

## ■ Retirement Savings Bonds

### **What is a retirement savings bond?**

*Retirement Savings Bonds (RSBs) combine some of the features of zero coupon bonds, known as STRIPS, and Provincial Bonds in a package to provide an investor with an enhanced level of income at a future date, referred to as the Payout Date. In addition to the deferred income, the initial capital investment is also returned to the investor at maturity.*

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

#### ***Secondary retirement savings bonds***

Secondary retirement savings bonds are transactions involving previously issued bonds. When you buy or sell, Edward Jones may act as either an agent or a principal. If we act as an agent, your trade confirmation will display the commission you pay, which may be up to 2.0% of the dollar amount you buy and up to .75% of the dollar amount you sell.

If you buy a bond from our inventory or sell a bond that we purchase directly from you, we act as a principal. You will see the markup or markdown, which is included in the price, displayed as a line item in the trade confirmation. The markup may be up to 2.0% of the dollar amount you buy and the markdown may be up to .75% of the dollar amount you sell. The price is also adjusted to reflect changes in interest rates and market prices that have occurred since we bought the security. As a result of these changes, Edward Jones may earn revenue or incur losses from buying or selling securities as principal.

### **How is your financial advisor compensated?**

Your financial advisor receives a percentage of any commissions or charges for retirement savings bonds. Our revenue affects Edward Jones' overall profitability and thus may affect any branch bonus your financial advisor receives.