

Understanding How We Are Compensated for Financial Services

Exchange-traded Funds (“ETFs”)

What is an ETF?

An ETF is a security that tracks an index, a commodity or a basket of assets. For example, an ETF may track securities like an index fund. ETFs are typically listed on an exchange and trade like a stock. ETFs may experience price changes throughout the day as they are bought and sold.

How are we paid for our services?*Commissions*

We act as an agent for your ETF transactions, which means we send your order to an external venue to buy or sell shares of the ETF. You pay a commission based on the amount of the transaction.

ETFs also carry built-in operating expenses that affect the ETF's return.

Transaction Fees

In addition to a commission, Edward Jones generally charges a transaction fee when you buy or sell shares of an ETF through our brokerage services.

How is your financial advisor compensated?

Your financial advisor receives a percentage of the commissions from ETF trades. Our revenue affects Edward Jones' overall profitability and thus may affect any branch bonus your financial advisor receives.