

## Edward Jones Investment Advisory Program

as of November 7, 2025

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Edward Jones  
12555 Manchester Road  
St. Louis, MO 63131  
800-803-3333  
[edwardjones.com](https://edwardjones.com)

### Item 1: Cover Page

This wrap fee program brochure provides information about the qualifications and business practices of Edward D. Jones & Co., L.P. (“Edward Jones,” “we” or “us”). If you have any questions about the contents of this brochure, please contact us at 800-803-3333. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Additional information about Edward Jones is also available on the SEC’s website at [www.adviserinfo.sec.gov](https://www.adviserinfo.sec.gov).

Item 2: Material Changes

This is the first filing of this brochure. As a result, there are no material changes to report.

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## Item 4: Services, Fees and Compensation

Edward Jones is a registered broker-dealer and investment adviser. As an investment adviser, Edward Jones offers several advisory programs. This brochure ("Brochure") provides clients ("client," "you" or "your") with information about Edward Jones, Edward Jones Investment Advisory Program ("IAP"), the fees charged for our services and our business practices. You should read this Brochure carefully and consult with your tax professional before you decide to invest in IAP.

Other advisory programs offered through Edward Jones are not described in this Brochure. These programs offer different services and investments and have different fees and minimum investment requirements. Certain programs or offerings are only available through select financial advisors. To learn more about other advisory programs offered by us, please ask your financial advisor or go to [www.edwardjones.com/advisorybrochures](http://www.edwardjones.com/advisorybrochures) to review the brochures for the available advisory programs. Because IAP is an investment advisory service offered by Edward Jones as an SEC-registered advisor, Edward Jones has a fiduciary duty to act in your best interest and to abide by the duties of care and loyalty under the Investment Advisers Act of 1940 when providing IAP to you.

Other services you obtain through Edward Jones, including other investment advisory and brokerage services, are separate and distinct from IAP and each is governed by separate arrangements that we may have with you. Brokerage services are subject to different laws than investment advisory services. The specific services provided to you, our relationship with you and our legal duties to you in each arrangement are described in our applicable agreements with you and the disclosures we provide to you in connection with those services.

Edward Jones is the primary operating subsidiary of The Jones Financial Companies, L.L.P. ("JFC"), a holding company registered as a partnership with the State of Missouri. Edward Jones registered with the SEC as a broker-dealer in 1941 and as an investment adviser in 1993. Edward Jones became a member of the National Association of Securities Dealers ("NASD") (now known as the Financial Industry Regulatory Authority ("FINRA")) in 1939.

As of our fiscal year end on December 31, 2024, we managed \$362,772,959,455 in discretionary assets and \$462,273,739,618 in non-discretionary assets across all of our advisory programs.

The decision to invest in IAP is yours. Before making this decision, you and your financial advisor should discuss whether other programs or investments may be more appropriate for your investment goals or needs. If you decide to invest in IAP, we will not begin providing you advisory services until (a) our acceptance and approval of the "Services Agreement" as referred to in the Investment Advisory Program Client Services Agreement between you and Edward Jones (b) we receive your instruction to open a new account or transfer an existing non-IAP account to IAP, and (c) your account is open and able to be invested in the selected Strategy (defined below) and as further described in this Brochure.

In evaluating fee-based advisory programs, you should consider a number of factors. You may be able to obtain some or all of the same or similar investments and/or services available through this and other fee-based advisory programs separately at Edward Jones or through another broker-dealer or investment adviser. You should consider that, depending on the circumstances, the aggregate fees you will pay for investing in IAP may be lower or higher than if you purchased the investments or services separately or through another broker-dealer or investment adviser.

IAP accounts ("Account") and other advisory accounts offered through Edward Jones provide ongoing investment advice for an asset-based fee, rather than charging commissions for transactions in your account. Brokerage accounts, on the other hand, can charge commissions for transactions and typically provide investment advice that is point-in-time and solely incidental to the brokerage services provided. As a result, important factors to consider are type of advice you desire as well as the amount of trading activity you have in your accounts and the corresponding commissions that would be charged if you bought and sold individual securities in a brokerage account.

You also may experience different performance results or tax consequences from what you would by purchasing the investments separately or through another broker-dealer or investment adviser. For example, the IAP Fee (defined further below) will reduce the return you earn on investments held in your Account. If the IAP Fee exceeds the overall return on your investments, you will experience negative performance in your Account. Additionally, it typically will cost you more, and Edward Jones and its financial advisors will receive more revenue, when you hold duration-based investments to maturity or over time rather than in a commission-based brokerage account at Edward Jones (e.g., Certificates of Deposit ("CDs"), bonds and cash equivalents).

As further described in the Services Agreement, each Planning Group must execute the Services Agreement except as otherwise permitted by Edward Jones. IAP is being recommended to the Planning Group as being in the best interest of the Planning Group and in alignment with the Planning Group's preferences.

**This Brochure will apply to all Accounts and associated Strategies opened now or in the future as instructed by you. You will not receive this Brochure each time you open a new Account, transfer an existing non-IAP Account to IAP, or change your Strategy. This Brochure will only be provided upon signing your Services Agreement; however, you will be made aware of all material updates to this Brochure and can find the latest version of this Brochure by visiting [www.edwardjones.com/advisorybrochures](http://www.edwardjones.com/advisorybrochures). Alternatively, you may request a copy from your financial advisor at any time.**

**IAP Overview.** IAP is a wrap fee program which offers both discretionary and non-discretionary investment strategies ("Strategy or Strategies"). You may open one or more Accounts under IAP and determine the specific Strategy for each Account. In order to utilize a Strategy, you will need to instruct your

financial advisor to open an Account, transfer an existing Edward Jones account into IAP, or change your Strategy in an existing Account.

Additionally, before investing in a specific Strategy, you should decide if you prefer to delegate the day-to-day management of your Account or assume this responsibility yourself.

Investors in discretionary IAP Strategies typically:

- Need advice and guidance when making investment decisions
- Are at ease with Edward Jones or their financial advisor making their day-to-day investment decisions
- Are willing to follow a disciplined investment strategy
- Are comfortable paying monthly, asset-based (percentage) fees for investments and advice rather than individual, transaction-based commissions or sales charges.

Investors in non-discretionary IAP Strategies typically:

- Want to be involved in the investment process and approve final trade decisions
- Value the receipt of ongoing advice from Edward Jones when making investment decisions
- Desire a disciplined approach to long-term investing and are willing to adhere to an asset allocation strategy aligned with Edward Jones' guidance
- Are comfortable paying monthly, asset-based (percentage) fees for investments and advice rather than individual, transaction-based commissions or sales charges

**The information provided in this Brochure applies generally to all Strategies and services unless a specific Strategy is referenced. Strategies may be modified, removed, or added at Edward Jones sole discretion.**

**Discretionary Strategies.** IAP discretionary strategies currently include:

- *Managed Solutions.* If selecting Managed Solutions, you are fully delegating investment discretion based on your portfolio preferences and/or model selection to Edward Jones. Edward Jones has full authority to decide what investments to buy or sell without your prior approval of each transaction in order to construct and manage your portfolio. Within Managed Solutions, you will work with your financial advisor to determine the level of personalization for the construction of your portfolio. Clients selecting the Managed Solutions Strategy also have the option of utilizing Separately Managed Accounts ("SMAs") as described further below.
- *Custom Managed Solutions.* If selecting Custom Managed Solutions, you will work with your financial advisor to determine how you prefer your account to be managed on an ongoing basis. You are responsible for choosing your portfolio preferences and/or selecting the investments from our list of eligible investments for your Account. You also authorize Edward Jones to take action in order to maintain alignment for your portfolio on an ongoing basis and in our sole discretion. Clients selecting the Custom Managed Solutions Strategy also

have the option of utilizing SMAs as described further below.

- *Financial Advisor Managed Solutions ("FA Managed").* If selecting FA Managed, you are granting your financial advisor, and under various circumstances Edward Jones, full authority to act with investment discretion to decide what investments to buy or sell without your prior approval of each transaction in order to construct and manage your portfolio.

**Non-Discretionary Strategies.** IAP non-discretionary strategies currently include:

- *Client Directed Solutions ("Client Directed").* If selecting Client Directed, you are retaining authority to make trading and investment decisions in your Account in alignment with Edward Jones guidance except as further provided in this Brochure.

**Eligible Investments.** Eligible investments differ depending on the Strategy selected and may change in Edward Jones sole discretion. Additionally, certain eligible investments are only available in taxable Accounts and are subject to product minimums.

*Managed Solutions and Custom Managed Solutions.* Eligible investments include affiliated mutual funds, unaffiliated mutual funds, exchange-traded funds ("ETFs"), and SMAs. Additionally, alternative investments are available in Custom Managed Solutions only as described further below. Unaffiliated SMAs are available in both Managed Solutions and Custom Managed Solutions. Affiliated SMAs are available in Custom Managed Solutions only.

"Affiliated mutual funds" refers to mutual funds managed by an affiliate of Edward Jones, which consist of the Bridge Builder family of mutual funds ("Bridge Builder Funds") and the Edward Jones Money Market Fund ("Money Market Fund"). Please read this Brochure carefully to understand the differences between affiliated mutual funds and unaffiliated mutual funds, including additional conflicts of interest that Edward Jones is subject to in connection with recommending affiliated mutual funds and how such conflicts are addressed. Some affiliated mutual funds are only available to be held or purchased in IAP and other Edward Jones advisory programs and are not available to be held or purchased in an Edward Jones Select brokerage account or at another financial institution. Further restrictions on the purchase of certain affiliated mutual funds may apply depending on the Strategy selected. Edward Jones also prevents the purchase of certain affiliated mutual funds for certain Strategies unless you held shares of those mutual funds in a Strategy that permits the purchase of affiliated mutual funds and then transfer them to the Account that may otherwise not permit such purchases. Edward Jones, in its sole discretion, may make exceptions based on the particular facts and circumstances of your situation.

The unaffiliated SMAs are managed or recommended by one or more unaffiliated investment advisers ("Unaffiliated Managers"), while the affiliated SMAs are managed or recommended by Edward Jones ("Affiliated Manager"). Collectively, we refer to Unaffiliated Managers and Affiliated Managers as the "SMA Managers" throughout this Brochure. The affiliated SMAs are created by Edward Jones through a separate advisory program

called the Edward Jones SMA Model Portfolios. Please read this Brochure and the accompanying Edward Jones SMA Model Portfolios Brochure (if selecting this SMA) to understand the key risks and differences for this SMA. You may also request a copy of the affiliated SMA brochure from your financial advisor at any time.

If utilizing an SMA, SMAs are provided to you by Edward Jones employing multi-style investment services that are implemented in your Account by an appointed investment adviser on a discretionary basis (the “Overlay Manager”). The Overlay Manager is authorized to buy, sell, or trade securities in your Account. SMA Managers either (a) provide investment recommendations by delivering a model portfolio to the Overlay Manager for implementation, or (b) exercise discretion directly to buy, sell, or trade in your Account in alignment with the respective SMA strategy (the “Executing SMA Manager”). SMA Managers (that are not Executing SMA Managers) only provide a model portfolio consistent with a general investment objective and these model portfolios are not tailored to any individual client. Edward Jones, in its role as sponsor of IAP, may restrict, in its sole discretion, the Overlay Manager and Executing SMA Managers from purchasing certain securities. Conversely, the acting investment advisers in IAP in the roles of Overlay Manager or Executing SMA Manager may seek to invest in investments that are not available at Edward Jones. Additionally, the investment advisers in IAP acting in the roles of Overlay Manager or Executing SMA Manager may, in their sole discretion, reject an Account for any reason. You can request a copy of the appointed Overlay Manager’s and any Executing SMA Manager’s Form ADV brochure from your financial advisor at any time or review the latest brochure by visiting [www.edwardjones.com/advisory-prospectus/brochures.html](http://www.edwardjones.com/advisory-prospectus/brochures.html) or [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

*Alternative Investments in Custom Managed Solutions.* Eligible investments also include private market investment vehicles that provide exposure to private credit funds, private real estate funds, and private equity investment funds managed by one or more unaffiliated asset managers (collectively, the “Alternative Investments”). The ability to purchase Alternative Investments is part of a pilot Edward Jones is conducting in Custom Managed Solutions and is subject to additional client eligibility and qualification requirements. For more information on Alternative Investments, please see the “Alternative Investment Services Pilot in Custom Managed Solutions” section further below.

*FA Managed and Client Directed.* Eligible investments primarily include stocks, affiliated mutual funds, unaffiliated mutual funds, and ETFs across a variety of asset classes as well as bonds, CDs and cash equivalents.

**Migrating non-IAP Advisory Accounts to IAP.** Pursuant to the Services Agreement, any existing Edward Jones non-IAP advisory accounts that you choose to migrate to IAP will automatically default to the Strategy most consistent with your existing Edward Jones non-IAP advisory account, as determined by Edward Jones. Edward Jones non-IAP advisory accounts will migrate to IAP as follows:

- Both Advisory Solutions Unified Managed Account Models accounts and Advisory Solutions Fund Models accounts utilizing Research Models in these programs will become Managed Solutions Accounts consistent with your prior non-IAP advisory account model configuration (whether as Research Models or personalized Research Models). Edward Jones and the appointed Overlay Manager and Executing SMA Manager (as applicable) will maintain discretion.
- Both Advisory Solutions Unified Managed Account Models accounts and Advisory Solutions Fund Models accounts utilizing Custom Models in these programs will become Custom Managed Solutions Accounts consistent with your prior non-IAP advisory account model configuration. Edward Jones, the Overlay Manager and Executing SMA Manager (as applicable) will maintain discretion.
- Financial Advisor Managed Solutions accounts (referring in this instance to the non-IAP program with the same name) will become FA Managed Accounts. Your financial advisor will maintain discretion.
- Guided Solutions Flex accounts will become Client Directed Accounts. You, as the client, will maintain discretion.
- Guided Solutions Fund accounts will become Custom Managed Solutions Accounts. The Guided Solutions Fund program is a non-discretionary program where the client maintains discretion over the account. In IAP, all Guided Solutions Fund Accounts that migrate to IAP will become Custom Managed Solutions Accounts, which is a firm discretionary Strategy. Accordingly, discretion will change on Guided Solutions Fund accounts migrating to IAP.

**As provided, relative to your non-IAP advisory account that migrates to IAP, Edward Jones will retain the same discretionary authority as held in your previous non-IAP advisory account except in the case of Guided Solutions Fund accounts migrating to IAP as described above. You should review this Brochure and each Strategy carefully before migrating your non-IAP advisory accounts to IAP. Additionally, once your non-IAP advisory accounts migrate to IAP, you may then inform your financial advisor of any Strategy changes you wish to make. Certain features and elections associated with your non-IAP advisory account will carry through to IAP as further described in this Brochure.**

**Performance of Eligible Investments.** There is no guarantee that an eligible investment will perform in any particular manner. Past performance is not a guarantee of future results. Details about the mutual funds and/or ETFs in your Account can be found in the prospectus, statement of additional information (“SAI”) and shareholder reports for each mutual fund and ETF, and details about the Alternative Investments in your account can be found in the prospectus, offering document, and/or subscription agreement (collectively, “fund prospectus and other fund documents”). It is important that you read these documents before investing.

**Information Sources for Eligible Investments.** When analyzing investments and developing recommendations that may be



appropriate for your Account, we rely on a variety of different sources of information. Such sources may include information developed by Edward Jones that covers a wide range of eligible investments and investment research reports issued by firms that are not affiliated with us. In addition, we may use certain Edward Jones investment tools to assist with recommendations that align with your Account Portfolio Objective. The use of such investment tools does not guarantee the performance of your Account or any investments therein or protect against potential investment losses.

**Environmental, Social, and Governance Investments.** Some eligible investments are sustainable investments that are categorized as environmental, social and governance (“ESG”) investments or values-based investments. Sustainable investments have subjective qualities and characteristics and may or may not align with your beliefs, values, or desired investment performance. Please contact your financial advisor if you are interested in learning more about sustainable investments available in IAP and the associated risk.

**Cash Sweep.** Cash balances awaiting investment or reinvestment in your Account will be automatically swept into the Edward Jones Money Market Fund, where they will be held until invested in an eligible investment. The portion of your Account that is invested in the Edward Jones Money Market Fund will be included in the calculation of your IAP Fee. Please refer to Appendix A for more information about the Edward Jones Money Market Fund.

Your asset allocation may also include a cash allocation held in the Money Market Fund through the cash sweep feature described above and/or invested in a third-party money market fund. In certain instances, such as instances of market volatility or uncertainty, it may be determined to increase the amount of cash you hold in your portfolio. The portion of your Account that is held in cash will be included in the calculation of your IAP Fee. CDs are treated as fixed-income investments for purposes of your asset allocation and not cash.

**Client Profile and Portfolio Objectives.** In order to invest in a Strategy, Edward Jones will establish a client profile for you that contains important information about you and your Account, which generally includes either your goal or purpose for investing and your investment time horizon, risk tolerance, and other financial information. Your time horizon will reflect the expected time frame over which you plan to invest (and potentially withdraw) your assets to achieve your investment goal or purpose. Time horizon is expressed as either your life stage or the number of years you plan on accumulating and/or distributing your assets.

In consultation with your Edward Jones financial advisor, you may select a portfolio objective for each of your goals (“Goal Portfolio Objective”) and you will also select an appropriate portfolio objective for each Account (“Account Portfolio Objective”). If your Account is assigned to a goal established at Edward Jones, then we will recommend that you select an Account Portfolio Objective that is appropriate for the Goal Portfolio Objective. If your Account is not assigned to a goal

established at Edward Jones, then we will recommend an Account Portfolio Objective for your Account based upon the level of investment risk you are willing to take (your risk tolerance or comfort with risk) and the expected time horizon for your investments. You may choose an alternative Account Portfolio Objective if you are willing to take more or less risk than the recommended Account Portfolio Objective. You ultimately decide whether you want to select the recommended Account Portfolio Objective or an alternative Account Portfolio Objective, if available.

