

## **Self-directed Roth IRA Packet**

Edward Jones Client Relationship Summary

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### **Based on your account, you may also receive:**

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Important Information about Your Account

FINRA 2273 Educational Communication

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## Client Relationship Summary as of June 20, 2020

At Edward Jones, there’s no “one size fits all” approach to your investment journey. This document provides you, the retail investor, information about the types of brokerage and advisory services we offer and how you pay. Use this to help you understand our services and start a conversation with your financial advisor. Edward Jones is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. For more information, free and simple tools are available to research firms and financial professionals at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers and investing.

### What investment services and advice can you provide me?

We offer brokerage and investment advisory services as explained below.

#### Brokerage Services

We offer brokerage services through our Select Account. Here are the primary features:

- **Investment authority:**
  - **Our Select Account is non-discretionary.** This means your financial advisor may offer education, advice and recommendations, and you make the yes/no decision on which investments to buy and sell.
- **Investment offerings:** We offer a variety of investments including stocks, bonds, CDs, mutual funds, exchange-traded funds (ETFs) and annuities. Investments vary by Select Account type and may be limited based on your account’s value. Depending on your account and investment type, you may not be able to purchase certain share classes. Additional investments are offered in other account types or at other firms.
- **Monitoring:** We may voluntarily review your account to determine whether to recommend an investment to better align your account with our investment guidance. However, we do not provide investment monitoring with our Select Accounts.
- **Account minimums:** There is no minimum required to open or maintain a Select Account.

#### Investment Advisory Services

We offer investment advisory services through several advisory programs. Here are the primary features:

- **Investment authority:**
  - **Some of our advisory programs are discretionary.** This means after you work with your financial advisor to select a portfolio model, we invest your account based on the portfolio you select.
  - **Other advisory programs are non-discretionary.** This means your financial advisor may offer education, advice and recommendations, and you make the yes/no decisions for buys and sells in alignment with our guidance.
- **Investment offerings:** All programs offer mutual funds and ETFs, and certain programs also offer stocks, bonds, CDs and separately managed allocations (SMAs). Investments vary by program and may be limited based on your account’s value.
- **Monitoring:** We provide ongoing investment monitoring as a standard service to help you stay within our investment guidance.
- **Account minimums:** Generally, our programs require a minimum investment to open and maintain an account. Minimums vary by program.

**Margin:** With a margin loan, you borrow money from us using securities in your account as collateral. We offer margin loans in eligible, non-retirement Select Accounts and certain advisory program accounts.

#### To learn more about the services we offer, talk to your financial advisor or review these resources:

- [www.edwardjones.com/agreements](http://www.edwardjones.com/agreements) (Select Account agreements)
- [www.edwardjones.com/advisorydisclosures](http://www.edwardjones.com/advisorydisclosures) (Items 4 and 5 of each advisory program brochure)

#### Here are some questions about investment services and advice you can ask your financial advisor:

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

## What fees will I pay?

What you pay will vary depending on the services and investments you choose. You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

### Brokerage Services

Fees and costs you pay in your Select Account include:

- **Fees and costs when you make trades**, including commissions (stocks, bonds, ETFs) and markups or markdowns (bonds). For the purchase of investments such as mutual funds and variable annuities, you pay sales charges or commissions. The more trades in your account, the more you pay us. As a result, we have an incentive to encourage you to trade more often in your account.
- **Ongoing fees and costs depending on the investments you own**. Mutual funds, ETFs and annuities carry built-in operating expenses and ongoing fees, such as management fees and trail commissions, that are in addition to any initial commissions or sales charges you pay. Your financial advisor can help you evaluate internal costs and fees and their impact on what you earn from your investments.
- **Other fees and costs**. Select Accounts are subject to certain additional fees and costs for services, including (if applicable) cash management fees, annual account fees, wire fees, estate service fees, account transfer and/or termination fees and margin interest.

### Investment Advisory Services

Fees and costs you pay in your advisory program account include:

- **Fees based on assets in your account**, for advisory services, based on the market value of the assets held in the advisory program accounts in your pricing group and subject to a minimum monthly fee. The more assets (including cash) in your account, the more you pay us. As a result, we have a financial incentive to increase assets in your account.
- **Ongoing fees and costs depending on the investments you own**. Mutual funds, ETFs and SMAs include built-in operating expenses and/or ongoing fees, such as management fees, in addition to the asset-based fee(s) you pay us. Your financial advisor can help you evaluate internal costs and fees and their impact on what you earn from your investments.
- **Other fees and costs**. Advisory accounts are subject to certain additional fees and costs for services, including (if applicable) transfer and wire fees, estate service fees, account transfer and/or termination fees, step-out trading costs (trades within certain SMAs only) and margin interest.

Before choosing what's right for you, think about how often you expect to trade in your account and how much you may pay in commissions (Select Account) or asset-based fees (investment advisory). You will typically pay more in upfront fees and commissions through brokerage services and more over time through investment advisory services.

### To learn more about fees and costs, talk to your financial advisor or review these resources:

- [www.edwardjones.com/regbidisclosures](http://www.edwardjones.com/regbidisclosures) (further information on brokerage services)
- [www.edwardjones.com/compensation](http://www.edwardjones.com/compensation) (further information on compensation and conflicts of interest)
- [www.edwardjones.com/accountfees](http://www.edwardjones.com/accountfees) (further information on account services, fees and costs)
- [www.edwardjones.com/advisorydisclosures](http://www.edwardjones.com/advisorydisclosures) (Item 4 of each advisory program brochure)
- **Investment-specific disclosures you can get from your financial advisor** (applicable prospectus, statement of additional information, offering statement or SMA brochures)

### Here is a question about fees and costs you can ask your financial advisor:

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

## What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and advice we provide you. Here are some examples to help you understand what this means.

### Brokerage Services

**Proprietary products:** A proprietary product is one that is issued, sponsored or managed by us or one of our affiliates. The Edward Jones Money Market Fund is a proprietary fund that we make available to some clients. One of our affiliates receives a management fee for this fund, and we receive revenue for performing other services for this fund. The revenue we receive affects the firm's overall profitability.

**Third-party payments:** Mutual funds and annuities pay us ongoing service fees (12b-1s) or trail commissions. Most mutual funds and annuities also pay us for distribution, marketing, networking, shareholder accounting and other services. These payments create an incentive for us to recommend these investments over others, such as stocks, bonds and ETFs.

**Revenue sharing:** We receive payments known as revenue sharing from certain mutual fund companies, 529 plan program managers and annuity providers (known as product partners). Virtually all transactions relating to mutual funds, 529 plans and annuity products involve product partners that pay us revenue sharing. Revenue sharing is paid from the assets of the product partner and is not an additional charge to you. We have an incentive to recommend products for which we receive revenue sharing payments.

### Investment Advisory Services

In our advisory programs, if we receive payments from the following, we credit them back to you:

- **Proprietary products:** A proprietary product is one that is issued, sponsored or managed by us or one of our affiliates. The Bridge Builder Mutual Funds and the Edward Jones Money Market Fund are proprietary funds. Third parties that are not affiliated with us are paid to perform services for these funds. If Edward Jones or our affiliates receive fees for performing services for these funds, they are credited back to you.
- **Third-party payments:** Some mutual funds pay us for distribution, marketing, recordkeeping and other services. If we receive third-party payments for shares held in your account, we will credit them back to you.
- **Revenue sharing:** We do not receive revenue sharing payments on assets held in our advisory programs. We do not consider revenue sharing received from existing business relationships outside our programs when selecting potential investments for our programs.

**Program Selection:** Our brokerage and advisory services have different compensation and incentive structures. These differences may create a conflict between our interests and yours when recommending a type of program.

**Principal trading:** Edward Jones may engage in transactions directly with you. This means we may sell an investment from our inventory to you or purchase an investment from you for our inventory. Due to market movement, we may make a profit on our inventory.

**Margin:** If you need cash, we may have an incentive to recommend a margin loan instead of selling investments. In Select Accounts, you pay us margin interest, and we receive ongoing fees from some investments. In advisory accounts, you pay us ongoing asset-based fees on your entire account balance plus margin interest.

### To learn more about our compensation and conflicts, talk to your financial advisor or review these resources:

- [www.edwardjones.com/compensation](http://www.edwardjones.com/compensation) (further information on compensation and conflicts of interest)
- [www.edwardjones.com/revenuesharing](http://www.edwardjones.com/revenuesharing) (further information on revenue sharing)
- [www.edwardjones.com/advisorydisclosures](http://www.edwardjones.com/advisorydisclosures) (Items 4, 6 and 9 of each advisory program brochure)

### Here are some questions about conflicts of interest you can ask your financial advisor:

- How might your conflicts of interest affect me, and how will you address them?

## How do your financial professionals make money?

Your financial advisor's compensation varies depending on the services and investments you select.

### Brokerage Services

Your financial advisor receives a portion of the commissions, markups or markdowns, or sales charges you pay when you make trades. He or she also receives a portion of the ongoing service fees or trail commissions we get from mutual funds and annuities.

### Investment Advisory Services

Your financial advisor receives a portion of the ongoing fees you pay us based on assets in your account.

Financial advisors receive cash and noncash compensation through bonuses, firm profit sharing, education and training, awards and recognition, and participation in our Travel Award Program (which includes the option for a cash award instead of a trip). Eligibility for these types of compensation is based on several factors including:

- The amount of revenue from the brokerage and advisory services described above
- Assets under care in the branch and at Edward Jones Trust Company
- The revenue and expenses of your financial advisor's branch

New financial advisors are eligible to receive a supplemental salary for up to four years.

Financial advisors receive certain credits from both direct compensation and client activities that result in firm revenue but no additional compensation to the financial advisor. These credits offset branch expenses (such as rent), which helps determine potential bonuses (known as "branch P&L").

Financial advisors may receive an opportunity to invest in the Edward Jones partnership.

Financial advisors receive a portion of the fees for accounts managed by Edward Jones Trust Company and for annuities sold by affiliates.

### Your financial advisor's compensation creates conflicts of interest when:

- Providing advice on rollovers or transfers, withdrawals, discounts, margin loans, trades, investment types and other services.
- Helping you choose one service over another. A financial advisor typically earns more in upfront fees and commissions through brokerage services and more over time through investment advisory services.

While such conflicts exist, we have policies and review processes designed to mitigate these conflicts.

**For more information on financial advisor compensation and conflicts of interest, see [www.edwardjones.com/compensation](http://www.edwardjones.com/compensation) or ask your financial advisor.**

## Do you or your financial professionals have legal or disciplinary history?

Yes. Edward Jones and certain of our financial advisors have legal and disciplinary history.

Please visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research our firm and your financial advisor.

### Here are some questions about conduct you can ask your financial advisor:

- As a financial advisor, do you have any disciplinary history? For what type of conduct?

## Additional Information

For more information about our brokerage or investment advisory services, or to obtain a copy of this relationship summary, contact your financial advisor, visit [www.edwardjones.com/disclosures](http://www.edwardjones.com/disclosures) or call 855-226-9249.

### Here are some additional questions you can ask your financial advisor:

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

## Important Information About Our Brokerage Services

### The Purpose of This Disclosure

At Edward Jones, our approach to financial services is different. By living and working in your community, our financial advisors meet with you personally to discuss investment strategies and help you achieve your goals. One of our core values is that our clients' interests come first, and we're providing this disclosure to you, a retail investor, because we want you to understand the material facts about a brokerage relationship with us, including:

- The capacity in which we will act;
- Details and resources about the material fees and costs you will incur in your account;
- The type and scope of the services we will provide in your brokerage account, including any material limitations related to products, our investment philosophy and general risks; and
- Material facts related to conflicts of interest associated with our recommendations.

Throughout this document, we have included links to more detailed information. We encourage you to review the referenced links and disclosures on [www.edwardjones.com](http://www.edwardjones.com), as well as any applicable statements, trade confirmations, prospectuses, statements of additional information, offering statements, annuity contracts, insurance policies or plan information. If you have any questions about this disclosure, please talk with your financial advisor.

### Material Facts About Your Brokerage Relationship with Edward Jones

We offer retirement and non-retirement brokerage accounts, which may have different product and service offerings. When you enter into a brokerage relationship with Edward Jones, you generally open a Select Account. In your brokerage account, Edward Jones and your financial advisor act in the capacity of a broker-dealer. We must act in your best interest at the time a recommendation is made, without placing our financial or other interest ahead of yours.

Acting in the capacity of a broker-dealer is different from acting as an investment adviser. Edward Jones is a registered broker-dealer and investment adviser. Edward Jones offers investment advisory services through our investment advisory programs. For more information about the differences between an investment adviser and a broker-dealer, please talk with your financial advisor or see a copy of the Edward Jones Client Relationship Summary (Form CRS) at [www.edwardjones.com/FormCRS](http://www.edwardjones.com/FormCRS).

Our Select Accounts are non-discretionary transactional brokerage accounts. This means that while your financial advisor may offer education, advice and recommendations, you make all yes/no decisions on which investments to buy and sell. This also means that within your Select Account, you pay transactional fees and costs when you buy or sell securities. Fees and costs within your Select Account are more fully described below.

### Material Fees and Costs That May Apply to Your Transactions, Holdings and Account(s)

Below is a summary of the material fees and costs that may apply to your transactions, holdings and account. Additionally, some of the costs described in the section titled "Internal Costs, Fees and Expenses of Certain Investments" are not direct fees or costs you pay to us, but they will reduce your return on your investment(s).

You will also find references to more detailed and specific information regarding referenced fees and costs. To learn more about fees and costs, and the compensation received by

Edward Jones and your financial advisor, please talk with your financial advisor or visit [www.edwardjones.com/compensation](http://www.edwardjones.com/compensation).

**Transactional costs for investments** - Your financial advisor may offer education, advice and recommendations to you about investments, and you pay us certain costs described below for transactions within your account.

You pay a commission each time you buy or sell certain investments such as a stock, exchange-traded funds (ETFs), master limited partnership (MLP), real estate investment trust (REIT) or preferred stock. The commissions on these trades may be up to 2.5% of the principal amount or a \$50 minimum commission. The commission charge could be reduced based upon the principal amount of the trade and may be as low as 0.1% plus \$2,705 for trades of a principal amount of \$1,000,000 or more. You also pay a commission or pay a markup or markdown when you buy or sell a bond or certificate of deposit (CD). For bonds and CDs, the commission or markup may be up to 2% of the dollar amount you purchase, and the commission or markdown may be up to 0.75% of the dollar amount you sell. Depending on the principal amount of the trade and the maturity date, you may pay a lower commission or markup/markdown rate. In addition to these costs, you also pay a \$4.95 transaction fee per trade for most buy and sell trades in your account. In certain instances, your financial advisor is permitted to discount the commission or markup on a trade.

You pay a sales charge (sometimes referred to as a sales load) when you purchase a mutual fund, a fund in a 529 plan, a fixed-income unit investment trust (UIT) or a variable annuity. For equity mutual funds, you will generally pay a sales charge between 4.25% and 5.75%, and for fixed-income mutual funds a sales charge between 2.25% and 4.75%, before any applicable discounts or breakpoints. Breakpoint discounts are volume discounts to the sales charge you pay when purchasing a mutual fund. The extent of the discount depends on the amount invested in a particular family of funds. For example, a mutual fund might charge a front-end load of 5.75% for share purchases of less than \$50,000 but reduce the load to 4.50% for investments between \$50,000 and \$99,999, and further reduce or eliminate the load for larger investments.

At certain investment levels (typically \$1 million), your investments with an individual product provider may carry no sales charges. However, in these instances, the mutual fund company may pay Edward Jones a commission on these investments. A contingent deferred sales charge may apply if you sell these investments within a certain time frame. The specific amount of the sales charge on a mutual fund or 529 plan varies depending upon the fund company, type of fund and applicable breakpoints or sales charge waivers. You do not pay a commission to Edward Jones or your financial advisor when you exchange or sell a fund.

For a new purchase of a variable annuity, you will pay a commission of 5% unless you qualify for a breakpoint discount. Your sales charge may be as low as 1.25% if you qualify for a \$1 million or higher breakpoint discount. With a fixed-income UIT purchase, you will generally pay a sales charge between 1.95% and 3.5%. The amount of transactional costs and fees you pay depends on the number of and principal amounts of transactions, types of investments, specific funds and any applicable discounts or breakpoints. Larger-size trades may result in lower sales charge rates. More detailed information about specific commission rates, sales charges, breakpoints/discounts and costs can be found in the applicable trade confirmation, product prospectus, statement of additional information, offering statement, annuity contract or plan information, or by speaking with your financial advisor.

