

# Understanding how we are compensated for financial services

At Edward Jones, our approach to financial services is different. By living and working in your community, our financial advisors are able to meet with you personally to discuss investment strategies and help you achieve your goals.

We've created this summary of how we are compensated because we want you to be fully aware of the costs and fees you pay, and the compensation we receive, for the products and services we provide. When we do business with you, the firm and our financial advisors benefit from fees, commissions and other payments we receive from you and our investment providers. These financial incentives may create a conflict between Edward Jones' interests, your financial advisor's interests and your own.

We believe that the best investor is a well-informed investor. We also understand that, even with this information, investing can seem complicated and some things may be easier to talk through. So, if you have any questions after reading this summary, your branch team is always available. Just stop by, give them a call or send them a message.

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# Section 1: How you and your financial advisor work together

## A. Introduction

Since our founding, one of the core values at Edward Jones has been that our clients’ interests come first. As such, we’re providing you with this document to inform you about the products and services we offer, how you pay for those products and services, and how our firm and your financial advisor are compensated.

In addition to reviewing this document, we recommend you review your account statements and trade confirmations for the fees, commissions and costs you pay. We also suggest you review other disclosure documents we provide, such as our Edward Jones Client Relationship Summary, “Important Information About Our Brokerage Services” document, Investment Advisory brochures and account and services agreements, all of which are available at [edwardjones.com/disclosures](https://edwardjones.com/disclosures). Additional detailed information can also be found in product prospectuses, statements of additional information, offering statements, annuity contracts or plan information, as applicable, or by speaking with your financial advisor.

## B. Investing at Edward Jones

We know you’re not just investing, you’re investing with a goal in mind. One of the first conversations you and your financial advisor will have is about those goals. During that conversation, we consider information you share with us, such as your comfort with risk and your goal’s time frame, to recommend a personalized Goal Portfolio Objective (Asset Allocation). The Goal Portfolio Objective you select gives you and your financial advisor guidance on how to invest to help you achieve your goal. After you’ve selected a Goal Portfolio Objective, we recommend Account Portfolio Objective(s) for any accounts you open in connection with your goal. For each individual account, we use your selected Account Portfolio Objective to make investment recommendations.

At Edward Jones, there’s no “one-size-fits-all” approach to investing. You might want hands-on involvement in every aspect of investing, or you might prefer to delegate some of the decision-making to us. You might want guardrails to make sure your choices stay aligned with our guidance, or you might prefer more flexibility in selecting your investments. Because we offer a variety of ways to invest, as shown below, you can talk to your financial advisor and choose the arrangement that’s best for you.

We offer two main types of investment services: Brokerage services and Investment Advisory services. The following chart highlights basic characteristics of these services:

	Brokerage services	Investment Advisory services
Investment authority	We offer brokerage services primarily through our Select Account. These accounts are non-discretionary, meaning your financial advisor may offer education, advice and recommendations, and you decide which investments to buy and sell.	We offer investment advisory services through several advisory programs: Some are discretionary, meaning you work with your financial advisor to select a portfolio objective, and we make investments based on that portfolio objective. Others are non-discretionary, meaning your financial advisor may offer education, advice and recommendations, and you decide which investments to buy and sell.

	Brokerage services	Investment Advisory services
Investment offerings	In a Select Account, you can purchase a variety of investments such as stocks, bonds, certificates of deposit (CDs), mutual funds, exchange-traded funds (ETFs) and annuities.	Through our Investment Advisory programs, you can invest in mutual funds and ETFs. Some programs also offer other investments such as stocks, bonds, CDs and separately managed accounts (SMAs).
How you pay	You pay fees and costs in your Select Account 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. Mutual funds, ETFs and annuities carry built-in operating expenses and ongoing fees, such as management fees and trail commissions, in addition to the commissions or sales charges you pay.	You pay fees based on the market value of assets held in your account in your pricing group. Any ongoing fees and costs depend on the investments you own. Mutual funds, ETFs and SMAs carry built-in operating expenses and/or ongoing fees, such as management fees, in addition to the asset-based fees you pay us.

Additional details about our brokerage services and Investment Advisory services can be found in **Our brokerage services** and **Our Investment Advisory services** below.

Within our brokerage services, the primary account we offer to retail investors is the Edward Jones Select Account. Within our Investment Advisory services, the main accounts we offer are the Edward Jones Guided Solutions® Flex Account, Edward Jones Guided Solutions® Fund Account, Edward Jones Advisory Solutions® Fund Models, Edward Jones Advisory Solutions® Unified Managed Account (UMA) Models and, subject to limited availability, Edward Jones Financial Advisor Managed Solutions™ accounts.

In addition to our brokerage and Investment Advisory services described above, we offer other products and services that might fit your particular needs, such as credit cards, banking solutions, financial planning services, retirement plan services and loans. Details about these products and services can be found in **Section 4 and 5** of this document.

## C. How Edward Jones is compensated for financial services

We are compensated by our clients, as well as by third parties (such as product providers and money managers) who help provide the investments and services we offer you.

### Compensation we receive from our clients includes:

- **Commissions/markups/markdowns** — You pay a commission each time you buy or sell certain investments such as a stock, ETF, master limited partnership, real estate investment trust or preferred stock. You also pay a commission or pay a markup or markdown when you buy or sell a bond or CD. Edward Jones earns revenue from clients when we sell you a security from our inventory at a price that is higher than the prevailing market price (a markup) or when we buy a security from you at a price that is lower than the prevailing market price (a markdown). Markups and markdowns apply primarily to bonds and CDs, where we generally act as principal. Compensation we receive from clients on transactions in newly issued bonds and CDs is discussed in the Bonds and CDs section below.

- **Transaction fees** — You pay transaction fees on the purchase or sale of certain equity and fixed-income products in brokerage (Select) accounts.
- **Sales charges** — 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 or a variable annuity. Sales charges can be applied at the time of purchase (front-end) or at the time of redemption (back-end), or they can be “level” ongoing sales charges, usually at some fixed percentage.
- **Asset-based fees** — Advisory fees, based on the value of assets in your advisory programs.
- **Financial planning fees** — The fees you pay for financial planning services.
- **Margin loans** — Interest on margin accounts.
- **Miscellaneous account service fees** — Fees for IRAs, wire transfers, returned checks, transfer-on-death services and money market fund minimum balances.

### **Compensation we receive from third parties includes:**

- **Revenue sharing** — Revenue sharing on products from mutual fund and insurance companies.
- **Third-party ongoing payments** — Payments from mutual fund and insurance companies, such as fees used to pay for distribution costs such as advertising and distribution/service fees (sometimes referred to as 12b-1 fees), trail commissions or renewal commissions.
- **Shareholder accounting** — Payments from mutual fund companies when we provide shareholder accounting on their behalf for our clients’ holdings of the mutual funds’ securities (For more information, see [edwardjones.com/mutualfunds](http://edwardjones.com/mutualfunds).)
- **Inforce Contract Service Agreements** — Payments from insurance companies related to Inforce Contract Service Agreements.
- **Revenue from the Edward Jones Money Market Fund** — Revenue, including management and distribution and/or service fees (12b-1 fees) arising from our ownership of the investment adviser to the Edward Jones Money Market Fund (For more detailed information, ask your financial advisor for a prospectus.)
- **Checking & credit card** — Compensation from U.S. Bank® for offering Edward Jones® Everyday Solutions Checking and Credit Cards after program expenses, and a percentage of annual net credit card sales, defined as your total Mastercard charges minus your interest expense.
- **Volume concessions** — Payments from unit investment trust sponsors in the form of gross acquisition profits.
- **Third-party services payments** — A portion of the fees paid by issuing companies to Broadridge Investor Communications Solutions, Inc., an unaffiliated third-party vendor with which we contract to distribute proxies, periodic reports and voting instruction information to our clients.
- **Edward Jones Trust Company** — Payments from Edward Jones Trust Company for the referral and ongoing support of accounts managed by Edward Jones Trust Company.
- **Third-party payments for expenses** — Third parties make payments to Edward Jones to offset expenses for financial advisor regional meetings.
- **Edward Jones SBL, LLC** — A nonbank affiliate of Edward Jones, it receives interest on Reserve Line of Credit advances and pay compensation to Edward Jones.

Additional information about each of these items can be found later in this document, as well as the applicable schedules of fees, trade confirmations, product prospectuses, statements of additional information, offering statements, and annuity contracts or plan information, or by speaking with your financial advisor.

## D. How your financial advisor is compensated for financial services

Your financial advisor will help you meet your goals by building a personalized strategy for you and providing education and recommendations to help you select investments, products and services, such as securities, insurance, financial planning and banking. Financial advisors also manage their own offices and help people establish relationships with Edward Jones.

Your financial advisor generally receives between 36% and 40% of the compensation Edward Jones receives from asset-based fees, transactional revenue, ongoing 12b-1 fees, trail commissions and revenue from premiums generated by activity in your financial advisor's clients' accounts. The specific payout levels will vary based on your financial advisor's years of experience, the location of the office, the types and amounts of investments and any discounts. Please ask your financial advisor to explain any asset-based fees, commissions, sales charges, markups/markdowns, 12b-1 fees, additional costs, and internal costs and expenses that may apply to any investments you consider.

As described more fully below, your financial advisor may receive additional variable cash and noncash compensation through various internal incentive programs, training and education, and third-party gifts and entertainment.

All financial advisors must receive a minimum guaranteed salary in an amount determined by federal and state law. New financial advisors generally receive a supplemental salary for up to five years. The supplemental salary is designed to help new financial advisors as they get their businesses started and is not tied to performance, commissions, fees or assets brought into the firm. Most new financial advisors are also eligible for asset accumulation bonuses for up to six years. Asset accumulation bonuses are based upon the amount of new assets brought to the firm during a specific period of time but are not tied to specific securities.

Financial advisors based in the home office — who partner with branches to help serve their clients — do not receive direct compensation based on client activity, such as commissions or fees. Instead, these financial advisors receive a salary.

HQ Investment Services financial advisors receive similar forms of compensation to other financial advisors, as well as a supplemental salary and trimester bonuses, which vary based upon the overall profitability of the firm. However, HQ Investment Services financial advisors do not receive additional variable cash and noncash compensation through internal incentive programs, new asset accumulation bonuses, branch profitability bonuses, awards and recognition, or participation in our domestic and international travel awards program (or cash in lieu of travel).

**Associate financial advisors:** An associate financial advisor receives a base salary as well as a profitability bonus, which varies based on revenue the office earns through the activities described more fully within this document. Associates who serve in an associate financial advisor capacity do not receive variable direct compensation based upon your activity, such as any commissions or fees you pay.

### Transactional costs for investments (brokerage accounts)

If you open a brokerage account, such as an Edward Jones Select Account, your financial advisor earns revenue by receiving a portion of the transactional costs you pay for your investments, as well as from certain ongoing payments the firm receives from third parties. Transactional costs include:

- Commissions
- Markups/markdowns
- Sales charges you pay when you make trades



Financial advisors receive a portion of the ongoing service fees (12b-1 fees) or trail commissions that Edward Jones receives from certain mutual funds and annuities, and insurance commissions and renewal commissions.

For more detailed information about your costs and how the firm and your financial advisor are compensated within your brokerage account, see [Section 2](#).

### **Asset-based fees (advisory accounts)**

If you open an Investment Advisory account, your financial advisor receives a portion of the ongoing program fees you pay based on the assets in your account, known as asset-based fees.

For more detailed information about your costs and how your financial advisor is compensated within your advisory account, see [Section 3](#).

### **Financial planning fees**

If you engage in a financial planning relationship with Edward Jones, your financial advisor receives a portion of the ongoing annual financial planning fees you pay.

For more detailed information about your costs and how your financial advisor is compensated within your financial planning services, see Section 4.

### **Account-based fees**

If applicable, your accounts may be 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 to your financial advisor or review your applicable account Schedule of Fees at [edwardjones.com/accountfees](https://edwardjones.com/accountfees).

### **New asset compensation**

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

### **Office profit and loss, and profitability bonus**

Revenues and expenses of Edward Jones are assigned to each office's Profit and Loss Statement (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, reserve line of credit advances 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 and compensation received by the firm, margin loans, Reserve Line of Credit advances 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 office is profitable on their P&L, your financial advisor may receive a profitability bonus.

### **Margin fees and Reserve Line of Credit charge**

Your financial advisor does not receive direct compensation from the interest you pay on your margin loan balance or your Reserve Line of Credit balance, but it does positively impact the office's P&L (described above). If you need cash, we have an incentive to recommend a margin loan or Reserve Line of Credit balance

instead of selling investments. Additionally, your financial advisor has an incentive to recommend that you maintain a margin loan or Reserve Line of Credit advance balance and to grow the balance instead of using available cash or new investments to pay down the loan.