Edward Jones may add or remove portfolio objectives over time without prior notice to you. However, Edward Jones will have no authority to change your Goal Portfolio Objective or Account Portfolio Objective without your instruction. To change either, you must discuss with your financial advisor to make any changes.

Your Account Portfolio Objective determines the recommended and allowable asset allocation ranges (“Target Ranges”). In addition, Edward Jones applies certain guidelines designed to monitor your Account for alignment with your Goal Portfolio Objective and Account Portfolio Objective (“Investment Diagnostics”). One or more Investment Diagnostics may assess holdings in your other Edward Jones accounts, if any, assigned to the same goal; your financial advisor may recommend that you consider placing a trade in one or more of your other Edward Jones accounts in order to address certain Investment Diagnostics.

When you place trades in a brokerage account that could be placed in your Account or another fee-based investment advisory account at Edward Jones, a conflict of interest exists as Edward Jones and your financial advisor will earn compensation on the transactions, such as commissions and/or mark-ups or mark-downs, that you would not bear if such transactions were placed in your fee-based advisory account at Edward Jones. Such transaction fees would be in addition to the asset-based advisory fee that you pay for assets held within your Account(s) (fee-based accounts) at Edward Jones.

Please contact your financial advisor to learn more about how Investment Diagnostics help you achieve your financial goals. The recommended and allowable Target Ranges, as well as Investment Diagnostics, are determined solely by Edward Jones and can be modified by Edward Jones without prior notice. If you and your financial advisor determine extra flexibility is needed for a period of time, Edward Jones may provide such flexibility without requiring alignment adjustments under certain circumstances such as permitting additional time for portfolio implementation, or for tax or personal reasons. Until alignment occurs, your Account may be exposed to greater risk than your Account Portfolio Objective and/or Goal Portfolio Objective given the deviation from your Target Ranges.

Account Portfolio Objectives and Goal Portfolio Objectives currently include:

**All-Equity Focus:** This portfolio objective offers the highest long-term growth and rising dividend potential. It focuses on long-term capital appreciation and provides very little to no

current interest income. It also has the highest level of risk, as it contains only equity investments.

**Growth Focus:** This portfolio objective emphasizes higher long-term growth and rising dividend potential, while providing modest current interest income. Over the long term, it should have higher risk than portfolios with a more income-oriented objective.

**Balanced toward Growth:** This portfolio objective emphasizes higher long-term growth and rising dividend potential, with a secondary goal of current interest income. Over the long term, it should have moderate to higher risk.

**Balanced Growth & Income:** This portfolio objective has a balanced emphasis between current interest income and long-term growth with rising dividend potential. Over the long term, it should have moderate risk.

**Balanced toward Income:** This portfolio objective emphasizes current interest income while providing modest long-term growth and rising dividend potential. Over the long term, it should have lower to moderate risk.

**Income Focus:** This portfolio objective emphasizes current interest income with little long-term growth and rising dividend potential. Over the long term, it should have lower risk than portfolios with a more growth-oriented objective.

Edward Jones constructs and reviews the recommended and allowable ranges for each Account Portfolio Objective. Due to various influences such as changing market conditions or a reclassification of an eligible investment to a different asset class, we may change the recommended and allowable ranges of an Account Portfolio Objective. Edward Jones categorizes these eligible investments by investment style, which we refer to as “Asset Allocation Categories.” Your investments will be allocated to these Asset Allocation Categories. Asset allocation cannot eliminate risk associated with investing, but it can help to keep your Account within your stated risk tolerance range. Edward Jones can make changes to the list of eligible investments and add or remove Asset Allocation Categories at any time without prior notice. These additions or removals could result in the purchase or sale of an eligible investment in your Account. Liquidations may cause a taxable event as well as redemption fees, if applicable.

Investment restrictions may prevent or limit the purchase or continued purchase of certain eligible investments. Situations include but are not limited to restrictions that prevent purchases of an eligible investment and restrictions that only permit current holders of the eligible investment to continue making purchases, subject to parameters set forth by Edward Jones.

**Investment and Trading Discretion.** The initial and ongoing investments and trading discretion differ depending on the Strategy selected, as follows:

*Managed Solutions and Custom Managed Solutions.* When you invest in Managed Solutions or Custom Managed Solutions, you give Edward Jones (and the Overlay Manager and/or Executing SMA Manager, as applicable) discretionary investment and

trading authority over your Account as described below by Strategy. Examples may include selecting, removing, and replacing eligible investments, determining and changing the asset allocations and categories, using discretion as to the time a trade will be made and the price paid, aggregating trades, reinvesting dividends, automatically buying and selling eligible investments to rebalance your Account to the target asset allocation when determined necessary by Edward Jones (or with respect to clients participating in the Transition Service Pilot as later described, trading your Account in connection with your transition plan), using proceeds to pay for the IAP Fee, selecting or exchanging the mutual fund share class, and utilizing an affiliated transition fund in our discretion as a short-term investment vehicle to facilitate an eligible investment replacement.

*Managed Solutions.* When selecting Managed Solutions, the discretionary investment and trading authority you give to Edward Jones, the Executing SMA Manager(s), and Overlay Manager, as applicable, includes managing your assets on a discretionary basis by buying and selling investments for your Account whenever deemed appropriate and without your approval of each transaction. This means that you give Edward Jones complete control over the management of your Account and your portfolio will align with the Account Portfolio Objective you select.

You may choose a portfolio model that is pre-constructed by Edward Jones using a select list of eligible investments that invests your money into pre-determined percentages (target weightings) across different Asset Allocation Categories. We can also make changes to the eligible investments and the amount of your money that is invested in the different Asset Allocation Categories at any time without first giving you notice. Edward Jones has ongoing discretion regarding the eligible investments, asset allocation and rebalancing of your Account pursuant to your chosen Account Portfolio Objective. We can remove and/or add an eligible investment at any time without prior notice.

You may also create a more personalized recommended portfolio from a broader list of eligible investments than is used in the pre-constructed portfolio. This type of portfolio invests your money across different Asset Allocation Categories after considering factors unique to your situation such as your preferences, existing assets and their respective characteristics, potential capital gains and losses, and the characteristics of the overall portfolio. A broader list of eligible investments is used to maximize incorporation of these factors while also balancing performance expectations in creating your recommended portfolio. As a result, the performance of your portfolio could be better or worse with increased personalization.

You cannot restrict individual securities in your Account when you have selected Managed Solutions without SMAs as your strategy. However, you can choose not to invest in specific eligible investments by selecting the Custom Managed Solutions Strategy. Additionally, if you select Custom Managed Solutions, you may not be able to purchase certain eligible investments. For example, certain mutual funds that are eligible investments may be closed to new Accounts.

*Custom Managed Solutions.* When selecting Custom Managed Solutions, the discretionary investment and trading authority you give to Edward Jones, the Executing SMA Manager(s), and Overlay Manager, as applicable, includes managing your assets on a discretionary basis by buying and selling investments for your Account whenever deemed appropriate in order to help maintain alignment within your Account. However, you are responsible for choosing your portfolio preferences and/or selecting the investments in your portfolio from our list of eligible investments and setting your Asset Allocation Category and target percentages within the ranges that Edward Jones has deemed acceptable for your Account Portfolio Objective. In addition, Edward Jones may, in our sole discretion, implement guidelines and/or restrictions as to the minimum and maximum number of eligible investments that can be held in an Account with this Strategy type at any one time, and the minimum and maximum percentage allocations to those investments held in these Accounts.

Where Edward Jones, in our sole discretion, deems appropriate, it may deviate from the weighting ranges within a particular Account Portfolio Objective and create a portfolio with different weighting ranges that is appropriate for a specific subset of clients within that Account Portfolio Objective. If you elect such a portfolio, you will be expected to set Asset Allocation Category and eligible investments targets within the range that Edward Jones designates for that portfolio, rather than the ranges designated under the Account Portfolio Objective.

Due to various influences, such as changing market conditions, a reclassification of an eligible investment to a different Asset Allocation Category or a change in the securities underlying an eligible investment, we may change the Asset Allocation Category or eligible investment weighting within an Account Portfolio Objective. If such changes conflict with your current investment selections or your chosen Asset Allocation Category or eligible investment targets, we will modify your asset allocation to bring your Account back into alignment with your chosen Account Portfolio Objective.

If an eligible investment is removed from the list of eligible investments for any reason, the eligible investment being removed can no longer be held in your Account. If we remove an eligible investment, we will, when possible, provide you notice and recommend another appropriate eligible investment (which may include affiliated mutual funds). You can choose our recommendation or another eligible investment from the list of eligible investments in the same Asset Allocation Category as the eligible investment being removed. If you do not select an appropriate eligible investment replacement within the established timeframe of such notice, we will liquidate the eligible investment being removed and use the recommended eligible investment as the replacement. Liquidations may cause a taxable event as well as redemption fees, if applicable.

In scenarios where an eligible investment changes due to fund restructuring, a spinoff, a merger, or something similar, including where such activity involves in-kind purchases or redemptions of eligible investments, Edward Jones has the authority to buy, sell,

add or remove one or more eligible investments in its discretion to appropriately align your Account with your selected Account Portfolio Objective and Asset Allocation Categories. This may require liquidating shares of the eligible investment(s) experiencing changes and/or purchasing shares of a different eligible investment(s). Liquidations may cause a taxable event as well as redemption fees, if applicable.

Until such eligible investment designated for removal is removed from your Account, there is a possibility that additional shares of that eligible investment may be purchased. Such purchase(s) may occur in a number of instances including, but not limited to, when assets are added to your Account or rebalancing occurs. The purchase of additional shares of such eligible investment and the eventual mandatory removal of such shares may result in a taxable event. The replacement eligible investment may be subject to higher internal expenses than the prior investment.

Please see the “Alternative Investments Transition” section within Item 6 for information on what will occur if an Alternative Investment is removed from IAP as an eligible investment.

*Transition Service Pilot for Custom Managed Solutions.* Edward Jones is conducting a Transition Service Pilot with a limited number of clients. The Transition Service Pilot is intended for clients seeking to fund their taxable Custom Managed Solutions Account with assets from an existing Account inside or outside of Edward Jones or, alternatively, seeking to transition from one portfolio to another within their existing Account. The Transition Service Pilot allows the client to work with their Edward Jones financial advisor to establish a timeline for transitioning the sale of eligible investments over consecutive tax years (the “Transition Period”) while moving to their target portfolio allocation over the Transition Period. Clients enrolling in the Transition Service Pilot must enter into, and agree to the terms of, the Transition Service Agreement at the time of enrollment. Such clients do not pay fees in addition to the IAP Fee and other fees described below. A fee may be charged for the Transition Service in the future.

*Overlay Management (Managed Solutions and Custom Managed Solutions with SMAs).* Clients selecting Managed Solutions or Custom Managed Solutions Strategies have the option of utilizing SMAs. If selecting SMAs, a selected and appointed investment adviser, which could be Edward Jones or a third-party, will serve as an Overlay Manager. The Overlay Manager is authorized to buy, sell or trade securities in your Account in a manner consistent with your Account Portfolio Objective and the Asset Allocation Category established by us, the model portfolio provided by the applicable SMA Manager, and any restrictions you have placed on the Account. Examples of services the Overlay Manager performs for your Account if selecting SMAs includes, but is not limited to:

- Implementing instructions by SMA Managers and Edward Jones regarding the securities to be bought, sold or held for your Account;
- Placing orders pursuant to the model portfolio recommendations of the SMA Managers and Edward Jones and/or communicating orders through other broker-dealers (note, a taxable Account



funded with securities will result in purchase and/or sale orders in your Account which may have tax consequences);

- Placing orders for the purchase, sale or redemption of shares of mutual funds and/or ETFs in accordance with instructions received from Edward Jones or you;
- Rebalancing one or more Asset Allocation Categories or eligible investments within your Account back toward their respective targets if, pursuant to parameters determined in the sole discretion of Edward Jones, the weighting of the Asset Allocation Category or eligible investment has deviated too far from its target;
- Adding and removing an Asset Allocation Category pursuant to Edward Jones' instruction, which could result in the purchase of eligible investments to fill the newly added Asset Allocation Category, or sale of an eligible investment to support the removal of an Asset Allocation Category;
- Implementing any reasonable restrictions that you have placed on the purchase of certain equity securities or category of equity securities (The Overlay Manager will apply the uninvested cash resulting from the security or category restriction across other investments held within the SMA Manager's strategy).
- Managing your taxable Account in a tax-efficient manner with the objective to minimize your realized gains and maximize realized losses while maintaining the desired investment allocation. Tax-efficient management of your taxable Account may conflict with model portfolio recommendations from an SMA Manager; in these instances, tax-efficient management may take precedence over the model portfolio recommendations of an SMA Manager.
- For clients enrolled in the Transition Service Pilot, such participation may result in deviation from the desired investment allocation for a limited time to achieve the client's transition goals.

With certain eligible investments, the Executing SMA Managers have discretion to buy, sell or trade securities directly in your Account and also retain discretion to select where transactions are executed. Executing SMA Managers for these eligible investments do not provide instructions to the Overlay Manager for implementation; however, the Overlay Manager can also exercise discretion with respect to these securities in a manner consistent with the information provided above not related to implementing instructions from Executing SMA Managers.

Edward Jones is solely responsible for the selection of the Overlay Manager. We reserve the right to change the Overlay Manager at any time in our sole discretion to an unaffiliated investment manager or an affiliated investment manager, or to assume the responsibilities of the Overlay Manager.

The Overlay Manager does not invest in, nor manage, the Alternative Investments offered through the Alternative Investment Services Pilot. Edward Jones, not the Overlay Manager, will monitor and provide advice on Alternative Investments if applicable and as outlined more fully below.

**FA Managed.** When you enroll in FA Managed, you grant your financial advisor and Edward Jones the authority to exercise

investment and trading discretion for your enrolled Account on an ongoing basis and take other trading actions without first consulting with you. Your financial advisor will exercise this authority over your Account as an investment adviser representative of Edward Jones and is your primary point of contact. After you have selected your Account Portfolio Objective, your financial advisor will choose from the eligible investments to implement your Account Portfolio Objective. Edward Jones and your financial advisor will be responsible for monitoring your Account on an ongoing basis, including directing the buying and selling of investments in your Account and as necessary bringing your Account into alignment with the Investment Diagnostics and Target Ranges for your Account Portfolio Objective. As a result, the specific investments and asset allocation for your Account may change over time, and deviate substantially from your initial asset allocation, to reflect the realignment of your portfolio with our advice. Realignment may include buying one or more investments in your Account and/or selling one or more investments and reinvesting the proceeds in your Account. In certain instances, Edward Jones may take action in place of your financial advisor to realign your FA Managed Account in accordance with the Investment Diagnostics or Target Ranges. Account alignment transactions may result in tax consequences as well as additional fees and expenses.

When you select FA Managed, you give the financial advisor and other Edward Jones personnel authority to take certain actions, which includes but is not limited to: buying, selling, or replacing eligible investments, determining and changing the asset allocations and categories, using discretion as to the time a trade will be made and the price paid, aggregating trades, reinvesting dividends, using proceeds to pay for the IAP Fee, and selecting or exchanging the mutual fund share class (the share class exchanged to may not be the lowest-priced share class available).

If you elect to enroll in one or more systematic investing programs for your Account, Edward Jones will automatically purchase, sell or exchange certain securities as determined by your Financial Advisor on a periodic basis. The discretionary investment and trading authority you give to Edward Jones does not include the ability to withdraw, disburse, or transfer funds or securities from your Account, which will continue to require your prior authorization except with respect to the payment of the IAP Fee.

Some financial Advisors are part of a team, and in such cases, other financial advisors and other licensed professionals that are part of your financial advisor's team may act on your financial advisor's behalf from time to time. Such services include but are not limited to exercising investment and trading authority for your Account as investment adviser representatives of Edward Jones. Accordingly, with respect to granting discretionary authority when selecting the FA Managed Strategy, references to your "financial advisor" include your financial advisor's team. Additionally, there may be circumstances where Edward Jones' home office may take action with respect to your Account, including but not limited to exercising investment and trading discretion for your Account, where required to take such action under Edward Jones' policies

and procedures. Edward Jones retains the authority to remove your financial advisor at any time from the FA Managed Strategy. In such event, we will attempt to contact you and will offer, subject to your direction and consent, to transfer your Account to another Strategy offered by Edward Jones. If we are unable to contact you or you fail to respond to our offer within a reasonable period of time, we may elect to terminate your Account.

*Client Directed.* When selecting the Client Directed Strategy, you maintain discretion over the Account. This means that after you have selected your Account Portfolio Objective, you may choose from among the investment options available to implement your Account Portfolio Objective and you decide how much to invest in each eligible investment within the Target Ranges. You are also responsible for directing the buying and selling of eligible investments in your Account as necessary to bring your Account into alignment with the target ranges for your Account Portfolio Objective.

Edward Jones will review your Account and periodically notify you when your Account is out of alignment with the Target Ranges or Investment Diagnostics for your Account Portfolio Objective, and you will be responsible for realigning your Account within the time frame established by Edward Jones. To realign your Account, you must provide instructions to Edward Jones to buy one or more investments in your Account, to sell one or more investments and reinvest the proceeds in your Account, to sell an investment and transfer the proceeds to another Account, to transfer an investment to another Account, or to deposit additional assets in your Account. Such transactions may result in tax consequences as well as additional fees and expenses.

You are responsible for all trading and investment decisions in your Account and should not rely solely on the recommendations of Edward Jones or your financial advisor in choosing among eligible investments.

For all Strategies, if you are otherwise limited or restricted from purchasing a security in your Account, you may elect to purchase, or based on your specific situation, your financial advisor may recommend you purchase the same security in an Edward Jones brokerage account.