- **Example of a stock purchase:** If you authorize your financial advisor to purchase \$5,000 of a stock, you would pay a 2.5% commission (\$125) plus a \$4.95 transaction fee, for a total transactional cost paid to us of \$129.95, plus the principal amount of the trade.
- **Example of a mutual fund purchase:** If you authorize your financial advisor to purchase \$5,000 of a Class A share of a mutual fund with a 5% front-load sales charge, with no breakpoints, you would pay \$250, reducing your amount invested to \$4,750.

**Distribution and/or service fees (12b-1 fees)** – Mutual fund companies and 529 plans pay Edward Jones ongoing distribution and/or service fees, often known as 12b-1 fees. You pay 12b-1 fees to the mutual fund company as one of the ongoing internal costs of holding the shares. These fees generally range between 0.25% and 1.00%, depending on the fund and share class. The amount of the 12b-1 fee you pay, and Edward Jones receives from the fund company, varies depending upon the mutual fund company, 529 plan, type of fund and amount of the fund you purchased. We pay a portion of these fees to your financial advisor. The 12b-1 fee reduces the return from your mutual fund. More detailed information can be found in the applicable product prospectus or plan information, or by speaking with your financial advisor.

**Trail commissions** – Insurance companies that issue variable annuities make ongoing payments to Edward Jones known as trail commissions. Trail commissions are composed of fees and charges imposed under the variable annuity contract, the separate accounts and other sources. Trail commissions are generally 0.25% but are higher for certain share classes. We pay a portion of these fees to your financial advisor. The trail commissions reduce the return from your variable annuity. More detailed information can be found in the applicable annuity prospectus or annuity contract, or by speaking with your financial advisor.

**Variable life insurance** – When you purchase a variable life insurance policy, you pay a premium determined by the life insurance provider. The amount of premium you pay depends on several factors including the type of policy, the options and level of coverage you select, your age and other factors. If you choose to pay for your variable life insurance policy over the lifetime of the policy, you will pay ongoing premium payments in addition to your initial premium payment. These ongoing payments are generally paid annually, quarterly or monthly. Edward Jones receives revenue from your first year's premium payment, as well as a portion of the premium you pay after the first year, for a set number of years (generally years 2-10 of the policy). This additional revenue may be called renewal commissions. More detailed information can be found in the insurance policy or by speaking with your financial advisor.

**Internal costs, fees and expenses of certain investments** – Mutual funds, ETFs, UITs, 529 plans, annuities and life insurance policies carry built-in operating expenses in addition to any initial commissions or sales charges, ongoing 12b-1 fees, trail commissions or premiums. These costs and expenses impact your returns. For mutual funds and 529 plans, examples of these additional internal costs and fees include investment management fees and fund transaction fees. Built-in operating expenses reduce the return from your investment. Additional information about a particular product's internal costs, fees and expenses can be found in the product's applicable prospectus, statement of additional information, offering statement, contract, policy or plan information.

**Account-based fees** – If applicable, accounts are subject to certain additional fees and costs for services, including cash management fees, annual account fees (for Select Retirement Accounts), transfer and wire fees, estate service fees, account termination fees and margin interest. The applicable schedule of fees for your account will outline the service and frequency of any charges. To learn more about additional account service fees and

costs, talk with your financial advisor or review your applicable account Schedule of Fees at [www.edwardjones.com/accountfees](http://www.edwardjones.com/accountfees).

**Margin fees** – If you take out a margin loan, you will pay ongoing interest to Edward Jones on your margin loan balance. For more information about our policy regarding margin accounts/personal lines of credit, please consult your financial advisor or visit [www.edwardjones.com/disclosures/account-features-terms-service/saving-spending-borrowing-solutions](http://www.edwardjones.com/disclosures/account-features-terms-service/saving-spending-borrowing-solutions).

## Type and Scope of Services Provided to You

**Classification of your account** – Select Accounts at Edward Jones are brokerage accounts and are classified as either non-retirement or retirement accounts. Accounts can be opened jointly or individually; by a representative fiduciary, trustee or other type of representative; or by certain types of entities. There is no minimum amount to open and maintain a Select Account. The terms and conditions, including the obligations of each party, are listed at [www.edwardjones.com/agreements](http://www.edwardjones.com/agreements).

Please visit [www.edwardjones.com/disclosures/account-features-service-terms](http://www.edwardjones.com/disclosures/account-features-service-terms) for additional information about the following:

- Certain investments, including equities and fixed income;
- Our policies on order execution and routing;
- Our systematic transactions disclosure and online services terms and conditions, including the terms and conditions applicable to e-delivery, texting and electronic signature; and
- Linking your outside accounts.

**Our investment philosophy and strategy** – We believe in a thoughtful, straightforward investment philosophy rooted in three investment principles working together:

1. Quality
2. Diversification
3. A long-term focus

All three of these elements work together. We believe a long-term strategy is the best way to build and preserve your financial security. We also believe clients are more likely to be successful owning quality investments. We develop our investment advice and guidance using time-tested strategies that avoid investment fads and overly complex instruments that are more likely to confuse and be misunderstood. While diversification does not ensure a profit or protect against loss in declining markets, we believe a well-diversified portfolio of quality investments, aligned with a client's goals and risk tolerance, will lead to more successful outcomes over time.

**Your Account Portfolio Objective** – Before you start investing in your account, you provide important information to your financial advisor to help complete a Client Profile, which forms the basis of Edward Jones' and your financial advisor's recommendations. This includes your goal or purpose for investing, risk tolerance(s) and investment time horizon(s), as well as other important financial information. These details help us recommend an appropriate Portfolio Objective for both your account and the goal to which your account is assigned. You are responsible for choosing either a recommended Portfolio Objective or an alternative Portfolio Objective for your account, if available. If any information in the Client Profile changes, you are responsible for notifying us or your financial advisor. You may be required to complete a new Client Profile in order for Edward Jones and your financial advisor to recommend a modification of the Portfolio Objective for your account after considering such change(s).

Recommendations to buy, sell or exchange investments will be provided to you based on the Portfolio Objective for your account. You will make all decisions with respect to your account and may follow or reject any recommendations made by Edward Jones or your financial advisor.

**Review of your account with your financial advisor** – We do not provide investment or account monitoring with our brokerage accounts. However, we may voluntarily review your account to determine whether to recommend a securities transaction or an investment strategy involving a security to better align your account with our investment guidance.

**Summary of how we select investments available in your account** – We are selective about the investments we make available for purchase in your account. That's because we know you're working to achieve important milestones in your life, and we want to provide what we believe are appropriate investment choices for you.

We use a disciplined approach to select the investments available to you. We strive to find those that align with our focus on quality investments, work well together in a diversified portfolio, and are compatible with our buy-and-hold philosophy. This gives you and your financial advisor a starting point for choosing investments depending on your goals, situation and the amount of risk you're willing to take.

With hundreds of thousands of investment options out there today, we start by narrowing down investments such as publicly traded stocks, bonds and mutual funds using characteristics including:

- Track record
- Debt and cash flow
- Credit risk and other types of risk
- People
- Process
- Geography

This allows you and your financial advisor to focus on which of those investments will work for you and your personal goals and risk tolerance.

Investments always carry risks, and there are no guarantees when investing. Please read the "General Risks and Disclosures" section below for more information.

#### **Material limitations on investments in your account –**

- **Limitations on mutual funds:** All mutual funds available for purchase in your Select Account have entered into networking or shareholder accounting agreements (described more fully below) with Edward Jones and provide ongoing compensation to Edward Jones. Edward Jones also limits the purchase of mutual funds available in your Select Account to funds that charge a front-end sales charge. Additionally, Edward Jones limits the mutual fund share classes available for purchase within Select Accounts to Class A shares or shares with similar sales charge and expense structures. Please note, these limitations are not applicable to the funds you may purchase through a 529 plan.
- **Limitations on variable annuities:** All variable annuities available for purchase of new contracts have entered into inforce contract service agreements with Edward Jones. They also provide ongoing compensation to Edward Jones. As described more fully below, Edward Jones has entered into these agreements to maintain technology and provide other administrative services in support of issued and outstanding variable annuities. Additionally, Edward Jones limits the share classes available for new variable annuity contract purchases to Class O shares.

**Resources for additional information about Edward Jones and your financial advisor** – You may find additional information about Edward Jones and its financial advisors using FINRA's BrokerCheck (<https://brokercheck.finra.org>), the Investment Adviser Public Disclosure website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)) or other databases maintained by any state or federal agency that may contain similar information.

**General risks and disclosures** – While we will take reasonable care in developing and making recommendations to you, securities involve risk, and you may lose money. There is no guarantee that you will meet your investment goals or our recommended investment strategy will perform as anticipated. If you place unsolicited trades or trades that are otherwise against our recommendations, this may impact your diversification and/or the potential range of returns within your account. Please consult available offering documents for any security we recommend to see a discussion of specific risks associated with the product. We can provide those documents to you or help you find them.

- **Conditions beyond Edward Jones' control:** There is always a risk that conditions beyond Edward Jones' control – such as war, terrorism, civil unrest, natural disaster, government restrictions or rulings, interruptions of systems, health issues or labor unrest – may pose a risk to your investments or investment strategies.
- **Cybersecurity risk:** The computer systems, networks and devices used by Edward Jones and our service providers employ a variety of protections designed to protect against damage or interruption from computer viruses, network/computer failures and cyber-attacks. Despite such protections, systems, networks and devices could be breached. Cyber incidents may cause disruptions and impact business operations, potentially resulting in financial losses, the inability of Edward Jones or service providers to trade, violations of privacy and other laws, regulatory fines, reputational damage, reimbursement costs and additional compliance costs, as well as the inadvertent release of confidential information.

## **How Edward Jones and Your Financial Advisor Are Compensated**

**How Edward Jones is compensated for financial services** – Edward Jones earns revenue from our clients, as well as from product providers and money managers ("third parties") who assist us in providing the investments and services we offer you in your account. Our revenue from clients includes commissions, markups and markdowns, sales charges, transaction fees, interest on margin loans and miscellaneous account service fees. Our revenue from third parties includes ongoing 12b-1 fees, trail commissions, renewal commissions, revenue sharing, shareholder accounting or networking fees, volume concessions, inforce contract service agreements and training and marketing expenses.

**How your financial advisor is compensated for financial services** – In your account, your financial advisor receives a portion of the commissions you pay each time you buy or sell a security or pay any markup or markdown. Your financial advisor also receives a portion of any sales charges, 12b-1 fees, trail commissions and annual premiums (renewal commissions) you pay. The amount of this compensation differs depending on the investment type and transaction amount.

Your financial advisor generally receives between 36% and 40% of the revenue Edward Jones receives from the transactional revenue and ongoing 12b-1 fees, trail commissions and revenue from premiums generated by activity in your Select Account. Financial advisors with less tenure at the firm may have a payout level below the general range. Payout levels vary based on your financial advisor's years of experience, the location of the branch, the type and amount of the investment, and applicable discounts, if any.

Each mutual fund sets its own sales charge for the cost of purchasing shares in the fund, which results in Edward Jones and your financial advisor potentially receiving a different amount of compensation depending on the fund you purchase. To reduce these potential compensation differences for your financial advisor, we pay your financial advisor the same percentage amount of your purchase regardless of the actual sales charge to purchase the specific mutual fund. Your financial advisor receives one set percentage for equity and balanced funds and a different percentage for fixed-income funds. If you qualify for an applicable breakpoint,

this will reduce the percentage of the purchase your financial advisor receives. However, this percentage will not differ across different mutual fund families within the same breakpoint level.

Please ask your financial advisor to explain any commissions, sales charges, markups/markdowns, fees/internal costs and expenses that may apply to any investments you consider.

Financial advisors may also receive additional variable cash and noncash compensation through internal incentive programs, new asset accumulation bonuses, branch profitability bonuses, firm profit sharing, education and training, awards and recognition, third-party gifts and entertainment, and participation in our domestic and international travel awards program (or cash in lieu of travel). Eligibility for these types of compensation is based on several factors including:

- The amount of revenue generated from all your accounts;
- The amount of assets under care in the branch and at Edward Jones Trust Company; and
- The revenues and expenses of Edward Jones assigned to your financial advisor's branch.

Most new financial advisors to the firm are eligible for new asset accumulation bonuses for up to five years. Asset accumulation bonuses are based upon the amount of new assets brought to the firm during a specific period of time.

New financial advisors are eligible to receive a supplemental salary for up to four years. All financial advisors receive either a minimum guaranteed salary in an amount determined by federal and state law or a set base payment that does not vary based on the quality or quantity of the work.

Financial advisors who work as part of Edward Jones Connection or are based in Edward Jones' headquarters to serve employee accounts do not receive variable direct compensation based upon client activity, including commissions or fees. Instead, these financial advisors receive a salary.

## Material Facts Regarding Conflicts of Interest Associated with Recommendations

When we provide you with a recommendation regarding securities transactions or investment strategies involving securities in your account, we must act in your best interest, within the meaning of Regulation Best Interest, and must not put our interests ahead of yours. At the same time, the way the firm generates revenue, and the way your financial advisor is compensated, create some conflicts with your interests. While we have taken numerous steps to mitigate, disclose and/or eliminate conflicts of interest associated with our and your financial advisor's recommendations in your account, it is also important that we disclose the material facts regarding these conflicts.

We encourage you to review the referenced links and information below. Ask your financial advisor questions as needed to help you understand these disclosures or if you have additional questions.

**Recommendations regarding securities** – The compensation Edward Jones and your financial advisor receive when you buy, sell, hold or exchange investments within your account creates conflicts of interest. Your financial advisor has an incentive to recommend you purchase investments that create the most compensation for the firm and your financial advisor. In general, commissions on stocks and ETFs are higher than commissions on bonds or CDs. Additionally, initial compensation from the sale of mutual funds, funds in a 529 plan, variable annuities and variable life insurance policies is generally higher than that of stocks, bonds, ETFs or CDs. Mutual funds, 529 plans, variable annuities and variable life insurance policies also pay ongoing compensation.

These sources of transactional revenue and compensation create a conflict between the firm and your financial advisor's interests and your own relating to recommendations regarding the investment type, number of transactions, the amount to invest per

transaction and the allocation of investment amounts among different securities and fund families, and different types of securities. For variable annuities, it also creates a potential conflict regarding recommendations on whether to annuitize, transfer or exchange your current variable annuity.

We may sell you certain bonds and CDs from our inventory or purchase a security from you for our inventory in a principal transaction. We may generate firm revenue on these trades due to market movement, resulting in gains on our inventory positions. In certain circumstances, this incentivizes us to engage in principal transactions as well as an incentive to recommend you purchase a security from our inventory that is difficult to sell.

When you purchase shares in a mutual fund, a 529 plan or a variable annuity, you may be eligible for a breakpoint discount, which lowers your front-end sales charge, based on the amount of your investment and how much you have invested in a certain fund family or annuity. Your financial advisor has an incentive to provide advice that would avoid breakpoint discounts.

In certain instances, your financial advisor is permitted to negotiate with you for a lower commission, which could result in reduced compensation for your financial advisor. This is a conflict of interest because your financial advisor is incentivized to avoid negotiating commissions.

**Additional investment type considerations** – In most instances, your financial advisor has an incentive to recommend you purchase investments such as a mutual fund, 529 plan, variable annuity or variable life insurance policy that generate revenue when purchased, as well as provide ongoing compensation (e.g., 12b-1 fees, trail commissions) as opposed to investing in alternatives that may pay lower upfront commissions and do not provide ongoing compensation. Over a longer period of time, your financial advisor and Edward Jones will generally earn more revenue from a mutual fund, a 529 plan or an annuity than from an ETF, a stock or a bond, but this will depend on several factors including the specific product, how much you invest, breakpoints and how frequently you trade.

As a further example, mutual funds and ETFs may have similar investment characteristics but differ in the ways you pay for them and how your financial advisor and Edward Jones are compensated over time. Mutual funds generally have higher upfront commissions and ongoing expenses but enable you to rebalance through exchanges and liquidate for no additional cost. ETFs generally have lower upfront commissions and ongoing fees, but all future transactions to rebalance or liquidate an investment will be charged a commission. As a result, mutual funds are typically more expensive than ETFs for clients who trade infrequently, but they become less expensive as the amount of trading increases.

**Variable life insurance** – When you purchase a variable life insurance policy, the insurance company sets a target premium that will be used to compensate the firm and your financial advisor for the specific policy (the "Target Premium"), and this Target Premium could be higher or lower than the premium you would pay on your specific policy. Based upon the actual premium you pay for your policy, Edward Jones will receive up to 80% of the Target Premium amount and 2% of any excess you pay above the Target Premium amount.

