

Understanding How We Are Compensated for Financial Services

Unit Investment Trusts (“UITs”)

What is a UIT?

A UIT is an investment in a fixed, diversified group of professionally selected securities. As a holder of a unit trust, you own a portion of the securities in the trust.

How are we paid for our services?

You typically pay either a front-end sales charge or a combination of front-end and deferred sales charges. We receive a portion of that sales charge from the provider sponsoring the UIT.

UITs carry built-in operating expenses that affect their return. Details on the operating expenses and organizational fees are included in each UIT’s prospectus.

Edward Jones may receive additional compensation based on our overall sales, or volume concessions, which are received from the unit trust sponsor. The potential volume concession amounts are detailed in each UIT’s prospectus. For information about volume concession, please see the corresponding prospectus or www.edwardjones.com/revenuesharing.

We may act as principal on unit trust transactions. As principal, Edward Jones buys UITs and holds them in inventory for client purchases. Edward Jones may earn revenue or incur losses from buying or selling UITs as principal.

How is your financial advisor compensated?

Your financial advisor receives a percentage of the overall dealer concessions the third-party dealer pays to Edward Jones as outlined in the prospectus. For fixed-income trusts, the dealer concession may vary based on the number of units underwritten. For information about underwriting concession, please see the corresponding prospectus or www.edwardjones.com/mutualfunds.

Your financial advisor does not receive commissions from the sale or liquidation of UITs. Also, your financial advisor does not receive direct compensation or any portion of volume concession payments we may receive from UIT sponsors. These payments in addition to any applicable trading revenue affect Edward Jones’ overall profitability and thus may affect any branch bonus your financial advisor receives.