You may elect to impose restrictions as applicable on the purchase of specific securities for your Account so long as the restrictions are reasonable as determined by us and your portfolio can be maintained within proper alignment when the restrictions are applied. When a security is restricted from purchase, your Account performance may be adversely impacted. You may restrict the mutual funds or ETFs your Account may invest in, but not the actual securities in which the underlying mutual fund or ETF invests.

**Rebalancing.** Rebalancing options are as follows:

*Managed Solutions and Custom Managed Solutions.* In order to keep your Account in line with your target allocations, generally your Account will be automatically rebalanced if the eligible investments comprising your portfolio have deviated too far from the target asset allocations ("Threshold Rebalancing"). Rebalancing will occur if either eligible investments or Asset

Allocation Categories are out of balance by an amount or for a time period determined by Edward Jones. Rebalancing is achieved by buying, redeeming or selling shares of eligible investments, which may include affiliated mutual funds, until the asset allocation in your Account is in alignment with the target asset allocation. We may also rebalance your Account if an eligible investment is removed from the list of eligible investments or an eligible investment is added to your portfolio. Your Account may also be reallocated, in whole or in part, from unaffiliated mutual funds and/or ETFs into affiliated mutual funds. Rebalancing trades are subject to certain dollar minimums as determined by Edward Jones, in our sole discretion. You will not be notified before a rebalance occurs. Neither asset allocation nor rebalancing is guaranteed to produce a profit or protect against loss. Rebalancing trades in a taxable Account may result in taxable events as well as additional fees and expenses.

If utilizing SMAs, rebalancing is performed by the Overlay Manager. If, pursuant to parameters determined at the sole discretion of Edward Jones, the percentage of an Asset Allocation Category or an eligible investment in your Account has drifted too far from its target, the Overlay Manager will determine which securities to buy and sell to rebalance the Account in a tax-efficient manner.

*Managed Solutions.* Pre-constructed portfolios will be automatically rebalanced using Threshold Rebalancing if the Eligible investments comprising your portfolio have deviated too far from the target asset allocations. Threshold rebalancing for pre-constructed portfolios generally includes rebalancing the weightings of your existing investments in your portfolio as needed and without your authorization. Since portfolios that include greater personalization consider factors unique to your situation, Accounts using greater personalization will be automatically rebalanced as needed using Threshold Rebalancing while also taking into account such preferences and tax impact. Threshold rebalancing for personalized portfolios generally includes rebalancing the weightings of your investments in your portfolio and/or changing the investments in your portfolio without your authorization.

*Custom Managed Solutions.* If your Account contains at least \$25,000 in assets, you may choose between receiving Threshold Rebalancing, or having your Account automatically rebalanced on an annual basis to restore your Account to its target allocations ("Annual Rebalancing"). You will not be notified before receiving Annual Rebalancing or Threshold Rebalancing. Only Annual Rebalancing is available for Accounts with less than \$25,000 in assets. In addition to these rebalancing options, you may be eligible for on-demand rebalancing. Upon receipt of your on-demand rebalancing request, your Account will be rebalanced by Edward Jones to restore your Account to its target allocations. In periods of high demand, we will rebalance your account at the earliest opportunity. On-demand rebalancing will not be available if your Account has been rebalanced within thirty-one (31) days prior to your request, if your Account is being automatically rebalanced at the time of your request, or if your Account is otherwise restricted by Edward Jones. On-demand rebalancing

also may not be available while your Account's target allocations are out of alignment with your Account Portfolio Objective's Target Ranges or Investment Diagnostics. If your on-demand rebalancing request is received within 31 days prior to an annual rebalancing date, the on-demand rebalancing will serve as the annual rebalancing.

If you have elected Threshold Rebalancing in your Account but your investments have not sufficiently deviated from the Target Ranges after twenty-four months and you have not completed an on-demand rebalance during the same period, Edward Jones will rebalance your account back to the Target Ranges.

If utilizing SMAs in Custom Managed Solutions, only Threshold Rebalancing will be available.

*FA Managed.* Your financial advisor will be responsible for monitoring and realigning your Account in his or her sole discretion.

*Client Directed.* The Client Directed Strategy does not offer an automatic rebalancing feature. If your account becomes misaligned with your Account Portfolio Objective, you will need to work with your financial advisor to make any adjustments to your Account. In the event your Account moves out of alignment, you will be notified in accordance with Edward Jones's time frames for notification. If you do not provide instructions to Edward Jones to realign your Account within the required time frame, your Account will be removed from IAP.

**Ineligible Investments.** You will not be able to hold any investment in your Account that Edward Jones has deemed ineligible or that is unavailable for your Account. In the event that Edward Jones re-categorizes an investment from an eligible investment to an ineligible investment, the following action will occur:

*Managed Solutions and FA Managed.* Edward Jones or your financial advisor will take action to liquidate and replace the investment on your behalf without notice to you.

*Custom Managed Solutions.* Edward Jones will notify you and you must provide your financial advisor with instruction to replace the investment within the time frame established by Edward Jones. If no instructions are received within the established timeframe or such shorter time, as may be determined by Edward Jones, Edward Jones will effectuate the replacement trade in its sole discretion.

*Client Directed.* Edward Jones will notify you and you must provide your financial advisor with instruction to replace the investment within the time frame established by Edward Jones. If you do not provide instructions to remove an ineligible investment within the time frame established by Edward Jones, your Account will be removed from IAP.

Until the ineligible investment is replaced, there is a possibility that additional shares of the ineligible investment may be purchased. Such purchase(s) may occur in certain instances including, but not limited to, when dividend reinvestments occur. The purchase of additional shares of an ineligible investment and the eventual removal of such shares may result in a taxable

event. Additionally, the replacement eligible investment may be subject to higher internal expenses than the prior investment and may result in your target allocations being out of alignment with the Target Ranges or Investment Diagnostics for your Account Portfolio Objective.

**Brokerage Services.** IAP trades are typically executed through Edward Jones. When Edward Jones executes trades for your Account, we are not acting as an investment adviser, but solely as a broker-dealer. You cannot request that your orders be executed through another broker-dealer. Not all investment advisers require their clients to execute their trades through a certain broker-dealer as we do.

Trading in your Account will be subject to our trading policies and practices. You will not be charged trade commissions or mark-ups on trades. However, IAP may cost you more or less than purchasing advisory services and brokerage services separately, depending on certain factors such as the frequency of your trading.

IAP trades are often aggregated. This means that trades for your Account are combined with other client accounts, including accounts for Edward Jones associates, and executed in a single trade or series of trades. Once the trade is executed, it is then allocated to your Account in the proper amount. Trade aggregation is done to increase operational efficiencies and allows us to keep trading costs down.

Eligible investment trades that are aggregated are executed each trading day at times determined by Edward Jones. If an eligible investment trade is made after the last designated trade aggregation cutoff time, it will be executed on the next business day. You may not receive the same price as trades executed the prior trading day. As a result, trade aggregation may affect the price you receive for an eligible investment in your Account.

ETF trades may be rounded to the nearest whole share. If there is not sufficient cash or assets invested in a money market fund to cover rounding, Edward Jones is authorized to sell a sufficient amount of assets held in your Account to purchase a whole ETF share which may cause your Account to be out of alignment. Such transactions would be effected without regard to tax consequences. Additionally, you may have to pay redemption fees to a fund company if those ETF shares were held for only a short time.

*Managed Solutions and Custom Managed Solutions.* Custom Managed Solutions trades are not aggregated with Managed Solutions trades when we remove an eligible investment from the list of eligible investments. Because Custom Managed Solutions Accounts are typically given notice and time to select an eligible investment replacement other than the recommended eligible investment replacement, such trades will normally trade after Managed Solutions Accounts. As a result, trades placed in the same eligible investment may execute at different prices when purchased in Managed Solutions versus Custom Managed Solutions Accounts.

*Managed Solutions and Custom Managed Solutions with SMAs.* When utilizing SMAs, the Overlay Manager and Executing SMA



Managers have discretion over your Account. Edward Jones executes trades at the direction of the Overlay Manager and Executing SMA Managers. Edward Jones may also engage in “cross transactions”. This means that we act as a broker-dealer for advisory clients on both the sell side and the buy side of the same transaction. When this occurs, the Overlay Manager or Executing SMA Managers will direct all trades and will instruct either Edward Jones or another broker-dealer to execute those trades. Edward Jones will engage in cross transactions only where permitted under applicable law.

The Overlay Manager and Executing SMA Managers are required to seek best execution for all trades, which means the Overlay Manager and Executing SMA Managers have full authority to execute trades with those broker-dealers that they believe are capable of providing the best qualitative execution under the circumstances. For IAP, you will not pay additional trading costs when Edward Jones executes a trade order in your Account as broker-dealer. For this reason, the Overlay Manager and Executing SMA Managers may determine that Edward Jones’ execution capabilities as broker dealer provide the most favorable option for placing trade orders in your Account. However, the Overlay Manager and Executing SMA Managers may choose to execute trades with another broker-dealer if they reasonably believe another broker-dealer can obtain a more favorable execution under the circumstances. This practice is frequently referred to as “trading away,” and these types of trades are frequently called “step-out” trades. Step-out trades are executed at another broker-dealer and cleared and settled at Edward Jones.

If the Overlay Manager or Executing SMA Manager executes trade orders with another broker-dealer, you will incur trading costs in addition to the IAP Fee. The trading costs for step-out trades to another broker-dealer may include commissions, markups, mark-downs or “spreads” paid to market makers in addition to the IAP Fee. Additionally, if a foreign currency transaction is required, a foreign broker-dealer may receive compensation in the form of a dealer spread, markup or mark-down. There may be other exchange or similar fees, including, but not limited to, foreign ordinary conversion and creation of American Depositary Receipts, charged by third parties as well as foreign tax charges. All of these charges are in addition to the IAP Fee. In complying with its best execution obligation, the Overlay Manager or Executing SMA Managers will review several factors that reflect on the quality of the trade execution of the broker-dealer. These additional trading costs may be one of several factors the Overlay Manager or Executing SMA Managers assess when deciding to trade away. The Overlay Manager or Executing SMA Manager may also consider other factors such as: the nature of the security; the size and type of transaction; the nature and character of the markets involved; the executing broker’s execution, clearance and settlement capabilities as well as its reputation; soft-dollar arrangements; the importance of speed, knowledge, efficiency, consistency and anonymity provided by the executing broker; and additional investment opportunities. The Overlay Manager and each

Executing SMA Manager may consider different factors or may place different weight on the factors it uses to meet its best execution obligation. The Overlay Manager’s and Executing SMA Managers’ best execution obligations do not require the Overlay Manager or Executing SMA Managers to obtain the best price or the lowest available cost of trade orders.

Clients should be aware that some Executing SMA Managers have historically placed all or substantially all of their client trades as step-out trades with another broker-dealer for execution. As a result, these types of Executing SMA Managers and their Strategies could be more costly to a client than Executing SMA Managers that primarily place trades with Edward Jones for execution. Additionally, the Overlay Manager has at times engaged in trading away. Please see Edward Jones’ website at [www.edwardjones.com/advisorybrochures](http://www.edwardjones.com/advisorybrochures) for more information regarding the percentage of stepped-out trades placed by the Overlay Manager as well as a list of Executing SMA Managers who informed Edward Jones that they traded away from Edward Jones during the most recent year and general information about the additional cost (if any) of those trades.

Edward Jones does not engage in soft-dollar arrangements; however, the Overlay Manager or Executing SMA Managers may direct transactions to brokers in return for brokerage or research services. In certain instances, the Overlay Manager or Executing SMA Managers engaged in soft-dollar arrangements may pay a broker-dealer (other than Edward Jones) higher commissions than another broker-dealer adequately qualified to effect such transactions would have charged where the Overlay Manager or Executing SMA Manager determines in good faith that the commission is reasonable in relation to the value of the soft-dollar benefits received. Soft-dollar arrangements may be considered as a factor in best execution determinations but will not replace the duty of the Overlay Manager and Executing SMA Managers to seek best execution for trades in your Account(s).

The Overlay Manager and Executing SMA Managers may participate in other wrap fee programs sponsored by firms other than Edward Jones. In addition, the Overlay Manager or Executing SMA Managers may manage institutional and other accounts that are not part of a wrap fee program. In order to avoid buying or selling the same security for all client accounts through multiple broker-dealers, the Overlay Manager or Executing SMA Managers may decide to aggregate all such client transactions into a block trade that is executed through one broker-dealer. This practice may enable the Overlay Manager or Executing SMA Managers to obtain more favorable execution, including more favorable pricing, than would otherwise be available if orders were not aggregated. Using block transactions may also assist the Overlay Manager or Executing SMA Managers in potentially avoiding an adverse effect on the price of a security that could result from simultaneously placing multiple separate successive or competing client orders. This practice generally results in “trading away” from Edward Jones.

Alternatively, the Overlay Manager or Executing SMA Managers may use a trade rotation process where one group of clients may have a transaction effected before or after another group of



clients. The Overlay Manager or Executing SMA Managers implement their trades with certain clients, custodians or sponsors using a trade rotation process in order to minimize the impact of their trading on the securities or markets in which they trade. These trade rotation practices may result in a transaction being effected for your Account near or at the end of the Overlay Manager or Executing SMA Managers' rotation, resulting in your Account bearing the market price impact, if any, of those trades executed earlier in the rotation. This may result in your receiving a less favorable net price for the trade.

The Overlay Manager and Executing SMA Managers are responsible for ensuring they comply with their best execution obligations to you. You should also review the Overlay Manager's and/or any relevant Executing SMA Managers' Form ADV Part 2A Brochure to learn about their respective trading practices and consider that information carefully before choosing to invest in SMAs. In particular, you should carefully consider any additional trading costs you may incur.

Additionally, you should review the Overlay Manager's and each discretionary Executing SMA Manager's and non-discretionary SMA Manager's Form ADV Part 2A Brochure and Part 3 Client Relationship Summary for more information about their services, soft-dollar, trade aggregation and trade rotation practices, and any related conflicts of interest. Brochures for the Overlay Manager and all SMA Managers, discretionary or non-discretionary, can be found at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Trade Allocation.** From time to time, the volume and/or number of trades that must be executed for Accounts may exceed Edward Jones' operational and technological capacities if these trades are made on a single day. For example, this may occur if Edward Jones is removing or re-categorizing an eligible investment from the list of eligible investments, if a large number of Accounts need to be rebalanced, or by request of the manager or sponsor of an eligible investment. In order to maintain the orderly processing of trades and to minimize the incidence of errors, Edward Jones may decide to allocate trades based on the time of order entry or over an extended period of time. This may result in clients receiving different prices during such events.

In addition, if the volume or size of redemptions required to be effected as a result of the removal or re-categorizing of an eligible investment from the list of eligible investments or the rebalancing of a large number of accounts exceeds the limits set forth in the eligible investment's trading policies and procedures, the eligible investment may exceed the standard settlement period to process redemptions or may redeem positions in-kind. In such circumstances, client assets may not be fully invested and may be subject to market risk between the redemption date and the reinvestment of the assets. Alternatively, Edward Jones may rely on the allocation process described above to affect the redemptions over time in a manner consistent with the limits set forth in the eligible investment's trading policies and procedures.

**Principal Trading.** Principal trading occurs in the following scenarios:

*Trade Errors.* In certain circumstances, trade errors may occur in

your Account. When a trade error occurs that is caused by the actions of Edward Jones, we will work to promptly correct the error. It is Edward Jones' policy to use an Edward Jones error account to correct trades. This may result in there being trades placed between your Account and an Edward Jones error account. When using an error account, we engage in "principal transactions." This means that we will transact with you from our own inventory of securities. If the process of resolving trade errors results in a net gain in the error account, as accrued and calculated on a periodic basis, we will donate the amount of such gain to charities chosen by Edward Jones.

*Fractional Shares.* Edward Jones may execute trades for Accounts as principal to purchase a security from you for our inventory in connection with fractional share liquidations following your consent and direction. Principal transactions cause a conflict between Edward Jones' and your interests, including when Edward Jones generates additional revenue due to market movement, resulting in gains on our inventory positions.

*Principal Trading in Client Directed with Planning Group Consent.* Edward Jones may execute trades for Client Directed Accounts as principal by selling a security from our inventory to you or purchasing a security from you for our inventory. Principal transactions cause a conflict between Edward Jones' and your interests, including when Edward Jones generates additional revenue due to market movement, resulting in gains on our inventory positions. Edward Jones also has an incentive to recommend the purchase of a security held in our inventory that is difficult to sell, a conflict addressed by Edward Jones' policies and procedures. For principal transactions in Client Directed, Edward Jones will provide required disclosures and obtain your verbal consent prior to the trade, where permitted by law and regulation, and contingent upon receipt of consent by the Planning Group to conduct such principal trading in the IAP Authorization and Agreement Form.

**Tax-Loss Harvesting.** Edward Jones offers the Tax-Loss Harvesting ("TLH") service that is in addition to and separate from the core management of your Account. The TLH service reviews eligible investments in certain eligible taxable Accounts, on a quarterly basis, for opportunities to realize capital losses. Using trading thresholds, Edward Jones will sell a security to realize a taxable loss ("Harvestable Security") and use the proceeds to, in its sole discretion, select and purchase a different security ("Replacement Security") that will maintain the asset allocation pursuant to your chosen Account Portfolio Objective.