## **Trust fees**

Your financial advisor receives a portion of the fees Edward Jones receives from Edward Jones Trust Company for the referral and ongoing support of accounts Edward Jones Trust Company manages.

## **Profit sharing**

Eligible associates, including financial advisors, receive vested contributions to an employer-sponsored retirement plan based on their total compensation, which includes commissions, fees, salary and bonuses.

## **Client transition programs**

Financial advisors have the opportunity to participate in one of our client transition programs in response to capacity constraints or upon retirement. Involvement in these programs reduces or eliminates compensation to the participating financial advisor; however, you will not pay any additional fees or charges.

## **Checking and credit cards**

Your financial advisor receives a portion of the compensation Edward Jones receives from U.S. Bank based on the balances in an Everyday Solutions Checking account and your financial advisor and client support team member receive payments for the activation and use of Everyday Solutions Checking and credit cards.

## **Internal incentive programs**

Edward Jones offers internal incentive programs that provide branch teams with an opportunity to earn additional compensation. These programs exist during a specified duration, are voluntary and are never based on the sale of specific securities or specific types of securities within a limited period of time.

## **Travel Award Program**

Financial advisors are eligible to participate in the Edward Jones Travel Award Program, which includes domestic and international travel, or a cash award in lieu of a trip. Eligibility for the Travel Award Program is based primarily upon the financial advisor's new and existing assets under care.

## **Training and marketing incentives**

Third-party providers such as product wholesalers, distributors and investment managers may reimburse 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.

## **Noncash incentives**

Third-party providers may give financial advisors gifts, meals and entertainment of reasonable value, consistent with industry regulations. Additionally, from time to time, third parties provide the firm and our financial advisors with access to certain research tools or software. Further, from time to time, third parties provide payments to cover all or a portion of the cost of a meeting or event.

## **Awards and recognition**

We strive to recognize the success of our branch teams with awards and recognition. The following are examples of some of these awards and recognitions:



- **Annual Pinnacle Conference** — This conference recognizes the top teams of financial advisors and client support teammates based on production within a specified range, new assets gathered and client satisfaction as measured by independent surveys.
- **Annual Impact Conference** — Each year, financial advisors are recognized based on their previous year's production within a specified range, new assets gathered and client satisfaction as measured by independent surveys.
- **Annual Momentum Conference** — This recognizes and offers additional training to financial advisors based on prior year's production within a specified range and new assets gathered over three years, which places them among the leaders of the firm.
- **Annual Ignite Conference** — This conference recognizes the highest-ranked client support teammates based on client satisfaction as measured by independent surveys.
- **Annual Regional Meetings** — Edward Jones holds annual meetings that include an awards banquet to recognize financial advisors' and client support teammates' career successes. Plaques and mementos recognize the completion of special training, holding a volunteer position such as trainer or mentor, or reaching a special accomplishment or level of production.
- **Prism Conference** — This annual event brings together financial advisors, client support team members and home office associates to further their knowledge and understanding of cutting-edge inclusion and accessibility topics. Attendees qualify by participating in inclusion and accessibility-related activities.

## Partnership

Certain financial advisors have been given the opportunity to purchase general partnership interests in The Jones Financial Companies, L.L.P. ("JFC"), the parent company of Edward Jones. Additionally, financial advisors meeting specific tenure and profitability requirements have been given the opportunity to purchase limited partnership interests in JFC. JFC the owner of Edward Jones, is not a publicly traded company. It is a limited partnership owned by its partners, who include financial advisors, client support team members and headquarters associates. Financial advisors who become partners may share in the earnings of Edward Jones and its affiliates. Partners' earnings vary based on the firm's profitability. The amount a partner earns depends on which category of capital the partner owns and how much he or she has invested.

Furthermore, financial advisors who meet specific tenure and gross revenue requirements – which includes revenue generated from asset-based fees, transactional commissions, 12b-1 fees, trail commissions, and premiums from activity in clients' accounts – are generally issued a profits interest in JFC (the "Profits Interest"). A Profits Interest is a type of limited partnership equity interest, which does not require a capital investment in JFC, but provides the holder with a right to receive future allocations and distributions of firm net income for a duration of time. All revenue that contributes to Edward Jones' profitability has a positive impact on the amount of income, including the amount of limited partnership interests and Profits Interest, a partner may receive.

Please see the specific sections below for more details on how your financial advisor is compensated based on the account(s) you have opened at Edward Jones.

## E. How other office associates are compensated

Other office associates, such as a branch office administrator or registered branch associate, receive a base salary as well as a branch profitability bonus, which varies based on revenue the branch earns through the activities described above. Associates who serve in these roles do not receive variable direct compensation based upon your activity, such as any commissions or fees you pay.

## F. Conflicts of interest

The way the firm generates revenue, and the way our associates are compensated, create some conflicts with your interests. While we have taken numerous steps to mitigate, disclose and eliminate conflicts of interest associated with the firm and your financial advisor's recommendations, it is also important that you are aware of the material facts regarding these conflicts.

For instance, in your transactional brokerage account (typically a Select Account), the compensation Edward Jones and your financial advisor receive when you buy, sell, hold or exchange investments, insurance products or annuities within your account creates conflicts of interest. Your financial advisor has an incentive to recommend you purchase investments and products that generate the most compensation for the firm and your financial advisor.

In your Investment Advisory account, Edward Jones and your financial advisor each receive a portion of the ongoing program fee you pay us based on assets in your account. This creates a conflict of interest in that your financial advisor has an incentive to recommend you invest as much as possible in your Investment Advisory account so both your financial advisor and the firm earn more revenue.

Noncash incentives such as awards and recognition (for example: the Annual Impact Conference) and the Travel Award Program, as well as other internal incentive programs, create conflicts of interest between your financial advisor's interest and your own when they provide you with advice because your financial advisor may be incentivized to take action that qualifies them for an award or other internal incentive as opposed to taking action that is solely in your best interest.

Training and marketing incentives, and other noncash incentives from third parties, create a potential conflict of interest for Edward Jones and your financial advisor to the extent that this may cause your financial advisor to prefer those product partners with greater access, marketing opportunities and educational opportunities.

Margin loans and Reserve Line of Credit advances create a conflict because, if you need cash, your financial advisor may have an incentive to recommend a margin loan or Reserve Line of Credit advance instead of selling investments. Additionally, your financial advisor has an incentive to recommend that you maintain a margin loan or Reserve Line of Credit balance and to grow the balance instead of using available cash or new investments to pay down the loan.

Please review the sections below for information about conflicts of interest that apply to brokerage and Investment Advisory accounts and services.

**You may find additional, detailed information about our conflicts of interest at the following:**

**Client Relationship Summary:** [edwardjones.com/FormCRS](https://edwardjones.com/FormCRS)

**Important Information About Our Brokerage Services:** [edwardjones.com/regbidisclosures](https://edwardjones.com/regbidisclosures)

**Investment Advisory Agreements:** [edwardjones.com/advisoryagreements](https://edwardjones.com/advisoryagreements)

## Section 2: Our brokerage services

Brokerage services are provided through non-discretionary transactional brokerage accounts. Brokerage services allow you to provide us with instructions to buy, sell and hold your investments. We provide you with investment education, research and planning tools. Depending on your account type, we may make recommendations about your investments. You make each investment decision and do not delegate these decisions to us.

We offer both retirement and nonretirement brokerage accounts, which may have different product and service offerings. When you enter into a brokerage relationship with Edward Jones, you generally open an Edward Jones Select Account.

Additionally, Edward Jones offers brokerage accounts that are not Select Accounts, including, but not limited to, certain non-ERISA and ERISA retirement plans, Flex Fund accounts and pooled employer retirement plans. For more information regarding the fees, commissions and other payments earned by Edward Jones and our financial advisors within these types of accounts, see [Section 5](#) or contact your financial advisor for additional information.

### A. Our responsibilities when providing brokerage services in your Select Account

In your Edward Jones Select 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.

Further, if your brokerage account is a certain type of retirement plan account or individual retirement account, we are fiduciaries when we provide investment advice to you within the meaning of the Employee Retirement Income Security Act of 1974 (ERISA) section 3(21)(A)(ii)(B) and/or Internal Revenue Code sections 4975(e)(3)(B), 4975(c)(1) and the regulations thereunder, as applicable. If we are a fiduciary in your account type, this information can be found in your account agreement. In these applicable accounts, as a fiduciary, we must act in your best interest and not put our interest ahead of yours.

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. You have the choice to buy or sell investments and the ability to use our guidance as a framework, including the flexibility to use this account as a complement to other diversified accounts. Investment options available for this account include stocks, bonds, CDs, ETFs, mutual funds and annuities.

Fees and costs within your Select Account are more fully described below.

### B. Material fees and costs that may apply to your transactions, holdings and account(s)

Below is information about investments and products available within your Select Account, and a summary of the material fees and costs that may apply to your transactions, holdings and account(s). See also Section 5 for additional products available within your Select 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 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.

## **Transactional costs for investments — You pay us certain costs described below for transactions within your account:**

### **Stocks, ETFs and other equity-based investments**

You pay a commission each time you buy or sell certain investments such as a stock, ETF, master limited partnership, real estate investment trust (REIT) or preferred stock. The commissions on these trades may be up to 2.5% of the principal amount. There are eight tiers of commission rates, ranging from 2.5% on the first \$5,999 in principal, decreasing in increments down to 0.1% plus \$2,705 on amounts of \$1 million and above. In addition to these costs, you may also pay a \$4.95 transaction fee per trade for select buy and sell trades in your account. In certain instances, your financial advisor is permitted to discount the commission or markup on a trade.

**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), for a total transactional cost paid to us of \$125, plus the principal amount of the trade.

#### **What is a stock?**

Common stock is a share of ownership in a company and a claim on part of its assets and profits. When you buy or sell common stock, Edward Jones may act as either an agent or a principal. We act as an agent for most stock transactions. When we act as an agent, you pay a commission based on the amount of the transaction.

In the event of a trade correction, Edward Jones acts in a principal capacity. As a principal, Edward Jones can earn profits or incur losses based upon the cost of securities being sold or purchased.

#### **What is a preferred stock?**

Preferred stock is an equity security that has characteristics of both debt and common stock. Preferred stock is a class of ownership in a company that has a higher claim than common stock on the company's assets and profits. When you buy or sell preferred stock, Edward Jones may act as either an agent or a principal. We act as an agent for most stock transactions. When we act as an agent, you pay a commission based on the amount of the transaction.

#### **What is an exchange-traded fund (ETF)?**

An ETF is a security that tracks an index, a commodity or a basket of assets. For example, an ETF may track securities like an index fund. ETFs are typically listed on an exchange and trade like a stock. ETFs may experience price changes throughout the day as they are bought and sold. ETFs also carry built-in operating expenses that affect the ETF's return.

We act as an agent for your ETF transactions, which means we send your order to an external venue to buy or sell shares of the ETF. You pay a commission based on the amount of the transaction.

## Bonds and CDs

You pay a commission or pay a markup or markdown when you buy or sell a bond or CD. Edward Jones earns revenue from clients when we sell you a security from our inventory that is higher than the prevailing market price (a markup) or when we buy a security from you at a price that is lower than the prevailing market price (a markdown). 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, markup, or markdown on a trade.

We adjust the price on bonds and CDs in our inventory to reflect changes in interest rates and market prices that have occurred after we bought the security. As a result of these price adjustments, Edward Jones can earn profits or incur losses.

**Example of a bond purchase:** If you authorize your financial advisor to purchase ten 30-year corporate bonds, with a prevailing market price of \$100.00 (\$1,000), you would pay a price of \$102.00 per bond to purchase them, which includes payment of a 2% markup per bond (\$200 total), for a total principal amount of \$10,200, plus any accrued interest and a \$4.95 transaction fee. This means the total transaction cost paid by you to purchase the bonds would be \$204.95 (plus accrued interest).

### What are corporate bonds?

Corporate bonds are loans to a corporation. When you buy a bond, the corporation pays interest, usually making a payment twice a year. At a stated date in the future (called the maturity date), the corporation returns your principal if you still hold the bond. The maturity dates on corporate bonds can range from one year to 40 years.

#### *Newly issued corporate bonds*

- We sell newly issued corporate bonds at the offering price during the initial public offering period. We receive a selling fee, which is incorporated into the initial offering price. You will see the selling fee displayed as New Issue Payment on your trade confirmation.

#### *Secondary corporate bonds*

- Secondary corporate bonds are transactions involving previously issued bonds. When you buy or sell a secondary corporate bond, Edward Jones may act as either an agent or a principal. If we act as an agent, your trade confirmation will display the commission you pay. If you buy a bond from our inventory or sell a bond that we purchase directly from you, we act as a principal. You will see the markup or markdown, which is included in the price, displayed on your trade confirmation.