The percentage Edward Jones receives is the same for all insurance providers we work with, and your financial advisor receives a portion of this revenue. Edward Jones also receives a portion of the premium you pay after the first year as revenue for a set number of years (generally years 2-10 of the policy) and shares a portion of this revenue with your financial advisor. Your financial advisor has an incentive to make recommendations to increase the premium or recommend the purchase of a policy with a higher Target Premium. This may also create a conflict regarding recommendations on whether to renew or exchange your current policy.

**Additional third-party compensation to Edward Jones** – Edward Jones receives additional compensation from mutual fund companies, 529 plans, UITs and insurance companies (collectively referred to as “product partners”) for the sale and ongoing servicing of mutual funds, 529 plans, UITs, variable annuities and variable life insurance policies. We want you to understand that Edward Jones’ receipt of third-party compensation – including revenue sharing, volume concessions, networking and shareholder accounting fees, and inforce contract service payments – creates a potential conflict of interest in the form of an additional financial incentive and financial benefit to the firm and our financial advisors in connection with the sale of products from these product partners.

To mitigate potential conflicts of interest, your financial advisor does not directly receive any portion of the revenue sharing, volume concessions, networking or shareholder accounting fees, or inforce contract service payments received by Edward Jones. This revenue received by Edward Jones affects the firm’s overall profitability. For more information about the information in this section, please talk with your financial advisor or visit [www.edwardjones.com/revenuesharing](http://www.edwardjones.com/revenuesharing).

- **Revenue sharing:** Edward Jones receives payments known as revenue sharing from certain mutual fund companies, 529 plan program managers and insurance companies. Virtually all of Edward Jones’ transactions relating to mutual funds, 529 plans and variable annuity products involve product partners that pay revenue sharing to Edward Jones. Revenue sharing, as received by Edward Jones, involves a payment from a mutual fund company’s adviser or distributor, a 529 plan program manager, or an insurance company or the entity that markets an annuity contract. It is not an additional charge to you.

These payments are in addition to standard sales charges, distribution and/or service fees (12b-1 fees), expense reimbursements, and sub-transfer agent fees for maintaining client account information and for providing other administrative services for mutual funds (shareholder accounting and networking fees). These payments are also in addition to fees for maintaining technology and providing other administrative services for insurance products (inforce contract service fees).

- **Volume concessions:** UIT sponsors pay Edward Jones additional compensation, sometimes called volume concessions, based on the overall volume of UIT sales made by Edward Jones, generally over the prior 12-month period. Edward Jones can receive up to 0.10% of total sales in particular UITs as a volume concession. The percentages vary depending on the UIT sponsor, duration of the UIT and volume of sales. It is not an additional charge to you. Edward Jones does not pay any portion of the volume concession directly to your financial advisor. The potential volume concession amounts are detailed in each fixed-income UIT’s prospectus. For information about volume concessions, please see the corresponding prospectus.
- **Shareholder accounting and networking fees:** Edward Jones has entered into shareholder accounting and networking fee agreements with many mutual fund companies and 529 plans, including all of our strategic mutual fund product partners and all mutual funds available for purchase in your account, to perform certain services for the mutual fund companies. Being a strategic mutual fund product partner means that Edward Jones has determined these mutual fund product partners have a broad or strategically aligned spectrum of investment solutions designed to meet a variety of our clients’ needs.

Edward Jones grants strategic mutual fund product partners greater access to certain information about our business practices. In addition, these product partners have frequent interactions with our financial advisors to provide training, marketing support and educational presentations. Virtually all of Edward Jones’ transactions relating to mutual funds and 529 plans involve product partners that pay shareholder

accounting and/or networking fees to Edward Jones, including all mutual funds available for purchase in a Select Account.

Under a shareholder accounting agreement, Edward Jones agrees to perform certain transfer agent support services, which may include:

- Tracking the holdings of a fund for a client;
- Distributing dividends and shareholder information for the mutual fund company;
- Facilitating purchases, redemptions and exchanges; and
- Responding to client inquiries regarding their mutual fund holdings.

Mutual fund companies pay Edward Jones up to \$19 per mutual fund position, or up to 25 basis points (0.25%) of total invested assets in the mutual fund annually for these services. If you own multiple funds offered by mutual fund families for which we have a shareholder accounting agreement, we will receive payment for each individual mutual fund.

Under networking agreements, Edward Jones agrees to perform certain duties, including but not limited to:

- Transmission and settlement of mutual fund trades;
- Account maintenance and processing of distributions and dividends on behalf of a mutual fund company;
- Facilitating purchases, redemptions and exchanges; and
- Responding to client inquiries regarding their mutual fund holdings.

Edward Jones is paid by the mutual fund company up to \$10 per mutual fund position annually for networking services. If you own multiple funds offered by mutual fund families for which we have a networking agreement, we will receive payment for each individual mutual fund. Edward Jones will receive payments as a result of either the shareholder accounting agreement or the networking agreement, but not under both agreements for the same position.

- **Inforce contract service agreements:** Edward Jones has entered into inforce contract service agreements with certain insurance companies, including all of the issuers of variable annuities available for purchase in your Select Account, to maintain technology and provide other administrative services in support of certain issued and outstanding annuities and life insurance policies. In exchange for this support, insurance companies generally pay Edward Jones up to 25 basis points (0.25%) 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. If you own multiple insurance contracts in which we have an inforce contract service agreement, we will receive payment for each individual contract.

**Rollovers and transfers** – Your financial advisor has an incentive to recommend that you roll over or transfer your assets from an employer-sponsored plan or another brokerage firm or investment adviser because these actions may generate transaction-based compensation for Edward Jones and your financial advisor when the assets are invested in your Select Account. Additionally, when you roll over or transfer your assets to Edward Jones, this contributes toward your financial advisor qualifying for additional variable compensation, including new asset accumulation bonuses, branch profitability bonuses, domestic and international travel awards (or cash in lieu of travel), and other noncash compensation as described herein.

**Brokerage accounts vs. advisory accounts (investment advisory services)** – In addition to brokerage accounts, you have the option to invest in fee-based advisory accounts. Instead of paying a commission per transaction, in our advisory programs you pay a fee(s) based on the market value of the assets held in your

account for investment advisory services that, in most cases, includes transaction costs. Our advisory programs offer ongoing account monitoring, which is not available in brokerage accounts, and additional types of investment options and services.

When determining what's right for you, think about how much you expect to trade in your account and how much you may pay in commissions (brokerage account) or asset-based fees (advisory account). You will typically pay more in upfront fees and commissions through brokerage services and more over time through investment advisory services. These differences in compensation potentially create a conflict between your financial advisor's interest and your own when recommending which type of program you should invest in. For additional information regarding investment advisory programs offered by Edward Jones, please visit [www.edwardjones.com/advisoryagreements](http://www.edwardjones.com/advisoryagreements).

**Distributions** – Compensation and performance incentives may cause a conflict between your financial advisor's interest and your own when your financial advisor provides advice relating to distributions from any of your accounts. When you make a distribution through a full or partial liquidation, certain commissions may be generated. If you have a brokerage account and an advisory account of the same type (e.g., a traditional IRA in a Select Account and a traditional IRA in an advisory account), your financial advisor may have an incentive to advise you to take a distribution from your Select Account and not your advisory account because the distribution could generate additional transactional revenue and would not affect the amount of your asset-based fee in your advisory account.

**Trust fees** – Your financial advisor receives a portion of the compensation Edward Jones receives from its affiliate, Edward Jones Trust Company, for the referral and ongoing support of accounts managed by Edward Jones Trust Company. The payout level may vary based on your financial advisor's years of experience and office location. This creates an incentive for your financial advisor to recommend your use of the services of Edward Jones Trust Company.

**Uninvested funds** – You have the option to have uninvested funds either remain in the firm's Cash Interest Program or be automatically swept to a different investment vehicle, which may provide a higher return or offer other benefits to you. Edward Jones receives varying portions of the revenue associated with the investment option you choose for your uninvested funds. While your financial advisor does not receive direct compensation, the amount of your holdings may contribute positively to your financial advisor's variable compensation.

Depending on several factors, including the current interest rates and your financial advisor's noncash incentives, the firm or your financial advisor may have an incentive for you to select one uninvested cash option over another. You should review the terms, interest rates, compensation the firm receives, incentives your financial advisor receives and other features and trade-offs of these options with your financial advisor. Interest rates are available at [www.edwardjones.com/rates](http://www.edwardjones.com/rates).

If the Edward Jones Money Market Fund ("Fund") is available as a cash sweep option in your account, all uninvested cash balances in your account are automatically swept into the Fund. The investment adviser to the Fund, Passport Research Limited ("Passport"), is an affiliate of Edward Jones and provides distribution and shareholder accounting services for the Fund. The Fund pays Passport a management fee and pays Edward Jones for performing services for the Fund. While your financial advisor does not receive any portion of this revenue, it does have a positive financial impact on overall firm profitability.

**Branch P&L and profitability bonuses** – Revenues and expenses of Edward Jones are assigned to each branch's Profit and Loss Statement ("branch P&L"). Your financial advisor's P&L is positively impacted by compensation received from client activities, including commissions, sales charges, 12b-1 fees, account

fees, fees from investment advisory accounts, margin loans and other account service fees. Your financial advisor also benefits from credits to the P&L without directly receiving any portion of such revenue the firm receives, for certain things including assets under care in the branch, other fees received by the firm, margin loans and variable third-party compensation that is not paid to your financial advisor.

Increased P&L positively impacts your financial advisor's performance and qualifications to receive additional variable compensation. If Edward Jones has reached a certain level of profitability and the branch is profitable on its P&L, the financial advisor receives a branch profitability bonus. Your financial advisor has an incentive to make recommendations that will increase the profitability of the P&L.

**Incentive compensation for your financial advisor** – Your financial advisor's performance and variable compensation are positively impacted by client activities such as commissions, sales charges, account fees, assets under care in the branch, margin loans and the value of assets you roll over or transfer to Edward Jones. These positive impacts can lead to increased compensation through internal incentive programs, new asset accumulation bonuses and branch profitability bonuses, as well as additional noncash benefits such as domestic and international travel awards (or cash in lieu of travel), educational and training trips, awards and seminars, and regional leadership opportunities. These incentives create a conflict between your financial advisor's interest and your own when providing advice to you.

**Travel Award Program** – Our financial advisors may be eligible to participate in the Edward Jones Travel Award Program, which includes domestic and international trips, or a cash award in lieu of a trip. Eligibility for a Travel Award Program is based upon the amount of new and existing assets under care for a financial advisor. Certain product providers, such as preferred mutual fund and annuity providers, may participate in these travel programs. These incentives create a conflict of interest between your financial advisor's interest and your own when providing advice to you.

**Margin loans** – Your financial advisor does not receive direct compensation from the interest you pay on your margin loan balance, but it does positively impact the branch P&L. If you need cash, we may have an incentive to recommend a margin loan instead of selling investments. Additionally, your financial advisor has an incentive to recommend that you maintain a margin loan balance and to grow that balance instead of using available cash or new investments to pay down the loan.

**Training and marketing incentives** – Third-party providers such as mutual fund wholesalers, annuity wholesalers, UIT wholesalers, investment managers and insurance distributors may reimburse and/or pay certain expenses on behalf of financial advisors and the firm, including expenses related to training, marketing and educational efforts. The training focuses on, among other things, the third-party provider's products, suitability, product literature and product support. These reimbursements or payments could lead our financial advisors to focus on these third-party providers' products versus other third-party products that are not represented at these meetings, seminars and/or conferences. This creates a potential conflict of interest for Edward Jones and our financial advisors to the extent that this may cause them to prefer those product partners that have greater access, marketing opportunities and educational opportunities.

**Noncash third-party incentives** – Third-party providers, such as mutual fund wholesalers, annuity wholesalers, UIT wholesalers, investment managers, and insurance distributors, may also give financial advisors gifts up to a total value of \$100 per provider per year, consistent with industry regulations. Third parties may occasionally provide financial advisors with meals and entertainment of reasonable value. Additionally, third parties may provide the firm and our financial advisors with access to certain research tools, or software that is developed or subscribed to by

third parties. This creates a potential conflict of interest to the extent that this may cause the firm or our financial advisors to prefer those product partners that provide these noncash incentives over other product partners.

**Profit sharing** – Financial advisors receive contributions to an employer-sponsored retirement plan based on their total compensation, which includes commissions, fees, salary and bonuses. Profit sharing causes a conflict between your financial advisor's interest and your own regarding advice that generates additional compensation to your financial advisor and revenue for the firm.

**Partnership opportunities** – Certain financial advisors have been given the opportunity to buy limited and/or general partnership interests in The Jones Financial Companies, L.L.P., the parent company of Edward Jones. All revenue that contributes to Edward Jones' profitability has a positive impact on the amount of income each partner receives.

**Mitigation of conflicts of interest** – One of Edward Jones' core values is that our clients' interests come first. We have taken various steps to mitigate, disclose and/or eliminate these conflicts of interest associated with recommendations in your account, including developing policies and procedures, supervisory systems, processes and controls, compensation and incentive policies, disclosures, agreements and training. If you have any questions about conflicts of interest, please talk with your financial advisor or review the information referenced throughout this document.

## Additional Information and Resources

For additional information about the topics discussed in this document, please talk with your financial advisor or review the following resources:

- **Information About Our Brokerage Services:** [www.edwardjones.com/RegBIdisclosures](http://www.edwardjones.com/RegBIdisclosures)
- **Account Agreements:** [www.edwardjones.com/agreements](http://www.edwardjones.com/agreements)
- **Account Schedules of Fees:** [www.edwardjones.com/accountfees](http://www.edwardjones.com/accountfees)
- **Understanding How We Are Compensated for Financial Services:** [www.edwardjones.com/compensation](http://www.edwardjones.com/compensation) (pdf)
- **Edward Jones Client Relationship Summary:** [www.edwardjones.com/FormCRS](http://www.edwardjones.com/FormCRS) (pdf)
- **Revenue Sharing, Shareholder Accounting, Inforce Contract and Unit Investment Trust Additional Compensation Disclosures:** [www.edwardjones.com/revenuesharing](http://www.edwardjones.com/revenuesharing)
- **Financial Reports:** [www.edwardjones.com/financialreports](http://www.edwardjones.com/financialreports)

1 Your total costs and fees may vary. This example is for illustrative purposes only and does not account for discounts or trades executed over multiple days.

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# Roth Individual Retirement Account Custodial Agreement

## (Under Section 408A of the Internal Revenue Code)

### IRS Form 5305-RA (Rev. March 2018)

This Custodial Agreement is incorporated into and is part of the Individual Retirement Account Authorization Form (collectively "Agreement") signed by me (collectively "the Depositor," "the Client," "me," "my," "I," "you" or "your") and constitutes a binding contract between Edward Jones Trust Company (collectively, "EJTC," "Custodian," "we" or "our") and me. I represent that I have read and understand the Agreement and agree to be bound by its terms as well as the separate disclosures and notices referenced in and/or provided with this Agreement. I am establishing a Roth Individual Retirement Account ("Roth IRA" or "Account") under Section 408A of the Internal Revenue Code of 1986, as amended ("the Code"), to provide for my retirement and for the support of my beneficiaries after death.

I understand that EJTC is serving as Custodian of my account and is not responsible for providing investment advice relating to my Roth IRA. I have separately entered into a services agreement with Edward D. Jones & Co., L.P. ("Edward Jones"), a dually registered broker-dealer and investment adviser, to provide investment advice and/or brokerage services for my IRA.

EJTC has given me the disclosure statement required by Federal Income Tax Regulations ("Regulations") Section 1.408-6. Depositor and Custodian make the following Agreement:

#### Article I

Except in the case of a rollover contribution described in Section 408A(e) or a recharacterized contribution described in Section 408A(d)(6), Custodian will accept only cash contributions up to \$5,500 per year for 2013 through 2017. For individuals who have reached the age of 50 by the end of the year, the contribution limit is increased to \$6,500 per year for 2013 through 2017.

For years after 2017, these limits will be increased to reflect a cost-of-living adjustment, if any.

#### Article II

1. The annual contribution limit described in Article I is gradually reduced to \$0 for higher income levels. For a grantor who is single or treated as single, the annual contribution is phased out between adjusted gross income (AGI) of \$118,000 and \$133,000; for a married grantor filing jointly, between AGI of \$186,000 and \$196,000; and for a married grantor filing separately, between AGI of \$0 and \$10,000. These phase-out ranges are for 2017. For years after 2017, the phase-out ranges, except for the \$0 to \$10,000 range, will be increased to reflect a cost-of-living adjustment, if any. Adjusted gross income is defined in Section 408A(c) (3).

