

## Understanding how we are compensated for financial services

### Individual Retirement Accounts (“IRAs”)

#### What is an IRA?

IRAs are designed to help you save for retirement. IRAs include traditional, Roth, SEP and SIMPLE accounts. For more information, please see [edwardjones.com/retirementaccounts](https://edwardjones.com/retirementaccounts).

#### How are we paid for our services?

Depending on which Edward Jones solution you choose to invest in, you may either be charged asset-based fees, or you will pay transaction-based fees and charges when you buy or sell investments.

When you participate in our Advisory Solutions or Guided Solutions programs, you pay asset-based fees – the Program Fee and Portfolio Strategy Fee (if applicable) to Edward Jones instead of commissions. The fee(s) are based on the market value of all assets held in your account and are assessed monthly, in arrears, based on the annual tiered fee rate schedules. If you invest in separately managed allocations (SMAs), you will pay a monthly fee to Edward Jones for the services provided by the SMA managers in your account. Edward Jones will then pay that fee directly to the SMA managers. A portion of your fees are also paid to your financial advisor. The payout level to your financial advisor will depend on the average daily total asset value of advisory assets, taking into account any discounts or fee reductions. For information about our advisory services, please see [edwardjones.com/advisorybrochures](https://edwardjones.com/advisorybrochures).

If you choose a transaction-based solution, depending on what you buy or sell, you may pay commissions, markups or markdowns, sales charges and/or administrative fees. The investments within your IRA may also have ongoing expenses such as distribution and/or service fees (12b-1 fees), and trail and renewal commissions that reduce your investment returns. Edward Jones receives a portion of these ongoing payments. If your IRA holds mutual fund

investments or variable annuities, Edward Jones receives shareholder accounting fees and inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing). At certain investment levels, typically \$1 million, your investments with an individual mutual fund or insurance product partner provider may carry no sales charges. However, in these instances, the mutual fund or insurance company will pay Edward Jones a commission on these investments. A contingent deferred sales charge will apply if you sell these investments within a certain time frame. Please see your prospectus or offering document for more information.

Your investments may also have ongoing operating expenses including investment management fees or other fees. Details on the operating expenses are in each underlying investment’s prospectus or offering document.

For more information regarding additional service and miscellaneous fees for your IRA account, see the applicable Schedule of Fees for your account, available at [edwardjones.com/agreements](https://edwardjones.com/agreements).

#### How is your financial advisor compensated?

Your financial advisor’s branch receives a P&L credit for the full amount of the IRA compensation. As a result, your financial advisor’s eligibility for a bonus will be positively impacted. Your financial advisor also receives a share of commissions or other fees arising from investment of the account assets. Depending on the solution you choose for your IRA, if your account holds mutual fund investments or variable annuities, Edward Jones may receive revenue sharing, shareholder accounting fees or inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing). The revenue that Edward Jones receives affects our overall profitability and thus may affect any branch bonus your financial advisor receives.