In addition to either a commission or markup or markdown, Edward Jones generally charges a transaction fee when you buy or sell a secondary corporate bond through our brokerage services. If the bond's principal is \$1,000 or less, you will not be charged a transaction fee.

### What are municipal bonds?

Municipal bonds are bonds issued by states, cities, counties and other governmental entities to raise money, typically for general governmental needs or special projects.

#### *Newly issued municipal bonds*

- We sell newly issued municipal bonds at the offering price. We receive a portion of the underwriter

spread, which is the difference between the price paid by the underwriter to the issuer for the new issue and the price at which the bonds are initially offered to the investing public. The portion of the spread that we receive is known as the takedown and represents the income derived from the sale of the bonds. You will see the takedown displayed as Underwriter Takedown on your trade confirmation. We may also receive a portion of the risk/residual amount remaining in the syndicate account after all other expenses or deductions.

#### *Secondary municipal bonds*

- Secondary municipal bonds are transactions involving previously issued bonds. When you buy or sell a secondary municipal bond, Edward Jones may act as either an agent or a principal. If we act as an agent, your trade confirmation will display the commission you pay. If you buy a bond from our inventory or sell a bond that we purchase directly from you, we act as a principal. You will see the markup or markdown, which is included in the price, displayed on your trade confirmation.

In addition to either a commission or markup or markdown, Edward Jones generally charges a transaction fee when you buy or sell a secondary municipal bond through our brokerage services. If the bond's principal is \$1,000 or less, you will not be charged a transaction fee.

### **What are certificates of deposit (CDs)?**

CDs are savings instruments issued by banks and savings and loans. When you buy a CD, you lend the bank or savings and loan a set amount of money, which the institution may use to invest in securities or loans. CDs offer a variety of maturities and interest payment options. Edward Jones is not a bank or FDIC-insured institution, and deposit insurance only covers the failure of an insured bank. FDIC insurance for brokered-CDs offered by Edward Jones is provided by the FDIC-insured banks that issue the CDs on a "pass-through" basis, which requires certain conditions to be met for coverage to apply. The list of those banks frequently changes. For a list of banks in our network offering brokered-CDs, see [edwardjones.com/brokered-cd-banks](http://edwardjones.com/brokered-cd-banks). For information about FDIC insurance, visit [FDIC.gov](http://FDIC.gov).

When you buy or sell a CD, Edward Jones may act as either an agent or a principal. If we act as an agent, your trade confirmation will display the commission you pay. If you buy a CD from our inventory or sell a CD that we purchase directly from you, we act as a principal. You will see the markup or markdown, which is included in the price, displayed on your trade confirmation.

We sell newly issued CDs at the offering price during the initial public offering period. We receive a selling concession, which is incorporated into the initial offering price. You will see the selling concession amount displayed as a markup on your trade confirmation.

### **What are United States Treasury securities (U.S. Treasuries) and Government Agency Bonds?**

U.S. Treasuries are debt obligations of the U.S. government. These include bills, notes, bonds, and Treasury Inflation-Protected Securities (TIPS). When you buy a U.S. Treasury, you lend money to the federal government for a specified period of time. U.S. Treasury bills are short-term instruments with maturities of no more than one year. U.S. Treasury notes are intermediate- to long-term investments, typically issued in maturities of two, three, five, seven and 10 years. U.S. Treasury bonds cover terms of more than 10 years and are currently issued in 30-year maturities. Interest is paid semiannually. U.S. Treasuries are not insured by the FDIC, are not deposits and may lose value.

Agency bonds are debt obligations issued by government-sponsored enterprises, such as the Federal Farm Credit Bank, Federal Home Loan Bank, Fannie Mae, Freddie Mac or the Tennessee Valley Authority. Maturity dates typically range from one to 40 years.



When you buy or sell a secondary U.S. Treasury or agency bond, Edward Jones may act as either an agent or a principal. If we act as an agent, your trade confirmation will display the commission you pay. If you buy a U.S. Treasury or agency bond from our inventory or sell a U.S. Treasury or agency bond that we purchase directly from you, we act as a principal. You will see the markup or markdown, which is included in the price, displayed on your trade confirmation.

In addition to either a commission or markup or markdown, Edward Jones generally charges a transaction fee when you buy or sell a secondary U.S. Treasury or agency bond through our brokerage services. If the security's principal is \$1,000 or less, you will not be charged a transaction fee.

### **What are mortgage-backed securities?**

Mortgage-backed securities are bonds or notes backed by mortgages on residential or commercial properties. When you buy a mortgage-backed security, you are purchasing an interest in pools of loans or other financial assets. As the borrowers pay off the underlying loans, you receive payments of interest and principal over time.

When you buy or sell secondary mortgage-backed securities, Edward Jones may act as either an agent or a principal. If we act as an agent, your trade confirmation will display the commission you pay. If you buy mortgage-backed securities from our inventory or sell mortgage-backed securities that we purchase directly from you, we act as a principal. You will see the markup or markdown, which is included in the price, displayed on your trade confirmation.

In addition to either a commission or markup or markdown, Edward Jones generally charges a transaction fee when you buy or sell a secondary mortgage-backed security through our brokerage services. If the security's principal is \$1,000 or less, you will not be charged a transaction fee.

**Sales charges — You pay a sales charge (sometimes referred to as a sales load) when you purchase a mutual fund, a fund in a 529 plan or a fixed-income unit investment trust.**

### **Mutual funds and 529 education savings plans**

For equity mutual funds, you will generally pay a sales charge between 3.75% 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.

**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.

## What are mutual funds?

Mutual funds are professionally managed portfolios of securities that pool the assets of individuals and organizations to invest toward a common objective, such as current income or long-term growth. Most mutual funds carry a direct or indirect sales charge that you pay to the mutual fund company either at the time the shares are purchased (front-end charges) or on a regular basis for as long as you hold the fund (deferred sales charges). Your front-end charges may be reduced or eliminated as the amount of your investment with the mutual fund company increases above certain levels. Such reduced charges are known as breakpoint discounts.

All mutual funds carry built-in operating expenses that affect the fund's return. Examples include investment management fees, distribution and/or service fees (12b-1 fees) and mutual fund transaction fees. Details on the operating expenses are included in each fund's prospectus or offering document.

Mutual funds are not insured by the FDIC, are not deposits, and may lose value.

## What is a 529 education savings plan?

State-sponsored 529 education savings plans are designed to help finance education expenses. These plans generally carry sales charges, either front-end or deferred, based on the share class and the amount invested. Front-end sales charges typically decrease as your investment increases, based on a breakpoint schedule. Programs with deferred sales charges carry a fee if you sell investment units before a specified period of time elapses. The sales charge declines over time until it reaches zero. In addition, you may pay an annual account maintenance fee depending on the plan — typically \$0 to \$30. Generally, this fee is automatically deducted from your account and goes directly to the plan provider.

Built-in operating expenses can affect the fund's return. Examples of operating expenses include distribution and/or service fees (12b-1 fees), management fees and transaction fees. Details on the operating expenses are included in each plan's program description document.

For more information, see [edwardjones.com/529plans](https://edwardjones.com/529plans).

## Unit investment trusts (UITs)

With a fixed-income unit investment trust 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.

## What is a UIT?

A UIT is an investment in a fixed, diversified group of professionally selected securities. As a holder of a unit trust, you own a portion of the securities in the trust. You typically pay either a front-end sales charge or a combination of front-end and deferred sales charges. We receive a portion of that sales charge from the provider sponsoring the UIT. UITs carry built-in operating expenses that affect their return. Details on the operating expenses and organizational fees are included in each UIT's prospectus.

More detailed cost and expense information for each specific product 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.

## 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 trade confirmation, product prospectus, statement of additional information, offering statement, annuity contract or plan information, or by speaking with your financial advisor.

## Annuities

You may be able to purchase various types of fixed, variable, deferred income and immediate annuities within your Select Account. For information about each type of annuity product, including information about the costs and how Edward Jones and your financial advisor are paid, see the following sections:

- **Fixed annuities**
- **Variable annuities**
- **Immediate annuities**
- **Deferred income annuities**

## Insurance

You may be able to purchase various types of insurance products within your Select Account. For information about each type of insurance product, including information about the costs and how Edward Jones and your financial advisor are paid, see the following sections:

- **Disability income insurance**
- **Life insurance**
- **Long-term care insurance**

## 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 product prospectus, statement of additional information, or offering statement, or by speaking with your financial advisor.

## 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 [edwardjones.com/accountfees](https://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, consult your financial advisor or visit [edwardjones.com/disclosures/account-features-service-terms/saving-spending-borrowing](https://edwardjones.com/disclosures/account-features-service-terms/saving-spending-borrowing).

## C. Additional compensation for our services in a Select Account

### Edward Jones Money Market Fund

Edward Jones receives revenue in connection with services it performs for the Edward Jones Money Market Fund and in connection with its ownership of the Fund's investment adviser. Your financial advisor does not directly receive any portion of the revenue sharing, shareholder accounting fees, revenue from Edward Jones' ownership of the Edward Jones Money Market Fund's investment adviser or inforce contract service payments received by Edward Jones. However, the revenue that Edward Jones receives from these sources affects the firm's overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

### 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. For information about revenue sharing, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

### Inforce contract service fees

Edward Jones has entered into inforce contract service agreements with certain insurance companies to support certain issued and outstanding insurance contracts. For information about inforce contract service fees, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

### Shareholder accounting fees

Edward Jones has entered into shareholder accounting 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 provide certain services for the mutual fund companies. The mutual funds available in your Select Account involve product partners that pay shareholder accounting fees to Edward Jones. For more information regarding shareholder accounting fees that Edward Jones receives, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

## D. How Edward Jones and your financial advisor are compensated for your Select Account

**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 accounts loans and miscellaneous account service fees. Our revenue from third parties includes ongoing 12b-1 fees, trail commissions, renewal commissions, revenue sharing, shareholder accounting fees, volume concessions, inforce contract service agreements, and training and marketing expenses.

**How your financial advisor is compensated for financial services** — In your brokerage 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 Award 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 office and at Edward Jones Trust Company
- The revenues and expenses of Edward Jones assigned to your financial advisor's office

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

Associate financial advisors receive a base salary as well as a branch profitability bonus, which varies based on revenue the branch earns through the activities described above. Associates who serve in an associate financial advisor capacity do not receive variable direct compensation based upon your activity, such as any commissions or fees you pay.

## **E. Conflicts of interest associated with the firm and your financial advisor's recommendations in your Select Account**

When we provide you with a recommendation regarding securities transactions or investment strategies involving securities in a Select Account, we must act in your best interest, within the meaning of Regulation Best Interest, and must not put our interests ahead of yours. The way the firm generates revenue in a Select Account 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 the firm and your financial advisor's recommendations, it is also important that we disclose the material facts regarding these conflicts.

For material information regarding these conflicts, please see the following resources or talk to your financial advisor:

**Client Relationship Summary:** [edwardjones.com/FormCRS](https://edwardjones.com/FormCRS)

**Important Information About Our Brokerage Services:** [edwardjones.com/regbidisclosures](https://edwardjones.com/regbidisclosures)



## Section 3: Our Investment Advisory services

Investment Advisory services allow you to choose how involved you want to be with daily investment decisions. You may choose to delegate such decisions to investment professionals or choose a more hands-on approach. The services we offer depend on which advisory program you select. For each of our advisory programs, please read the program's brochure, which describes the program and fees as well as information about our business, personnel and conflicts of interest.

### A. Our responsibilities when providing Investment Advisory services

Federal and state securities laws set forth our responsibilities when providing Investment Advisory services to you. These include that we:

- Obtain important information to help complete a client profile, which forms the basis of Edward Jones' and your financial advisor's investment advice, before investing in your Investment Advisory account. This includes your goal or purpose for investing and risk tolerance(s).
- As your investment adviser, act in your best interest and not put our interest ahead of yours.
- Disclose or avoid material conflicts between our interests and yours.
- Provide investment advice and recommendations that will have a reasonable, independent basis, and we will execute trades so that your total cost or proceeds in each transaction are the most favorable under the circumstances.
- Provide advisory services only pursuant to a written agreement with you.

### What is your financial advisor's role when providing Investment Advisory services?

Your financial advisor helps you identify your financial situation and investment objectives to assess the type of advisory program that may be appropriate for you. Then, your financial advisor discusses the type of advisory program that may fit you based on your investment objectives and any reasonable restrictions you may impose. Your financial advisor serves as your key relationship contact for all of your Edward Jones accounts.