The Replacement Security may be any investment that qualifies as an eligible investment, even if not currently held in your Account, and will have a similar risk profile as the Harvestable Security, as determined in Edward Jones' sole discretion. Edward Jones' use of Replacement Securities seeks to avoid triggering a wash sale within the meaning of the Internal Revenue Code of 1986, as amended, and accompanying regulations ("Tax Law"); however, there is no assurance regarding how the Internal Revenue Service ("IRS") would view these transactions. The wash sale rule provides that a tax loss will be disallowed if a person buys the same security, a contract or option to buy the

security, or a “substantially identical” security, within 30 days before or after the date they sold the loss-generating security (a 61-day period). Once the 61-day wash sale period has expired, Edward Jones will typically sell the Replacement Security, and then reinvest the proceeds back into the eligible investments in your Account in accordance with your selected Account Portfolio Objective. Please contact your financial advisor to learn more about the TLH service, including its availability.

***TLH Eligibility for Managed Solutions and Custom Managed Solutions.*** The TLH service applies to eligible investments in an eligible taxable Account (“Eligible TLH Account”). Eligible TLH Accounts include Managed Solutions or Custom Managed Solutions Strategies which generally contain at least \$25,000 in assets in the Eligible TLH Account. The TLH service will exclude eligible investments with missing cost basis information or those eligible investments that do not, based on the sole determination of Edward Jones, have an alternative Replacement Security to tax-loss harvest. Similarly, the TLH service will not be available to accounts that are not active or have certain account-level restrictions in place. Any purchase or sale of eligible investments to rebalance your account to the target asset allocation by Edward Jones as part of a model trade will take precedence over the TLH service.

***TLH Enrollment for Managed Solutions and Custom Managed Solutions.*** Before enrolling in Managed Solutions or Custom Managed Solutions, discuss with your financial advisor whether you are electing the TLH service for your Account.

You may elect the TLH service whether in Managed Solutions or Custom Managed Solutions or unenroll at any time by informing your financial advisor. If you are transitioning any account to an Eligible TLH Account or switching your Strategy within Eligible TLH Account(s), you must inform your financial advisor if you wish to keep, add, or remove your previous TLH election. Any TLH service elections or unenrollment instructions for an Account can be provided by any Account holder for that Account without the authorization of the other joint Account holder(s).

The timing of your enrollment in the TLH service will determine when your Eligible TLH Account will be initially reviewed for tax-loss harvesting opportunities; however, Edward Jones does not offer guarantees that your Eligible TLH Account will be initially reviewed for tax-loss harvesting opportunities within the same calendar quarter that you enroll in the TLH service.

***TLH Limitations.*** The TLH service does not consider certain characteristics unique to an investment that may result in changes to an investment’s final cost basis, such as eligible investments that have been gifted to you. When providing the TLH service in an Account, Edward Jones will not take into consideration securities held in other investment advisory or brokerage accounts at Edward Jones, including other Account(s) enrolled in the TLH service or accounts in other financial institutions (if applicable). Therefore, transactions in other investment advisory or brokerage accounts, including other Accounts enrolled in the TLH service at Edward Jones or accounts at other financial institutions, can adversely affect whether a capital loss that is harvested in the Eligible TLH

Account will benefit the client. Accordingly, it is the client’s responsibility to monitor any other accounts at Edward Jones or other financial institutions to avoid any Wash Sales. You should consult your tax and/or legal advisor prior to selecting the TLH service, as well as on an ongoing basis, to determine whether the Wash Sales rule or other tax rules apply to the trading activity in your Eligible TLH Account or in other investment advisory or brokerage accounts at Edward Jones or other financial institutions, if applicable.

***TLH Frequency and Implementation.*** For the Account(s) utilizing the TLH service, we will review eligible investments for capital losses on a quarterly basis. In certain circumstances (for example, if market conditions present an opportunity), we may, in our sole discretion, review and/or conduct harvesting more than once in a calendar quarter. Alternatively, we may, in our sole discretion, postpone or not conduct tax-loss harvesting if, for instance, market volatility is causing excessive market movement that may impact the results of harvesting or in situations where we determine harvesting is not appropriate. As a result, Edward Jones makes no guarantees regarding the frequency and/or timing of tax-loss harvesting and will not be liable for any tax consequences, losses, or missed opportunities arising from our decisions whether to review your Account(s) or conduct harvesting. Each TLH service event is pursuant to trading thresholds as established by Edward Jones through its TLH service (which include, but are not limited to minimum trade amounts, minimum loss percentages and maximum portfolio turnover percentages) and are subject to change without notice to the client. The date Edward Jones reviews your Eligible TLH Account for tax-loss harvesting opportunities may not align with, or be changed for, market events that may impact, even significantly, the value of the eligible investments in your Account. Therefore, not all losses will be realized. You will not be notified before tax-loss harvesting occurs.

***TLH Ineligibility if utilizing SMAs, Client Directed, and FA Managed.*** If utilizing SMAs in Managed Solutions or Custom Managed Solutions, the TLH service will not apply. For Accounts with one or more SMAs, the tax-efficient management services will be provided by the Overlay Manager as further described in this Brochure and in the Overlay’s Manager’s brochure.

Additionally, the Client Directed and FA Managed Strategies do not provide tax efficient strategies or tax advice. Your financial advisor may take into account tax considerations as one factor among others when making investment and trading decisions for your Account. However, these Strategies do not provide quantitative or programmatic tax-loss or gain harvesting services and will not monitor for tax consequences on an ongoing basis. You should consult with your tax advisor for tax advice, including advice on potential tax consequences of trading activity.

**Systematic Investing in Client Directed and FA Managed.**

Systematic investing programs provide for the capability to automatically purchase, sell or exchange certain securities on a periodic basis. These systematic investing programs include: (i) automatic dividend reinvestments (“Dividend Reinvestment Program”); (ii) automatic distribution cross reinvestments

("Cross-Reinvestment Program"); (iii) periodic transactions of certain mutual funds ("Systematic Mutual Fund Program"); and (iv) periodic transactions of certain equity securities ("Dollar Cost Averaging Program"). In order to participate in the systematic investing program(s), the client will need to enroll by providing oral or written instruction to their financial advisor.

For Client Directed, the client will determine the securities subject to the systematic investing program(s). For FA Managed, the financial advisor will determine the securities subject to the systematic investing program(s). Edward Jones will act as agent with respect to such securities. Participation in a systematic investing program is voluntary, and the client can modify or discontinue participation at any time. Only certain securities, as determined by Edward Jones, are eligible for participation. Participation in a systematic investing program does not ensure profits on investments or protect against losses in declining markets. Edward Jones is not recommending the purchase or sale of any security by designating it as eligible for participation in a systematic investing program.

**Dividend Reinvestment Program.** If participating in the Dividend Reinvestment Program, dividends or distributions paid on eligible non-mutual fund securities selected will automatically be reinvested into shares of the same security. The eligible securities selected may change from time to time. Edward Jones will purchase shares of the reinvestment security in the open market, and the price paid will be the weighted average price paid by Edward Jones in any such market transaction(s). Mutual fund dividends and capital gains will be reinvested by default.

Generally, reinvestment purchases will be made in advance of and credited to the Account on the distribution payment date. In the event the distribution payment amount on an owned security is not known in advance, the purchase and reinvestment will be made as soon thereafter as the amount of the distribution payment can be calculated with certainty, including any necessary currency conversions. If a company offers its shareholders an option to receive their dividend in company stock, known as a scrip dividend, Edward Jones will use the cash or reinvest election as the basis for allocating the dividend payments. If elected company stock is included in the Edward Jones Dividend Reinvestment Program and the company suspends or cancels its company stock option, Edward Jones will continue the accumulation of shares by reinvesting the dividends through Edward Jones' Dividend Reinvestment Program. If the company subsequently reinstates its company stock option and the client is reinvesting, the dividends will be paid in company stock in accordance with the company's scrip dividend program.

**Cross-Reinvestment Program.** If participating in the Cross Reinvestment Program, dividends from securities and/or distributions from eligible mutual funds may be automatically reinvested into shares of certain eligible mutual funds as selected ("Cross Reinvestment Security"). For FA Managed, the securities, eligible mutual funds, and/or Cross-Reinvestment Securities selected by the financial advisor may change from time to time.

Generally, for non-mutual fund securities, on the business day prior to the distribution payment date, Edward Jones will invest

the funds received into shares of the Cross-Reinvestment Security, which will settle on the following business day. Generally, for mutual funds, on the same business day as the distribution payment, Edward Jones will invest the funds received into shares of the Cross-Reinvestment Security, which will settle on the following business day. The price paid for such Cross-Reinvestment Security will be the public offering price of the security, as determined in its prospectus. The cross-reinvestment of distributions from one mutual fund to another mutual fund is generally only permitted among affiliated funds and may otherwise be limited by the terms of the funds' prospectus and other fund documents.

**Systematic Mutual Fund Program.** If participating in the Systematic Mutual Fund Program, Edward Jones will periodically purchase, sell or exchange shares of eligible mutual funds selected and held in the Account. As described in the applicable fund prospectus and other fund documents, purchases will be made at the public offering price and sales or exchanges executed at the net asset value. These transactions will be executed automatically on a monthly, quarterly, semiannual or annual basis, and at the dollar amount specified by the financial advisor (in FA Managed) or by the client (in Client Directed) for such transactions. The eligible mutual funds selected by my Financial Advisor (in FA Managed) may change from time to time.

**Dollar Cost Averaging Program.** If participating in the Dollar Cost Averaging Program, Edward Jones will periodically purchase or sell shares of eligible securities on a monthly basis. The price per share will be the weighted average price per share of all related trade(s). A separately signed form may be required for participation in the Dollar Cost Averaging Program.

In lieu of receiving immediate confirmations for mutual fund transactions made pursuant to systematic investments or withdrawals and for dividend and/or capital gain reinvestments available, Edward Jones may report the details of such transactions on my account statement.

**Systematic Investing in Managed Solutions and Custom Managed Solutions.** Refer to the Investment and Trading Discretion section for the systematic investing features associated with the Managed Solutions and Custom Managed Solutions Strategies.

**Margin Loans for FA Managed and Client Directed.** Eligible non-retirement Account clients utilizing a FA Managed or Client Directed Strategy may obtain margin loans collateralized by marginable securities held in their Accounts. Margin loans for these Accounts may be used for "Personal Line of Credit Loans" or "Overdraft Coverage," but generally may not be used for the purpose of purchasing securities on credit. When Edward Jones extends a margin loan to you, it is not acting as an investment adviser but solely as a broker-dealer. In making the decision to take out a margin loan, it is important you understand the risks associated with using margin, the costs of margin loans, and how the performance of your Account may be negatively affected. Please see the Edward Jones Margin Disclosure Statement and the Statement of Credit Terms (the "Margin Disclosure") for a discussion of the risks as well as "Margin Risk" below before



taking out a margin loan. The Margin Disclosure also includes a discussion of the costs of margin loans. As discussed below, you will pay interest charges on your margin loans in addition to the IAP Fee. Before taking out a margin loan in your Account, first evaluate the intended duration of the loan and your other options, including alternative loan options or liquidating securities. It is our view that margin loans are most appropriate when short in duration. To the extent that a margin call is triggered in connection with your Account and we are forced to sell any securities or other assets to satisfy the margin call, we will act solely in our capacity as a broker-dealer and lender (and not as an investment adviser). Moreover, if selling such securities in order to satisfy a margin call, we will prioritize our interest over your interests. Your financial advisor cannot obtain a margin loan for you with respect to your Account without your authorization. Additionally, it is important to note that if you would like to change the Strategy for your Account to one that cannot hold a Margin, you will be required to satisfy the entirety of the loan balance before changing Strategies. Additionally, if you terminate your Services Agreement and do not instruct us to transfer the assets in your Account to another Edward Jones account that is eligible for the margin loan: (i) the margin loan (if any) associated with your Account will be terminated by us; (ii) all outstanding obligations will immediately be due and payable; and (iii) we will liquidate securities or assets pledged as collateral (without notice to you) in an amount sufficient to satisfy outstanding obligations. Edward Jones will act solely in its capacity as a broker-dealer in connection with any such liquidation, not as an investment adviser. To learn more about the margin loan offering and its availability, please contact your financial advisor.

**Edward Jones Reserve Line of Credit for Managed Solutions and Custom Managed Solutions.** Certain IAP non-retirement Accounts utilizing a Managed Solutions or Custom Managed Solutions Strategy may be eligible to serve as collateral in support of securities-based loans offered by Edward Jones SBL, LLC (the “Lender”), a non-investment adviser, non-bank affiliate of Edward Jones. The securities-based lending offering is called the Edward Jones Reserve Line of Credit (“Reserve Line”). The terms and conditions applicable to the Reserve Line are governed by the Edward Jones Reserve Line of Credit Agreement (“Reserve Line Agreement”) and are not included in this Brochure. Client “Obligations” (as that term is defined in the Reserve Line Agreement) are collateralized by the 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 support your Obligations and you will not be permitted to withdraw securities or funds from your Account unless sufficient collateral remains to support your Obligations as required under the Reserve Line Agreement. The availability of the Reserve Line will depend on whether the Lender is authorized to extend credit in the state where you reside, the value of the assets, including securities held in the pledged Accounts and the eligibility guidelines set forth in the Reserve Line Agreement. The Lender at its sole discretion may refuse a request for a Reserve Line Advance. Reserve Line

Advances may be used for personal and business purposes but may not be used for the purpose of purchasing securities or reducing or retiring any indebtedness incurred to purchase securities.

Before making the decision to take a Reserve Line Advance, it is important that you understand the terms and conditions of the Reserve Line Agreement; the risks and costs associated with taking a Reserve Line Advance; and how the performance of your Account may be negatively affected. Please review the Reserve Line Agreement for a discussion of the risks as well as the “Reserve Line Risk” section below before taking a Reserve Line Advance. The Reserve Line Agreement also includes a discussion of the costs of these advances. You will pay interest charges on a Reserve Line Advance to the Lender, which are separate from, and in addition to, the IAP Fee you pay us. Before taking out a Reserve Line Advance, first evaluate the intended duration of the advance and your other options, including alternative loan options or liquidating securities. It is our view that the use of securities-based lending is most appropriate when short in duration. The costs of a Reserve Line Advance, including interest charges, and IAP Fee may be greater than the income generated by your Account and, as a result, your Account’s value may decrease. To the extent that a “Maintenance Call” (as that term is defined in the Reserve Line Agreement) is triggered in connection with your Reserve Line and the Lender instructs us to liquidate any pledged collateral, we will act solely in our capacity as a broker-dealer and not as an investment adviser. Moreover, in causing the liquidation and sale of such pledged collateral to satisfy a Maintenance Call, the Lender will prioritize its interests over your interests. Edward Jones is obligated to adhere to this order of prioritization, thus Edward Jones will address the Lender’s interests before your interests, and further, we will prioritize our interests before your interests.

It is important to note that if you change the Strategy for your Account to one that cannot hold a Reserve Line balance, you will be required to satisfy the entirety of the loan balance before changing Strategies. Additionally, if you terminate your Services Agreement and do not instruct us to transfer the assets in your Account to another Edward Jones account that is eligible for the Reserve Line, the Reserve Line (if any) associated with your Account will be terminated by the Lender and all outstanding obligations will immediately be due and payable. The Lender may instruct us to liquidate securities or assets pledged as collateral (without notice to you) in an amount sufficient to satisfy outstanding obligations. Edward Jones will act solely in its capacity as a broker-dealer in connection with any such instruction, not as an investment adviser. To learn more about the Reserve Line offering and its availability, please contact your financial advisor.

**Alternative Investment Services Pilot in Custom Managed Solutions.** Edward Jones is conducting a pilot in Custom Managed Solutions that offers qualifying clients the ability to buy and sell Alternative Investments and temporary access to an unaffiliated money market fund for pending purchase requests (the “Alternative Investment Services Pilot”). The Alternative



Investment Services Pilot is offered and managed by Edward Jones on a non-discretionary basis. This means that if a portion of the Custom Managed Solutions Account is invested in Alternative Investments, that portion will be managed on a non-discretionary basis. However, the remainder of the Custom Managed Solutions Account that invests in securities other than Alternative Investments is managed by Edward Jones, the Overlay Manager, and/or an Executing SMA Manager, as applicable, on a discretionary basis as described throughout this Brochure.

*High Net Worth Clients.* If you are a client with \$5 million or more in investable assets and also eligible to purchase Alternative Investments, your Alternative Investment Services Pilot will give you access to an Edward Jones home office team that specializes in working with the complex needs of high net worth clients (the “Portfolio Strategy team” or individually the “Portfolio Strategy representative”) and your financial advisor.

*Goal Portfolio Objective and Account Portfolio Objective Prerequisites.* A prerequisite to qualifying for access to the Alternative Investment Services Pilot is that you must have selected and assigned your Account to an investment goal, which allows a Goal Portfolio Objective to be created. The Account Portfolio Objective is a component of the Goal Portfolio Objective and provides a specific portion or percentage of Asset Allocation Categories for a subset of assets or single Account connected to your investment goal. As such, another prerequisite to qualifying for access to the Alternative Investment Services Pilot is that you must have selected an Account Portfolio Objective that is aligned to your investment goal and associated Goal Portfolio Objective. For more information regarding how to review what investment goal, Goal Portfolio Objective, or Account Portfolio Objective you have selected for your Account, please contact your financial advisor.

*Advisory Services Provided.* Edward Jones will perform the following in the Alternative Investment Services Pilot:

- Recommending a model that allows an allocation to Alternative Investments that aligns to your Goal Portfolio Objective for your consideration. You are responsible for deciding if and how you want to take action on that advice.
- Initial and ongoing due diligence on the Alternative Investment and its asset manager.
- Determining and advising on the unique qualification criteria and concentration limits associated with a particular Alternative Investment purchase request.
- Recommending an Alternative Investment purchase or sale for your consideration.
- Providing the appropriate prospectus and/or offering documents of the Alternative Investment (the “Offering Documents”) to you.
- Obtaining the necessary documents to facilitate the purchase, sale, or transfer of an Alternative Investment.
- Working with you and the appropriate transfer agent, as

needed, to ensure an Alternative Investment purchase or sale request is in good order and can be moved forward to completion or settlement.

