

Edward Jones Inforce Contract Service Disclosure

Edward Jones has entered into inforce contract service agreements with certain insurance companies to maintain technology and provide other administrative services in support of certain issued and outstanding insurance contracts. We receive payments for providing these services. We want you to understand the receipt of these payments creates a potential conflict of interest in the form of an additional financial incentive and benefit to us, our financial advisors and equity owners in connection with these contracts. For the year ended Dec. 31, 2018, Edward Jones earned \$67.9 million in inforce contract service payments, which represented approximately 0.8% of our net revenue.

Inforce contracts are previously sold insurance contracts with Edward Jones identified as the agent/broker of record. Edward Jones agrees to maintain technology and provide other administrative services in support of this existing business. This support may include facilitating communication between the insurance company and Edward Jones' operation and service support personnel; receiving and storing contract

descriptions and other contract information from the insurance company; maintaining and using the systems and processes necessary to facilitate certain client transactions; and retaining the necessary operational staff to provide support to Edward Jones' financial advisors to support clients with insurance contracts.

In exchange for the support outlined above, insurance companies generally pay Edward Jones as follows: up to 25 basis points (.25%) of total invested assets in the inforce variable annuity contracts annually (for example, if a variable annuity contract had a value of \$10,000, Edward Jones would be paid \$25 by the insurance company) and up to \$12 per inforce fixed or immediate annuity contract annually. If you own multiple insurance contracts in which we have an inforce contract service agreement, we will receive payment for each individual contract.

Edward Jones earns inforce contract service revenue from American General Life, John Hancock, Lincoln National, Brighthouse, Pacific Life, Protective, Prudential and Transamerica.

For additional information on a particular variable annuity contract's payment and compensation practices, please review the prospectus and statement of additional information. Investors should carefully consider the investment objectives, risks, and charges and expenses of the variable annuity contract before investing. A prospectus containing this and other information can be obtained from your local Edward Jones financial advisor and should be read carefully before investing.