

Understanding How We Are Compensated for Financial Services

Individual 403(b) Plans

What is an individual 403(b) plan?

An individual 403(b) plan is a retirement plan for certain employees of public schools, employees of certain Code §501(c)(3) tax-exempt organizations and certain ministers. An individual 403(b) plan allows employees to contribute some of their salary to the plan. An employer may also contribute to the plan for its employees. For more information, please see www.edwardjones.com/retirementaccounts.

How are we paid for our services?

With individual 403(b) plans, you pay transaction-based charges when you buy or sell investments. Depending on what you buy or sell, you may pay commissions, markups or markdowns, sales charges and/or administrative fees. Edward Jones Edward Jones receives a portion of these transaction-based charges.

The investments within your 403(b) plan may also have ongoing expenses such as distribution and/or service fees (12b-1 fees), trail and renewal commissions that reduce your investment returns. Edward Jones receives a portion of these ongoing payments. Your ongoing operating expenses may also include investment management fees or other fees. Details on the operating expenses are in each underlying investment's prospectus or offering document.

We charge transaction fees on the purchase or sale of certain equity and fixed-income products within your individual 403(b) plan. Transfer fees for transferring or closing accounts are also imposed when applicable. All fee information is generally disclosed in your enrollment kit.

If your plan holds a variable annuity, Edward Jones receives inforce contract service fees. For more information, see www.edwardjones.com/revenuesharing.

Fee information is generally found in your account agreement and schedule of fees, available at www.edwardjones.com/brokerageaccounts.

How is your financial advisor compensated?

Your financial advisor's branch receives P&L credits for certain revenues, expenses and assets under care in the branch. For more information, see Understanding How We Are Compensated for Financial Services at www.edwardjones.com/compensationdisclosure. Your financial advisor also receives a share of any transaction-based charges, distribution and/or service fees (12b-1 fees), trail and renewal commissions. As a result, your financial advisor's eligibility for a bonus will be positively impacted.