2. In the case of a joint return, the AGI limits in the preceding paragraph apply to the combined AGI of the depositor and his or her spouse.

#### Article III

Depositor's interest in the balance in the custodial Account is nonforfeitable.

#### Article IV

- No part of the custodial Account funds may be invested in life insurance contracts, nor may the assets of the custodial Account be commingled with other property, except in a common trust fund or common investment fund (within the meaning of Section 408(a)(5)).
- No part of the custodial Account funds may be invested in collectibles (within the meaning of Section 408(m)) except as otherwise permitted by Section 408(m)(3), which provides an exception for certain gold, silver and platinum coins, coins

issued under the laws of any state, and certain bullion.

#### Article V

1. If Depositor dies before his or her entire interest is distributed to him or her and Depositor's surviving spouse is not the designated beneficiary, the remaining interest will be distributed in accordance paragraph (a) below or, if elected or there is no designated beneficiary, in accordance with paragraph (b) below:

- The remaining interest will be distributed, starting by the end of the calendar year following the year of Depositor's death, over the designated beneficiary's remaining life expectancy as determined in the year following the death of Depositor.
- The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of Depositor's death.

2. The minimum amount that must be distributed each year under paragraph 1(a) above is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations Section 1.401(a)(9)-9) of the designated beneficiary using the attained age of the beneficiary in the year following the year of the Depositor's death and subtracting one (1) from the divisor for each subsequent year.

3. If Depositor's surviving spouse is the designated beneficiary, such spouse will then be treated as Depositor.

#### Article VI

- Depositor agrees to provide Custodian with all information necessary to prepare any reports required by Sections 408(i) and 408A(d)(3)(E), Regulations Sections 1.408-5 and 1.408-6, or other guidance published by the Internal Revenue Service (IRS).
- Custodian agrees to submit to the IRS and Depositor the reports prescribed by the IRS.

#### Article VII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles inconsistent with Section 408A, the related Regulations, and other published guidance will be invalid.

#### Article VIII

This Agreement will be amended as necessary to comply with the provisions of the Code and the related Federal Income Tax Regulations ("Regulations"). Other amendments may be made with the consent of Depositor and of Custodian.

#### Article IX

##### 1. Account Owner Representations and Agreements.

- Client Representations and Warranties.* I am a natural person of legal age with the ability to enter into this Agreement. The information I have provided to EJTC in connection with this Account is current, accurate, truthful and complete. Unless I have notified EJTC or Edward Jones to the contrary, I am not an employee of: (1) the Financial Industry Regulatory Authority, Inc. ("FINRA"); (2) any stock exchange; (3) any member firm of any exchange; (4) a bank; (5) a trust company; or (6) any member firm of FINRA. If I become so employed, I agree to notify EJTC of that employment promptly after becoming so employed.

- Identity Verification.* I understand that federal law requires all

financial institutions to obtain, verify and record information that identifies each person who opens an account. In connection with opening my Account, I have supplied EJTC with truthful information to allow EJTC to identify me and will supply additional information reasonably requested by EJTC. I authorize EJTC to obtain consumer credit reports and other information, as necessary, to determine whether to establish my Account or, after the Account is opened, whether to maintain that Account or decline, restrict or discontinue certain services. EJTC will, upon written request made by me within a reasonable time, furnish the names and addresses of any of the consumer credit reporting agencies from which EJTC obtained any consumer credit reports.

(c) *Beneficial Owner and Authority to Act.* No persons other than those I have identified to EJTC in connection with the opening of this Account have an interest in my Account. No persons other than those signing this Agreement are authorized to act on behalf of this Account unless a separate trading authorization or power of attorney has been provided to and accepted by EJTC. I will not assign or otherwise encumber assets held in this Account as security for any obligation.

2. **Contributions, Rollovers, Transfers and Conversions.** I may make contributions, rollovers, and transfers to my Account, in amounts and at such time as may be permitted by the Code, Regulations, EJTC, this Agreement and applicable law. I shall designate whether each such deposit is a contribution, rollover, or transfer, and EJTC shall have no responsibility for whether such designation is correct or permissible. EJTC reserves the right to refuse any contribution, rollover, transfer or conversion. I am responsible for the determination of any excess contributions and the timely withdrawal thereof. The last day to make annual IRA contributions for a particular tax year is the deadline for filing my federal income tax return, not including extensions, or such later date as may be determined by the Department of Treasury or the Internal Revenue Service for the taxable year for which the contribution relates. I shall designate, in a form and manner acceptable to the EJTC, the taxable year for which such contribution is made. All contributions will be recorded as current-year contributions unless I provide timely notice to EJTC to the contrary. EJTC may terminate contributions for any reason, including if EJTC is notified of my death, or for traditional IRA accounts only, if I reach the age of 70½. When the cumulative amount of contributions exceeds the IRS maximum allowable contribution limits for a given year, EJTC will have no obligation to accept further contributions for the year. Recurring contributions that exceed such limit will be reinstated automatically the following calendar year.

3. **Investments and Instructions.** Investments must be registered and held in the Account in the form and manner required by EJTC. EJTC shall have no obligation or discretion to direct the investment of my Account and is merely authorized to hold the particular investments specified by me. EJTC shall not question any such directions, review any securities or other property held in my Account, or render advice to me with respect to the investment, retention or disposition of any assets held in my Account. EJTC will not act as investment adviser to me.

Certain additional services are authorized by this Agreement and may be activated upon request, including, but not limited to, check writing, electronic transfers, and electronic delivery of statements and/or other information (“Additional Services”). The availability of these Additional Services is subject to approval and may vary by account type or investment. Additional Services may be subject to separate terms and conditions and the applicable Schedule of Fees in effect from time to time, are available at [www.edwardjones.com/disclosures](http://www.edwardjones.com/disclosures).

Edward Jones offers a sweep program that provides clients, depending on their account type, with the option to automatically transfer uninvested cash in their account (“Free Credit Balances”) to either a money market mutual fund or a bank whose deposits are insured by the Federal Deposit

Insurance Corporation (“Sweep Program”). The products offered in the Sweep Program are the Edward Jones Money Market Fund (“Fund”) and the Edward Jones Insured Bank Deposit Program (“Bank Program”). By choosing one of these as my sweep product, I consent to have Free Credit Balances in my Account included in the Sweep Program.

If my Account is an Edward Jones investment advisory account, my cash balances awaiting investment will be held in accordance with the terms of the investment advisory agreement applicable to my Account. If my Account is not an Edward Jones investment advisory account, the following terms apply:

- (i) As of February 9, 2019, if I am currently utilizing the Fund as my sweep product, my Free Credit Balances will continue to be automatically transferred to the Fund unless I change my selection thereafter, in which case, I may not select the Fund again as a sweep product.
- (ii) As of February 9, 2019, if I am not currently utilizing the Fund as my sweep product, the Fund will no longer be available as an option. In that case, consistent with my direction, my Free Credit Balances will be automatically transferred to the Bank Program or held as cash and eligible to receive interest thereon (“Cash Interest”). I acknowledge and agree that funds held as Cash Interest are awaiting investment. If I do not intend to invest funds held as Cash Interest in the future, I agree to notify my financial advisor and will transfer the funds to another available cash option or withdraw them from my Account, in a timely manner.

Certain terms and conditions apply to the Bank Program. Investment in the Fund is subject to the terms and conditions set forth in the Fund prospectus. The Program Disclosure for the Bank Program and the Fund prospectus are available from my financial advisor or on Edward Jones’ website at [www.edwardjones.com/disclosures](http://www.edwardjones.com/disclosures). Edward Jones may change the products available under the Sweep Program at any time.

If I have not given other directions to Edward Jones, I hereby elect and authorize Edward Jones, acting as my agent, to deposit and hold some or all of my Free Credit Balances as Cash Interest in Customer Reserve Accounts. If Edward Jones holds Free Credit Balances in Customer Reserve Accounts on my behalf, certain terms and conditions apply, which are available from my financial advisor or on Edward Jones’ website at [www.edwardjones.com/disclosures](http://www.edwardjones.com/disclosures).

#### 4. **Delegation of Duties.**

- (a) *Delegation of Investment Responsibility.* Pursuant to a separate agreement, I have appointed Edward Jones as:
  - (i) an investment adviser to act as my representative with authority to make investment decisions in my Account and direct EJTC with respect to the investment of assets in my Account; or
  - (ii) an investment adviser or broker-dealer providing investment advice, but with no authority to make investment decisions with respect to the investment of assets in my Account.

I authorize and direct EJTC to take direction with respect to the investment of assets in my Account from Edward Jones, which either has been delegated discretionary authority regarding such investments, or is authorized to provide direction to EJTC. The authorization includes directions from Edward Jones to make disbursements from my Account to Edward Jones for fees I owe for services that I have separately authorized.

If I appoint Edward Jones as investment adviser, as provided for above, to the extent Edward Jones has investment authority over any securities in my Account, any references to me in Article IX, Sections 3, 7(g) and 7(h) of this Agreement are also to Edward Jones. No other references in this Agreement to me shall include Edward Jones. I may revoke the authority of Edward Jones to act on

my behalf at any time in accordance with my separate agreement with Edward Jones and will notify EJTC in a form and manner acceptable to EJTC. EJTC shall not be liable in any way for transactions initiated prior to its receipt of such notice.

- (b) *Delegation of Custodian's Duties.* I acknowledge that EJTC is a subsidiary of The Jones Financial Companies, L.L.L.P., and understand that EJTC may delegate some or all of its duties under this Agreement to a subsidiary or affiliate of The Jones Financial Companies, L.L.L.P., including Edward Jones. I acknowledge that the terms and conditions of this Agreement, and any separate services agreement, shall apply to my Account.

## 5. Designation of Beneficiaries.

- (a) *Designation of Beneficiary(ies).* I may designate one or more beneficiaries of my IRA. Beneficiaries must be designated by me in a writing that is received by and acceptable to EJTC. Any beneficiary designation accepted by EJTC will be effective as of the date executed by me. EJTC may declare any beneficiary designation not received by EJTC during my lifetime to be void. If any designated beneficiary dies within 120 hours of my death, such beneficiary shall not be considered to have survived me. In addition, if a beneficiary does not claim such beneficiary's interest in my Account by September 30 of the year following my death, then EJTC may treat such beneficiary as failing to survive me.

After my death, EJTC shall, in its sole discretion, determine the method for transferring or otherwise administering all assets in my Account or payments (e.g., dividends) received into my Account. EJTC shall have no liability to any beneficiary for any loss of or fluctuation in the value of assets held in my Account.

- (b) *Beneficiary Not Designated.* If I have no designated beneficiaries, or no beneficiaries survive me, then my beneficiaries shall be deemed to be designated in the following order and priority: (1) my surviving spouse; or if none, then (2) my descendants, per stirpes, as defined under the laws of the State of Missouri; or if none, then (3) my estate.
- (c) *Death of Beneficiary.* If a beneficiary survives me, but dies before receiving his or her entire interest in my Account, his or her remaining interest in my Account shall be paid to any successor beneficiaries designated by the deceased beneficiary in a writing received by and acceptable to EJTC. If the deceased beneficiary has no designated successor beneficiaries, or no successor beneficiaries survive the deceased beneficiary, then EJTC shall distribute the deceased beneficiary's interest in my Account in the following order and priority: (1) the deceased beneficiary's surviving spouse; or if none, then (2) the deceased beneficiary's descendants, per stirpes, as defined under the laws of the State of Missouri; or if none, then (3) the deceased beneficiary's estate. If any successor beneficiary dies within 120 hours of the death of a designated beneficiary, such successor beneficiary shall not be considered to have survived the designated beneficiary.

## 6. Distributions.

- (a) *Form of Distributions.* Distributions may be made in cash or, if permitted under policies and procedures established by EJTC, in kind. Subject to the provisions of Article V, EJTC shall make distributions from my Account at such time, in such manner and in such amounts as shall be requested by me (or, in the event of my death, any designated or successor beneficiary). Any such request may be verbal or in writing on a form acceptable to EJTC, shall designate the assets to be sold to provide for the distribution, and shall be followed or accompanied by such documentation as shall be requested by EJTC. I shall be solely responsible to pay all taxes and penalties that may become due as a result of any such

distribution. EJTC shall not be responsible or be liable for the purpose, timing, sufficiency or propriety of any distribution or for distributions made in reasonable good faith.

- (b) *Withholding.* All distributions may be subject to applicable withholding, taxes and penalties. EJTC may require me or my beneficiaries to provide a withholding election and taxpayer identification number before making any distribution from my Account.
- (c) *Required Minimum Distributions (RMD).* For certain account types, EJTC may, if requested by me, in a form and manner acceptable to Edward Jones, compute the RMD amount in accordance with Article IV of the Agreement. I shall be responsible for causing the proper RMD amount to be withdrawn from my Account each year. Even if Edward Jones provides me with an RMD calculation, I (and after my death, my beneficiary) are responsible for ensuring that RMDs are made timely and are in amounts which satisfy IRS requirements under Code Sections 408(a)(6) and 401(a)(9) and the related Treasury Regulations. Edward Jones will not distribute any RMDs unless requested to do so by me (or my beneficiary after my death). Edward Jones may choose to require my request to be submitted verbally or in writing.

## 7. Powers, Duties and Obligations of Edward Jones Trust Company.

- (a) *Non-discretionary Services.* EJTC will provide custody services for certain securities and financial investments. These services will be limited to those offered by EJTC in its regular course of business and subject to such limits as EJTC may establish from time to time for my Account. My Edward Jones financial advisor may utilize a professional designation. I understand that Edward Jones and EJTC are not affiliated with any of the sponsoring firms of such professional designations. The use of attainment by my Edward Jones financial advisor of a particular professional designation in no way implies that EJTC, Edward Jones, or my Edward Jones financial advisor provides financial planning services or investment advisory services for my Account.
- (b) *Instructions on Account Transactions.* I acknowledge that EJTC does not generally accept instructions sent via electronic mail, text message or any other electronic medium, or provided as a recording such as voice mail, and agree not to give instructions in this manner. I agree EJTC may at any time, in its sole and absolute discretion, restrict disbursements, deposits, or transfers or refuse to take any action in my Account.
- (c) *Use of Electronic Systems and Third-party Data.* Use of any electronic systems to access my Account information is at my sole risk. Neither EJTC nor its vendors providing data, information or other services, including but not limited to any exchange (collectively, "Service Providers"), warrant that the service will be uninterrupted, error free, or free from viruses or other harmful effects. EJTC does not make any warranty as to the accuracy of information obtained from any of these systems. EJTC will not be liable in any way to me or to any other person for any loss or damage arising from failure, inaccuracy, error, or delay in transmission or delivery or omission of any data, information or message; or non-performance, interruption in data due to neglect or omission by it or any Service Provider or any "Force Majeure" event, as defined below. EJTC will from time to time provide me with market data as well as periodic valuations of securities and/or other financial investments held in my Account. Such data is obtained from third-party Service Providers EJTC has selected. I understand and agree that EJTC has no liability to me for errors, delay, omissions in or interruption of such data.
- (d) *Proxies.* Unless instructed otherwise by me in writing, EJTC shall deliver to me all prospectuses and proxies that may come into EJTC's possession by reason of its holding of securities in my Account in accordance with the standards of the Securities and Exchange Commission and FINRA.