If you enroll in an Edward Jones Financial Advisor Managed Solutions™ Account, your financial advisor will have discretionary investment and trading authority over your account. This means your financial advisor will buy and sell investments for your account without obtaining your prior consent for each transaction. Financial advisors do not have discretionary investment and trading authority over other types of Investment Advisory services. The Financial Advisor Managed Solutions Account is not available through all Edward Jones financial advisors and is subject to financial advisor eligibility requirements.

### B. Material fees and costs you pay for Investment Advisory services

#### Advisory Solutions Fund Models and Advisory Solutions UMA Models

When you invest in an Advisory Solutions Fund Model, you pay asset-based fees, which include (1) the Program Fee and (2) a Platform Fee, as described more fully below, to Edward Jones (collectively, the "Advisory Solutions Fund Models Fee"). When you invest in an Advisory Solutions UMA Model, you pay asset-based fees, which include (1) the Program Fee, (2) a Platform Fee, as described more fully below, and (3) SMA Manager Fees to Edward Jones (collectively, the "Advisory Solutions UMA Model Fee"). The Program Fee is charged for certain investment advisory services, including initial and ongoing analysis of your investment needs and objectives, periodic consultations, evaluation and selection of investments for the program, Edward Jones investment policy guidance and services to keep your account aligned with such guidance, periodic performance reporting, custody and transaction execution services. A Platform Fee is charged for the support and maintenance of accounts on



the Edward Jones Investment Advisory platform, such as trading and risk tools, training and education, and ongoing platform development.

Annual SMA Manager Fee rates are assessed based on the target allocation of assets associated with each SMA Manager in your account. The annual SMA Manager Fee rates vary by SMA Manager. For affiliated SMAs available in Advisory Solutions UMA Models, which is when Edward Jones serves as the Affiliated Manager, there is no SMA Manager Fee charged by us to you. For the unaffiliated SMAs available in Advisory Solutions UMA Models that are managed or recommended by one or more unaffiliated investment advisers ("Unaffiliated Managers"), the Unaffiliated Managers of these SMAs generally charge an annual SMA Manager Fee rate that ranges from 0.10% to 0.40%. The exact SMA Manager Fee rate of an unaffiliated SMA depends on the Program Investment of the Unaffiliated Manager(s) included in your account.

Affiliated mutual funds will be sub-advised for investment management by multiple sub-advisers who are unaffiliated with Edward Jones. If your account invests in affiliated mutual funds, the investment adviser to the mutual funds will be an affiliate of Edward Jones. If your account invests in such an affiliated mutual fund and the mutual fund pays Edward Jones or its affiliate a management or other fee with respect to the investment, the amounts received by Edward Jones and its affiliates will first be used to compensate the affiliated mutual fund's sub-advisers and certain other service providers. Remaining amounts, if any, that are not otherwise waived by Edward Jones or its affiliate will be credited back to your account.

You also incur internal fees and expenses associated with the mutual funds, ETFs and Alternative Investments in your account.

## **Guided Solutions Flex Accounts and Guided Solutions Fund Accounts**

When you invest in a Guided Solutions Fund or Flex Account, you pay an asset-based fee — the Program Fee and a Platform Fee — to Edward Jones. The Program Fee is charged for certain Investment Advisory services, including initial and ongoing analysis of your investment needs and objectives, periodic consultations, evaluation and selection of investments for the program, Edward Jones investment policy guidance and services to keep your account aligned with such guidance, periodic performance reporting, custody and transaction execution services. The Platform Fee is charged for the support and maintenance of accounts on the Edward Jones Investment Advisory platform, such as trading and risk tools, training and education, and ongoing platform development. Mutual funds, ETFs and UITs have internal fees and expenses, in addition to the Program Fee.

The Program Fee and Platform Fee are based on the market value of all assets held in your account and is assessed monthly, in arrears, based on an annual tiered fee rate schedule. As the value of the assets in your account increases or decreases, you are charged according to the tiered fee rate schedule.

Affiliated mutual funds will be sub-advised for investment management by multiple sub-advisers who are unaffiliated with Edward Jones. If your account invests in affiliated mutual funds, the investment adviser to the mutual funds will be an affiliate of Edward Jones. If your account invests in such an affiliated mutual fund and the mutual fund pays Edward Jones or its affiliate a management or other fee with respect to the investment, the amounts received by Edward Jones and its affiliates will first be used to compensate the affiliated mutual fund's sub-advisers and certain other service providers. Remaining amounts, if any, that are not otherwise waived by Edward Jones or its affiliate will be credited back to your account.

## **Financial Advisor Managed Solutions Accounts (subject to limited availability)**

When you invest in a Financial Advisor Managed Solutions Account, you pay an asset-based fee — the Program Fee and a Platform Fee — to Edward Jones. The Program Fee is charged for certain Investment

Advisory services, including initial and ongoing analysis of your investment needs and objectives, periodic consultations, evaluation and selection of investments for the program, Edward Jones investment policy guidance and services to keep your account aligned with such guidance, periodic performance reporting, custody and transaction execution services. The Platform Fee is charged for the support and maintenance of accounts on the Edward Jones Investment Advisory platform, such as trading and risk tools, training and education, and ongoing platform development.

Mutual funds, ETFs and UITs have internal fees and expenses, in addition to the Program Fee and Platform Fee. The Program Fee and Platform Fee are based on the market value of all assets held in your account and is assessed monthly, in arrears, based on an annual tiered fee rate schedule. As the value of the assets in your account increases or decreases, you are charged according to the tiered fee rate schedule.

Affiliated mutual funds will be sub-advised for investment management by multiple sub-advisers who are unaffiliated with Edward Jones. If your account invests in affiliated mutual funds, the investment adviser to the mutual funds will be an affiliate of Edward Jones. If your account invests in such an affiliated mutual fund and the mutual fund pays Edward Jones or its affiliate a management or other fee with respect to the investment, the amounts received by Edward Jones and its affiliates will first be used to compensate the affiliated mutual fund's sub-advisers and certain other service providers. Remaining amounts, if any, that are not otherwise waived by Edward Jones or its affiliate will be credited back to your account.

### **C. How your financial advisor is compensated for Investment Advisory services**

Your financial advisor receives a portion of the Program Fee as a form of compensation.

Your financial advisor may also receive additional variable cash and noncash compensation as described in the introduction of the document in greater detail, which is based in part upon activity in your Investment Advisory accounts through new asset accumulation bonuses, branch profitability bonuses, firm profit sharing, awards and recognition, and participation in our domestic and international Travel Awards Program (or cash in lieu of travel).

Program type	What is this account?
<b>Edward Jones Advisory Solutions® Fund Models</b>	A wrap fee program in which you can combine multiple investments into a single advisory account. Advisory Solutions Fund Models will invest in various allocations of affiliated mutual funds, unaffiliated mutual funds, exchange-traded funds (ETFs) and unaffiliated money market funds.
<b>Edward Jones Advisory Solutions® Unified Managed Account (UMA) Models</b>	<p>A wrap fee program in which you may combine multiple investments into a single advisory account. UMA Models offers multistyle investment services implemented by an investment adviser (“Overlay Manager”).</p> <p>Investments available in Advisory Solutions UMA Models include separately managed accounts (SMAs), which are managed or recommended by one or more investment advisers (“SMA Managers”), affiliated mutual funds, unaffiliated mutual funds, ETFs and Alternative Investments.</p>
<b>Edward Jones Guided Solutions® Flex Account</b>	<p>A client-directed wrap fee advisory program designed to provide you with ongoing investment advice, guidance and services for an asset-based fee.</p> <p>With a Flex Account, you select the investments for your account and allocate your money according to guidelines developed by Edward Jones.</p>
<b>Edward Jones Guided Solutions® Fund Account</b>	<p>A client-directed wrap fee advisory program designed to provide you with ongoing investment advice, guidance and services for an asset-based fee.</p> <p>You can rebalance your account monthly but can make changes to your investments more frequently.</p> <p>Edward Jones will automatically rebalance your allocations once a year to help ensure your account stays in line with your risk tolerance and goals.</p>
Program type	What is this account?
<b>Edward Jones Financial Advisor Managed Solutions™ Account</b>	<p>A wrap fee program in which your financial advisor has discretionary investment and trading authority over your account for an asset-based fee. This means your financial advisor will buy and sell investments for your account without obtaining your prior consent for each transaction. The Financial Advisor Managed Solutions Account is not available through all Edward Jones financial advisors and is subject to financial advisor eligibility requirements.</p>

Below is a description of each program type for which your financial advisor is compensated.

Program Type	Your Cost & Fees in Dollars
Edward Jones Advisory Solutions® Fund Models	<p><b>Example: You have \$700,000 to invest in the Advisory Solutions Fund Model.</b></p> <p>The total Program Fee based on \$700,000 investment is:</p> <p>First \$250,000: <math>.0135 \times \\$250,000 = \\$3,375</math></p> <p>Next \$250,000: <math>.0130 \times \\$250,000 = \\$3,250</math></p> <p>Next \$200,000: <math>.0125 \times \\$200,000 = \\$2,500</math></p> <p><b>Estimated Annual Fee: \$9,125</b></p> <p>The total Portfolio Strategy Fee on the \$700,000 investment is:</p> <p>First \$250,000: <math>.0009 \times \\$250,000 = \\$225</math></p> <p>Next \$250,000: <math>.0009 \times \\$250,000 = \\$225</math></p> <p>Next \$200,000: <math>.0009 \times \\$200,000 = \\$160</math></p> <p><b>Estimated Annual Portfolio Strategy Fee: \$610</b></p> <p><b>Estimated Total Advisory Solutions Fund Models Fee (Program Fee + Portfolio Strategy Fee): <math>\\$9,735 / \\$700,000 = 1.39\%</math></b></p> <p>Mutual funds and ETFs have internal fees and expenses, in addition to the Advisory Solutions Fund Models Fee.</p>

Program type	Your investment choices
<b>Edward Jones Advisory Solutions® Fund Models</b>	Mutual funds and/or ETFs
<b>Edward Jones Advisory Solutions® Unified Managed Account (UMA) Models</b>	Mutual funds, ETFs and Alternative investments and/or separately managed accounts (professionally managed individual stocks and bonds)
<b>Edward Jones Guided Solutions® Flex Account</b>	Mutual funds, ETFs and stocks. Bonds and CDs are also available for accounts of \$50,000 or more.
<b>Edward Jones Guided Solutions® Fund Account</b>	Mutual funds and ETFs
<b>Edward Jones Financial Advisor Managed Solutions™ Account</b>	Eligible stocks, mutual funds, ETFs, bonds, CDs and cash equivalents

Program type	Your costs & fees
<b>Edward Jones Advisory Solutions® Fund Models</b>	<p>Program Fee begins at 1.35% and the Platform Fee begins at 0.05%. These fees are tiered so additional invested assets are subject to lower fees.</p> <p>Mutual funds and ETFs also have internal fees and expenses.</p>
<b>Edward Jones Advisory Solutions® Unified Managed Account (UMA) Models</b>	<p>Program Fee begins at 1.35% and the Platform Fee begins at 0.05%. These fees are tiered so additional invested assets are subject to lower fees.</p> <p>SMA Manager annual fee rates generally range from no fee to 0.40%, based on the target allocation of assets associated with the Program Investment of the SMA Manager(s) included in your account.</p> <p>Mutual funds, and ETFs and alternative investments also have internal fees and expenses.</p>
<b>Edward Jones Guided Solutions® Flex Account</b>	<p>Program Fee begins at 1.35% and the Platform Fee begins at 0.05%. The fees are tiered so additional invested assets are subject to lower fees.</p> <p>Mutual funds and ETFs have internal fees and expenses, in addition to the Program Fee.</p>

Program type	Your costs & fees
Edward Jones Guided Solutions® Fund Account	<p>Program Fee begins at 1.35% and the Platform Fee begins at 0.05%. The fees are tiered so additional invested assets are subject to lower fees.</p> <p>Mutual funds and ETFs have internal fees and expenses in addition to the Program Fee.</p>
Edward Jones Financial Advisor Managed Solutions™ Account	<p>Program Fee begins at 1.35% and the Platform Fee begins at 0.05%. The fees are tiered so additional invested assets are subject to lower fees. Mutual funds and ETFs have internal fees and expenses in addition to the Program Fee.</p>
Program type	Your cost & fees in dollars
Edward Jones Advisory Solutions® Unified Managed Account (UMA) Models	<p><b>Example: You have \$750,000 to invest in the Advisory Solutions UMA Model.</b></p> <p>The total Program Fee based on \$750,000 investment is:</p> <p>First \$250,000: <math>0.0135 \times \\$250,000 = \\$3,375</math></p> <p>Next \$250,000: <math>0.0130 \times \\$250,000 = \\$3,250</math></p> <p>Next \$250,000: <math>0.0120 \times \\$250,000 = \\$3,000</math></p> <p><b>Estimated annual Program Fee = \$9,625</b></p> <p>The total Platform Fee on the \$750,000 investment is:</p> <p>First \$250,000: <math>0.0005 \times \\$250,000 = \\$125</math></p> <p>Next \$250,000: <math>0.0005 \times \\$250,000 = \\$125</math></p> <p>Next \$250,000: <math>0.0004 \times \\$250,000 = \\$100</math></p> <p><b>Estimated annual Platform Fee: \$350</b></p> <p><b>Estimated total Advisory Solutions UMA Models Fee</b></p> <p>Program Fee + Platform Fee: <math>\\$9,975 / \\$750,000 = 1.33\%</math></p> <p>Mutual funds, ETFs and Alternative Investments have internal fees and expenses in addition to the Advisory Solutions UMA Models Fee. Additionally, SMA Manager annual fee rates are based on the target allocation of assets associated with SMA Managers in your account and would be in addition to the Program Fee and Platform Fee shown in this example.</p>