- Obtaining and providing you with valuation information on the Alternative Investment.
- Monitoring your Alternative Investment(s) and notifying you with recommended actions for your consideration if your Alternative Investment(s) is out of alignment to the Target Range for your Goal Portfolio Objective. You are responsible for deciding if and how you want to take action on that advice.
- Reviewing, at least annually, your Alternative Investments in relation to your Account Portfolio Objective and associated Goal Portfolio Objective.

*Ineligible Securities.* Edward Jones will not accept into your Account any Alternative Investment that has not been deemed an eligible investment in IAP. Further, Edward Jones reserves the right to reject, in its sole discretion, a request to transfer into IAP an existing Alternative Investment that you purchased outside of Edward Jones, even if such Alternative Investment has been identified as an eligible investment within IAP.

*Required Eligible Investments Minimum.* Edward Jones requires that you meet a minimum of \$300,000 in eligible investments in your Account as a prerequisite to access the Alternative Investment Services Pilot prior to an initial Alternative Investment purchase.

Once you have purchased an Alternative Investment in your Account, if the value of your eligible investments, excluding your Alternative Investments, in your Account falls below the requisite minimum amount, we may, in our discretion, remove your Account from IAP.

Furthermore, Alternative Investments often have minimum net worth, income, or other financial qualification requirements. These qualifications may vary depending on the Alternative Investment and you may be required to maintain these minimums to remain invested in the Alternative Investment. These qualification requirements are determined by the Alternative Investment’s asset manager and are in addition to Edward Jones’ Alternative Investments’ client eligibility requirements.

*Trading.* Once you have notified your financial advisor or Portfolio Strategy representative that you want to proceed with purchasing or selling an Alternative Investment, Edward Jones will take several actions, including:

- For purchase requests, confirm you have sufficient cash in your Account or a sale in process in your Account that would cover the purchase price of the requested Alternative Investment.
- Invest the cash in your Account that has been designated for an Alternative Investment purchase into an unaffiliated money market fund of Edward Jones’ choosing. The IAP Fee will be charged on the value of the unaffiliated money market position while you hold that position in your Account.
- Provide you with the applicable documents associated with the

requested Alternative Investment including, but not limited to, the Offering Documents, the investor application and contract associated with that Alternative Investment, and the Edward Jones Alternative Investments Client Acknowledgement form (collectively, the “Alternative Investment Documents”) for your review and completion. It is very important that you review every document in the Alternative Investment Documents in-depth. These resources contain important information on how that Alternative Investment is structured, including unique risks, limitations, such as restrictions on when or how you can sell your investment, and much more.

- Provide the transfer agent and/or asset manager with the completed Alternative Investment Documents and the cash from your Account to fund your Alternative Investment purchase order.
- Provide you with a pending transaction valuation in your Account to represent the value of the Alternative Investment purchase while the trade is processed and until it is settled. The IAP Fee will be charged on the value of this pending transaction.

*Valuation Availability and Timing.* An Alternative Investment does not trade at the same frequency as other eligible investments held in your Account. Valuation information for an Alternative Investment may not change for days, weeks, or months, and may be based on estimated or actual values.

The asset manager provides valuation information pertaining to your Alternative Investment, which Edward Jones utilizes to provide you position or Account valuations, statements, confirmations and tax reporting documents. Edward Jones relies solely on the valuation information provided from the asset manager and does not attest to the accuracy or completeness of such information.

The portion of the IAP Fee attributable to the Alternative Investment(s) in your Account is calculated using the valuation information available to Edward Jones for your Alternative Investment(s). For more information on the IAP Fee, including how it is calculated, please refer to the “Fees” section.

*Alternative Investment Alignment.* Edward Jones will review your Alternative Investment(s) and notify you when these investments are out of alignment with the associated Target Ranges for your Account Portfolio Objective or Goal Portfolio Objective. If your Account is out of alignment for any reason, including, but not limited to, valuation increases, you will be responsible for realigning your Account within a time frame determined by Edward Jones in its sole discretion and communicated to you. To realign the Alternative Investment(s), you must provide instructions to Edward Jones on how much of your Alternative Investment(s) you request to sell, or transfer your Alternative Investment to an Edward Jones Select brokerage account, which allows Alternative Investments transferred from an IAP Account to be held in this account as a hold-eligible investment, or third-party Account. Upon receiving your request, Edward Jones will work with you to begin the trade process, including the issuance of the Alternative Investment Documents. Such transactions may result in tax consequences as well as additional fees and expenses.

In the event you do not provide instructions to Edward Jones to realign your Alternative Investment(s) within the required time frame, Edward Jones may, in its sole discretion, determine to remove your Account from IAP.

With respect to Alternative Investments, this section and any reference to Alternative Investments throughout this Brochure will control if in conflict with any other disclosures within this Brochure.

**Custody.** Assets in your Account are held at Edward Jones as broker-dealer. However, if you have entered into an IRA Custodial Agreement with Edward Jones Trust Company (“EJTC”), assets in your IRA will be held at EJTC. EJTC has delegated its duties and responsibilities as a custodian to Edward Jones, as sub-custodian.

As custodians, Edward Jones and EJTC are responsible for:

- Safekeeping your funds and securities
- Collecting dividends, interest and proceeds from any sales
- Disbursing funds from your Account

Edward Jones (as broker-dealer) will provide all Accounts with written trade confirmations of securities transactions and Account statements for each month there is activity in the Account. You can waive the right to receive and therefore suppress certain trade confirmations in our discretionary Strategies if consented to by the Planning Group in the IAP Authorization and Agreement Form; however, you will still receive the mutual fund and ETF fund prospectus and other fund documents, when applicable. If EJTC is the custodian, the Account statement will be sent by Edward Jones on behalf of EJTC. **Please review your Account statements carefully and notify us immediately if you detect an error or a discrepancy.**

**Class Action Claim Filing Service for FA Managed, Client Directed, and only Managed Solutions or Custom Managed Solutions Strategies that utilize SMAs.** Edward Jones partners with a third-party service provider to assist with recovery services by filing claims on your behalf in certain “Class Actions” related to securities and other financial instruments held in your Account. This service is only available in the FA Managed Strategy, Client Directed Strategy, and any Managed Solutions or Custom Managed Solutions Strategies that utilize SMAs. “Class Actions” includes all U.S. state and federal class actions, Securities and Exchange Commission disgorgements, or other regulatory cases, as well as international class actions and/or collective actions involving publicly traded securities and financial instruments. As part of your Services Agreement, you have provided limited power and authority to Edward Jones and/or the third-party service provider Edward Jones partners with to submit claims on your behalf, either directly or indirectly through such third-party service provider, including execution of necessary forms and documents. Pursuant to your Services Agreement, you will be bound by, and subject to, the terms of all forms and releases that may be entered into for settlements in which a claim is filed on your behalf. In so doing, you appoint Edward Jones and/or the third-party service provider Edward Jones partners with as your administrative agent to process and administer your participation

in such asset recovery cases as a class member. This Class Action Service is a separate administrative service, is not part of the advisory services offered in IAP or covered by the IAP Fee, and Edward Jones does not act in an advisory capacity when making this service available to you. Additionally, Edward Jones will not provide legal advice to you or any other party related to your participation in such Class Actions.

Charges for the processing of class action claims shall be subject to a contingency fee assessed by the third-party service provider in the event a recovery is made. The contingency fee shall be a percentage of the total reimbursement of Class Actions settlements the third-party service provider collects. Additional service charges may apply related to the distribution and handling of payment if your Account has been closed and a paper check and/or location services/escheatment is required.

**You will be automatically enrolled in the Class Action Claim Filing Service if this service is available for the Strategy you select for your Account. However, you are not obligated to continue to provide Edward Jones with the authority to permit the third-party provider to process any such claims. Rather, you may opt out of this service and pursue such claims on your own by advising Edward Jones, in writing, of your intention to opt out of this third-party service.**

Further terms and conditions applicable to this Class Action Claim Filing Service can be found at [edwardjones.com/accountfeatures](https://edwardjones.com/accountfeatures).

**Check Writing, Debit Card, and Bill Pay Services.** If applicable, check writing, debit card, and bill pay services, established pursuant to the separate agreements for these services, are only available in the Client Directed and FA Managed Strategies. If changing Strategies on your existing account from Client Directed or FA Managed to Managed Solutions or Custom Managed Solutions, these services, if previously requested, will terminate immediately.

**Termination of IAP Services.** You or Edward Jones may terminate your participation in IAP or any Account at any time without any advisory termination fee. While oral instructions to terminate your participation in IAP or an Account are generally acceptable, Edward Jones, in our sole discretion, may require written notice in order to terminate such services.

Upon notice of termination of your participation in IAP or any Account, Edward Jones will no longer act as an investment adviser and will not be obligated to recommend any action with regard to the assets in your Account(s), but you may instruct us to sell the securities or transfer the securities to another Edward Jones account or a third-party account.

In the event of a transfer of mutual funds and/or fund share classes that cannot be held outside of your Account, Edward Jones will: (a) convert the mutual fund shares into a different share class before the shares transfer; and/or, (b) liquidate the mutual fund shares and transfer cash. Edward Jones follows the instructions of mutual fund companies to convert the shares to a different share class or liquidate the shares when transferring mutual funds. Conversions could result in higher or lower fees

and/or expenses than those paid under the previous share class and liquidations may cause a taxable event. Further, if you are seeking to transfer the securities in your IAP Account to a third-party account and the receiving firm notifies Edward Jones that it does not or cannot accept one or more securities as part of such transfer, you direct Edward Jones to liquidate the securities rejected by the receiving firm and transfer the cash.

Bridge Builder Funds are only available to be purchased or held in Edward Jones' advisory programs and are not available to be held or purchased in an Edward Jones Select brokerage account or at another financial institution. Accordingly, any positions in Bridge Builder Funds will be liquidated when you move from your Account to an Edward Jones Select brokerage account or account at another financial institution. The Edward Jones Money Market Fund is generally unavailable to be purchased or held outside of Edward Jones' advisory programs and Limited Services Account (defined below). Accordingly, in many situations, any position in the Edward Jones Money Market Fund will be liquidated if you move from your Account to an Edward Jones Select brokerage account or account at another financial institution.

Taxable gains, taxable losses, additional fees and expenses such as redemption fees or sales charges may be assessed upon the liquidation or redemption of securities. These fees and expenses may negatively impact your investment performance. If you request the assets in your Account to be liquidated, proceeds from the sale of your securities will be available upon settlement of the trades generated to complete the liquidation. Because bond markets may be less liquid, these investments, if applicable, may be more difficult to liquidate, especially during periods of extreme market volatility. Therefore, you may experience delays or adverse price fluctuations when liquidating these securities.

Upon notice of termination of your participation in IAP or any Account, the services for the Account will be significantly limited ("Limited Services Account") if you fail to instruct Edward Jones as to the disposition of assets in your Account. We will no longer act as a fiduciary to your Account, and you can no longer rely on us to provide advisory services to your Account. You will be able to receive distributions, liquidate securities, and withdraw funds from your Limited Services Account, but you will not be able to purchase new securities or add to existing positions (except for money market funds). Any transactions will be subject to fees, commissions, and sales charges applicable to Edward Jones Select brokerage accounts. You may request a copy of the applicable brokerage schedule of fees from your financial advisor at any time or visit [edwardjones.com/accountfees](https://edwardjones.com/accountfees).

For Strategies that utilize SMAs, the SMA Managers may invest in mutual funds that have been developed for use solely with their respective SMA strategy. Accordingly, any positions in such mutual funds will be liquidated if you terminate your participation in such SMA strategy or your Services Agreement is terminated. Additionally, the Executing SMA Manager or Overlay Manager may use multiple trading days following the date after Edward Jones receives your liquidation request to fully liquidate your securities if the SMA Manager or Overlay Manager believes it is



in your best interest to have a longer liquidation period.

For Client Directed and FA Managed, if you instruct Edward Jones to liquidate equity securities in your Account which include fractional shares, as an accommodation Edward Jones will purchase such fractional share(s) as principal into its own account at market value without a mark-up or mark-down. Edward Jones may make a profit on its inventory due to market movements.

For Alternative Investment(s), due to potential restrictions on when and/or how much of an Alternative Investment can be sold or transferred, Edward Jones will transfer your entire account to a Limited Services Account upon notice of termination.

## Fees

Every Account pays asset-based fees (referred to as your “IAP Fee”). Your IAP Fee includes a Program Fee, Platform Fee, and any SMA Manager Fees (if applicable), less any applicable fee reduction and/or fee offset (as discussed more fully below). In addition to your IAP Fee, eligible investments, including ETFs, affiliated mutual funds and unaffiliated mutual funds, and, as applicable, Alternative Investments, in your Account, have internal fees and expenses that are described in the fund prospectus and other fund documents of each fund. These internal fees and expenses vary depending on the particular eligible investment. If utilizing SMAs, you are responsible for the cost of commissions or transaction charges for securities trades directed by the Overlay Manager and/or Executing SMA Managers for execution by broker-dealers other than Edward Jones (i.e., “step-out” trades).

The following section explains:

- The fees and expenses
- How the fees and expenses are calculated and paid
- Potential fee reductions and offsets you may receive from Edward Jones

## The Program Fee

Every Account is charged a Program Fee for certain investment advisory services, including initial and ongoing analysis of your investment needs and objectives; periodic consultations; ongoing evaluation and selection of investments for this program; Edward Jones’ ongoing investment policy guidance and services to keep your Account aligned with such guidance; periodic performance reporting; custody and transaction execution services and other related services as described in this Brochure. The Program Fee is assessed up to a maximum annual fee rate of 1.35%, payable monthly in arrears.

## The Platform Fee

A Platform Fee is charged on Accounts enrolled in IAP 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. This fee is in addition to the Program Fee and SMA Manager Fee(s), as applicable. The Platform Fee is assessed up to a maximum annual fee rate of 0.05%, payable monthly in arrears.

## How the IAP Fee Is Calculated

The IAP Fee is based on the market value of all assets held in your Account, including but not limited to (as applicable), stocks, mutual funds, ETFs, fixed income holdings, cash, cash equivalents, third-party money market funds, and shares of the Edward Jones Money Market Fund. Margin loan balances and Reserve Line Advances, if any, do not reduce the market value of your Account for the purposes of calculating the IAP Fee. The IAP Fee is comprised of fees assessed up to the maximum annual fee rates (shown above), payable monthly in arrears. The fees assessed by Edward Jones will reduce your Account’s overall returns and performance.

The IAP Fee is charged to your Account each month in arrears. If your Account is open for part of a month, then your IAP Fee will be based on the number of days your Account was open and able to be invested. The amount you pay is determined by the average daily market value of the assets held in your Account for the previous month.

The IAP Fee calculation applies to each Strategy as follows:

- For Client Directed and FA Managed Accounts, your IAP Fee will commence once the Account is funded with at least \$5,000.
- For Managed Solutions and Custom Managed Solutions Accounts, your IAP Fee will commence once the Account is sufficiently funded in order to begin implementing your Strategy, as determined in the sole discretion of Edward Jones. However, certain account types in the Custom Managed Solutions Strategy (as referred to in Item 5) that do not contain a minimum initial investment will be charged the IAP Fee on the market value of any assets held in the Account without having to meet any funding threshold.

The IAP Fee will continue to be charged on the assets within an IAP Account upon a Strategy change even if the Account has not yet been invested into the newly selected Strategy.

Additionally, in coordination with my financial advisor, there may be instances where trading may not occur immediately after an Account is opened and able to be invested, such as when awaiting the transfer of assets or additional funding into the Account as part of implementing a selected Strategy. In such instances or other instances meant to provide greater flexibility around timing of the portfolio construction, you will be charged the IAP Fee even if the Account has not yet been invested into the selected Strategy.

For taxable Accounts, the value of any fixed income syndicate offerings acquired (as applicable) and held in your Account will be excluded from the IAP Fee calculation for a period of time as determined by Edward Jones.

## Pricing Groups

To determine your IAP Fee, your Account may be grouped with your other Accounts, other Edward Jones advisory accounts that are not part of IAP, or the Accounts or other Edward Jones advisory accounts that are not part of IAP registered to people related to or close to you who meet the criteria below that are held in the same Edward Jones branch in what we refer to as a Pricing Group. Each Account can only be in one Pricing Group, and we will disclose to



you the Accounts making up your Pricing Group upon request. Other members of the Pricing Group will receive the same disclosure upon request. Your Pricing Group is based on the following criteria:

1. Your single, joint, custodial, owner-only 401(k) plan and IRA Accounts are grouped together if they are registered at the same address and share one or more of the following: (a) the same last name, (b) the same Social Security number, or (c) the same Edward Jones Relationship Group. (If you have worked with your financial advisor to group your Accounts together for the purpose of sharing financial and nonpublic personal information in furtherance of planning for financial goals or investing, that is a Relationship Group. Your Relationship Group may be the same as your Pricing Group. Please contact your financial advisor if you have any questions about your Relationship Group.)
2. Your revocable trust Accounts are grouped with your single, joint, custodial, owner-only 401(k) plan, IRA or other revocable trust Accounts if they are registered at the same address and use the same tax ID number for tax reporting.
3. Your association, church, corporation, estate, irrevocable trust, LLC, partnership and sole proprietorship Accounts are grouped with other Accounts of the same type if they are registered at the same address and use the same tax ID number for tax reporting. These types of Accounts will be grouped with each other but not with other account types.

Additionally, Accounts that do not meet the above criteria with your Account, but that meet the above criteria with another person's Account in your Pricing Group, will be added to your Pricing Group. Furthermore, if your Account does not meet the above criteria, Edward Jones may, in our sole discretion, create a Pricing Group that accommodates your situation. Please contact your financial advisor if you have questions about your Pricing Group.