- (e) *Records and Reports.* I understand that I will receive an Edward Jones brokerage statement that will serve as my custodial account statement, and no other separate account statements will be provided. EJTC shall furnish me with an annual report prepared in accordance with the requirements of the Code, and with such information concerning required distributions as is prescribed by the IRS. Unless I file with EJTC a written statement of exceptions or objections to any report, record or information within ten (10) days after notice of the report, record or information, I shall be deemed to have approved such report, record or information and EJTC shall be released from all liability to anyone (including my spouse or any beneficiary) with respect to all matters set forth in the report, record or information as though the report, record or information had been settled by judgment or decree of a court of competent jurisdiction. No person other than I may require an accounting.
- (f) *Right to Request Judicial Assistance.* EJTC shall have the right at any time to apply to a court of competent jurisdiction for judicial settlement of its accounts or for determination of any questions of construction, which may arise, or for instructions. The only necessary party defendant to any such action shall be me, but EJTC may join any other person or persons as a party defendant. The cost, including attorneys' fees, of any such proceeding shall be charged as an administrative expense under Article IX, Section 8, of this Agreement. Any request by EJTC for judicial assistance shall not be considered a waiver of EJTC's right to arbitrate as set forth in Article IX, Section 17, of this Agreement.
- (g) *Scope of Custodian's Duties.* It is my obligation to ensure that any transactions effected by me comply with all applicable laws and regulations. EJTC shall have no duty to question, investigate or ascertain whether contributions, transfers, rollovers, distributions or any other account activity comply with the Code or whether the duties of those directing the activity have been satisfied. EJTC shall not have any duty to question my directions regarding the purchase, reinvestment, diversification, retention or sale of assets credited to my Account.
- (h) *Scope of Custodian's Liability.* EJTC shall not be liable for any loss of any kind that may result from any action taken by EJTC in accordance with my directions or from any failure to act because of the absence of any such directions or resulting from my control (whether by action or inaction) over my Account. EJTC shall not be liable for any taxes (or interest thereon) or penalties incurred by me in connection with my Account or in connection with any transaction of my Account. EJTC is entitled to act upon any instrument, certificate or form it believes is genuine and believes is executed or presented by the proper person or persons, and EJTC need not investigate or inquire as to any statement contained in such document but may accept it as true and accurate. I agree EJTC is not liable for any loss to me caused directly or indirectly by war, terrorism, civil unrest, natural disaster, extraordinary weather conditions, government restrictions, interruptions of communications, exchange or market rulings, labor unrest or strikes, or other conditions beyond the control of EJTC (each a "Force Majeure" event). I shall indemnify and hold harmless EJTC from any liability that may arise hereunder except liability arising from the gross negligence or willful misconduct of EJTC.

## 8. Fees, Expenses and Taxes.

- (a) *Fees of Edward Jones Trust Company.* I authorize EJTC to retain payment from my Account for its services as Custodian, in accordance with its Schedule of Fees for IRAs as published from time to time and as in effect at the time such compensation becomes payable, and the commission schedule that is available from my financial advisor. EJTC's Schedule of Fees for IRAs and information concerning additional compensation EJTC may receive in connection with my Account can be found on EJTC's website at [www.edwardjones.com/EJTC/disclosures](http://www.edwardjones.com/EJTC/disclosures).

- (b) *Expenses and Taxes.* All expenses incurred by EJTC in connection with the establishment and maintenance of my Account and its duties under this Agreement, the fees of attorneys and other persons providing services with respect to my Account, including fees for Additional Services and amounts owed to Edward Jones pursuant to a separate services agreement, and all taxes and penalties of any kind imposed, levied or assessed with respect to my Account or the assets or income thereof shall be paid from my Account, unless otherwise paid by me in accordance with policies and procedures established by EJTC, as the same may be changed from time to time.

- (c) *Liquidation of Assets.* If I fail to pay any administrative fee, expense, or tax provided under this Agreement within a reasonable time after demand for such payment has been made by EJTC, or if my Account does not contain adequate cash to cover such items or cover the cost of investment purchases in my Account, EJTC may liquidate without notice as much of the assets of my Account as it deems appropriate for this purpose. If the liquidation of all assets in my Account is not sufficient, EJTC shall charge me for such excess amounts.

9. **Notices, Disclosures and Communications.** Any notices, disclosures or communications required under this Agreement may be (a) mailed, first class, to me or any beneficiary at the last address set forth in EJTC's records, and to EJTC at its principal place of business; (b) delivered by email to me or any beneficiary at the last email address set forth in EJTC's records; (c) sent by text message to me at the last phone number set forth in EJTC's records; (d) personally delivered to me or any beneficiary; or (e) posted on EJTC's public website and/or such website where EJTC provides me information, if allowed by applicable law. Any such notice mailed (i) to me or any beneficiary shall be effective when mailed, and (ii) to EJTC shall be effective when actually received. Notice sent by email or text message is effective when sent; notice by personal delivery is effective when delivered; and notice by posting to Edward Jones' website is effective on the date posted. EJTC may, in its sole discretion and to the extent permitted by applicable law, including but not limited to the Code and Regulations, provide or accept notice in any other form, such as orally or by telephonic or electronic media. There are important disclosures and policies of EJTC that apply to my Account. These disclosures and policies are subject to change without notice to me at any time and can be obtained from my financial advisor or at [www.edwardjones.com/EJTC/disclosures](http://www.edwardjones.com/EJTC/disclosures).
10. **Termination.** This Agreement may be terminated by me at any time by notice to EJTC with accompanying instructions regarding distribution of my Account. Distribution of my Account or transfer of the assets in my Account to another custodian shall be in accordance with this Agreement as soon as administratively practicable following receipt of such notice. EJTC may deduct the amount necessary to pay any outstanding fees, expenses and taxes with respect to this Account from such distribution or transfer. This Agreement shall terminate upon complete withdrawal or transfer of the assets of my Account or upon resignation of EJTC.
11. **Resignation.** EJTC may resign for any reason by giving notice to me thirty (30) calendar days in advance. Upon receipt of such notice, I shall appoint a successor trustee or custodian and shall notify EJTC in writing of such appointment. EJTC shall transfer the balance of my Account as soon as administratively practicable following receipt of such notice. If I fail to appoint a successor trustee or custodian within thirty (30) calendar days after the date EJTC gives notice of its resignation, EJTC may transfer the balance of my Account to a successor trustee or custodian that it chooses, or distribute such balance to me in kind or may liquidate all or a portion of the assets and distribute in cash or in kind. EJTC may deduct the amount necessary to pay any outstanding fees, expenses and taxes with respect to my Account from such transfer or distribution. I understand that such a distribution may result in adverse tax consequences. EJTC shall not be liable for any actions or

failures to act, neither on the part of any successor trustee or custodian, nor for any tax consequences I may incur as a result of such transfer or distribution.

**12. Successor or Substitute Custodian.** If EJTC merges with, purchases or is purchased by another organization, such organization shall automatically become custodian of the Roth IRA established pursuant to this Agreement, but only if such organization is authorized under applicable law to be custodian of a Roth IRA. No successor trustee or custodian shall have any obligation or liability for the acts or omissions of its predecessors. If the Commissioner of the IRS notifies me that a substitute custodian must be appointed, then I shall appoint a substitute custodian.

**13. Amendments.** EJTC may amend this Agreement in any respect at any time so that it may conform with applicable provisions of the Code, or with any other applicable law as in effect from time to time, or to make such other changes to this Agreement as EJTC deems advisable. Edward Jones will notify me of such changes by mail, by email, by posting such changes online or by any other means permitted by law, including a notification on my statement directing me to the Edward Jones website to review details of a change. Unless I object to such amendment(s) by sending written notice to EJTC in a form and manner acceptable to EJTC within thirty (30) calendar days from the date I am sent notification of such amendment(s), I shall be deemed to consent to any such amendment(s).

**14. Additional Agreement Provisions.**

(a) *Prohibited Transactions.* I, my spouse, and any beneficiary may not assign my Account or use it, or any portion of it, as security for a loan or borrow from my Account. Neither I nor any other person or institution that is acting as my agent or is otherwise acting on my behalf shall engage in any prohibited transaction, within the meaning of Section 4975 of the Code, with respect to my Account. The foregoing representation by me shall not apply to any actions taken by EJTC or Edward Jones.

(b) *Prohibition against Assignment of Benefits.* Except to the extent otherwise required by law, none of the benefits, payments or proceeds held in my Account on my behalf or on behalf of my spouse or any beneficiaries shall be subject to the claims of any of my creditors or creditors of my spouse or any beneficiary, nor shall I, my spouse, or any beneficiary anticipate, sell, pledge, option, encumber or assign any of the benefits, payments or proceeds to which he or she is or may be entitled under the Agreement.

(c) *IRS Model Form.* This Form 5305-RA (Articles I through VIII) is a model Custodial Agreement that meets the requirements of Section 408A of the Code and has been automatically pre-approved by the IRS. A Roth IRA is established after the Individual Retirement Account Authorization Form is fully executed by me and entered in the records of EJTC and must be completed no later than the due date of my income tax return for the tax year (without regard to extensions). This Account must be created in the United States for the exclusive benefit of me or my beneficiaries.

(d) *Spousal Account.* Contributions to an account for a nonworking spouse must be made to a separate account established by the non-working spouse.

(e) *Minor Accounts.* A parent or legal guardian may execute the Individual Retirement Account Authorization Form on behalf of a minor. In the event this Roth IRA is established for a minor, the parent or legal guardian is authorized, on behalf of such minor, to take whatever actions are afforded under the terms of this Agreement, other than designating any beneficiaries. EJTC has no obligation or duty to investigate, review or question the action of the parent or legal guardian. The parent or legal guardian, by establishing this Roth IRA on behalf of a minor, agrees to indemnify and hold harmless EJTC and its affiliates from any losses, claims or damages, including court costs and reasonable attorney

fees incurred by EJTC or its affiliates, as a result of or in connection with establishing or maintaining the Roth IRA in the name of the minor.

(f) *Indemnification.* Except to the extent otherwise prohibited by law, I agree to indemnify and hold EJTC harmless from any causes of action, claims, expenses or liabilities that might be asserted by me or any third party against EJTC by reason of my actions or omissions related to this Agreement.

(g) *Binding Effect, Death, Incompetence, Disability, Succession.* This Agreement supersedes any prior agreement of the parties and its terms shall be binding upon my heirs, beneficiaries, personal representatives, agents, estate, executors, successors, administrators, assigns, trustees and conservators ("Successors") as to all matters involving my Account with EJTC, including but not limited to the terms relating to arbitration. I agree that in the event of my death, incompetency, or disability, I and/or my Successors shall hold EJTC harmless from any and all liability EJTC may incur for continuing to operate as though I was alive and competent until EJTC is notified in writing by Successors of such death or incompetency. Notwithstanding the foregoing, in the event of my death, incompetency, or disability, EJTC may liquidate, restrict or terminate services to my Account without prior notice to or demand upon my Successors.

(h) *EJTC's Conduct Not to Constitute Waiver.* EJTC's failure to insist at any time upon strict compliance with this Agreement or with any of its terms or any continued course of such conduct on EJTC's part shall not constitute or be considered a waiver by EJTC of any of its rights hereunder.

(i) *Severability.* If any provision of this Agreement is or becomes invalid or unenforceable for any reason, this shall not affect the validity or enforceability of any other provision of this Agreement.

**15. Grouping Accounts.**

(a) *Grouping My Account for Planning Purposes.* I may direct EJTC or its affiliates, including Edward Jones, to group my Account with accounts owned by me or others for planning purposes, and in so doing hereby consent to information about me and my Account being shared with and accessible by each owner and authorized party of the grouped accounts. If I have previously grouped accounts for planning purposes, my Account shall be added unless I direct EJTC or Edward Jones otherwise.

(b) *Delivery of Account-related Documents.* For delivery purposes, I may direct EJTC or its affiliates, including Edward Jones, to group my Account with other accounts that share my address of record, and in so doing hereby consent to my Account documents being included with materials of other accounts and mailed to that address. If I have previously grouped accounts for delivery purposes, my Account shall be added unless I direct EJTC or Edward Jones otherwise. EJTC and Edward Jones maintain the right to send my Account documents directly to me. I can remove my Account from a planning or delivery grouping at any time by notifying EJTC or Edward Jones.

**16. Governing Law.** Except to the extent preempted by federal law, this Agreement, and any amendments to this Agreement, their validity, effect, construction, administration and application, and the parties' respective rights and duties, shall be governed by the laws of the State of Missouri without giving effect to any choice of law or conflict of laws provisions. Any property rights created or associated with any Account that is established under this Agreement, including rights of spouses, as well as the rights of their legal and personal representatives, heirs, distributees and successors, shall be governed by the laws of the State of Missouri, regardless of any party's residency or domicile and without regard to the community property laws of any state.

**17. Arbitration Agreement.**

**(a) THIS AGREEMENT CONTAINS A BINDING, PRE-DISPUTE**

**ARBITRATION CLAUSE THAT MAY BE ENFORCED BY THE PARTIES.** By signing the Agreement, I agree as follows:

1. All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
2. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
3. The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
4. The arbitrators do not have to explain the reason(s) for their award unless in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
5. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
6. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible in arbitration may be brought in court.
7. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.

Any controversy arising out of or relating to any of my account(s) from its inception, business, transactions or relationships I have now, had in the past or may in the future have with EJTC, its current and/or former officers, directors, partners, agents, affiliates and/or employees, this Agreement, or to the breach thereof, or transactions or accounts maintained by me with any of EJTC's predecessor or successor firms by merger, acquisition or other business combinations shall be settled by arbitration in accordance with the FINRA Code of Arbitration Procedure rules then in effect. My demand for arbitration shall be made within the time prescribed by those rules and will be subject to the applicable state or federal statutes of limitations as though filed in court. Judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction thereof.

To the extent permitted by law, the exclusive jurisdiction for any such controversy that is not arbitrable under this Agreement shall be the Circuit Court of St. Louis County, State of Missouri or the United States District Court for the Eastern District of Missouri, and I consent to the jurisdiction of such courts.

- (b) **Class Actions.** No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action, or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

# Roth Individual Retirement Account (Custodial)

## Disclosure Statement

This Disclosure Statement contains important information about traditional Individual Retirement Accounts (“traditional IRA”) described in Section 408(a) of the Internal Revenue Code (“Code”) and Roth Individual Retirement Accounts (“Roth IRA”) described in Section 408A of the Code and applicable Federal Income Tax Regulations (“Regulations”). You should read this Disclosure Statement, as well as the Custodial Agreement, to make certain that you fully understand the rules and tax consequences applicable to traditional IRAs and Roth IRAs.

The Custodian of your IRA is Edward Jones Trust Company (“EJTC”), a federally chartered savings and loan association wholly owned by The Jones Financial Companies, L.L.P. EJTC is an affiliate of Edward D. Jones & Co., L.P., a dually registered broker-dealer and investment adviser (“Edward Jones”). EJTC may delegate some or all of its custodial and other duties to Edward Jones.

EJTC, as Custodian of your account, is not responsible for providing investment advice relating to your IRA. You have entered into a separate agreement with Edward Jones to provide investment advice and/or brokerage services for your IRA.

The provisions of this Disclosure Statement are subject to change. EJTC and its affiliates or agents do not provide tax or legal advice. You should seek tax or legal advice for any and all matters regarding your Roth IRA, with regard to your specific situation, as such matters may result in adverse tax consequences and/or penalties.

### A. Your Right to Revoke Your IRA.

If EJTC does not provide you with the Custodial Agreement and the Disclosure Statement at least seven (7) days prior to the earlier of (1) the establishment of the account (by you signing the applicable EJTC Individual Retirement Account Authorization Form) or (2) purchase of the account (through any deposit, contribution, transfer, rollover, payment of fee or any other account activity), then you may revoke the account by providing a written notice to EJTC. Your notice to revoke must be in writing and mailed by you not more than seven (7) days after the earlier of the establishment of the account or purchase of the account to:

Edward Jones Trust Company  
 12555 Manchester Road  
 St. Louis, MO 63131  
 Telephone: 800-441-2357

EJTC shall not be obligated to make any investments during the period you have the right to revoke. If you mail the notice of revocation, it will be treated as received as of the postmark date if it is properly addressed and deposited in the United States mail, first class postage prepaid, or with an IRS approved overnight service.

If any material adverse change is made in this Disclosure Statement or a material change in the Custodial Agreement is made within the seven (7) day period described above, EJTC will notify you and your right to revoke the account will be extended until seven (7) days after the date you receive the notice.

If you revoke the account as described above, EJTC will return to you the entire amount of your contribution without adjustment for such items as sales commissions or administrative expenses. Consideration paid by you in the form of cash will be returned to you in the same value of cash. Consideration paid by you in the form of securities or other assets will be returned to you in the same form and number of units as you contributed (after taking into account any change due to stock splits, corporate mergers, or other activity that may impact the share amount) regardless of value, less any amount withdrawn. EJTC will report the contribution and distribution to the IRS.