## D. Edward Jones Retirement Plan Services

### What is Edward Jones Retirement Plan Services?

Certain employer-sponsored retirement plans are covered under the Employee Retirement Income Security Act of 1974 ("ERISA"). This law covers qualified plans that incorporate both the pertinent Internal Revenue Code provisions and labor law provisions. Edward Jones Retirement Plan Services is a program that provides investment advisory services to ERISA retirement plans and their plan sponsors. The Edward Jones Retirement Plan Services program is an option for plans that allow participants to exercise independent control over the investment of their individual accounts ("Participant-Directed Plans") and to other plans, such as defined benefit and defined contribution plans that do not allow participants to exercise control over plan investments ("Pooled Plans"). Edward Jones serves as an investment advice fiduciary at the plan level and provides educational services at both the plan and participant level, if applicable. For more information, see [edwardjones.com/advisorybrochures](https://edwardjones.com/advisorybrochures).



## Section 4: Financial planning services

Edward Jones offers financial planning as an investment advisory service to clients in various ways. Financial planning services are provided for a fee and are offered through a financial planning services agreement that defines the terms and scope of engagement. Financial planning is subject to certain client and financial advisor eligibility requirements and may not be offered to all clients.

Below is a summary of our current financial planning service offerings.

### A. Branch Ongoing Financial Planning (through Financial Planning Plus)

Edward Jones offers financial planning as an investment advisory service through branch office ongoing financial planning.

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

The maximum annual financial planning fee for branch office ongoing financial planning through your financial advisor is \$3,600 and is payable in advance, with financial advisors having discretion to discount the fee.

The financial planning fee covers only the financial planning service and does not cover any other services, accounts or products. If you maintain accounts with us, or if you implement all or a portion of your financial plan with Edward Jones, you will pay the fees and charges for the products and services you select. This will add to the overall compensation that we receive, and the fees for financial planning services will not be reduced or offset by these other fees and charges.

#### How is your financial advisor compensated?

Your financial advisor receives a portion of the financial planning fee as compensation. Your financial advisor will benefit by earning compensation when you purchase, sell or enroll in products and services available through Edward Jones.

### B. Edward Jones Generations® Financial Planning Services

Edward Jones offers Generations ongoing financial planning as an investment advisory service.

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

The maximum annual financial planning fee for ongoing financial planning through Generations is \$100,000; financial plans addressing business interests are subject to an additional charge of up to \$25,000. The Generations home office team, in coordination with financial advisors, has discretion to discount the fee.

The financial planning fee covers only the financial planning service and does not cover any other services, accounts or products. If you maintain accounts with us, or if you implement all or a portion of your financial plan with Edward Jones, you will pay the fees and charges for the products and services you select. This will add to the overall compensation that we receive.

#### How is your financial advisor compensated?

Your financial advisor receives a portion of the financial planning fee as compensation. Your financial advisor will benefit by earning compensation when you purchase, sell or enroll in products and services available through Edward Jones.

## Section 5: Additional financial products and account services

You have certain financial goals in mind: planning for retirement, creating a college savings strategy, managing your day-to-day expenses, protecting your financial goals. We've got the accounts and services you need to turn your goals into reality.

Below is information about additional account types, products and services that Edward Jones offers to its clients to help them achieve their goals.

### A. Annuity and insurance products

We're committed to protecting you and your financial goals. That's why we offer insurance and annuities, along with guidance for choosing which policies and investments would best provide you and your family with financial resources in the event of the unexpected.

The sections below offer information about those products and how Edward Jones and your financial advisor are compensated.

Annuities and insurance products are not insured by the FDIC, are not deposits, and may lose value.

### Fixed annuities

#### What is a fixed annuity?

A fixed annuity is a contract issued by an insurance company that pays specific rates of interest for a predetermined period of time, subject to the insurance company's conditions and ability to meet obligations. You do not pay a front-end sales charge when you purchase a fixed annuity, but you may pay a contingent deferred sales charge (CDSC) to the insurance company if you liquidate the contract before the end of a certain period of time. The percentage amount of the CDSC usually declines over time.

Typically, you do not pay any sales charges or annual operating expenses when you purchase a fixed annuity. The insurance company considers all its costs, including commissions, when determining the interest rate and CDSC. If you choose to renew your fixed annuity contract, you typically renew the CDSC schedule as well. If you liquidate your fixed annuity before the age of 59½, some or all of the surrendered value may be subject to a 10% penalty under the Internal Revenue Code. Please consult your tax advisor for further details.

Also, you may pay a market value adjustment if interest rates have risen and you request a surrender before the end of a certain period of time. There may also be an additional ongoing expense to add an optional benefit to the contract, such as an income rider.

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

The insurance company pays Edward Jones a commission at the time you pay your premium and, for some contracts, at the time of any subsequent renewal. The commission is not deducted from your initial premium or renewal amount.

*Inforce contract service fees* — Edward Jones has entered into inforce contract service agreements with certain insurance companies to support certain issued and outstanding annuity contracts. We receive payments for providing these services. For information about inforce contract service fees, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

More detailed cost information can be found in the annuity contract, or by speaking with your financial advisor.

## How is your financial advisor compensated?

Your financial advisor receives a percentage of the commissions the insurance company pays to Edward Jones. The total revenue that Edward Jones receives affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## Variable annuities

### What is a variable annuity?

A variable annuity is a contract issued by an insurance company, by which the insurance company invests your premium in separate accounts composed of stocks, bonds or other investments. The value of your contract will fluctuate with changes in the value of the separate accounts.

### How are we paid for our services?

The insurance company pays Edward Jones a commission at the time you make your investment and typically ongoing trail commissions.

For a new purchase of a variable annuity, you will pay a commission of 5.00% 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. Depending on the pricing structure of the variable annuity, you may pay the insurance company a premium-based charge or sales charge over a period of time, a front-end sales charge when you make an investment, and/or a contingent deferred sales charge (CDSC) if you liquidate, surrender or withdraw all or a portion of your annuity within a certain time period.

Insurance companies that issue variable annuities make ongoing payments to Edward Jones known as trail commissions. The 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. The trail commissions reduce the return from your variable annuity.

If you surrender your variable annuity before the age of 59½, some or all of the surrendered value may be subject to a 10% penalty under the Internal Revenue Code. Please consult your tax advisor for further details.

In addition to sales charges, variable annuities have ongoing operating expenses that reduce your investment returns. These expenses "pay" the insurance benefit fees, administrative fees, distribution and marketing fees, investment management fees and securities transaction fees. There may also be an additional ongoing expense to add an optional benefit to the contract, such as a withdrawal benefit or an enhanced death benefit.

*Revenue sharing* — Certain insurance companies may pay Edward Jones additional amounts known as revenue sharing. For information about revenue sharing, see [edwardjones.com/revenuesharing](http://edwardjones.com/revenuesharing).

*Inforce contract service fees* — Edward Jones has entered into inforce contract service agreements with certain insurance companies to support certain issued and outstanding annuity contracts. We receive payments for providing these services. For information about inforce contract service fees, see [edwardjones.com/revenuesharing](http://edwardjones.com/revenuesharing).

More detailed cost information can be found in the applicable annuity prospectus or annuity contract, or by speaking with your financial advisor.

### How does the pricing structure impact the sales charge and annual costs you pay?

*Premium-based charges* — When you purchase certain variable annuities, you pay a premium-based

charge or sales charge over a period of time, typically seven years. The premium-based charge or sales charge is an amount equal to a fixed percentage of the amount you invest in the contract. This fixed percentage will decrease as the amount of your investment increases above certain levels. The resulting reduced charges are known as breakpoint discounts. The annual operating costs of a variable annuity with this pricing structure are typically comparable to or slightly higher than those of a variable annuity that carries a front-end sales charge. Today, Edward Jones only offers this type of variable annuity pricing structure for new purchases.

You may also pay a CDSC to the insurance company when you liquidate, surrender or withdraw all or a portion of your annuity within a certain time period, typically seven years. The CDSC will reflect breakpoint discounts and will decrease each year until it reaches zero. Edward Jones does not receive a commission or share in any CDSC assessed by the annuity provider as part of a surrender or liquidation.

*Front-end sales charges* — For certain variable annuities, when you make an additional contribution to your contract, you pay a front-end sales charge, which is deducted from your investment amount. Generally, the amount of the sales charge, as a percentage of your investment, is reduced as the amount of your investment increases above certain levels. The reduced charges are known as breakpoint discounts. The annual operating costs of a variable annuity with this pricing structure are typically comparable or slightly lower than those of a variable annuity for which you pay a premium-based charge.

*Other pricing structures* — In certain circumstances, Edward Jones may hold a variable annuity you purchased before premium-based charges or front-end sales charges were available either from Edward Jones or at another firm. These annuities will have a different or unique pricing structure than those listed above. Generally, you pay a CDSC to the insurance company when you liquidate, surrender or withdraw all or a portion of these annuities within a certain time period, typically seven years. The annual operating expenses of variable annuities with these types of pricing structures are typically higher than those of a variable annuity for which you pay a premium-based charge or front-end sales charge.

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

Your financial advisor receives a percentage of the commissions and also a portion of any ongoing trail commissions paid to Edward Jones by the insurance company. The trail commissions are composed of fees and charges imposed under the variable annuity contract, the separate accounts and other sources. The total revenue that Edward Jones receives affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## **Immediate annuities**

### **What is an immediate annuity?**

An immediate annuity is a contract issued by an insurance company that provides regularly scheduled payments, often for life, subject to the insurance company's conditions and ability to meet obligations. Such payments typically begin within a year after you pay the premium.

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

The insurance company pays Edward Jones a commission at the time you pay the premium. The commission is not deducted from your initial premium or renewal amount. Typically, you do not pay any sales charges or annual operating expenses when you purchase an immediate annuity. The insurance company considers all its costs, including commissions, when determining the amount of the payments you

will receive. Other factors that determine the amount of the payments you will receive include, but are not limited to, your age, your gender and the length of time you want the payments to last.

*Inforce contract service fees* — Edward Jones has entered into inforce contract service agreements with certain insurance companies to support certain issued and outstanding annuity contracts. We receive payments for providing these services. For information about inforce contract service fees, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

More detailed cost information can be found in the applicable annuity prospectus or annuity contract, or by speaking with your financial advisor.

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

Your financial advisor receives a percentage of the commissions the insurance company pays to Edward Jones. The total revenue that Edward Jones receives affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## **Deferred income annuities**

### **What is a deferred income annuity?**

A deferred income annuity is a contract issued by an insurance company that provides regularly scheduled payments subject to the insurance company's conditions and ability to meet obligations. Such payments typically begin at least one year after you pay the premium.

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

The insurance company pays Edward Jones a commission at the time you pay the premium. The commission is not deducted from your initial premium or renewal amount. Typically, you do not pay any sales charges or annual operating expenses when you purchase a deferred income annuity. The insurance company considers all its costs, including commissions, when determining the amount of the payments you will receive. Other factors that determine the amount of the payments you will receive include, but are not limited to, your age, your gender, when you want your payments to begin and the length of time you want the payments to last.

*Inforce contract service fees* — Edward Jones has entered into inforce contract service agreements with certain insurance companies to support certain issued and outstanding annuity contracts. We receive payments for providing these services. For information about inforce contract service fees, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

More detailed cost information can be found in the applicable annuity prospectus or annuity contract, or by speaking with your financial advisor.

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

Your financial advisor receives a percentage of the commissions the insurance company pays to Edward Jones. The total revenue that Edward Jones receives affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## Disability income insurance

### What is disability income insurance?

A disability income insurance policy is a contract issued through an insurance company to provide income if a disability prevents the insured from working.