In addition, the IAP Fee may be lower in the following circumstances:

- Either Edward Jones or your financial advisor negotiates a lower Program Fee;
- You are an active or eligible retired associate of Edward Jones; or
- You are a member of an active or eligible retired associate's Pricing Group.

Edward Jones retains sole discretion to reduce the IAP Fee, up to and including a full waiver, which may result in clients being charged differently for the same or similar services.

## SMA Manager Fees

SMA Managers generally charge a fee for the development and maintenance of their SMA(s). Such fee is separate and apart from the Program Fee and Platform Fee and is referred to as the SMA Manager Fee. The annual SMA Manager Fee rates vary by SMA Manager. When Edward Jones serves as the Affiliated Manager for affiliated SMAs, there is no SMA Manager Fee charged by us

to you. For the unaffiliated SMAs available in IAP, 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 rates depend on the SMA of the Unaffiliated Manager(s) included in your Account. There is no SMA Manager Fee assessed on investments in mutual funds and ETFs held outside SMAs. For SMAs managed or recommended by Unaffiliated Managers, you pay the associated SMA Manager Fees to Edward Jones, and Edward Jones remits those fees directly to the applicable Unaffiliated Managers.

## Potential Fee Reductions or Offsets to the Program Fee

Depending on certain factors, you may be eligible to receive fee reductions or offsets to your Program Fee, as described below.

### Fee Reductions

If your Account is funded from an Edward Jones account that incurred commissions or redemption fees within a preceding period, as established by Edward Jones, the Program Fee may be reduced for up to twenty-four (24) full months in which the Account is active in IAP. The amount of the fee reduction will depend on the type of security held, timing of trade activity for the security or other characteristics of the account activity in the previous Edward Jones account. Ask your financial advisor for additional information about potential fee reductions. Any fee reductions will be applied in accordance with policies established by Edward Jones, which may be amended from time to time. If you close your Account in IAP before receiving the entire fee reduction, you will not receive any of the remaining fee reduction that may have been available for your Account. If you are selling securities to invest in IAP but did not purchase them through Edward Jones, you will not receive a fee reduction.

### Fee Offsets

**Rule 12b-1 Fees:** Some mutual fund companies or their affiliates pay Edward Jones Rule 12b-1 fees for distribution and marketing expenses. This creates a conflict of interest. In order to eliminate this conflict of interest, if we receive Rule 12b-1 fees for the shares in your Account, we will credit the amount received to your Account.

**Shareholder Accounting Revenue:** Some mutual fund companies pay Edward Jones for your Account's recordkeeping and administrative services provided by Edward Jones for the mutual fund companies. This creates a conflict of interest. In order to eliminate this conflict of interest, if we receive shareholder accounting fees for the shares in your Account, we will credit the amount received to your Account.

**Affiliated Mutual Funds:** If your Account invests in affiliated mutual funds, the investment adviser to the mutual funds will be an affiliate of Edward Jones. Affiliated mutual funds, other than the Edward Jones Money Market Fund, consist of Bridge Builder Funds and will be sub-advised by multiple sub-advisers who are unaffiliated with Edward Jones. Refer to Appendix A which contains a detailed discussion of our affiliation with the affiliated mutual funds and an explanation of the related waiver agreement.

**Edward Jones Money Market Fund:** JFC directly owns 100% of Olive Street Investment Advisers, LLC (“Olive Street”), the adviser of the Edward Jones Money Market Fund. Olive Street, and its affiliate, Edward Jones, receive various revenues related to assets in the Edward Jones Money Market Fund (collectively, “Money Market Revenue”). Appendix A includes a detailed discussion of our Money Market Revenue. For any Account investing in the Edward Jones Money Market Fund, Edward Jones or an affiliate will apply a fee offset equal to the amount of the Money Market Revenue received by Edward Jones or an affiliate, with respect to such Account.

### How the IAP Fee is Paid

The IAP Fee is deducted directly from your Account and paid using the available cash portion of the portfolio that you are invested in, which may include cash or assets invested in the Edward Jones Money Market Fund. If there is not sufficient cash or assets in the Edward Jones Money Market Fund, we (or the Overlay Manager, as applicable) are authorized to sell a sufficient amount of other assets (at our discretion) held in your Account to pay the IAP Fee. Such transactions will be effected without regard to tax consequences. You may have to pay redemption fees to a fund company if those shares were held only for a short time (see below for more information on redemption fees). Trades as a result of a liquidation of an eligible investment in a taxable Account may result in a taxable event or necessitate odd-lot sales. Odd-lot sales may result in less favorable pricing conditions. At the sole discretion of Edward Jones, you may be allowed to pay your IAP Fee from an alternate Edward Jones account.

For Managed Solutions and Custom Managed Solutions, if Edward Jones is required to sell assets to pay the IAP Fee, this may trigger a rebalance of your Account. For all other Strategies, this may result in your Account being out of alignment with the Target Ranges and/or with the Investment Diagnostics for your Account until portfolio alignment occurs.

### Internal Fees and Expenses of Mutual Funds and ETFs, Including Redemption Fees

Mutual funds (including affiliated and unaffiliated mutual funds) and ETFs have internal management fees and ongoing expenses that are deducted from the eligible investment’s assets, which has the effect of reducing the fund’s net asset value (“NAV”). Many mutual funds used in IAP have different share classes with different fees and expenses. The fund prospectus and other fund documents will describe the internal fees and expenses. Internal fees and expenses are in addition to the IAP Fee described above and vary depending on the particular mutual fund or ETF. You will not see a separate entry on your Account statement showing these fees and expenses.

Certain mutual funds may also impose redemption fees if shares of the mutual fund are held for only a short time (typically anywhere from less than thirty (30) days to twelve (12) months). Details about mutual funds can be found in the fund prospectus and other fund documents. The fund prospectus and other fund documents will describe whether the mutual fund has a redemption fee and whether there are instances when the

redemption fees will be waived. Any internal fees and expenses charged by a mutual fund or ETF will reduce your Account’s overall returns and investment performance.

### Internal Fees and Expenses of Alternative Investments, Including Redemption Fees.

The fee structures for Alternative Investments differ from other eligible investments and have the potential for significant management fees or other costs, which could raise the overall expense of investing in an Alternative Investment. Certain Alternative Investments may impose an early redemption fee that is directly charged to you and debited from your Account should you sell out of the Alternative Investment during an initial period of time set by the asset manager. Additionally, an Alternative Investment may impose internal fees that result in reduced returns and investment value to you. The fees associated with an Alternative Investment, including any early redemption fees that may be charged to you, are disclosed in the applicable Alternative Investment’s Offering Documents.

### Other Fees and Expenses Not Included in the IAP Fee

In addition to the IAP Fee described above, clients may incur other fees and expenses. You will pay interest charges on a Reserve Line Advance, if applicable, to the Lender, as set forth in the Reserve Line Agreement, which are separate from, and in addition to, the IAP Fee you pay us. You will also pay Edward Jones interest on margin loans, if applicable, as set forth in the Margin Disclosure. You may pay for other services including, but not limited to, debit and check-writing fees, fees to distribute an Account pursuant to a transfer on death agreement, estate service fees, an Account transfer fee, and/or termination fee for certain account types.

Also, the IAP Fee does not cover the following (if applicable to your Account): transfer taxes; electronic fund, wire and other Account transfer fees; internal fees and expenses incurred by mutual funds (including affiliated mutual funds) or ETFs purchased for your Account, including commissions and other transaction-related charges incurred by any such fund, even if Edward Jones or an affiliate thereof effects these transactions for the fund; mutual fund redemption fees and contingent deferred sales charges; and any other charges imposed by law or otherwise agreed to by Edward Jones and you with regard to your Account.

Deposits, including interest and dividends, received into your Account but not yet invested into IAP may earn interest that will be retained by Edward Jones. Edward Jones may also earn and retain interest on distributions requested from your Account until the time the check is cashed or another payment method is completed. The average overnight interest rate on these deposits may fluctuate daily and is tied to changes in widely referenced interbank lending rates, such as Fed Funds Effective Rate, Fed Funds Target Rate, and Secured Overnight Financing Rate. Under these arrangements, banks may pay interest based on a spread to one of these rates or may pay a fixed interest rate.

## Financial Advisor Compensation

Most financial advisors receive a portion of the Program Fee, though some financial advisors receive a salary in addition to, or in lieu of, the Program Fee. Financial advisors who receive a portion of the Program Fee have a financial incentive not to negotiate the Program Fee. The portion of the Program Fee paid to your financial advisor is at the discretion of Edward Jones. The fee rate paid to your financial advisor will be the same regardless of the Strategy, Account Portfolio Objective, or Goal Portfolio Objective (if applicable) you select. As a result, your financial advisor does not have a financial incentive to recommend one particular Strategy, Account Portfolio Objective, or Goal Portfolio Objective over another. Your financial advisor also will not receive a portion of the Platform Fee.

The amount of your financial advisor's compensation may be more or less than what he or she would receive if you had a brokerage account instead of an Account. If you purchased investments through Edward Jones as a broker-dealer, you would pay sales charges or commissions, a portion of which would be paid to your financial advisor. A financial advisor will typically earn more in upfront fees and commissions when you use brokerage services. In the alternative, a financial advisor will typically earn more over time if you invest in IAP. This creates a financial incentive for your financial advisor to recommend IAP instead of brokerage services.

Edward Jones will receive revenue as a result of you taking advances under the Reserve Line, which is based on the amount of the Reserve Line advance, if applicable. The larger the amount of the Reserve Line Advance, the more revenue Edward Jones receives. In addition, your financial advisor may also receive compensation in connection with Reserve Line Advances depending on the profitability of your financial advisor's branch. As a result of the foregoing, there is a material conflict of interest between you and us in connection with the Reserve Line, which we address through disclosure in this Brochure and which you are deemed to consent to by taking a Reserve Line Advance. For example, if you take out or maintain a Reserve Line Advance rather than withdraw money from your Account, we retain the IAP Fee that such assets are otherwise generating and receive revenue from the Lender. The Lender also receives revenue in the form of interest payable on the Reserve Line Advance. Depending on your specific circumstances, including the intended duration of the advance under the Reserve Line and the return on your Account, over the long term it may cost you more to take out the Reserve Line Advance than if you had pursued an alternative financing option or liquidated securities and withdrawn the sale proceeds from your Account. You are responsible for determining whether a Reserve Line is appropriate for your liquidity needs, the acceptability of the lending terms, and potential adverse tax or other consequences for you. You are encouraged to carefully consider the total cost of taking out an advance under the Reserve Line, and any additional compensation to us or your financial advisor or the Lender, when determining to take out and/or maintain a Reserve Line Advance.

Your financial advisor also may receive compensation in

connection with margin loans, if applicable. As a result, if you would be eligible for margin lending but ineligible for the Reserve Line, your Financial Advisor will have a financial incentive to recommend one Strategy over another. If you use margin in your Account, Edward Jones will receive revenue as a result of charging interest on your margin loan. Accordingly, there is a material conflict of interest between you and us in connection with margin loans, which we address through disclosure in this Brochure. For example, if you take out or maintain a margin loan rather than withdraw money from your Account, we retain the IAP Fee that such assets are otherwise generating and charge you interest on any outstanding margin loan balances. Depending on your specific circumstances, including the intended duration of the margin loan and the return on your Account, over the long term it may cost you more to take out the margin loan than if you had pursued an alternative loan option or liquidated securities and withdrawn the sale proceeds from your Account.

Although Edward Jones receives more revenue from a margin loan than a loan through the Reserve Line, your Financial Advisor is compensated the same on both types of loans. You are encouraged to carefully consider the total cost of taking out any loan, and any additional compensation to us or your Financial Advisor, when determining to take out and/or maintain a loan.

The Program Fee, as well as assets under care, Reserve Line Advance balances and/or client margin loan balances, will impact most financial advisors' eligibility for a bonus and bonus amount. The Program Fee, as well as assets under care and client Reserve Line Advance balances may also impact a financial advisors' eligibility for the receipt of certain limited partnership profits interest in The Jones Financial Companies, L.L.L.P. (the "Profits Interest"). This eligibility to receive bonus, bonus amounts, and/or certain Profits Interest creates a conflict of interest in that your financial advisor has an incentive to recommend you invest in IAP.

Most financial advisors are eligible to participate in the Edward Jones Travel Award Program ("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 upon the amount of new and existing assets under care of a financial advisor which creates an additional conflict of interest.

These financial incentives create a conflict between Edward Jones' interest, your financial advisor's interest, and your own. We address these conflicts of interest through disclosures you will receive at or before the time of your financial advisor's recommendations to you. Additionally, financial advisors are subject to training, supervision, regulatory requirements, and internal policies and controls that are reasonably designed so that clients are recommended only those products and services that are appropriate in light of their financial circumstances.

For further information on compensation and conflicts of interest, please see the "Understanding how we are compensated for financial services" document found at [edwardjones.com/compensation](http://edwardjones.com/compensation).

## Portfolio Strategy Representative Compensation

Portfolio Strategy representatives receive a salary. Additionally, these individuals may receive bonuses and profit-sharing distributions based on the profitability of Edward Jones.

## Comparing Costs, Expenses and Services

The Program Fee is a fee for investment advisory services as described above under “The Program Fee” and the Platform Fee is a fee for platform support services as described above under “The Platform Fee”. IAP may cost you more or less than purchasing these services separately, depending on the costs of the services if provided separately, the size of your Account, the amount of cash in your Account, and the trading activity in your Account and the corresponding brokerage commissions that would be charged if you bought and sold individual securities in a brokerage account. You can choose to forgo the services of IAP and buy and sell securities through Edward Jones as a broker-dealer or through other brokers or agents not affiliated with Edward Jones (although you would not receive the benefits of the program described in this Brochure). We have provided you with materials that explain our brokerage and investment advisory services, including our Client Relationship Summary (“CRS”). Additional copies are available from your financial advisor upon request and our CRS is available at [www.edwardjones.com/regbidisclosures](http://www.edwardjones.com/regbidisclosures).

## Item 5: Account Requirements and Types of Clients

Your initial investment in an Account must generally be as follows:

- The Managed Solutions Strategy minimum is generally \$25,000.
- The Custom Managed Solutions Strategy minimum is generally \$5,000. Certain account types, in Edward Jones sole discretion, as well as Edward Jones associates, their spouses and dependent children, may add this Strategy without a minimum initial investment.
- Custom Managed Solution accounts seeking to invest in Alternative Investments will require an account value of at least \$300,000 or higher at our sole discretion and must meet minimums and other requirements per the offering documents of each unique Alternative Investment.
- If adding SMAs to your Managed Solutions or Custom Managed Solutions Account, you must meet the SMA manager minimum for your allocated position (\$50,000 or more depending on the SMA) and your portfolio must also be within other portfolio diagnostic guardrails set by Edward Jones. This limitation may prevent you from utilizing SMAs if you want to select an Account Portfolio Objective that does not meet Edward Jones required portfolio diagnostics with a single SMA strategy.
- The Client Directed Strategy minimum is generally \$25,000.
- The FA Managed Strategy minimum is generally \$25,000.

The total value of your Account is monitored by Edward Jones. If the value of your Account falls below the initial investment

minimum, we may, in our discretion, remove your Account from IAP.

You can initially fund your Account with cash and/or securities. If you establish your Account or later add to your Account with securities that are not eligible investments, you authorize and direct Edward Jones to liquidate or redeem those securities as promptly as practicable without regard to tax consequences or redemption fees that may be assessed on the liquidation or redemption of those securities. Edward Jones will act in our capacity as a broker-dealer, not as a fiduciary or investment adviser, in connection with such transactions and will sell those securities at no commission. The proceeds will be invested in the Account. We will not provide advice or guidance regarding the securities being sold to fund the Account. Trades that occur in a taxable Account will result in a taxable event to you. Please consult with your tax professional.

For Managed Solutions and Custom Managed Solutions Strategies, if your Account is a Benefit Plan Account or a traditional or Roth IRA Account, all initial incoming securities will be liquidated and the proceeds, along with any other incoming cash, will be invested in your Account.

For all other Account types or taxable Accounts, if you initially transfer securities into your Account and those securities are eligible investments, you authorize and direct Edward Jones to: (a) convert some or all shares of current eligible investments to a different share class used in IAP, and/or (b) liquidate some or all shares of current eligible investments. Conversions could result in higher or lower fees and/or expenses than those paid under the previous share class and liquidations may cause a taxable event. Liquidations depend upon factors such as the type and values of the securities you transfer in and the type and values required by your Strategy at the time of the transfer. Any securities you transfer into your Account that are not eligible investments will be liquidated and the proceeds invested as described above. Additionally, Edward Jones retains the right to reject the transfer of Alternative Investments into Custom Managed Solutions Accounts even if they are eligible investments.

Edward Jones offers clients a wide range of financial services. IAP may not be appropriate for every client or every account type. Generally, IAP is available only to residents or entities of the United States and certain U.S. territories with the following types of Accounts: individual; joint; trusts; charitable organizations; corporations and other business entities; traditional IRAs and Roth IRAs; and Benefit Plans. Benefit Plans include owner-only 401(k) plans, Savings Incentive Match Plan for Employees (“SIMPLE”) IRAs, Simplified Employee Pension (“SEP”) IRAs, traditional IRAs linked to an Edward Jones SEP IRA and other eligible plans.

Edward Jones can prohibit any person or entity from investing or remaining in IAP for any reason, including if we do not believe it is an appropriate Strategy for that person or entity.

You may add or withdraw funds from your Account upon request. Additions and withdrawals from your Account may result in Edward Jones selling or purchasing assets in your Account in a manner that attempts to minimize variations in the asset allocation



and target weightings within your Account but may result in tax consequences.