### B. Requirements for Roth IRAs.

Roth IRAs are subject to the following requirements under the Code and Regulations:

1. **Contributions.** Contributions to your Roth IRA may be made directly by you or you may direct that a portion of your federal income tax refund be directly deposited to your IRA as a contribution. You may make contributions to a Roth IRA for any tax year in which you have taxable compensation, regardless of your age.
  - (a) *Contribution Limits.* The amount that you may contribute to all traditional and Roth IRAs for any tax year as a regular contribution cannot exceed the lesser of 100% of your compensation or that year’s contribution limit. If you are age 50 at any time during the year, you also may make additional catch-up contributions to a Roth IRA. In addition, individuals who participate in a 401(k) plan sponsored by an employer who files for bankruptcy and is subject to an indictment or conviction due to business transactions relating to the bankruptcy may be able to make additional contributions to a Roth IRA. Catch-up contributions cannot be made for the same year as these bankruptcy-related contributions. For each of the applicable contribution limits, see Appendix A, Contribution Limits – Traditional IRA and Roth IRA.
  - (b) *Compensation.* Compensation generally includes wages, salaries, professional fees, commissions, bonuses, tips, earned income from self-employment and other amounts received for personal services, and certain nontaxable combat pay. Compensation also generally includes amounts received under a divorce decree or separation agreement, such as alimony or separate maintenance payments. Compensation does not include earnings and profits from property, such as interest, dividends, capital gains and rents, or pensions, annuities or deferred compensation or any amount excluded from gross income.
  - (c) *Eligibility for Contributions to Roth IRAs.* The amount of your eligible Roth IRA contribution is based on your modified adjusted gross income (MAGI) for the tax year for which the contribution is made and your filing status (i.e., single taxpayer, married taxpayers filing a joint return or married taxpayers filing separate returns). If your MAGI exceeds a certain threshold level, your Roth IRA contribution is reduced (phased out) or a contribution may not be allowed. (See Appendix A, Eligibility to Make Roth IRA Contributions.)
  - (d) *Modified Adjusted Gross Income.* MAGI is generally determined based on your adjusted gross income on your tax returns but disregarding any deductible IRA contributions and adding back interest from qualified U.S. savings bonds, employer-paid adoption expenses, interest paid on education loans, deduction for qualified tuition and related expenses, and certain exclusions from income for U.S. residents and citizens living abroad. Income from the conversion of a traditional IRA to a Roth IRA is ignored for purposes of determining your MAGI.
  - (e) *Deadline.* A Roth IRA contribution must be made by the due date of your federal income tax return, not including extensions. The date that your federal income tax return is actually filed does not affect the contribution deadline.
  - (f) *Contributions for Certain Spouses.* If you are married and file a joint federal income tax return, either you and/or your spouse may make a contribution to a Roth IRA if you meet the eligibility requirements. The amount you may contribute cannot exceed the lesser of 100% of your combined

compensation, reduced by your contributions to your traditional and Roth IRAs for the tax year, or the applicable dollar limit described in Appendix A, Contribution Limits – Traditional IRA and Roth IRA. If your and your spouse's combined compensation for the year is less than the maximum Roth IRA contribution limits in any one year, you cannot contribute more than the limit in that year or in later years to make up the difference.

You are not treated as having a spouse for any taxable year you file a separate federal income tax return and do not live with your spouse for any part of the taxable year.

- (g) *Cash Contributions.* Contributions to a Roth IRA must be made in cash by check, money order or electronic funds transfer, except in the case of a rollover contribution, a conversion to a Roth IRA or a recharacterized contribution.
2. **Custodian.** The custodian of any IRA must be a bank, savings and loan association, insured credit union or another entity approved by the Secretary of the Treasury. The custodian of this IRA is EJTC.
  3. **Life Insurance.** No portion of any IRA may be invested in life insurance contracts.
  4. **Nonforfeitable.** Your interest in your IRA is nonforfeitable.
  5. **Commingling Assets.** The assets of any IRA may not be commingled with other property except in a common trust fund or common investment fund.
  6. **Collectibles.** You may not invest the assets of any IRA in collectibles within the meaning of Code Section 408(m). A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage or any other tangible personal property specified by the IRS. Coins issued by states and certain U.S. gold, silver and platinum coins are permissible investments in an IRA. Gold, silver, platinum and palladium bullion of a specified fineness (as described in Code Section 408(m)(3)) also are permissible investments. Failure to satisfy this requirement would result in an amount equal to the cost of the collectible being treated as a distribution from your IRA.
  7. **Distributions – In General.** Distributions from the IRA will be made in cash or in kind upon your request in a form and manner, including verbal instruction, acceptable to the Custodian. However, the Custodian may make a distribution from the IRA without instruction if directed to do so by a levy or court order, or if the Custodian resigns.

- (a) *Required Minimum Distributions (“RMDs”) from Roth IRAs.* The minimum distribution rules applicable to Roth IRAs differ from those applicable to traditional IRAs. Your beneficiary is responsible for ensuring that RMDs are made timely and in amounts which satisfy IRS requirements under Code Sections 408(a)(6) and 401(a)(9) and the related Treasury Regulations. The Custodian will not make any payments from the Roth IRA (including RMDs) unless requested to do so, in such manner as it may require, by you (or your beneficiary after your death). A summary of the Roth IRA RMD rules can be found in Article V of the Roth IRA Custodial Agreement.

## C. Income Tax Consequences of Roth IRAs.

1. **Income Tax Deductions.** You may NOT take a federal income tax deduction for any contributions you make to your Roth IRA. All Roth IRA contributions (other than rollover contributions, as discussed below) are made from after-tax income.
2. **Tax Credit.** You may be eligible for a nonrefundable tax credit for your traditional and Roth IRA contributions. To receive this credit, you must be at least age 18, and you must not be either a dependent of another taxpayer or a full-time student. The credit is based upon your adjusted gross income (including foreign earned income and income from American Samoa and Puerto Rico), and will range from 0% to 50% of your IRA contributions (reduced by certain distributions from your

traditional and Roth IRAs or from certain Employer-sponsored Retirement Plans) that do not exceed \$2,000. (See Appendix A, Saver’s Tax Credit, for applicable limits.)

3. **Tax-deferred Earnings.** The investment earnings of your Roth IRA are generally not subject to federal income taxation before distribution, and will not be subject to federal income tax when distributed if distributed as part of a “qualified distribution” (as described in Taxation of Distributions below). However, if your Roth IRA investments generated unrelated business taxable income, it may be required to file Form 990T with the IRS and pay federal and possible state and local tax on such income.
4. **Taxation of Distributions.** The taxation of Roth IRA distributions depends on whether the distribution is a “qualified distribution” or a “nonqualified distribution.”
  - (a) *Qualified Distributions.* Qualified distributions from your Roth IRA (both the contributions and earnings) are excluded from gross income. A qualified distribution is a distribution which is made after the five-year period (described below), and is made on account of one of the following events:
    - Attainment of age 59½;
    - Your disability;
    - The purchase of a first home up to the \$10,000 lifetime limit; or
    - Your death.

The five-year period begins on the first day of the taxable year for which you made your first contribution to any Roth IRA or, if earlier, the first day of the taxable year in which you made your first conversion contribution to any Roth IRA. In the case of a spouse who is treating an inherited Roth IRA as his or her own, the beginning of the five-year period is not redetermined. Accordingly, the five-taxable-year period includes the period that the Roth IRA was held by the deceased spouse. For purposes of determining whether a distribution is a “qualified distribution,” you have one five-year period for all your Roth IRAs. It is your responsibility to track the five-year period and determine whether a distribution is a “qualified distribution.”

- (b) *Nonqualified Distributions.* If you do not meet the requirements for a qualified distribution, any earnings you withdraw from your Roth IRA will be included in your gross income and, if you are under the age of 59½, may be subject to a 10% early distribution penalty unless you rollover the distribution (or transfer it) to another Roth IRA within 60 days of your receipt of the distribution. However, when you take a distribution, the amounts you contributed annually to any Roth IRA account will be deemed to be removed first, followed by conversion contributions made to any Roth IRA, on a first-in, first-out basis. Therefore, your nonqualified distributions will not be taxable to you until your withdrawals exceed the amount of your annual contributions and your conversion contributions. These “ordering rules” are complex. If you have any questions regarding the taxation of distributions from your Roth IRA, you should consult with your tax advisor.

The taxable portion of any nonqualified withdrawal from your Roth IRA, except a direct transfer, is subject to withholding for federal income taxes, and possibly state and local taxes. The amount that must be withheld for federal income taxes is equal to at least 10% of the portion of the distribution that is includable in your income. However, prior to a distribution from your Roth IRA, you may elect not to have any amount withheld by filing the appropriate withholding election with the Custodian. Special federal rules, and possibly state and local income tax withholding rules, may apply if the distribution is sent outside the United States.

## D. Special Rules Applicable to Rollover Contributions and Transfers.

1. **Transfers.** A transfer is a movement of assets between like retirement plans. A direct transfer of funds in your traditional IRA or Roth IRA from one trustee/custodian to another trustee/custodian is not a rollover. Because there is no distribution to you, the transfer is tax free. You may make unlimited transfers between IRAs within the same 12-month period.
2. **Rollovers.** Rollover is a term used to describe the federal income tax-free movement of cash or other property to your IRA from any of your other IRAs or from your Employer-sponsored Retirement Plan. Your IRA balance may be rolled over to another IRA of yours, or your IRA may receive rollover contributions from other IRAs or from your Employer-sponsored Retirement Plan (including qualified plans, tax-sheltered annuities or Section 457(b) governmental plans), provided that the rollover satisfies all of the applicable rollover rules.

Rollover transactions often are complex. If you have any questions about whether you are eligible to make a rollover contribution to your IRA, you may contact your employer, the IRS or your tax advisor. The general rollover rules are as follows:

- (a) *Conversion of Traditional IRA to Roth IRA.* You may be eligible to rollover (i.e., convert) all or any portion of your existing traditional IRAs into your Roth IRAs. However, if you are age 70½ or older, you must receive your RMD for that year prior to converting your traditional IRA. The amount of the rollover from your traditional IRA to your Roth IRA is treated as a distribution for federal income tax purposes and is includible in your gross income (except for any nondeductible contributions). Although the rollover amount generally is included in gross income, the 10% early distribution penalty does not apply to rollovers from a traditional IRA to a Roth IRA, regardless of whether you qualify for any exceptions to the 10% penalty. To qualify as a rollover, you must rollover the distribution from your traditional IRA to your Roth IRA within 60 days after you receive it. The 60-day requirement may be waived by the IRS in certain situations, such as casualty, disaster or events beyond your reasonable control. Alternatively, you may arrange for a trustee-to-trustee transfer. If you wish to make a Roth IRA conversion for a particular year, you must complete the conversion by December 31 of that year, even if the 60-day period would end after December 31.
- (b) *Roth IRA to Roth IRA Rollovers.* Funds distributed from your Roth IRA may be rolled over to the same or another of your Roth IRAs. A proper IRA to IRA rollover is completed if all or part of the distribution is rolled over not later than 60 days after the distribution is received. The 60-day requirement may be waived by the IRS in certain situations, such as casualty, disaster or other events beyond your reasonable control. You must not have completed another Roth IRA to Roth IRA rollover from the distributing IRA during the past 12 months immediately before the date on which you receive the distribution. Also, you may rollover the same dollars or assets only once every 12 months. If the distribution from your Roth IRA is for a qualified first-time home purchase of a principal residence, and such purchase does not occur, the 60-day rollover period described above is extended to 120 days and the 12-month rule described above does not apply.
- (c) *Employer-sponsored Retirement Plan to Roth IRA Rollovers.* You can rollover distributions directly from an employer-sponsored retirement plan (other than a designated Roth account) to a Roth IRA. You must include in your gross income distributions from an employer-sponsored retirement plan (other than a designated Roth account) that you would have had to include in income if you had not rolled them over into a Roth IRA. You do not include in gross income any part of a distribution from an employer-sponsored retirement

plan that is a return of contributions to the plan that were taxable to you when paid. In addition, the 10% tax on early distributions does not apply.

Any amount rolled over into a Roth IRA is subject to the same rules for converting a traditional IRA into a Roth IRA. These rules are described in (a) above.

- (d) *Employer-sponsored Retirement Plan to Roth IRA Conversions.* A rollover from an Employer-sponsored Retirement Plan to Roth IRA Conversion can be made directly through a trustee-to-trustee transfer or indirectly through distribution and rollover within 60 days. Rules similar to the rules described in (c) above apply. The amount of the conversion from your Employer-sponsored Retirement Plan to your Roth IRA is treated as a distribution for federal income tax purposes and is includible in your gross income (except for any after-tax contributions). The 10% early distribution penalty does not apply to the rollover, regardless of whether you qualify for an exception to the 10% penalty. However, if the amount rolled over is distributed within five (5) years thereafter, the 10% early distribution penalty (and exceptions thereto) will apply at that time as if the distribution was included in income.
  - (e) *No Rollover of Required Minimum Distributions.* You cannot rollover to your IRA any RMDs which you receive from your IRA or your Employer-sponsored Retirement Plan.
  - (f) *NAV Rollover Policy.* In certain instances some mutual fund companies may allow retirement plan assets that had been invested in their mutual funds to be moved into an IRA and the money reinvested into their mutual funds as Net Asset Value (NAV) reinstatements without new sales charges. These options will vary by mutual fund company and may require you to rollover the assets into an IRA held at the mutual fund company in order to receive this benefit. If you decide to establish a fund-held IRA to take advantage of a NAV program, neither EJTC nor any of its affiliates will be the broker-dealer of record on the account. After your retirement assets are invested in the IRA under the NAV program at the fund company, you can decide to transfer your mutual fund holdings from the account at the fund company to an IRA at EJTC with no commissions being charged.
3. **Recharacterizations.** If you make a contribution to a traditional IRA, you may later recharacterize either all or a portion of that contribution as having been made to a Roth IRA, along with net income attributable thereto. Recharacterization generally involves a trustee-to-trustee transfer of the contribution and income from the traditional IRA to the Roth IRA. Instruction for the recharacterization must be given to the Custodian and any other trustee or custodian involved in the transaction. The deadline for completing a recharacterization of a contribution is the deadline for filing your federal income tax return (including extensions) for the tax year for which the contribution was made, and the recharacterization must be reported on that return. Recharacterized amounts are treated as having been contributed to the Roth IRA on the same date and for the same taxable year that the amount was contributed to the traditional IRA. To the extent you have made nondeductible contributions to an IRA, you may need to file IRS Form 8606. Pursuant to IRS regulations, you may not recharacterize a conversion.
 

If you make a contribution to a Roth IRA, you may later recharacterize either all or a portion of that contribution as having been made to a traditional IRA. The same rules apply to the recharacterization as apply to recharacterizations of traditional IRA contributions to Roth IRA contributions.

## E. Federal Tax Penalties.

1. **Early Distribution Penalty.** If you are under age 59½, and you receive a traditional IRA distribution, a nonqualified distribution from a Roth IRA, or a distribution of a conversion amount within the five-year period beginning with the year in which the conversion occurred, then a 10% additional tax will apply unless

the distribution is made on account of (i) death, (ii) disability, (iii) a series of substantially equal periodic payments (at least annual payments) made over your life expectancy or the joint life expectancy of you and your beneficiary, (iv) an IRS levy, (v) payment of unreimbursed medical expenses that exceed 7.5% of your adjusted gross income, (vi) payment of health insurance premiums after being separated from employment and while receiving unemployment compensation under a federal or state program for at least 12 weeks, (vii) certain qualified higher education expenses, (viii) expenses incurred in making a first home purchase (up to lifetime maximum of \$10,000), (ix) a qualifying rollover, or (x) the timely withdrawal of an excess contribution. The additional tax applies only to the portion of a distribution that is includible in gross income.

The IRS may change these penalty exceptions or permit additional penalty exceptions from time to time. You are responsible to file any additional IRS forms that may be required with your tax return for the year of distribution to claim the exception or to pay the additional 10% penalty. You can refer to your tax professional for a detailed explanation of the exceptions to the 10% penalty to ensure you qualify.

2. **Excess Contribution Penalty.** An excise tax of 6% is imposed upon any excess contribution you make to a traditional IRA or a Roth IRA. This tax applies each year in which an excess remains in your IRA. An excess contribution is the amount of any contribution that exceeds the limit on your IRA contributions for the tax year (excluding permissible rollover and conversion contributions), plus any impermissible rollover or conversion contributions. However, any excess contribution that is withdrawn, together with the net income attributable thereto, by the due date for filing your federal income tax return (including extensions) for the tax year in which you made the contribution is not treated as an excess contribution, provided that you do not take a deduction for the contribution. Alternatively, excess contributions may be carried forward and reported as a contribution in the next year to the extent the excess contributions, plus contributions made for that next year, do not exceed the applicable maximum annual contribution for that next year.
3. **Excess Accumulation Penalty.** As described above, you must receive a minimum distribution from your traditional IRA for the year in which you reach age 70½ and no later than the end of each subsequent year. Your beneficiary also must receive certain minimum distributions from your traditional IRA or Roth IRA after your death. An excise tax of 50% is imposed on the amount of any RMD that should have been distributed but was not distributed on time. This excise tax is applied for each year any RMD amount is not distributed.
4. **Penalty Reporting.** You must complete and file a Form 5329 with the IRS to report and pay the federal tax penalties described above or to claim an exemption.