### How are we paid for our services?

Typically, the insurance company pays Edward Jones a commission at the time you pay the premium for the policy. The commission may vary depending on the insurance company issuing the policy, the coverage provided and the amount of premium paid. Your premium amount depends on the options and level of coverage you select, your age and other factors.

In most cases, the commission we receive will be a fixed percentage of your first annual premium. We also receive annual renewal commissions.

### How is your financial advisor compensated?

Your financial advisor receives a percentage of the commissions and renewal commissions the insurance company pays to Edward Jones. The total revenue that Edward Jones receives affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## Life insurance

### What is life insurance?

A life insurance policy is a contract issued by an insurance company to provide funds to address the financial impacts that may result from the death of the insured.

### How are we paid for our services?

When you purchase a 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 that 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 these revenues. Edward Jones also receives a portion of the premium you pay after the first year as revenue for a set number of years (generally the second through the 10th years 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 to 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.

If you choose to pay more than the required premium in order to use your insurance policy to accumulate cash value or to fund your policy in advance, we receive a lower commission on any such excess premium that you pay. If your premium is higher due to poor health or the election of certain optional contract riders, the commission we receive may be based on a target premium. There may also be an additional expense to add an optional benefit to the contract, such as a long-term care or chronic illness rider, that would be reflected in a higher premium amount.



Certain “hybrid” life insurance policies, which also provide long-term care benefits, are often funded as a single lump sum. In such cases, the commission paid to Edward Jones will be a fixed percentage of the single premium amount.

You may also pay a contingent deferred sales charge (CDSC) to the insurance company if you liquidate, surrender or withdraw all or a portion of your permanent insurance policy (one with a cash value) within a certain time period. We do not receive a commission or share in any CDSC assessed by the insurance company as part of a surrender or liquidation.

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

Your financial advisor receives a percentage of the commissions and renewal commissions the insurance company pays to Edward Jones. The total revenue that Edward Jones receives affects Edward Jones’ overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## **Long-term care insurance**

### **What is long-term care insurance?**

A long-term care insurance policy is a contract issued through an insurance company to provide payments to cover nursing home care, assisted living, home health care and/or personal or adult day care for individuals with a chronic or disabling condition that needs constant supervision.

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

Typically, the insurance company pays Edward Jones a commission at the time you pay the premium for the policy. The commission may vary depending on the insurance company issuing the policy, the coverage provided and the amount of premium paid. Your premium amount depends on the options and level of coverage you select, your age and other factors.

In most cases, the commission that Edward Jones receives for long-term care insurance is a fixed percentage of your annual premium. We also receive annual renewal commissions, typically for a period of time. In some states, insurance companies are required to pay an equal amount of commissions for a period of years.

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

Your financial advisor receives a percentage of the commissions and renewal commissions the insurance company pays to Edward Jones. The total revenue that Edward Jones receives affects Edward Jones’ overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## B. Additional financial products

### Exchange funds

#### What is an exchange fund?

Exchange funds are a private vehicle that permits investors to contribute concentrated stock positions (generally appreciated) in exchange for exposure to a diversified basket of assets.

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

Placement fees may vary depending on the amount invested in an exchange fund. For example, an exchange fund may charge a placement fee of 1.5% for subscriptions amounts less than \$2 million but reduce the placement fee to 1.0% for amounts between \$2 million and \$5 million. At certain investment levels (typically \$5 million), your subscription typically carries no placement fee. Additionally, Edward Jones will receive a Solicitation Fee that is not charged to you and is equal to up to 1.0% of the value of your contributed securities and cash. These fees are paid to Edward Jones and shared with your Financial Advisor.

Exchange funds carry built-in expenses that affect the exchange fund's return. Examples include servicing fees associated with providing certain services and information to shareholders, generally around 0.25% annually. These fees are paid to Edward Jones and are shared with your Financial Advisor.

Additionally, exchange funds carry management fees which are used to pay the investment manager for managing the exchange fund's securities portfolio and any other exchange fund assets. Management fees are retained by the manager of the exchange fund and are not paid to Edward Jones or shared with your Financial Advisor.

Shares redeemed within three years of issuance will generally be subject to an early redemption fee, typically starting at 1.0%. These fees are retained by the exchange fund and are not paid to Edward Jones or shared with your financial advisor.

As fees can vary by fund, please consult the applicable exchange fund prospectus/offering memorandum and subscription agreement, or speak with your financial advisor.

#### How is your financial advisor compensated?

Your financial advisor receives a portion of the placement fees, servicing fees, and solicitation fees associated with exchange funds. The total revenue that Edward Jones receives affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## C. Retirement and education savings services

We offer many types of retirement accounts and can help you understand the differences so you can choose what makes the most sense for your financial goals and investing strategy. We also offer ways to help you save for your education savings goals.

The sections below offer information about these account types and services, and how Edward Jones and your financial advisor are compensated.

## Individual retirement accounts (IRAs)

### What is an IRA?

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

### How are we paid for our services?

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

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

If you choose a transaction-based solution, depending on what you buy or sell, you may pay commissions, markups or markdowns, sales charges and/or administrative fees. Edward Jones receives a portion of these transaction-based charges. The investments within your IRA may also have ongoing expenses such as distribution and/or service fees (12b-1 fees) and trail and renewal commissions that reduce your investment returns. Edward Jones receives a portion of these ongoing payments. If your IRA holds mutual fund investments or variable annuities, Edward Jones receives revenue sharing, shareholder accounting and inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing). At certain investment levels, typically \$1 million, your investments with an individual mutual fund or insurance product partner provider may carry no sales charges. However, in these instances, the mutual fund or insurance company will pay Edward Jones a commission on these investments. A contingent deferred sales charge will apply if you sell these investments within a certain time frame. Please see your prospectus or offering document for more information.

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

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

### How is your financial advisor compensated?

Your financial advisor receives a share of commissions or other fees arising from investment of the account assets. Your financial advisor's branch also receives a P&L credit for the full amount of the IRA compensation. For more information, see [Understanding how we are compensated for financial services at edwardjones.com/compensationdisclosure](https://edwardjones.com/compensationdisclosure). Depending on the solution you choose for your IRA, if your account holds mutual fund investments or variable annuities, Edward Jones may receive revenue sharing, shareholder accounting fees or inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing). The revenue that Edward Jones receives affects our overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## Individual 403(b) plans

### What is an individual 403(b) plan?

An individual 403(b) plan is a retirement plan for certain employees of public schools, employees of certain Code §501(c)(3) tax-exempt organizations and certain ministers. An individual 403(b) plan allows employees to contribute some of their salary to the plan. An employer may also contribute to the plan for its employees. For more information, see [edwardjones.com/retirementaccounts](https://edwardjones.com/retirementaccounts).

### How are we paid for our services?

With individual 403(b) plans, you pay transaction-based charges when you buy or sell investments. Depending on what you buy or sell, you may pay commissions, markups or markdowns, sales charges and/or administrative fees. Edward Jones receives a portion of these transaction-based charges.

The investments within your 403(b) plan may also have ongoing expenses such as distribution and/or service fees (12b-1 fees), and trail and renewal commissions that reduce your investment returns. Edward Jones receives a portion of these ongoing payments.

At certain investment levels, typically \$1 million, your investments with an individual mutual fund or insurance product partner provider may carry no sales charges. However, in these instances, the mutual fund or insurance company will pay Edward Jones a commission on these investments. A contingent deferred sales charge may apply if you sell these investments within a certain time frame. Please see your prospectus or offering document for more information. Your ongoing operating expenses may also include investment management fees or other fees. Details on the operating expenses are in each underlying investment's prospectus or offering document.

Transfer fees are imposed by the vendor for transferring or closing accounts or for holding assets that are not publicly traded if applicable. All fee information is generally disclosed in your enrollment kit.

Fee information is generally found in your account agreement and Schedule of Fees, available at [edwardjones.com/agreements](https://edwardjones.com/agreements).

### How is your financial advisor compensated?

Your financial advisor receives a share of any transaction-based charges, distribution and/or service fees (12b-1 fees), and trail and renewal commissions. Your financial advisor's branch also receives P&L credits for certain revenues, expenses and assets under care in the branch. The revenue that Edward Jones receives affects our overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## Individual 457 plans

### What is an individual 457 plan?

457 plans are deferred compensation plans that are available for certain state and local governments and nongovernmental entities. They include eligible plans under 457(b) or ineligible plans under 457(f).

State and local government employers may offer an Internal Revenue Code ("IRC") 457(b) plan to their employees. Tax-exempt organizations may offer another type of IRC 457(b) plan to upper management and highly paid employees only. Both governmental entities and tax-exempt organizations can offer the

IRC 457(f), but only to top-level employees. For more information, please see [edwardjones.com/retirementaccounts](https://edwardjones.com/retirementaccounts).

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

With individual 457 plans, you pay transaction-based charges when you buy or sell investments. Depending on what you buy or sell, you may pay commissions, markups or markdowns, sales charges and/or administrative fees. Edward Jones receives a portion of these transaction-based charges.

The investments within your 457 plan may also have ongoing expenses such as distribution and/or service fees (12b-1 fees), and trail and renewal commissions that reduce your investment returns. Edward Jones receives a portion of these ongoing payments. At certain investment levels, typically \$1 million, your investments with an individual mutual fund or insurance product partner provider may carry no sales charges. However, in these instances, the mutual fund or insurance company will pay Edward Jones a commission on these investments. A contingent deferred sales charge may apply if you sell these investments within a certain time frame. Please see your prospectus or offering document for more information. Your ongoing operating expenses may also include investment management fees or other fees. Details on the operating expenses are in each underlying investment's prospectus or offering document.

Transfer fees are imposed by the vendor for transferring or closing accounts or for holding assets that are not publicly traded, if applicable.

Fee information is generally found in your account agreement and Schedule of Fees, available at [edwardjones.com/brokerageaccounts](https://edwardjones.com/brokerageaccounts).

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

Your financial advisor receives a share of any transaction-based charges, distribution and/or service fees (12b-1 fees), and trail and renewal commissions. Your financial advisor's branch also receives P&L credits for certain revenues, expenses and assets under care in the branch. For more information, see Understanding how we are compensated for financial services at [edwardjones.com/compensationdisclosure](https://edwardjones.com/compensationdisclosure). The revenue that Edward Jones receives affects our overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## **Employer-sponsored group retirement plans covered under the Employee Retirement Income Security Act of 1974 ("ERISA") plans**

### **What are ERISA plans?**

ERISA plans are employer-sponsored retirement plans covered under ERISA. This law covers qualified plans that incorporate both the pertinent Internal Revenue Code (IRC) provisions and labor law provisions. Pension plans, profit-sharing and 401(k) plans are common types of employer-sponsored retirement plans that may be covered under ERISA. For more information regarding employer-sponsored retirement plans, see [edwardjones.com/businessowners](https://edwardjones.com/businessowners).

Pooled employer-sponsored retirement plans in transaction-based accounts may have restrictions. You may not transfer investments into these accounts or make new purchases or contributions, other than automatic purchases and reinvestment of dividend and interest payments set up prior to June 9, 2017. If you own a fixed annuity, you may not renew it in this account. For more information, contact your financial advisor.

## How are we paid for our services?

Depending on several factors, including the type of plan you have, we may charge a one-time setup fee to plans for which Edward Jones provides plan installation services and ongoing custodial services, as well as an annual recurring fee. We charge separate fees for additional activities, including adoption agreements, amendments, participant loans, benefit payments, transferring or closing accounts and holding assets that are not publicly traded, if applicable.

When you participate in our Advisory Solutions or Guided Solutions programs, you pay asset-based fees — the Program Fee and the Platform Fee — to Edward Jones instead of commissions<sup>1</sup>. The fee(s) are based on the market value of all assets held in your account and are assessed monthly, in arrears, based on the annual tiered fee rate schedules. If you invest in SMAs, you will pay a monthly fee to Edward Jones for the services provided by the SMA managers in your account. Edward Jones will then pay that fee directly to the SMA managers. A portion of your fees is also paid to your financial advisor. The payout level to your financial advisor will depend on the average daily total asset value of advisory assets, taking into account any discounts or fee reductions. For information about our advisory services, see [edwardjones.com/advisorybrochures](https://edwardjones.com/advisorybrochures).

When you participate in Retirement Plan Services, you pay a Retirement Plan Services Fee to Edward Jones. The Retirement Plan Services Fee is based on the plan's included assets in the program. If the plan's included assets grow and reach certain thresholds, you are eligible for a reduction of the Retirement Plan Services Fee.

Edward Jones will not automatically increase the Retirement Plan Services Fee if included assets decrease. For this fee, Edward Jones will serve as an investment advice fiduciary at the plan level and provide educational services at both the plan and participant level, if applicable. Your financial advisor receives a portion of the Retirement Plan Services Fee. The payout level will vary based on years of experience and the state in which the branch is located.