If after your Account is opened and activated you subsequently transfer in shares of mutual funds that are current eligible investments but in a different share class from the share class used in IAP, these shares will be liquidated upon transfer into your Account and the funds invested in accordance with your Strategy. This may cause a taxable event in your Account, and we cannot guarantee that you will not owe taxes as a result of the liquidation. For more information about share classes, please refer to the Risk of Loss section below.

If you request a transfer of securities from your Account to another Edward Jones Account or a third-party Account, you authorize Edward Jones to transfer the mutual fund shares in-kind without converting the shares into a different share class. In the event of a transfer of mutual funds and/or fund share classes that cannot be held outside of your Account, Edward Jones will: (a) convert the mutual fund shares into a different share class before the shares transfer; and/or, (b) liquidate the mutual fund shares and transfer cash. Edward Jones follows the instructions of mutual fund companies to convert the shares to a different share class, or liquidate the shares, when transferring mutual funds. Conversions could result in higher fees and expenses and negatively affect investment performance and liquidations may cause a taxable event.

Mutual fund shares held in your Account may accumulate and be used to satisfy a letter of intent ("LOI") associated with multiple Edward Jones brokerage accounts. However, if a brokerage account transferring into IAP is the only account where the LOI can be met, Edward Jones can terminate your LOI and sell a portion of your position to adjust the commission paid in your brokerage account before the transfer of your assets into IAP. Assets in your Account will not be used to pay any adjustment(s) that apply in the event you fail to satisfy the LOI.

Affiliated mutual funds may not be held outside of your Edward Jones investment advisory and/or brokerage account. Accordingly, any positions in Bridge Builder funds will be liquidated if you move from your Account to an Edward Jones Select brokerage account or account at another financial institution. Similarly, any position in the Edward Jones Money Market Fund will generally be liquidated if you move from your Account or Limited Services Account to an Edward Jones Select brokerage account or account at another financial institution. Liquidations of an affiliated mutual fund in a taxable account may result in a taxable event.

Certain eligible investments may contain additional minimums beyond the Strategy minimum. We can change the minimum at our discretion.

## Item 6: Portfolio Manager Selection and Evaluation

IAP is a wrap fee program with options to choose discretionary and non-discretionary Strategies sponsored by Edward Jones. See Item 4 above for a description of our advisory services.

**Managed Solutions.** Edward Jones-supervised persons serve as

portfolio managers for this Strategy.

**Custom Managed Solutions.** In consultation with your Edward Jones financial advisor, you will select your eligible investments for your Account. Your financial advisor and/or Edward Jones will monitor your Account, notify you when your Account requires alignment, and take action as needed to bring your Account into alignment with your Account Portfolio Objective.

**FA Managed.** Your financial advisor will exercise discretion to select investments for your Account. Other financial advisors and Edward Jones licensed personnel may act on behalf of your financial advisor. As of the date of this Brochure, your financial advisor must meet training requirements as well as certain minimum tenure, experience and/or educational certification eligibility requirements established by Edward Jones to provide discretionary investment management services under FA Managed. Your financial advisor's eligibility to continue providing discretionary investment management services under FA Managed is subject to ongoing reviews. Edward Jones may modify or eliminate the applicable eligibility criteria at any time and without notice to you. Additionally, other financial advisors and Edward Jones personnel may assist your financial advisor in providing the management services to you and are not required to meet the eligibility requirements.

**Client Directed.** No third-party investment advisers, no related persons or Edward Jones-supervised persons serve as portfolio managers in Client Directed. In consultation with your Edward Jones financial advisor, you will select your eligible investments for your Account. Your financial advisor and/or Edward Jones will monitor your Account and notify you when your Account requires alignment.

**Managed Solutions and Custom Managed Solutions with SMAs.** If utilizing SMAs, all eligible investments are selected by Edward Jones based on a process tailored to the type of investment (affiliated SMAs, unaffiliated SMAs, affiliated mutual funds, unaffiliated mutual funds and ETFs). Only certain SMAs offered by SMA Managers are available in IAP.

**Selection and Evaluation of Portfolio Managers and/or their Associated Eligible Investments.** Edward Jones performs due diligence on portfolio managers, including the portfolio managers of affiliated SMAs, unaffiliated SMAs, affiliated mutual funds, unaffiliated mutual funds, ETFs, and Alternative Investments to select and evaluate eligible investments for the applicable Strategies in IAP. The eligible investments selected and evaluated by Edward Jones are based on a process tailored to the type of investment (affiliated SMAs, unaffiliated SMAs, affiliated mutual funds, unaffiliated mutual funds or ETFs). Eligible investments selected for IAP undergo a due diligence process by Edward Jones, which, among other things, determines whether such investment meets our objective and subjective criteria to be included as an eligible investment.

For affiliated SMAs and affiliated mutual funds, Edward Jones uses a review process that is different from the other eligible investments that are unaffiliated with Edward Jones when selecting and monitoring the inclusion of these affiliated

investments in IAP as an eligible investment. Specifically, when selecting and/or monitoring an affiliated investment as an eligible investment, we use processes that include, but are not limited to, an evaluation of the investment process, consistency in the use of such investment process, portfolio composition, strategies employed, reviewing quarterly information on a strategy's investment performance results and risk management.

For unaffiliated investments deemed an eligible investment in IAP, Edward Jones uses a review process that starts with an evaluation of the unaffiliated investments' manager (the "Unaffiliated Manager") and/or their product(s) we seek to add to IAP. Specifically, our evaluation of the Unaffiliated Manager may include, but is not limited to, an assessment of their alignment to the Edward Jones investment philosophy, their organizational strength and stability, and the amount of assets under their management. Edward Jones will then further evaluate the Unaffiliated Manager's product including, but not limited to, assessing the established history of investment performance, reviewing the risk taken to achieve returns, tax characteristics, such as portfolio turnover, and consideration, and reviewing up-to-date information on the strategy's investment performance results, liquidity characteristics, or valuation methodology.

The performance or valuation is calculated by the Unaffiliated Managers themselves or by third parties. The Unaffiliated Manager performance information is not calculated on a uniform and consistent basis. Neither Edward Jones nor any third party engaged by us reviews performance information of an Unaffiliated Manager to determine or verify its accuracy or its compliance with presentation standards.

After the initial evaluation and selection, Edward Jones continues to monitor Unaffiliated Managers on a cadence appropriate to the investment type. This ongoing monitoring may entail, but is not limited to, updated information on the Unaffiliated Managers' background, investment practices or performance results.

**Removal of Portfolio Managers and/or their Associated Eligible Investments.** Edward Jones may remove any eligible investment offered by an Unaffiliated Manager and their entire set of associated eligible investments from IAP for any reason. Reasons for the removal of an eligible investment or the Unaffiliated Manager and their associated eligible investments may include, but are not limited to, the following:

- Key personnel changes;
- Deviations from its investment philosophy or mandate;
- Legal or regulatory concerns;
- Poor performance when compared to similar managers over a market cycle; or
- Investment risk that has become misaligned to Edward Jones' investment philosophy.

**Alternative Investments Transition.** Edward Jones will notify you if an Alternative Investment you hold has been removed from IAP as an eligible investment. You will need to instruct Edward Jones if you want to transfer the impacted Alternative Investment to an Edward Jones Select brokerage account, which allows

Alternative Investments transferred from an IAP Account to be held in this Select brokerage account as a hold-eligible investment, or third-party account, or if you want to liquidate the Alternative Investment, you will have up to two (2) trading windows to complete such transfer(s) or sale(s).

Once Edward Jones determines an Alternative Investment is to be removed from IAP and has notified you of such removal, Edward Jones will no longer act as an investment adviser and will not be obligated to recommend any action with regard to that removed Alternative Investment. While the value of the removed Alternative Investment will be included in the calculation of your IAP Fee, you will receive a subsequent credit for any IAP Fee that was charged to your Account for holding this removed Alternative Investment while it remains in your Account.

If you have not provided instructions for how Edward Jones is to liquidate or transfer your entire Alternative Investment holding by the conclusion of the second trading window, Edward Jones will transfer your entire Account to a Limited Services Account.

## Performance-Based Fees and Side-by-Side Management

This section does not apply to Edward Jones.

## Methods of Analysis, Investment Strategies and Risk of Loss

Edward Jones selects the eligible investments available in IAP and each individual Strategy based on numerous quantitative and qualitative factors, each of which may be given different weight in the decision-making process, and generally no one factor determines the outcome of any selection.

**The processes we use to select and monitor affiliated mutual funds and SMAs are different from the processes we apply to unaffiliated mutual funds and other eligible investments.**

In selecting and monitoring sub-advisers for our affiliated mutual funds, the investment adviser, which is affiliated with Edward Jones, follows a process that is similar, but not identical, to the process that we use to evaluate unaffiliated mutual funds and other eligible investments. This process includes quantitative and qualitative analysis, including, but not limited to, an evaluation of the investment process, consistency, portfolio composition, strategies employed, risk management, team depth, quality and experience, operations and compliance of the sub-adviser. The evaluation process includes review of literature and documents, quantitative historical performance evaluation and discussions with members of the investment team and Edward Jones management. None of the sub-advisers are affiliated with Edward Jones.

Eligible investments (other than affiliated mutual funds) undergo periodic review by Edward Jones to determine if they remain suitable for IAP. An eligible investment can be re-categorized to an ineligible investment for a variety of reasons, including, but not limited to, the following:

- Inconsistency with Edward Jones' investment philosophy or change in Edward Jones' guidance and/or outlook

- An alternate eligible investment that has been identified within the same Asset Allocation Category
- Other security specific reasons such as regulatory concerns, termination of an agreement with a mutual fund company, lack of ongoing financial information, a decision to reduce the overall ownership level of a fund, or a significant change to a fund's investment team or shift in the fund's investment process or stated invested style

Affiliated mutual funds generally will not be removed from the list of eligible investments. However, as multi-manager funds, the above events may cause the affiliated investment adviser to select a replacement sub-adviser, subject to the terms and conditions of the fund prospectus and other fund documents. The affiliated investment adviser may also reallocate the fund's assets or change the weightings among the remaining sub-advisers at its discretion. The affiliated investment adviser and the affiliated mutual funds have received an exemptive order from the SEC that allows sub-advisers to be appointed without a vote of the shareholders of the affiliated mutual fund.

Edward Jones can place an eligible investment (other than an affiliated mutual fund or SMA) on "Update Pending" status. Update Pending is an interim status indicating there is some type of important news or issue involving the eligible investment. Once the significance of the news or issue is assessed, we will remove the Update Pending status and either:

(1) keep the eligible investment on the list of eligible investments, or (2) render the investment an ineligible investment. You will not be notified that an eligible investment is in Update Pending status, and your Account will continue to hold the eligible investment through the Update Pending period. This process will not apply to affiliated mutual funds.

Target allocations for each Account are established within the asset allocation ranges set by us. Eligible investments are chosen to represent the Asset Allocation Categories and investment styles within each Account. In the case of the affiliated mutual funds, sub-advisers are chosen based on due diligence. The overall asset allocation and target weightings within each Account are monitored for changes to the eligible investments or sub-advisers as deemed necessary.

The Target Ranges for each Account Portfolio Objective are generally based on the Edward Jones Asset Allocation Categories. Depending on market volatility, the asset allocations in your Account will sometimes depart from the Target Ranges for your Account Portfolio Objective. Different asset classes will perform better than others, resulting in an asset allocation that may have more or less risk than you may want. Your Account will generally need to be realigned if it has deviated too far from the Target Ranges or Investment Diagnostics for your Account Portfolio Objective. The objective of investing in a variety of eligible investments in various types of asset classes allocated in the Target Ranges is to construct a portfolio designed to experience less volatility and show more consistent performance over time. There is no guarantee that this goal will be achieved. For more information on Account rebalancing for the various Strategies and their differences, see Item 4.

## Risk of Loss

All investment strategies and investments involve risk, and the value of your Account will fluctuate. As a result, your Account may be worth more or less than the amount of money you invested. There is no guarantee that an eligible investment will perform in any particular manner. Past performance does not guarantee future results, and there is no guarantee that your Account Portfolio Objective or Goal Portfolio Objective (if applicable) will be achieved.

Each eligible investment will also fluctuate in value and, when sold, may be worth more or less than the original cost to purchase. Diversification does not guarantee a profit or protect against loss. You should consider the investment objectives, strategies, risks, fees and expenses, and past performance of each eligible investment before deciding to invest in IAP.

Additionally, your Account may also invest in certain investments that employ non-traditional trading strategies. Such investments may hold non-traditional investments or use complex investment and trading strategies. Investments that utilize derivatives or leverage, as an example, can be complex and increase the risk of volatility and loss of investment. Other potential risks may include, but are not limited to: the investment performs in a manner that is difficult to understand relative to traditional investments; lack of liquidity; credit risk; counterparty risk; and adverse tax consequences. Such investments contain unique characteristics and risks. Refer, as applicable, to the fund prospectus and other fund documents that describe risks specific to each fund. Information about each eligible investment can be obtained from your financial advisor.

Implementing an ESG or values-based investing approach, which helps align your portfolio with your personal values by excluding certain investments or targeting issues that are important to you, has potential risks and trade-offs. Such investments may value non-financial goals more than financial returns. Additionally, while segments of the market or investments that engage in certain business practices can be excluded with an ESG or values-based investing approach, introducing such exclusions or focusing on a narrow area of the market can decrease your portfolio's diversification and materially impact its risk and return. Companies also may not operate as expected or fail to meet the desired ESG or value-based characteristics over time.

Depending on the available eligible investments selected for a given Strategy, your Account may also be subject to the following risks:

**Concentration Risk.** An Account with a limited number of eligible investments may experience more volatility than a more diversified Account with a larger number of eligible investments.

**Mutual Funds Risk.** Mutual funds are diversified, 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. Mutual funds are subject to investment advisory, transactional, operating and other expenses. Each mutual fund is subject to specific risks depending on its investments. The value of mutual funds' investments and the NAV



of the funds' shares will fluctuate in response to changes in market and economic conditions, as well as the financial condition and prospects of companies and other investments in which the funds invest. The performance of a mutual fund will depend on whether the fund's investment adviser is successful in pursuing the fund's investment strategy. Mutual funds that use ESG or values-based strategies may forgo certain investment opportunities available to strategies that do not use such criteria and therefore create a risk of underperforming when compared against other strategies.

**Share Classes.** Mutual funds used in IAP can have different share classes. While each share class invests in the same pool of investments and has the same investment objective, each has different internal fees and expenses. Mutual funds often permit the conversion of shares from one class to another, subject to certain conditions as determined by the mutual fund. Edward Jones considers several factors when selecting a mutual fund share class for IAP, including, but not limited to, the eligibility criteria set by mutual fund companies and the overall cost structure of the share class. Clients should not assume they will be invested in the share class with the lowest expense ratio. Edward Jones generally attempts to select institutional and/or advisory share classes for IAP, when available. Institutional and/or advisory shares generally do not impose a sales charge or ongoing Rule 12b-1 fees and, as a result, are usually less expensive than Class A shares. Other share classes, including Class A, may be utilized when no institutional or advisory share classes are available. Class A shares are typically purchased in brokerage accounts and usually carry an upfront sales charge and ongoing Rule 12b-1 fees. If Class A shares are selected in IAP, the upfront sales charges are generally waived, but the Class A shares are still charged the ongoing Rule 12b-1 fees. As described in Item 4 above, if we receive Rule 12b-1 fees for shares held in your Account, we will credit the amount received to your Account as a fee offset. Details about the mutual funds in your Account and their specific risks can be found in the Fund prospectus and other fund documents. It is important that you read these documents before investing. Please also refer to these documents regarding the available share classes of mutual funds used in IAP. In our sole discretion, Edward Jones can change the share class of any mutual fund at any time without prior notice to you.

**Redemptions.** Edward Jones' clients collectively own a large percentage of certain mutual funds that are eligible investments. Due to the significant ownership, there may be adverse consequences in the event that Edward Jones, as the investment adviser, re-categorizes a mutual fund from an eligible investment to an ineligible investment. If the resulting volume or size of redemptions required to be effectuated as a result of the re-categorization exceeds the limits set forth in the mutual fund's policies and procedures, the resulting delay in effecting redemptions may result in Accounts experiencing increased risk of loss. A mutual fund company can also decide to redeem shares "in-kind" instead of in cash. In that event, you may receive the actual underlying securities of the fund. The underlying securities could lose value before they are sold. Brokerage and other

transaction costs will apply to the sale of the underlying securities. We will work with the mutual fund company to minimize potential adverse impact to your Account, but there is no assurance that you will be able to avoid the risk of loss and other adverse consequences.

**ETFs Risk.** ETFs are typically registered investment companies whose shares are listed on a securities exchange. An investment in an ETF generally presents the same primary risks as an investment in a conventional mutual fund (i.e., one that is not exchange-traded) that has the same investment objective, strategies and policies. The price of an ETF can fluctuate within a wide range, gaining or losing value throughout the day. ETF performance may vary from that of its benchmark or its peers.

Like mutual funds, ETFs are subject to investment advisory, transactional, operating and other expenses. Unlike mutual funds, shares of ETFs cannot be directly purchased from and redeemed by the fund. ETFs that use ESG or values-based strategies may forgo certain investment opportunities available to strategies that do not use such criteria and therefore create a risk of underperforming when compared against other strategies.

Details about the ETFs in your Account and associated risks can be found in the fund prospectus and other fund documents. It is important that you read these documents before investing.

**Equity Securities Risk.** Common stocks and other equity securities generally increase or decrease in value based on the earnings of a company and on general industry and market conditions. The value of a company's share price may decline as a result of poor decisions made by management, lower demand for the company's services or products, or if the company's revenues fall short of expectations. There are also risks associated with the stock market overall. The stock market may experience periods of turbulence and instability.