## F. Investments.

Your EJTC Roth IRA is a self-directed IRA, which means that you direct the investments held in the IRA. You have the responsibility for selecting investments and for monitoring their performance. Investment performance will vary with the investment selected and cannot be projected by and is not guaranteed by EJTC. If you have entered into an investment advisory agreement, the investment decisions may be made by the investment adviser pursuant to the investment advisory agreement. Your self-directed Roth IRA is maintained for your exclusive benefit.

## G. Miscellaneous Information.

1. **Qualified Reservist Distributions.** A "qualified reservist distribution" may be made from a Roth IRA to an individual who was ordered or called to active duty after September 11, 2001, and before December 31, 2007, for a period of more than 179 days (or for an indefinite period). The distribution must have been made during the period beginning on the date of the order or call to duty and ending at the close of the active duty period. The amount distributed may be re-contributed to the IRA at any time during the two-year period after the end of the active duty. The 10% early distribution penalty does not apply.
2. **Divorce or Separate Maintenance.** If all or any portion of your IRA is awarded to a former spouse or spouse under a decree of divorce or separate maintenance, such portion can be transferred to an IRA of the same type in the receiving spouse's name. There will be no tax implications to you if a written instrument specifically directing the transfer is executed by a court as part of a divorce or legal separation in accordance with Code Section 408(d)(6) and is received and accepted by the Custodian. The Custodian may require other direction from you and your spouse or former spouse.
3. **Prohibited Transactions.** If your IRA is involved in a prohibited transaction, as described in Code Section 4975, your IRA will lose its tax-exempt status and you must include the value of your IRA in your gross income for that taxable year. You also may be subject to excise taxes. Prohibited transactions include the following transactions between you or your beneficiary and your IRA: (i) the sale, exchange or leasing of property; (ii) lending money or otherwise extending credit; (iii) furnishing goods, services or facilities; (iv) the transfer or use of the income or assets of the IRA; (v) dealing with the income or assets of the IRA in your own interest; or (vi) receiving consideration from any party dealing with the IRA in any transaction involving its income or assets. If you are under age 59½, the 10% penalty tax on early distributions will apply.
4. **Pledges.** If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for that tax year. If you are under age 59½, the 10% penalty tax on early distributions will apply.
5. **Fees and Expenses.** You agree to pay the fees and other expenses of maintaining and terminating your IRA when due, as determined in accordance with a schedule published from time to time. If you fail to timely pay, the Custodian may deduct any outstanding balance from the IRA, and if insufficient cash is available in the Account, the Custodian may liquidate assets to pay the balance.
6. **Inherited IRAs.** A beneficiary who inherits a Roth IRA cannot make contributions to the inherited IRA. The beneficiary must take RMDs as described in this document for Roth IRAs.
 

An eligible beneficiary may rollover a decedent's interest in an Employer-sponsored Retirement Plan to an inherited IRA. A beneficiary who wants to rollover to a Roth IRA must meet the income and tax filing status limitations (if any) for setting up a Roth IRA. The rollover must be accomplished through a direct trustee-to-trustee transfer. Certain beneficiaries cannot make this rollover, including entity beneficiaries and trust beneficiaries if the trust does not meet certain look-through trust requirements. RMDs required under the plan's terms cannot be rolled over. Generally, the RMD rules of the deceased's Employer-sponsored Retirement Plan for non-spouse beneficiaries also apply to the inherited IRA. (This is usually the five-year rule or the life expectancy rule.) However, if the five-year rule applies, the non-spouse beneficiary may use the life expectancy rule if the rollover is made before the end of the year following the year the decedent died. If the decedent died after his or her Required Beginning Date, the life expectancy rule applies.

A spouse who is the sole beneficiary of a decedent's IRA can instead elect to treat the IRA as his or her own. In this case, the spouse is not subject to the after-death minimum distribution requirements described in Section B.7 above. Instead, the spouse is subject to the RMD rules applicable to IRA owners.
7. **IRS Approval.** The EJTC Roth IRA Custodial Agreement is the model custodial agreement on Form 5305-RA that satisfies the requirements of Code Section 408A and has been approved by the IRS. IRS approval of this agreement is a determination only about its form, and does not indicate any endorsement of your Roth IRA or of the available investments.

8. **Designation of Beneficiary.** You should designate a beneficiary(ies) to receive the balance of your IRA when you die. Your beneficiary(ies) must be designated on the EJTC Individual Retirement Account Authorization Form applicable to your account or other writing acceptable to EJTC. The assets remaining in your IRA will be distributed upon your death to the beneficiary(ies) named by you on record with the Custodian in accordance with the provisions of the Custodial Agreement for your IRA. If a beneficiary you designate is not a U.S. citizen or other U.S. person (including a resident alien individual) when you die, distribution options from the IRA and the tax treatment of such distributions may be more restrictive.
9. **Qualified HSA Funding Distribution.** You may be able to make a one-time “qualified Health Savings Account funding distribution” from your Roth IRA to a Health Savings Account. Such a distribution must be made in a trustee-to-trustee transfer. For more information, including information about the maximum amount that can be rolled over and the tax treatment of such rollover, see IRS Publications 590 and 969.
10. **Estate and Gift Taxes.** Generally, at your death, the total value of assets in your Roth IRA is included in your gross estate for federal estate tax purposes. However, deductions are allowed if your beneficiary is either your spouse or a charity. Generally, naming a beneficiary to receive payments from your Roth IRA is not considered a gift subject to federal gift tax, even if the designation is irrevocable. This is because the account owner typically retains the right to direct distributions, including rollovers and transfers.
11. **Additional Tax Information.** Income tax planning and reporting for IRAs is complex, and EJTC does not provide tax advice. This document does not contain a complete explanation of all possible tax situations. You should consult with your tax advisor for your individual planning needs and to consider any special income tax reporting.

More information about your Roth IRA can be obtained from any district office of the IRS and from the IRS website at [www.irs.gov](http://www.irs.gov). You also may wish to obtain publications from the IRS, including Publication 590, Individual Retirement Arrangements (IRAs), and Publication 560, Retirement Plans for Small Business (SEP, SIMPLE, and Qualified Plans). IRS forms are available at any district office of the IRS and at [www.irs.gov](http://www.irs.gov).

For a summary of the basic tax forms that may be required for your Roth IRA, see Appendix A.

12. **Account Protection.** To obtain information about account protection that the Securities Investor Protection Corporation (“SIPC”) provides, including an explanatory SIPC brochure, visit [www.sipc.org](http://www.sipc.org) or call 202-371-8300.
13. **Business Continuity.** Edward Jones has a business continuity plan (“BCP”) to allow EJTC to continue serving clients and provide them with access to their funds and securities in the event of a disaster. If any of Edward Jones’ facilities are damaged or otherwise inaccessible as a result of a disaster, Edward Jones associates affected by such event would work from different areas of the same location or from alternate locations controlled by Edward Jones. Edward Jones has data centers in two geographically distinct locales. In the event one data center is damaged in a disaster, Edward Jones would move technological support and processing to the unaffected data center, with an expected short-term interruption in operations. Edward Jones’ response to a significant business disruption is dependent upon the response of third parties, and Edward Jones cannot guarantee that a significant business disruption will not impact its operations. In the event of a significant business disruption, you can obtain information about the status of your account(s) and access to your funds and securities by contacting your financial advisor or Edward Jones Client Relations at 800-441-2357. Any updates to the Edward Jones BCP will be posted at [www.edwardjones.com/disclosures](http://www.edwardjones.com/disclosures).

## H. Conclusion.

Rates of return, fees, and restrictions on contributions, transfers, and withdrawals of funds may vary among different IRA custodians and trustees. Every traditional IRA sponsor is required to provide you with a Disclosure Statement, similar to this one, describing the terms of its IRA.

This Disclosure Statement was prepared on the basis of current law and regulations and is believed to be accurate. EJTC does not take responsibility for individual tax consequences nor does it undertake the responsibility to inform you of changes in the law or its interpretation.

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## Disclosure Statement Appendix A – Traditional IRA and Roth IRA

(The IRS may increase the amounts referenced below based on annual cost-of-living adjustments.)

| CONTRIBUTION LIMITS – TRADITIONAL IRA AND ROTH IRA* |         |         |
|---|---------|---------|
| Contribution Type                                   | 2020    | 2021    |
| Regular Contribution                                | \$6,000 | \$6,000 |
| Catch-up Contribution                               | \$1,000 | \$1,000 |

\*Individuals who will be at least age 50 by the end of the year can make a catch-up contribution. Traditional IRA contributions cannot be made for the year an individual turns 70½ or after. Roth IRA contributions can be made regardless of age if you are eligible.

### ELIGIBILITY TO MAKE ROTH IRA CONTRIBUTIONS

This table shows whether your contributions to a Roth IRA are affected by the amount of your Modified Adjusted Gross Income (MAGI).

| If You Have Taxable Compensation and Your Filing Status Is ... | And Your MAGI Is:                          |  | Then ...  |
|--|--|--|---|
|  | 2020                                       | 2021                                       |   |
| Single or Head of Household                                    | Less than \$124,000                        | Less than \$125,000                        | You can make a Full Contribution                      |
|  | At least \$124,000 but less than \$139,000 | At least \$125,000 but less than \$140,000 | The amount you can contribute is reduced <sup>2</sup> |
|  | \$139,000 or more                          | \$140,000 or more                          | You cannot contribute to a Roth IRA                   |
| Married Filing Jointly or Qualifying Widow(er)                 | Less than \$196,000                        | Less than \$198,000                        | You can make a Full Contribution                      |
|  | At least \$196,000 but less than \$206,000 | At least \$198,000 but less than \$208,000 | The amount you can contribute is reduced <sup>2</sup> |
|  | \$206,000 or more                          | \$208,000 or more                          | You cannot contribute to a Roth IRA                   |
| Married Filing Separately <sup>1</sup>                         | More than \$0 but less than \$10,000       | More than \$0 but less than \$10,000       | The amount you can contribute is reduced <sup>2</sup> |
|  | \$10,000 or more                           | \$10,000 or more                           | You cannot contribute to a Roth IRA                   |

1 Married Filing Separately – If you did not live with your spouse anytime during the tax year, use single filing status.

2 Use the formula and worksheet in IRS Publication 590 to determine your partial Roth IRA contribution, or see your tax advisor for assistance.

### DEDUCTIBILITY – TRADITIONAL IRA CONTRIBUTIONS

This table shows whether your contribution deductibility to a Traditional IRA is affected by the amount of your Modified Adjusted Gross Income (MAGI).

| If You Have Taxable Compensation and Your Filing Status Is ... | Are You Covered by Employer's Retirement Plan? | And Your MAGI Is:                           |   | Then You Can Take:               |
|--|--|---|---|----------------------------------|
|  |  | 2020  | 2021  |                                  |
| Single or Head of Household                                    | No   | Any Amount                                  | Any Amount                                  | A Full Deduction                 |
|  | Yes  | \$65,000 or less                            | \$66,000 or less                            | A Full Deduction                 |
|  |  | More than \$65,000 but less than \$75,000   | More than \$66,000 but less than \$76,000   | A Partial Deduction <sup>2</sup> |
| Married Filing Jointly or Qualifying Widow(er)                 | Neither Spouse                                 | \$75,000 or more                            | \$76,000 or more                            | No Deduction                     |
|  |  | Any Amount                                  | Any Amount                                  | A Full Deduction                 |
|  | Both Spouses                                   | \$104,000 or less                           | \$105,000 or less                           | A Full Deduction                 |
|  |  | More than \$104,000 but less than \$124,000 | More than \$105,000 but less than \$125,000 | A Partial Deduction <sup>2</sup> |
|  |  | \$124,000 or more                           | \$125,000 or more                           | No Deduction                     |
|  | One Spouse Covered (for covered spouse)        | \$104,000 or less                           | \$105,000 or less                           | A Full Deduction                 |
|  |  | More than \$104,000 but less than \$124,000 | More than \$105,000 but less than \$125,000 | A Partial Deduction <sup>2</sup> |
|  |  | \$124,000 or more                           | \$125,000 or more                           | No Deduction                     |
| One Spouse Covered (for non-covered spouse)                    | \$196,000 or less                              | \$198,000 or less                           | A Full Deduction                            |                                  |
|  | More than \$196,000 but less than \$206,000    | More than \$198,000 but less than \$208,000 | A Partial Deduction <sup>2</sup>            |                                  |
| \$206,000 or more  | \$208,000 or more                              | No Deduction                                |   |                                  |

**DEDUCTIBILITY - TRADITIONAL IRA CONTRIBUTIONS**

This table shows whether your contribution deductibility to a Traditional IRA is affected by the amount of your Modified Adjusted Gross Income (MAGI).

| If You Have Taxable Compensation and Your Filing Status Is ... | Are You Covered by Employer's Retirement Plan? | And Your MAGI Is:  |                    | Then You Can Take:               |
|--|--|--------------------|--------------------|----------------------------------|
|  |  | 2020               | 2021               |                                  |
| Married Filing Separately <sup>1</sup>                         | Neither Spouse                                 | Any Amount         | Any Amount         | A Full Deduction                 |
|  | Either Spouse Covered                          | Less than \$10,000 | Less than \$10,000 | A Partial Deduction <sup>2</sup> |
|  |  | \$10,000 or more   | \$10,000 or more   | No Deduction                     |

<sup>1</sup> Married Filing Separately - If you did not live with your spouse anytime during the tax year, use single filing status.

<sup>2</sup> Use the formula and worksheet in IRS Publication 590 to determine your partially deductible traditional IRA contribution, or see your tax advisor for assistance.

**SAVER'S TAX CREDIT**

(For contributions you make in Employer Retirement Plans and IRAs)

| If Your Filing Status Is ...  | And Your MAGI (2021) Is: | You Receive Credit of:<br>(Maximum Credit for 2021: \$1,000) |
|---|--------------------------|--|
| Single/Married Filing Separately or Qualifying Widow(er) and All Other Filers | \$0 - \$19,750           | 50% of Contribution  |
|   | \$19,751 - \$21,500      | 20% of Contribution  |
|   | \$21,501 - \$33,000      | 10% of Contribution  |
|   | \$33,001 or more         | 0%   |
| Married Filing Jointly  | \$0 - \$39,500           | 50% of Contribution  |
|   | \$39,501 - \$43,000      | 20% of Contribution  |
|   | \$43,001 - \$66,000      | 10% of Contribution  |
|   | \$66,001 or more         | 0%   |
| Head of Household   | \$0 - \$29,625           | 50% of Contribution  |
|   | \$29,626 - \$32,250      | 20% of Contribution  |
|   | \$32,251 - \$49,500      | 10% of Contribution  |
|   | \$49,501 or more         | 0%   |

**CONTRIBUTION LIMITS - SEP PLAN**

|   | 2020      | 2021      |
|---|-----------|-----------|
| Employer Percent Limit                      | 25%       | 25%       |
| Employer Contribution Limit                 | \$57,000  | \$58,000  |
| Compensation Cap                            | \$285,000 | \$290,000 |
| Compensation Threshold Used for Eligibility | \$600     | \$650     |

**Summary of the Basic Tax Forms and IRS Publications****IRS Forms:**

**IRS Form 1099-R** (*Distributions From Pensions, Annuities, Retirement or Profit Sharing Plans, IRAs, Insurance Contracts, etc.*) - Used to report distributions from your traditional or Roth IRA.

Some examples include:

- All taxable and nontaxable distributions
- Conversions
- Recharacterizations
- Removal of excess contributions
- Direct rollovers

**IRS Form 5498** (*IRA Contribution Information*) - Used to report specific deposits and additions to your traditional IRA or Roth IRA. Some examples include:

- Contributions and rollover contributions
- Conversions
- Recharacterizations
- Fair market value
- Required Minimum Distribution (RMD) information
- Certain postponed and special catch-up contributions
- Repayment of qualified reservist distributions and federally designated disaster withdrawals

**IRS Form 5329** (*Additional Taxes on Qualified Plans (including IRAs) and Other Tax-Favored Accounts*) - Used to report additional taxes, penalties, or penalty exceptions on traditional or Roth IRA distributions. Some examples include:

- Tax and/or penalty due from an excess contribution and removal of the attributable earnings
- Penalty due from an excess contribution that is being carried forward
- Early distribution from your traditional IRA
- Missed Required Minimum Distribution from your traditional IRA

**IRS Form 8606** (*Nondeductible IRAs*) - Used to report:

- Nondeductible contributions you made to a traditional IRA
- Distributions from a traditional, SEP or SIMPLE IRA, if you have ever made nondeductible traditional IRA contributions or rolled over after-tax amounts to a traditional IRA
- Distributions from Roth IRAs
- Conversions from a traditional, SEP or SIMPLE IRA to a Roth IRA if you have ever made nondeductible traditional IRA contributions or rolled over after-tax amounts to a traditional IRA

**IRS Form 8880** (*Credit for Qualified Retirement Savings Contributions*) – Used to calculate the amount, if any, of your retirement savings contributions credit (also known as the saver's credit).