If your plan participates in Edward Jones Retirement Plan Services, your plan will be subject to additional fees charged by your plan service provider, investment fiduciary and third-party administrator, if applicable. For more information, please contact your applicable service provider.

## How is your financial advisor compensated?

Your financial advisor receives a share of any transaction-based charges, asset-based fees, distribution and/or service fees, and trail commissions. Your financial advisor's branch also receives P&L credits for certain revenues, expenses and assets under care in the branch. For more information, see [Understanding how we are compensated for financial services at edwardjones.com/understandinghowwearecompensated](https://edwardjones.com/understandinghowwearecompensated). Your financial advisor does not share in the incidental fees, which include the adoption agreement amendments and participant loans. The revenue that Edward Jones receives affects our overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

<sup>1</sup> A small subset of ERISA accounts are grandfathered and held in brokerage. For these accounts, you pay transaction-based charges when you buy and sell investments. Depending on what you buy or sell, you may pay commissions, markups or markdowns, sales charges and/or administrative fees. Edward Jones may receive a portion of these transaction-based charges. The investments within your ERISA plan also may have ongoing expenses such as distribution and/or service fees (12b-1 fees) and trail commissions that reduce your investment returns. Edward Jones receives a portion of these ongoing payments. Your ongoing operating expenses also may include investment management or other fees. Details on the operating expenses are in each underlying investment's prospectus or offering document. Depending on the solution you choose for your plan, if your account holds mutual fund investments or variable annuities, Edward Jones may receive revenue sharing, shareholder accounting fees or inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing). 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 or insurance company will pay Edward Jones a commission on these investments. A contingent deferred sales charge will apply if you sell these investments within a certain time frame. Please see your prospectus or offering document for more information.



## Employer-sponsored retirement plans not covered under the Employee Retirement Income Security Act of 1974 (“Non-ERISA”) plans

### What are non-ERISA employer-sponsored retirement plans?

Non-ERISA plans are employer-sponsored retirement plans that are not subject to the Employee Retirement Income Security Act (“ERISA”) of 1974.

Plans established or maintained for employees by federal or state government entities, municipalities, school districts and certain nonprofit organizations are examples of employer-sponsored plans that may not be subject to ERISA. For more information regarding employer-sponsored retirement plans, see [edwardjones.com/businessowners](https://edwardjones.com/businessowners).

### How are we paid for our services?

We charge fees for certain account services such as wire transfers, disbursements and transferring or closing accounts, if applicable. In addition, you either pay transaction-based charges when you buy or sell investments within your plan account or asset-based charges if your plan is on a group annuity platform.

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

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

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 or insurance company will pay Edward Jones a commission on these investments. A contingent deferred sales charge will apply if you sell these investments within a certain time frame. Please see your prospectus or offering document for more information.

Depending on the solution you choose for your plan, if your account holds mutual fund investments or variable annuities, Edward Jones may receive revenue sharing, shareholder accounting fees and inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

Fee information is generally found in your account agreement and Schedule of Fees, available at [edwardjones.com/agreements](https://edwardjones.com/agreements).

### How is your financial advisor compensated?

Your financial advisor receives a share of any transaction-based charges, asset-based fees, distribution and/or service fees (12b-1 fees), and trail and renewal commissions. Your financial advisor’s branch also receives P&L credits for certain revenues, expenses and assets under care in the branch. For more information, see Understanding how we are compensated for financial services at [edwardjones.com/compensationdisclosure](https://edwardjones.com/compensationdisclosure). Depending on the solution you choose for your plan, if your account holds mutual fund investments or variable annuities, Edward Jones may receive revenue sharing, shareholder accounting fees or inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing). Your financial advisor does not share in the incidental fees, which include the adoption agreement amendments and participant loans. In instances where the mutual fund or insurance company pays Edward Jones a

commission for purchases at certain investment levels, typically \$1 million, your financial advisor will receive a portion of the commission. Fee information is generally found in your account agreement and Schedule of Fees, available at [edwardjones.com/agreements](https://edwardjones.com/agreements). The revenue that Edward Jones receives affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## Owner-only 401(k) plans

### What are owner-only 401(k) plans?

Owner-only 401(k) plans are plans certain business owners may use to save for retirement. Owner-only 401(k) plans are a type of "one-person" 401(k). Owner-only 401(k) plans may be appropriate for owner-only businesses with no eligible employees, other than business owner(s) and their spouse(s). An owner-only 401(k) plan may be set up by business types such as a sole proprietorship, partnership, limited liability company (LLC), corporation (S or C) or nonprofit organization.

### How are we paid for our services?

We charge a one-time setup fee of \$150 for plans for which Edward Jones provides plan installation services and ongoing custodial services, as well as an annual recurring fee of \$30. We charge separate transaction fees for additional activities, including adoption agreement amendments, participant loans, benefit payments, transferring or closing accounts, and holding assets that are not publicly traded, if applicable. A complete list of fees can be found in the Schedule of Fees within your applicable account agreement.

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

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

If you choose a transaction-based solution, depending on what you buy or sell, you may pay commissions, markups or markdowns, sales charges and/or administrative fees. Edward Jones receives a portion of these transaction-based charges. The investments within your owner-only 401(k) plan may also have ongoing expenses such as distribution and/or service fees (12b-1 fees) and trail and renewal commissions that reduce your investment returns. Edward Jones receives a portion of these ongoing payments. Your ongoing operating expenses may also include investment management fees or other fees. Details on the operating expenses are in each underlying investment's prospectus or offering document. If your plan holds mutual fund investments or variable annuities, Edward Jones receives shareholder accounting fees and inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

At certain investment levels, typically \$1 million, your investments with an individual product partner provider may carry no sales charges. However, in these instances, the mutual fund or insurance company will pay Edward Jones a commission on these investments. A contingent deferred sales charge will apply if you sell these investments within a certain time frame. Please see your prospectus or offering document for more information.

## How is your financial advisor compensated?

Your financial advisor receives a share of any transaction-based charges, asset-based fees, distribution and/or service fees (12b-1 fees) and trail and renewal commissions. Your financial advisor's branch also receives P&L credits for certain revenues, expenses and assets under care in the branch. For more information, see [Understanding how we are compensated for financial services at edwardjones.com/understandinghowwearecompensated](https://edwardjones.com/understandinghowwearecompensated). Depending on the solution you choose for your plan, if your account holds mutual fund investments or variable annuities, Edward Jones may receive revenue sharing, shareholder accounting fees or inforce contract service fees. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing). Your financial advisor does not share in the incidental fees, which include the adoption agreement amendments and participant loans. In instances where the mutual fund or insurance company pays Edward Jones a commission for purchases at certain investment levels, typically \$1 million, your financial advisor will receive a portion of the commission. Fee information is generally found in your account agreement and Schedule of Fees, available at [edwardjones.com/agreements](https://edwardjones.com/agreements). The revenue that Edward Jones receives affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## 529 education savings plans

### What is a 529 education savings plan?

529 education savings plans are state-sponsored programs designed to help finance education expenses. For more information, see [edwardjones.com/529plans](https://edwardjones.com/529plans).

### How are we paid for our services?

Edward Jones works with product partners to offer 529 plans. These plans generally carry sales charges, either front-end or deferred, based on the share class and the amount invested. We receive a portion of your front-end or deferred sales charge.

Front-end sales charges typically decrease as your investment increases, based on a breakpoint schedule. Programs with deferred sales charges carry a fee if you sell investment units before a specified period of time elapses. The sales charge declines over time until it reaches zero. In addition, you may pay an annual account maintenance fee depending on the plan — typically \$0 to \$30. Generally, this fee is automatically deducted from your account and goes directly to the plan provider.

529 plans carry built-in operating expenses that affect the fund's return. Examples of operating expenses include distribution and/or service fees (12b-1 fees), management fees, networking fees and transaction fees. Details on the operating expenses are included in each plan's program description document.

Some product partners may also make payments to Edward Jones for revenue sharing and/or shareholder accounting. For more information, see [edwardjones.com/revenuesharing](https://edwardjones.com/revenuesharing).

If you choose to close your account, you may pay the fund company a termination fee as detailed in the plan's program description. Edward Jones and your financial advisor do not receive a portion of this fee.

### How is your financial advisor compensated?

Your financial advisor receives a percentage of the sales charge received by Edward Jones. Your financial advisor also receives a portion of any ongoing payments, called distribution and/or service fees (12b-1 fees), paid to Edward Jones.

Certain 529 plan providers and some fund companies pay Edward Jones revenue sharing payments on assets in 529 plans. Revenue that Edward Jones receives from revenue sharing, and shareholder

accounting fees affects our overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## **D. Cash management, credit and additional services we offer**

We offer a variety of convenient services designed to help you manage your cash and credit needs.

### **Edward Jones Insured Bank Deposit Program**

#### **What is the Edward Jones Insured Bank Deposit Program?**

The Edward Jones Insured Bank Deposit Program is an interest-bearing cash management solution that provides Federal Deposit Insurance Corporation (FDIC) coverage. The coverage is provided by transferring available cash balances in your Edward Jones account into deposit accounts at banks insured by the FDIC. Edward Jones is not a bank or FDIC-insured institution and deposit insurance only covers the failure of an insured bank. FDIC insurance for deposits held in the Insured Bank Deposit program is provided by the FDIC-insured banks that participate in the program, on a “pass-through” basis which requires certain conditions to be met for coverage to apply. For a current list of the network of FDIC-insured banks participating in the program, see [edwardjones.com/bankdeposit](https://edwardjones.com/bankdeposit).

For more information, see [edwardjones.com/us-en/investment-services/account-options/cash-credit/cash-management-and-spending-solutions](https://edwardjones.com/us-en/investment-services/account-options/cash-credit/cash-management-and-spending-solutions). Interest rates are available on Edward Jones’ website at [edwardjones.com/rates](https://edwardjones.com/rates). For information about FDIC insurance, visit [www.FDIC.gov](https://www.FDIC.gov).

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

Banks selected for this program pay us a fee equal to a percentage of the average daily deposit balance in the deposit accounts at the bank.

The fee received by Edward Jones by the banks for serving as your agent may be as much as the Federal Funds Target - Upper Limit or 5.25% annually, whichever is greater, on your funds in the Deposit Accounts. Information regarding the Federal Funds Target may be found at <https://fred.stlouisfed.org/series/DFEDTARU>.

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

Deposits in the Edward Jones Insured Bank Deposit Program impact the branch P&L credit for client assets under care. As a result, your financial advisor’s eligibility for a bonus will be positively impacted. More information is available at [edwardjones.com/us-en/investment-services/account-options/cash-credit/cash-management-and-spending-solutions](https://edwardjones.com/us-en/investment-services/account-options/cash-credit/cash-management-and-spending-solutions) or from your financial advisor.

### **Free credit balance**

#### **What is a free credit balance?**

The free credit balance is a portion of the account that consists of cash awaiting investment. Your free credit balances are payable on demand. You may require us to disburse the proceeds to you. Your instructions must be made during normal business hours and are subject to terms and conditions of the account agreement. We may, in our sole discretion, pay you interest on free credit balances, provided the funds in your account are awaiting investment. If you currently maintain free credit balances in your account solely for the purpose of receiving credit interest and don’t plan to invest the funds in the future, we reserve the right to stop paying interest on those balances or to take any additional necessary action

with respect to those balances. For more information, please contact your financial advisor to discuss your options. Interest rates are available on Edward Jones' website at [edwardjones.com/rates](https://edwardjones.com/rates).

Edward Jones is not a bank or FDIC-insured institution and deposit insurance only covers the failure of an insured bank. FDIC insurance for deposits held as Cash Interest is provided by the FDIC-insured banks where funds are deposited into accounts held for the benefit of Edward Jones clients, on a "pass-through" basis, which requires certain conditions to be met for coverage to apply. For a current list of the network of FDIC-insured banks where Cash Interest may be deposited, see the FDIC-insured Banks Holding Customer Reserve Accounts PDF on [edwardjones.com/uninvested-cash](https://edwardjones.com/uninvested-cash).

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

The free credit balance portion of the account is not an investment or a permanent savings vehicle. We use free credit balances in the ordinary course of our business, subject to applicable laws, rules and regulations. The use of free credit balances generates revenue for us, in the form of interest and income, which Edward Jones retains as additional compensation.

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

Your financial advisor does not receive any direct compensation from the free credit balance.

## **Edward Jones Income Manager® account**

### **What is an Edward Jones Income Manager® account?**

An Edward Jones Income Manager® account ("Income Manager") is an account for cash and/or cash equivalents that allows you to consolidate income from multiple sources.

