICES	FEE	Precious Metals Storage	150 bps (of market value per annum billed forward on a quarterly basis)
Foreign Execution Services	75 bps	Foreign Transaction Fee	2% of transaction
Foreign Settlement Services	\$150.00	Overnight Debit Card or Checkbook Fee	\$50 per event
Foreign Exchange	80 bps per spread	Precious Metals Delivery	Pass-through
		Optional Services	
		Bond Redemption fee	\$20 per event
		Bond Redemption Notification fee	\$2.00 per notification
		Books and Records Client Notification	\$3.00 per notification plus postage
		Change of Address Notification	\$3.00 per notification plus postage
		Good 'til Canceled Notification	\$2.00 per notification
		Shareholder Disclosure Notification, General Meeting Announcements and Proxy Voting	\$2.00 per notification

ASSET-BASED PRICING

Asset-based pricing is an alternative to traditional transaction-based pricing. Contact your investment advisor if you have questions about which method applies to your account(s). In lieu of the transaction-based pricing noted above, your account may be assessed an asset-based fee derived from "eligible" assets in those accounts held by Pershing Advisor Solutions for you, in accordance with the schedule below.

ASSET-BASED FEE SCHEDULE	FEE ⁹
Maximum per tier	100 basis points (bps), annually

CORESTONE™ ACCOUNT	FEE ⁵
Silver Account	\$25.00 per year ¹⁰
Silver Plus Account	\$75.00 per year
Gold Account	\$125.00 per year
Platinum Account	\$175.00 per year
Corporate Gold Account	\$175.00 per year
Corporate Platinum Account	\$275.00 per year

RETIREMENT AND SAVINGS ACCOUNTS	FEE
Annual Maintenance	
IRA, Roth IRA, Education Savings Account, 5305-SEP	\$45.00 per account, per year (at end of the calendar year)
All other plans, including 401(k)	\$60.00 per account, per year (at end of the calendar year)
Qualified Retirement Plan and 403(b)(7) Loans	\$60.00 per loan
Roth IRA Conversions	\$35.00 per conversion

MARGIN DEBIT	FEE
Interest Rate (USD)	Pershing Base Lending Rate + 2.25% ⁶
Interest Rate (Non-USD)	Central Bank Target Rate + 5.00%
Margin Extensions	\$25.00 per event
Non-Purpose Loans	Prime +3%

ALTERNATIVE INVESTMENT NETWORK	FEE
Annual Administration	\$300.00 per position
Eligibility Review	\$500.00 per review
Redemption	\$75.00 per position, per year (at end of the calendar year)
Re-registration	\$75.00 per position, per year (at end of the calendar year)
Subscription/Transaction	\$75.00 per purchase

GLOBAL EXECUTION, CLEARANCE AND FOREIGN SETTLEMENT SERVICES	FEE
Foreign Execution Services	75 bps
Foreign Settlement Services	\$150.00
Foreign Exchange	80 bps per spread

Asset-based brokerage charge on eligible assets in the account will be billed on a quarterly or monthly basis in advance or in arrears, based on client preference.

ADDITIONAL SERVICES	FEE
Foreign Currency Deposit Charge	5%
Account Termination	150.00 per account
Cash Due Interest	Pershing Base Lending Rate + 1.00% ⁶
DK Interest	Pass through
Direct Registration System (DRS) Transfer Out	\$20 per item

No-Transaction-Fee (NTF) FundVest Early Redemption

Non-Retirement Account	\$100.00 per event
Pershing LLC Retirement Account (as custodian)	\$100.00 per event

Foreign Receives and Delivers

Euroclear	\$70.00 per item
All Other Foreign Agents	\$90.00 per item

Safekeeping (Physical Certificates)

U.S. Securities	\$9.00 per security, per month
Foreign Securities	\$9.00 per security, per month
Register and Ship Securities	\$50.00 per event
Legal Transfers	\$400.00 per event
Unrelated Business Taxable Income Tax Preparation and Return Filing	\$400.00 per return

Option Exercise and Assignment

Currency Options	\$300.00 per notification
Equity Options	\$40.00 per notification
Wired Funds	\$30.00 per event

Paper Surcharge⁸

Paper delivery of account statements	\$5.00 per statement mailed
Paper delivery of trade confirmations	\$6.00 per confirmation mailed

Checking

Overnight Delivery Fee ⁷	\$50.00 per event
Bounced Checks	\$30.00 per event
Personal - Reorder	\$10.00 per event
Carbon Copy - Initial order	\$20.00 per event
Carbon Copy - Reorder	\$30.00 per event
Business - Initial Reorder	\$55.00 per event
Business - Reorder	\$45.00 per event
Business - Binder	\$25.00 per event
Retrieve Copy of Paid Checks	\$4.00 per event
Foreign Transaction Fee	2% of transaction
Overnight Debit Card or Checkbook Fee	\$50 per event
Checking Stop Payment (non-Corestone Account)	\$20.00 per event
Precious Metals Storage Fee	150 bps (of market value per annum billed forward on a quarterly basis)
Precious Metals Delivery Fee	Pass-through

Optional Services:

Bond Redemption fee	\$20 per event
Bond Redemption Notification	\$2.00 per notification
Books and Records Client Notification	\$3.00 per notification plus postage
Change of Address Notification	\$3.00 per notification plus postage

Good 'til Canceled Notification	\$2.00 per notification
Shareholder Disclosure Notification, General Meeting Announcements and Proxy Voting	\$2.00 per notification

NO-TRANSACTION-FEE MUTUAL FUND PROGRAM CRITERIA

ACCOUNT TYPE	INITIAL MINIMUM PURCHASE	
Non-Retirement Account	\$7,500	If the initial minimum purchase requirement is not met, then the mutual fund ticket charge quoted for No Load and Load Funds at Net Asset Value (under Trading Services of the Transaction-Based Pricing section) will be charged to the account on both the buy and sell tickets. A minimum holding period of six months applies
Pershing LLC Retirement Account	\$1,000	

Non-U.S. Currency Balances: Pershing reserves the right to charge a fee on non-USD positions. The current listing of currencies and rates can be secured through Advisor's Pershing Relationship Manager. Market conditions will continue to be monitored and changes to rates will be announced as necessary.

- ¹ A minimum charge per transaction of \$50.00 applies.
- ² Initial minimum purchase is required. See the prospectus for the initial minimum purchase and redemption requirements.
- ³ Certain non-FundVest funds are subject to a maximum charge of \$50.00 per transaction.
- ⁴ Those trades executed for your account with your assets through broker-dealers other than Pershing Advisor Solutions.
- ⁵ Fees charged on anniversary of account opening.
- ⁶ The Pershing Base Lending Rate for each currency will be set with reference to commercially recognized interest rates, industry conditions relating to the extension of credit, and general credit market conditions. For the current Pershing Base Lending Rate, please contact your investment advisor.
- ⁷ For outgoing account transfers via check of \$250,000 or more, overnight delivery is mandatory.
- ⁸ You can avoid the paper surcharge by choosing electronic delivery. Please visit NetExchange Investor® (www.netxinvestor.com) to register and enroll.
- ⁹ A minimum fee of \$1,000 per account, per year, applies.
- ¹⁰ Waived for accounts with \$25,000 in money market funds

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