**IRS Form 990-T** (Exempt Organization Business Income Tax Return) – Used to calculate and report your IRA's tax liability, if any, for Unrelated Business Taxable Income (UBTI).

## **IRS Publications:**

**IRS Publication 590** – *Individual Retirement Arrangements (IRAs)* – This publication discusses traditional, Roth and SIMPLE IRAs. It explains the rules for:

- Setting up an IRA
- Contributing to an IRA
- Transferring money or property to and from an IRA
- Handling an inherited IRA
- Receiving distributions from an IRA
- Taking a credit for contributions to an IRA

It also explains the penalties and additional taxes that apply when the rules are not followed. To assist you in complying with the tax rules for IRAs, this publication contains worksheets, sample forms and tables, which can be found throughout the publication and in the appendices at the back of the publication.

**IRS Publication 560** – *Retirement Plans for Small Business (SEP, SIMPLE and Qualified Plans)* – This publication discusses retirement plans employers can set up and maintain for themselves and their employees.

**IRS forms and publications are available at any district office of the IRS and at [www.irs.gov](http://www.irs.gov).**

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## Schedule of Fees for Individual Retirement Accounts

(Traditional/SEP, Roth and SIMPLE Custodial IRAs Held at Edward Jones Trust Company)

| ANNUAL ACCOUNT FEE <sup>1,2,3</sup>                                |  |
|--|--|
| Individual Retirement Account (IRA)                                | \$40.00 per calendar year, not prorated  |
| Additional IRAs of the same individual                             | \$20.00 per calendar year, not prorated  |
| ACCOUNT SERVICES <sup>4</sup>                                      |  |
| Estates service fee<br>(charged for the re-registration of assets) | \$100.00   |
| Total transfer or termination of an account <sup>3</sup>           | \$95.00  |
| ADDITIONAL SERVICES AND FEES                                       |  |
| Returned check   | \$25.00  |
| Returned ACH payment   | \$25.00  |
| Stop payment request   | \$20.00  |
| Same-day ACH fee <sup>1,2</sup>                                    | \$5.00   |
| Overnight delivery fee <sup>1</sup>                                | \$25.00  |
| Wire transfer fee (domestic only) <sup>1</sup>                     | \$25.00  |
| Wire transfer fee (international)                                  | \$100.00   |
| Annual private investment fee <sup>2</sup>                         | Minimum \$50.00 per calendar year per position held in the account.<br>Additional fees and expenses may apply. |

**All fees are subject to change without notification. The current version of the Schedule of Fees for IRAs can be found at [www.edwardjones.com/EJTC/disclosures](http://www.edwardjones.com/EJTC/disclosures).**

1 The fee does not apply to Edward Jones investment advisory accounts.

2 The fee is waived for pricing groups with \$250,000 or more in assets under care. For details, visit [www.edwardjones.com/pricinggroup](http://www.edwardjones.com/pricinggroup).

3 Beginning May 1, 2019, at the time of total transfer or termination of an account we will waive the total transfer or termination fee and the annual individual retirement account fee, if due but unpaid, for accounts that meet the following criteria: (1) the account must be open for at least 24 months prior to the date of termination or total transfer; and (2) the account's pricing group must have a total value of \$5,000 or less in assets under care for the month immediately preceding the date of termination or transfer (determined by the relevant Edward Jones account statement(s)). For details on pricing groups, contact your financial advisor or visit [edwardjones.com/pricinggroup](http://edwardjones.com/pricinggroup).

4 The fee may be waived if it results from a final required minimum distribution (RMD), death of the account owner, divorce or transfer to an Edward Jones account. Edward Jones retains the right to charge the fee if the account balance is less than the amount of the fee.

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## Privacy Notice

| FACTS        | What Does Edward Jones Do with Your Personal Information?   |
|--------------|---|
| <b>Why?</b>  | Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.   |
| <b>What?</b> | <p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>• Social Security number and investment experience</li> <li>• Income and risk tolerance</li> <li>• Assets and account transactions</li> </ul> <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p> |
| <b>How?</b>  | All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Edward Jones chooses to share; and whether you can limit this sharing.   |

| REASONS WE CAN SHARE YOUR PERSONAL INFORMATION  | Does Edward Jones share? | Can you limit this sharing? |
|---|--------------------------|-----------------------------|
| <b>For our everyday business purposes</b> – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus | Yes                      | No                          |
| <b>For our marketing purposes</b> – to offer our products and services to you   | Yes                      | No                          |
| For joint marketing with other financial companies  | Yes                      | No                          |
| <b>For our affiliates' everyday business purposes</b> – information about your transactions and experiences   | Yes                      | No                          |
| <b>For our affiliates' everyday business purposes</b> – information about your creditworthiness   | No                       | We don't share              |
| <b>For nonaffiliates to market to you</b>   | No                       | We don't share              |

| QUESTIONS? | Call (800) 803-3333 or go to <a href="http://www.edwardjones.com/privacy">www.edwardjones.com/privacy</a> |
|------------|---|
|------------|---|

## WHO WE ARE

**Who is providing this notice?**

Edward D. Jones & Co., L.P.; The Jones Financial Companies, L.L.L.P.; Olive Street Investment Advisers, LLC; Passport Research, Ltd.; Edward Jones Insurance Agency of New Mexico, L.L.C.; Edward Jones Insurance Agency of Massachusetts, L.L.C.; Edward Jones Insurance Agency of California, L.L.C.; and Edward Jones Trust Company.

## WHAT WE DO

**How does Edward Jones protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

**How does Edward Jones collect my personal information?**

We collect your personal information, for example, when you:

- Open an account or give us your contact information
- Seek advice about your investments or tell us about your investment or retirement portfolio
- Enter into an investment advisory contract

We also collect your personal information from others, such as credit bureaus, affiliates or other companies.

**Why can't I limit all sharing?**

Federal law gives you the right to limit only:

- Sharing for affiliates' everyday business purposes – information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing. See the Other Important Information section for your rights under state law.

## DEFINITIONS

**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Our affiliates include companies with a name that contains "Edward Jones" or "EDJ" and financial companies such as Edward D. Jones & Co., L.L.P.; Olive Street Investment Advisers, LLC; Passport Research, Ltd.; and Edward Jones Trust Company.*

**Nonaffiliates**

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *Edward Jones does not share with nonaffiliates so that they can market to you.*

**Joint marketing**

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Our joint marketing partners include a company that offers Edward Jones-branded credit cards.*

**OTHER IMPORTANT INFORMATION****California residents**

We will not share information we collect about you with companies outside of Edward Jones, unless permitted by law. We also limit sharing among Edward Jones and our affiliate companies to the extent required by California law.

**Nevada residents**

We are providing this notice to you pursuant to state law. Nevada law requires us to disclose that you may request to be placed on our internal "Do Not Call" list at any time by calling 800-441-2357, and that you may obtain further information by contacting the Nevada Attorney General, 555 E. Washington Ave., Suite 3900, Las Vegas, NV 89101; phone 702-486-3132; email BCPINFO@ag.state.nv.us.

**Vermont residents**

As a resident of Vermont, we will automatically limit sharing of your information outside of the Edward Jones corporate family, unless otherwise permitted by law. We may share information with your consent to service your accounts or under joint marketing agreements.

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## Revenue Sharing Disclosure

Edward D. Jones & Co., L.P. (“Edward Jones”) is a registered broker-dealer and investment adviser in the United States and is wholly owned by the Jones Financial Companies, L.L.L.P. (“JFC”). Edward Jones receives payments known as revenue sharing from certain mutual fund companies, 529 plan program managers and insurance companies (collectively referred to as “product partners”). Virtually all of Edward Jones’ transactions relating to mutual funds, 529 plans and annuity products involve product partners who pay revenue sharing to Edward Jones. We do not receive revenue sharing payments on assets within investment advisory programs. We want you to understand that Edward Jones’ receipt of revenue sharing payments creates a potential conflict of interest in the form of an additional financial incentive and financial benefit to the firm, our financial advisors and equity owners in connection with the sale of products from these product partners. For the year that ended on December 31, 2020, Edward Jones received revenue sharing payments of approximately \$247.9 million from mutual fund and 529 product partners and \$4.7 million from annuity product partners. For that same period, the total revenue of JFC and its affiliates was \$10.2 billion.

Revenue sharing, as received by Edward Jones, involves a payment from a mutual fund company’s adviser or distributor, a 529 plan program manager, or an insurance company or the entity that markets an annuity contract. It is not an additional charge to you. These payments are in addition to standard sales loads, distribution and/or service fees (12b-1 fees), expense reimbursements, and sub-transfer agent fees for maintaining client account information and for providing other administrative services for mutual funds (shareholder accounting and networking fees). These payments are also in addition to fees for maintaining technology and providing other administrative services for insurance products (inforce contract service fees).

Mutual fund and 529 plan product partners make revenue sharing payments to Edward Jones based on the value of assets under management, known as an asset-based fee. For example, if a product partner pays Edward Jones a revenue sharing payment that is 0.1% of the value of assets under management on an annualized basis and you make a \$10,000 purchase of an investment, hold it for a year, and its value remains the same, the product partner would make a \$10.00 payment to Edward Jones. For every subsequent year you continue to hold that \$10,000 investment in your Edward Jones account, the product partner would make another \$10.00 payment to Edward Jones, assuming

no change in the value of your investment. Revenue sharing payments increase or decrease from year to year with changes in the value of the related assets.

Variable annuity product partners pay Edward Jones a one-time fee based on the amount of the product sold. This approach is referred to as a sales-based fee and is based on the dollar value of your initial purchase and any subsequent contributions you make to the contract. For example, if a product partner pays Edward Jones 0.25% for each dollar you invest or use to purchase a variable annuity product, if you made a \$10,000 investment, the product partner would pay Edward Jones \$25.00.

Edward Jones has designated many, but not all, of the product partners that pay revenue sharing to Edward Jones as strategic product partners. This designation means that Edward Jones has determined these product partners have a broad or strategically aligned spectrum of investment and annuity solutions designed to meet a variety of our client needs. Edward Jones grants strategic product partners greater access to certain information about our business practices. In addition, these product partners have frequent interactions with our financial advisors to provide training, marketing support and educational presentations. Non-strategic product partners that pay revenue sharing may receive similar treatment.

Most of the mutual funds, 529 plans and annuity products sold by Edward Jones involve strategic product partners and, as noted above, most of these product partners pay revenue sharing to Edward Jones. The names of strategic product partners are shown in bold and italics on the following revenue sharing summary tables. While Edward Jones financial advisors may sell, and our clients are free to select, funds from many mutual fund companies, we predominantly promote mutual fund strategic product partners. With regard to variable annuities, Edward Jones’ financial advisors have limited access to the products and services of insurance carriers that do not pay revenue sharing.

For additional information on a particular product partner’s payment and compensation practices, please review the applicable prospectus, statement of additional information or offering statement.

Detailed information and disclosures concerning revenue sharing received from product partners are included in the following revenue sharing summary tables.

### MUTUAL FUND COMPANIES: REVENUE SHARING SUMMARY

| <b>Paid by</b>  | <b>Revenue Sharing Payment - Maximum Annual Asset Fee</b><br>(Based on \$10,000 of eligible Product Partner assets held by clients at Edward Jones) | <b>Total 2020 Revenue Sharing Payments Received<sup>1</sup></b> |
|---|---|---|
| <b><i>American Funds Distributors, Inc.</i></b>           | \$3.50  | \$98.7 million <sup>2</sup>                                     |
| <b><i>BlackRock Investments, LLC</i></b>                  | \$13.00   | \$8.1 million   |
| Federated Securities Corp.                                | \$10.00   | \$0.4 million   |
| <b><i>Franklin Templeton Distributors, Inc.</i></b>       | \$6.00  | \$26.8 million  |
| Goldman Sachs Asset Management, L.P.                      | \$13.00   | \$1.7 million   |
| <b><i>Hartford Investment Financial Services, LLC</i></b> | \$13.00   | \$19.0 million  |
| <b><i>Invesco Distributors, Inc.</i></b>                  | \$13.00   | \$27.5 million  |
| Ivy Funds Distributor, Inc.                               | \$13.00   | \$0.2 million <sup>3</sup>                                      |
| <b><i>John Hancock Funds, LLC</i></b>                     | \$13.00   | \$8.9 million <sup>4</sup>                                      |
| <b><i>J.P. Morgan Investment Management Inc.</i></b>      | \$13.00   | \$11.1 million  |
| <b><i>Lord Abbett &amp; Co., LLC</i></b>                  | \$10.00   | \$13.7 million  |

**MUTUAL FUND COMPANIES: REVENUE SHARING SUMMARY**

| <b>Paid by</b>                     | <b>Revenue Sharing Payment - Maximum Annual Asset Fee</b><br>(Based on \$10,000 of eligible Product Partner assets held by clients at Edward Jones) | <b>Total 2020 Revenue Sharing Payments Received<sup>1</sup></b> |
|------------------------------------|---|---|
| <i>MFS Fund Distributors, Inc.</i> | \$11.00   | \$26.9 million  |
| Nuveen Securities, LLC             | \$13.00   | \$2.4 million   |
| <i>PGIM Investments, LLC</i>       | \$13.00   | \$2.4 million   |
| PIMCO Investments, LLC             | \$5.00  | \$0 <sup>5</sup>  |

**529 PLAN PROGRAM MANAGERS: REVENUE SHARING SUMMARY**

| <b>Paid by</b>                           | <b>Revenue Sharing Payment - Maximum Annual Asset Fee</b><br>(Based on \$10,000 of eligible Product Partner assets held by clients at Edward Jones) | <b>Total 2020 Revenue Sharing Payments Received<sup>1</sup></b> |
|--|---|---|
| <i>American Funds Distributors, Inc.</i> | \$3.50  | \$ <sup>2</sup>   |
| Upromise Investments, Inc.               | \$12.50   | \$0.1 million <sup>6</sup>                                      |

**ANNUITY PRODUCT PROVIDERS: REVENUE SHARING SUMMARY**

| <b>Paid by</b>   | <b>Revenue Sharing Payment - Maximum Sales Fee</b><br>(Based on \$10,000 of eligible Product Partner assets purchased by clients at Edward Jones) | <b>Total 2020 Revenue Sharing Payments Received<sup>1</sup></b> |
|--|---|---|
| <i>American General Life Insurance Company and The United States Life Insurance Company in the City of New York</i>          | \$25.00   | \$1.0 million   |
| Bighthouse Securities, LLC (formerly MetLife Investors Insurance Company Inc. and First MetLife Investors Insurance Company) | \$25.00   | \$0   |
| <i>Lincoln National Life Insurance Company and Lincoln Life and Annuity Co. of NY</i>  | \$25.00   | \$1.4 million   |
| <i>Pacific Life &amp; Annuity Company, Pacific Life Insurance Company and Pacific Select Distributors, Inc.</i>              | \$25.00   | \$0.4 million   |
| <i>Protective Life Insurance Company and Investment Distributors, Inc.</i>   | \$25.00   | \$0.5 million   |
| <i>Prudential Annuities Distributors, Inc., Pruco Life Insurance Company of New Jersey and Pruco Life Insurance Company</i>  | \$25.00   | \$0.4 million   |
| <i>Transamerica Capital, Inc.</i>  | \$25.00   | \$1.0 million   |

1 The total 2020 revenue sharing payments received has been reported under the accrual basis of accounting in conformity with generally accepted accounting principles (GAAP).

2 Included in the revenue denoted above, American Funds Distributors, Inc. ("American Funds") made an additional \$5 million non-asset based revenue sharing payment to Edward Jones. For further information on these payments, see the American Funds' prospectuses. Any revenue received in connection with 529 plan assets for which American Funds is the program manager is included in the total reflected on the mutual fund companies table.

3 The agreement with Ivy Funds was terminated effective March 31, 2020.

4 In addition to asset-based fees, the amounts received include fees paid by John Hancock for its participation at conferences, seminars, programs and/or other events sponsored by Edward Jones.

5 The agreement with PIMCO Investments, LLC became effective as of April 1, 2021.

6 The agreement with UPromise was terminated effective March 31, 2020.