Income Manager is a cash management account that holds funds in the Edward Jones Insured Bank Deposit Program<sup>2</sup> (and previously through the Edward Jones Money Market Funds<sup>3</sup>). Income Manager allows for systematic transfers of cash and/or cash alternatives from your brokerage account. An Income Manager account may not hold securities positions. For more information, please see [edwardjones.com/us-en/disclosures/account-features-service-terms/saving-spending-borrowing](https://edwardjones.com/us-en/disclosures/account-features-service-terms/saving-spending-borrowing).

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

We do not charge you a fee to establish Income Manager. However, we may receive account administrative fees for services utilized within Income Manager.

We receive fees from program banks for deposits in the Edward Jones Insured Bank Deposit Program. We own the investment adviser to the Edward Jones Money Market Fund. We receive compensation for the distribution and shareholder accounting services we provide for the Edward Jones Money Market Fund.

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

Deposits in the Income Manager account impact the branch P&L credit for client assets under care. As a result, your financial advisor's eligibility for a bonus will be positively impacted.

2 Amounts that exceed the program's FDIC coverage limits will be removed from the program and invested in the Edward Jones Money Market Fund, unless you opt instead to deposit such amounts in an Excess Bank as outlined in the program disclosure at [edwardjones.com/bankdeposit](https://edwardjones.com/bankdeposit).

Edward Jones is not a bank or FDIC-insured institution and deposit insurance only covers the failure of an insured bank. FDIC insurance for deposits held in the Insured Bank Deposit Program ("Program") is provided by the FDIC-insured banks that participate in the Program, on a "pass-through" basis which requires certain conditions to be met for coverage to apply. For a current list of the network of FDIC-insured banks participating in the Program, see [edwardjones.com/bankdeposit](https://edwardjones.com/bankdeposit).

3 Some Income Manager accounts opened prior to 2020 utilize Edward Jones Money Market Fund as the primary cash solution.



## Edward Jones Flex Funds™ account

### What is an Edward Jones Flex Funds™ account?

An Edward Jones Flex Funds™ account (“Flex Funds”) is a cash account, with check-writing functionality, designed for your short-term savings goals.

A Flex Funds account provides cash management through the Edward Jones Insured Bank Deposit Program<sup>4</sup> (and previously through the Edward Jones Money Market Funds<sup>5</sup>). A Flex Funds account may not hold securities positions. For more information, see [edwardjones.com/us-en/investment-services/account-options/cash-credit/cash-management-and-spending-solutions/flex-fund](https://edwardjones.com/us-en/investment-services/account-options/cash-credit/cash-management-and-spending-solutions/flex-fund).

### How are we paid for our services?

We do not charge you a fee to establish a Flex Funds account. However, we may receive account administrative or service fees for services utilized within your Flex Funds account (e.g., check reordering, stop payment).

We also receive fees from program banks for deposits in the Edward Jones Insured Bank Deposit Program. We own the investment adviser to the Edward Jones Money Market Fund.

We receive compensation for the distribution and shareholder accounting services we provide for the Edward Jones Money Market Fund.

### How is your financial advisor compensated?

Your financial advisor does not receive direct compensation related to your Flex Funds account. However, deposits in the Flex Funds account impact the branch P&L credit for client assets under care. As a result, your financial advisor’s eligibility for a bonus will be positively impacted if you open a Flex Funds account.

## Dollar cost averaging (DCA)

### What is dollar cost averaging?

DCA is a service that allows you to automatically invest a certain amount of money each month into a stock, ETF, mutual fund or an annuity. For more information, see [edwardjones.com/systematicinvesting](https://edwardjones.com/systematicinvesting).

### How are we paid for our services?

*Stocks & ETFs* — When you automatically buy stocks and ETFs, you pay 2% of the principal amount. If you systematically sell out of a stock or ETF, you pay 2% of the amount you are selling. For example, if you invest \$1,000 per month into a stock, your DCA fee would be \$20 per month, leaving \$980 available for investment. Dollar cost averaging fees do not apply to Guided Flex accounts.

*Mutual funds and annuities* — If you systematically buy or sell a mutual fund or an annuity, you pay the price as determined by the prospectus. For more information, see [edwardjones.com/systematicinvesting](https://edwardjones.com/systematicinvesting).

<sup>4</sup> Amounts that exceed the program’s FDIC coverage limits will be removed from the program and invested in the Edward Jones Money Market Fund, unless you opt instead to deposit such amounts in an Excess Bank as outlined in the program disclosure at [edwardjones.com/bankdeposit](https://edwardjones.com/bankdeposit). Edward Jones is not a bank or FDIC-insured institution, and deposit insurance only covers the failure of an insured bank. FDIC insurance for deposits held in the Insured Bank Deposit Program (“Program”) is provided by the FDIC-insured banks that participate in the Program on a “pass-through” basis, which requires certain conditions to be met for coverage to apply. For a current list of the network of FDIC-insured banks participating in the Program, see [edwardjones.com/bankdeposit](https://edwardjones.com/bankdeposit).

<sup>5</sup> Some Flex Funds accounts opened prior to 2020 utilize Edward Jones Money Market Fund as the primary cash solution.



## How is your financial advisor compensated?

For stocks, your financial advisor receives a percentage of the DCA fee you pay. For mutual funds and annuities purchased through the DCA service, your financial advisor receives a percentage of the sales charge, if any. Your financial advisor also receives a portion of any ongoing payments provided by distribution and/or service fees (12b-1 fees) paid to Edward Jones. Revenue that Edward Jones receives from revenue sharing, and shareholder accounting fees affects our overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## Dividend and income reinvestment

### What is dividend and income reinvestment?

Dividend and income reinvestment is a service that allows you to automatically reinvest interest from bonds, CDs and UITs, and dividends from stocks and mutual funds, into either the same security or other investments. If you own bonds or other fixed-income investments, you can choose to automatically receive the income or reinvest into mutual funds. If you own UITs, you can choose to automatically receive the income, reinvest into the same strategy (if available) or cross-reinvest into mutual funds. With stocks, you can choose to automatically receive the income or reinvest into the same stock or a mutual fund. For more information, see [edwardjones.com/systematicinvesting](https://edwardjones.com/systematicinvesting).

### How are we paid for our services?

If you invest in stocks, you pay a 2% reinvestment fee based on the amount of income or dividends you reinvest. This means that if you reinvest \$500 into stocks per month, your fee would be \$10, leaving \$490 available for reinvestment. For most account types, these fees are waived for households with assets under care of \$250,000 or more.

If you invest into a mutual fund or an annuity, you pay the price determined by the prospectus. If you reinvest mutual fund dividends into the same mutual fund, there is no charge.

### How is your financial advisor compensated?

Your financial advisor's branch receives a branch P&L credit for the reinvestment fee when you reinvest into a stock. As a result, your financial advisor's eligibility for a bonus will be positively impacted. When mutual funds are purchased through reinvestment, your financial advisor receives a percentage of the sales charge, if any. Your financial advisor also receives a portion of any ongoing payments, called distribution and/or service fees (12b-1 fees), paid to Edward Jones.

Revenue that Edward Jones receives from revenue sharing, and shareholder accounting fees affects our overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## Edward Jones® Everyday Solutions powered by U.S. Bank®

### What is the Edward Jones® Everyday Solutions powered by U.S. Bank®?

Edward Jones and U.S. Bank have entered into a partnership to offer checking and credit card products to Edward Jones clients.

Everyday Solutions Checking provided by U.S. Bank NA, Member FDIC. Edward Jones is not a bank and FDIC insurance only covers the failure of an insured bank. The Edward Jones® Everyday Solutions

Checking and Visa® Debit powered by U.S. Bank® is issued by U.S. Bank National Association, pursuant to a license from Visa U.S.A. Inc.

The creditor and issuer of the Edward Jones® Everyday Solutions Credit Cards is U.S. Bank National Association, pursuant to a license from Mastercard International Incorporated. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

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

Edward Jones receives compensation from U.S. Bank for offering Everyday Solutions Checking and Credit Cards, to the extent that the program produces a profit for U.S. Bank after all expenses. This arrangement results in a financial incentive for Edward Jones to encourage both the opening and ongoing funding of Everyday Solutions Checking accounts.

In addition, Edward Jones receives a percentage of annual net credit card sales, defined as your total Mastercard charges minus your interest expense.

For more information about the rates, fees, features and benefits associated with the use of the checking and credit card products, contact your financial advisor.

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

Your financial advisor and client support team member receive a portion of the compensation Edward Jones receives from U.S. Bank for the activation and use of Everyday Solutions Checking and Credit Cards.

Your Financial Advisor is compensated based on the balances in an Everyday Solutions Checking account. As a result, your financial advisor's eligibility for a bonus will be positively impacted.

The total revenue that Edward Jones receives from the U.S. Bank partnership affects Edward Jones' overall profitability and thus positively affects the branch bonus your financial advisor receives, if they are eligible for a bonus.

## **Edward Jones Visa® debit card**

### **What is the Edward Jones Visa® debit card?**

Edward Jones Visa® debit card enables you to access certain funds held in your Edward Jones Money Market Fund or in the Insured Bank Deposit Program. Charges and withdrawals using this card are debited from your account.

For more information, please see [edwardjones.com/disclosures/account-features-service-terms/saving-spending-borrowing](https://edwardjones.com/disclosures/account-features-service-terms/saving-spending-borrowing).

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

We do not charge you a fee to establish the Edward Jones Visa® debit card, unless it is linked to a business account. However, we may receive administrative fees for deposits tied to your debit card.

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

Your financial advisor does not receive direct compensation related to your debit card. However, deposits

in the account tied to the debit card may impact the branch P&L credit for client assets under care.

## **E. Margin accounts/personal lines of credit**

### **What is a margin account/personal line of credit?**

Margin accounts allow you to purchase securities or take cash loans by using your margin-eligible securities as collateral. Margin accounts are governed by Regulation T, FINRA and individual brokerage house rules. For more information, see [edwardjones.com/disclosures/marginloans](https://edwardjones.com/disclosures/marginloans).

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

We charge interest when you borrow against securities held in a margin account. The interest rate is tied to the effective prime rate, as long as the prime rate is equal to or greater than 4.0%. (We have a 4.0% base interest rate.) The prime rate is the prime rate as published in *The Wall Street Journal*. Your interest rate is determined monthly based on the total value of your “Pricing Group,” which may include multiple accounts you and other related parties hold with Edward Jones. For more information, see [edwardjones.com/disclosures/marginloans](https://edwardjones.com/disclosures/marginloans).

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

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’s P&L (described above). 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 the balance instead of using available cash or new investments to pay down the loan. For more information, see [edwardjones.com/disclosures/marginloans](https://edwardjones.com/disclosures/marginloans).

## **F. Edward Jones Reserve Line of Credit**

### **What is an Edward Jones Reserve Line of Credit?**

A Reserve Line of Credit (“Reserve Line”) is a securities-based loan offered by the lender, Edward Jones SBL, LLC, a nonbank affiliate of Edward Jones. It is secured by a pledged account and the assets, including securities, within that account. If your account is used as collateral to take an advance under the Reserve Line (a “Reserve Line Advance”), your account and assets within it are pledged to secure your advance, and you will not be permitted to withdraw securities or funds from your account unless sufficient collateral remains as required under Edward Jones Reserve Line of Credit Agreement.

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

Edward Jones SBL, LLC (“the lender”) will receive interest from your Reserve Line Advance and will pay Edward Jones a fee. You will pay interest charges on a Reserve Line Advance, which is based on the amount of the Reserve Line Advance. The larger the amount of the Reserve Line Advance, the more revenue Edward Jones receives. Reserve Lines of Credit share the same pricing tiers and rates as margin loans; however, you should review the applicable Initial Truth in Lending Disclosure to determine whether a Reserve Line of Credit is subject to an interest rate cap in your state of residence. For more information, see [edwardjones.com/sbl](https://edwardjones.com/sbl).

## How is your financial advisor compensated?

While your financial advisor does not receive direct compensation from the interest you pay on your Reserve Line Advance, it does positively impact the branch's P&L (described above). If you need cash, we have an incentive to recommend a Reserve Line Advance instead of selling investments. Additionally, your financial advisor has an incentive to recommend that you maintain a Reserve Line Advance balance and to grow the balance instead of using available cash or new investments to pay it down.

## Section 6: Additional information and resource

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

- **Edward Jones Client Relationship Summary:** [edwardjones.com/FormCRS](https://edwardjones.com/FormCRS)
- **Information About Our Brokerage Services:** [edwardjones.com/RegBldisclosures](https://edwardjones.com/RegBldisclosures)
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- **Account schedules of fees:** [edwardjones.com/accountfees](https://edwardjones.com/accountfees)
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