**Preferred Stock Risk.** Preferred stock is a class of capital stock that typically pays dividends at a specified rate. Preferred stock is generally senior to common stock but subordinate to debt securities with respect to the payment of dividends and on liquidation of the issuer. While subject to the same risks affecting equity securities generally, the market value of preferred stock also generally decreases when interest rates rise (interest rate risk) and is also affected by the issuer's ability to make payments on the preferred stock (credit risk).

**Fixed-Income Securities Risk.** Fixed-income securities, such as bonds, are subject to credit risk and interest rate risk. Credit risk is the possibility that an issuer of an instrument will be unable to make interest payments or repay principal when due. Changes in the financial strength of an issuer or changes in the credit rating of a security may affect its value. Interest rate risk is the risk that interest rates may increase, which tends to reduce the resale value of certain fixed-income securities.

**Certificate of Deposit (CD) Risk.** The price of a CD in the secondary market is governed by prevailing interest rates. If a CD is sold before it matures, you may receive less than the original purchase price if interest rates are higher. Edward Jones, though



not obligated to do so, may maintain a secondary market in the CD after the purchase which allows CDs to be sold on any business day. Rates paid on CDs may be lower or higher than the rates available directly through the bank that is issuing the CD. You are responsible for monitoring the total amount of CDs and other bank deposits that you hold with any one bank for Federal Deposit Insurance Corporation ("FDIC") insurance limits.

**Municipal Securities Risk.** Municipal securities are subject to various risks based on factors such as economic and regulatory developments, changes or proposed changes in the federal and state tax structure, deregulation, court rulings and other factors. Repayment of municipal securities depends on the ability of the issuer or project backing such securities to generate taxes or revenues. There is a risk that the interest on an otherwise tax-exempt municipal security may be subject to federal income tax.

**Government Securities Risk.** U.S. government securities are subject to interest rate and inflation risks. Not all U.S. government securities are backed by the full faith and credit of the U.S. government. Certain securities issued by agencies and instrumentalities of the U.S. government are only insured or guaranteed by the issuing agency or instrumentality, which must rely on its own resources to repay the debt. As a result, there is risk that these entities will default on a financial obligation.

**Money Market Funds Risk.** Money market funds are a type of mutual fund that invests in high-quality, short-term debt securities, pays dividends that generally reflect short-term interest rates and seeks to maintain a stable NAV per share (typically \$1). An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund is managed to maintain a stable NAV of \$1 per share, the value of the fund may fluctuate, and you could lose money.

**Alternative Investments Risk.** Alternative Investments have unique and different risks than other investments, including:

*Limited Liquidity and Redemption.* The Alternative Investments available in IAP are not listed on any securities exchange and there may be no secondary market for the Alternative Investment, meaning you may have no access to the money invested or to any potential profits, sometimes for a period of years. The asset manager of the Alternative Investment may limit or restrict opportunities for redemption, including declining to redeem all or a portion of an Alternative Investment and/or may impose an early redemption fee based on a percentage of the Alternative Investment's net asset value. Further, there may be restrictions on transferring interests in the Alternative Investment.

*Investing Limits.* Depending on the Alternative Investment, your purchase amount may be limited by regulations and the Alternative Investment's Offering Documents. These limits are determined, in part, by aggregating Alternative Investments you currently hold at Edward Jones, as well as Alternative Investments you hold outside of Edward Jones.

*Valuation/Tax Related Information.* The lack of a secondary market or listing on a public exchange and the potential that

underlying assets may be valued only periodically means daily pricing of the Alternative Investment may be unavailable and that valuations that are provided may not be current or accurate.

*Leverage.* Alternative Investments are not suitable for all investors. The use of leverage may increase the risk of the investment and potentially lead to significant loss of principal. You should consider your ability to hold the Alternative Investment through various market conditions, especially given the limited liquidity of Alternative Investments.

*Return Smoothing.* Certain illiquid investments such as equity ownership in private companies or real estate are not valued daily. Rather, pricing of such investments is typically done through periodic estimated valuations. As a result, reported returns of an Alternative Investment holding illiquid investments may appear to have lower risk or less volatility than traditional investments that are valued daily.

*Risk of loss.* An Alternative Investment has a high degree of risk and there is a risk of the complete loss of your investment. All or a substantial portion of the value of an Alternative Investment may be lost due to potential lack of diversification, use of leverage, or other speculative strategies.

*Fees.* Fee structures for Alternative Investments differ from traditional investments and include the potential for significant management fees and other costs, raising the overall expense of the investment.

**Foreign Investing Risk.** Investments in foreign markets or foreign companies may be achieved through investments in securities of foreign issuers, ETFs or mutual funds that hold securities of foreign issuers, or ADRs, which are receipts typically issued by a U.S. bank or trust company evidencing ownership of the underlying securities of a foreign company. Investments in foreign markets or foreign companies carry a number of economic, financial and political considerations that are not associated with the U.S. markets and that could unfavorably affect your Account's performance. Among those risks are greater price volatility; weak supervision and regulation of securities exchanges, brokers and issuers; higher brokerage costs; fluctuations in foreign currency exchange rates and related conversion costs; adverse tax consequences; and settlement delays.

**Transition Service Pilot Risks.** In addition to the tax-efficient management and other risks identified in this Risk of Loss section, clients participating in the Transition Service Pilot must acknowledge and accept that their investment allocation, risk exposure and Account performance during the Transition Period will differ from the target investment allocation, risk exposure and Account performance that could have been achieved upon the prompt sale of such assets upon funding as a result of effecting the sale of transitioned assets over time. The delayed sale of such assets creates risks during the Transition Period of misalignment of the client's Account with their target asset allocation as well as increased tracking error and volatility. There is also no guarantee that participating clients will benefit as anticipated from the Transition Service Pilot, including, but not limited to, the potential benefits of spreading capital gains over multiple tax years.

Additionally, clients enrolled in the Transition Service Pilot may still owe taxes as a result of participating in the Transition Service Pilot.

**Reserve Line Risk.** Our financial advisors provide information and education regarding the availability of the Reserve Line. However, you decide whether to take Reserve Line Advances and you decide when and how to pay back any such advances. There are certain risks and conflicts of interest that arise when you take a Reserve Line Advance, including (i) the interest rate charged by the Lender in connection with the Reserve Line Advance may be higher than those charged by other lenders for financing and is in addition to the IAP Fee; (ii) the Lender is permitted to modify its collateral maintenance requirements at any time and without providing advance written notice to you; (iii) the Lender may require additional collateral or that you repay all or a portion of a Reserve Line Advance if there is a decline in the market value of the securities in the Account that was pledged as collateral for the Obligations under the Reserve Line; (iv) the Lender can instruct us to liquidate any and all of the securities in your pledged Account to satisfy a Maintenance Call without notice to you (even if the Lender has already notified you and provided a date by which you can meet a Maintenance Call); (v) you are not entitled to an extension of time on a Maintenance Call; (vi) to satisfy a Maintenance Call, the Lender may instruct us to liquidate any or all of the securities in a pledged Account that we would otherwise not recommend you sell and that may not otherwise be in your best interest to sell; (vii) liquidation of securities to satisfy a Maintenance Call could result in your Account being out of alignment with your Account Portfolio Objective and result in other securities being sold to bring your Account back into alignment with your portfolio objective; (viii) the liquidation of securities to satisfy a Maintenance Call could have adverse tax consequences to you; (ix) you are not entitled to select which securities in a pledged Account are liquidated to satisfy a Maintenance Call and the Lender can instruct us to liquidate securities that you wish to retain or that have a low tax basis without regard to your wishes or any adverse tax consequences; (x) depending on market conditions, the prices obtained for the liquidated securities may be less than favorable and may be less than the value that we or you believe the securities are worth and may negatively impact the performance of your Account and interrupt your investment strategy; (xi) the timing of securities sales in connection with a Maintenance Call will be different than if those securities were not used as collateral in connection with the Reserve Line; (xii) a situation could arise where the value of your Account is zero and you still owe money on a Reserve Line Advance; (xiii) we will act as a broker dealer, and not as an investment adviser, in connection with a Maintenance Call (and our lending affiliate will act as a lender), which may be in conflict with your best interest and our role as an investment adviser to your Account; (xiv) you will still be responsible for any deficiency if the value of the assets liquidated is insufficient to satisfy your obligations to the Lender under the Reserve Line; and (xv) adverse impacts to the maintenance ratios for pledged collateral if your portfolio changes due to a change in Strategy or holdings. Please see the Reserve Line Agreement for a discussion of risks related to utilizing the

Reserve Line. Any action taken by us in connection with a Maintenance Call will not constitute a breach of our fiduciary duties as an investment adviser.

**Margin Risk.** Our financial advisors provide information and education regarding the availability of margin loans. However, you decide whether to borrow money from us and you decide when and how to pay back any loans. There are certain risks and conflicts of interest that arise when we make margin loans in our role as lender and broker-dealer rather than investment adviser, including (i) the interest rate charged in connection with your loan may be higher than those charged by other lenders and is in addition to the IAP Fee; (ii) we may require additional collateral if there is a decline in the market value of the securities that secure your margin loan; (iii) we can sell any securities in your Account to satisfy a margin call without notice to you; (iv) we may be required to liquidate securities we would otherwise not recommend you sell, and which may not otherwise be in your best interests to sell, to satisfy a margin call; (v) you are not entitled to select which securities are liquidated to satisfy a margin call and we can sell securities that you wish to retain or that have a low tax basis without regard to your wishes or any adverse tax consequences of a sale; (vi) depending on market conditions, the prices obtained for the securities may be less than favorable and may be less than the value that we or you believe the securities are worth; (vii) the timing of securities sales in connection with a margin call will be different than if those securities were not used as collateral in connection with a margin loan, and may negatively impact the performance of your Account and interrupt your investment strategy; (viii) a situation could arise where the value of your Account is zero and you still owe money on a loan; (ix) adverse impacts to the maintenance ratios for pledged collateral if your portfolio changes due to a change in Strategy or holdings; and (x) with respect to the margin loan and collateral, we will act in the capacity of a lender and may take the actions described above, which may be in conflict with your best interest and our role as an investment adviser to your Account. Any action taken by us against the securities in your Account pursuant to the use of margin will not constitute a breach of our fiduciary duties as an investment adviser.

**Tax-Loss Harvesting Risks.** Tax-loss harvesting involves unique risks and, if this service is available for your selected Strategy to add to your Account, you should carefully consider whether such risks are right for your individual situation before participating in the TLH service. Some material risks of participating in the TLH service include, but are not limited to, the following:

**Taxes.** There is no guarantee that the TLH service will reduce, defer or eliminate your tax liability in any given tax year. Furthermore, there is no guarantee that an investment sold as a Harvestable Security will settle at a loss. Factors, including but not limited to, market volatility and/or movement or an adjusted cost basis at trade settlement, can result in the Harvestable Security settling at no loss or at a gain to you. Losses carried forward from a tax year come with the possibility that they may not be used efficiently or at all in future years, thereby decreasing or eliminating the value of the TLH service with respect to such

carried forward losses. Edward Jones is not providing tax advice by offering the TLH service and assumes no responsibility for any tax consequences associated with the TLH service.

The client's use of Edward Jones' TLH service is subject to current tax provisions. These provisions are complex, and interpretation and enforceability thereof may change and render the TLH service ineffective and may pose additional unforeseen risks to the client. It is important to note that consequences of enrolling in the TLH service are complex, uncertain and may be challenged by the IRS or any other tax authority resulting in adverse tax consequences.

In addition, there may be potential tax considerations and consequences relating to state or local tax, federal tax rules applicable to entities, estate taxes, or gift taxes implicated when utilizing the TLH service. For these reasons, you should discuss such risks and responsibilities with your tax and/or legal professional(s) before electing the TLH service.

**Suitability.** The TLH service may not be suitable or desirable for all clients, and each client must determine whether use of the TLH service is appropriate after considering all pertinent factors, including but not limited to, the client's current and future tax profile, investment activity and objectives, the number and type of investment accounts, planned future activity such as anticipated withdrawals, holding periods, state of residence, and personal circumstances. Clients maintain the sole responsibility for determining the appropriateness and benefit of the TLH service notwithstanding any advice or guidance from Edward Jones or its financial advisors. As noted above, there is no guarantee that the TLH service will reduce, defer, or eliminate taxes.

**Wash Sales Limitations.** Pursuant to the Wash Sales rule, a taxpayer cannot deduct any loss on the sale or other disposition of an investment if the taxpayer (or a related party) acquires a substantially identical security ("Wash Sale") within a 30-day period before and 30-day period after the date of such sale ("Wash Sale Period"). If a Wash Sale occurs on the sale of a loss security, the loss is deferred such that the client cannot currently use the loss to offset gains or in certain cases reduce taxable income. If you acquire substantially identical replacement shares, the loss would be deferred or, in some cases, disallowed entirely. Specifically, a taxpayer cannot avoid the Wash Sales rule by selling an investment at a loss in a taxable Account and then buying it back in a tax-advantaged Account. Also, the IRS takes the position that a security sold by one spouse at a loss and purchased within the Wash Sale Period by the other spouse is a Wash Sale.

Edward Jones will typically sell the Replacement Security, and then reinvest proceeds from the Replacement Security back into the Account in accordance with the client's selected Account Portfolio Objective after a 31-day period. However, Edward Jones cannot guarantee that Wash Sales will not occur in a client's Eligible TLH Account(s). For example, if securities need to be sold during the Wash Sale Period to provide funds for a withdrawal, those sales will take place even if they will result in a Wash Sale. Similarly, any sales or purchases of the Harvestable Security

during the Wash Sale Period (for example, in connection with a rebalancing event or a dividend reinvestment) may also cause a Wash Sale. Both scenarios affect whether a loss that is harvested in the Eligible TLH Account will benefit the client. Any deposits, including interest, received in the client's Account during the Wash Sale Period will be invested into the Account's eligible investments in accordance with the client's selected Account Portfolio Objective.

Edward Jones will not monitor for Wash Sales across a client's Eligible TLH Accounts, non-Eligible TLH Accounts, in other investment advisory or brokerage accounts held at Edward Jones or another financial institution. It is the client's sole responsibility to monitor and report Wash Sales in accordance with current tax provisions across all accounts held at Edward Jones and other financial institutions.

In addition, state and local tax laws may differ from federal law in material ways. There is limited guidance governing whether an ETF is "substantially identical" to another ETF, or whether a mutual fund is "substantially identical" to another mutual fund for purposes of the Wash Sales rule. Accordingly, there can be no assurance regarding how the IRS would view the exchange of one fund for another. Ultimately, it is your responsibility to accurately report on your tax return your capital gains and losses realized during the year and Wash Sales occurring across all accounts held at Edward Jones and other financial institutions.

**Trading and Performance.** When we identify a Harvestable Security for sale pursuant to the TLH service, we expect the Replacement Security to have similar performance and risk exposure as the Harvestable Security. However, a Replacement Security can vary in performance and risk exposure from the Harvestable Security. As a result, we cannot make any guarantees regarding the actual performance of the Replacement Security or its impact on your portfolio for a given Strategy. For example, a new ETF (Replacement Security) may perform better or worse than the original ETF (Harvestable Security) that was sold for tax-loss harvesting purposes. Additionally, use of the TLH service will likely result in more frequent trading and the Replacement Security may have higher internal management fees and ongoing expenses. Accordingly, the risk and return of any Replacement Security cannot be guaranteed and may result in additional losses. In limited instances, due to market movement, the security identified to be sold for a loss will be sold at a gain. The sale of a Replacement Security with a capital gain will result in either a reduction of the capital loss from the sale of the Harvestable Security or, in certain circumstances, a net capital gain. The use of the TLH service may also cause certain dividends that would otherwise qualify for the reduced rates on qualified dividend income to not qualify due to a failure by the client to satisfy certain holding period requirements with respect to the underlying security.

**ESG Dilution.** If you have selected mutual funds and ETFs that use ESG or values-based strategies, electing the TLH service may cause those ESG holdings to be diluted or sold.

**Overlay Manager's Tax-Efficient Management Risk.** When managing taxable Accounts in a tax-efficient manner, the Overlay



Manager relies on various assumptions about the tax posture of a typical investor. Those assumptions may not correspond to your actual situation. In addition, the Overlay Manager only considers securities held in your Account (independently of other accounts). Securities outside of your Account will not be considered, including securities held in other IAP Accounts. You are responsible for monitoring all accounts under your (and your spouse's) control, held at or outside of Edward Jones, to ensure that transactions in your Account do not create a Wash Sale.

A Wash Sale may occur if you and/or your spouse buy (directly or indirectly through any account under the control of you and/or your spouse) any security (or a substantially identical security) within 30 days before or after the Overlay Manager sells that same security. In that case, the loss may be deferred or disallowed. Neither the Overlay Manager nor Edward Jones can provide any assurances that Wash Sales will not occur. In some cases, the Overlay Manager may execute a trade for non-tax reasons that will generate a Wash Sale when it deems this in the best interest of the client. You are responsible for identifying and reporting any Wash Sales properly on your tax return. For more information on the Wash Sale rules, please read Internal Revenue Service ("IRS") Publication 550 and consult your tax professional.

The effectiveness of tax-efficient management, including through such methods as tax-loss harvesting, in reducing your overall tax liability will depend on your entire tax and investment profile. Consult your tax professional regarding your situation, your requirements to the IRS or any other taxing authority, along with any potential tax consequences. Edward Jones assumes no responsibility for the tax consequences of any transaction, including any capital gains and/or Wash Sales that may result. For more information about tax-efficient management, including tax-loss harvesting, see the Overlay Manager's Form ADV brochure available at [www.edwardjones.com/advisory-prospectus/brochures.html](http://www.edwardjones.com/advisory-prospectus/brochures.html).

**Cybersecurity Risk.** The computer systems, networks and devices used by Edward Jones and our service providers employ a variety of protections designed to protect against damage or interruption from computer viruses, network and computer failures and cyber-attacks. Despite such protections, systems, networks and devices potentially can be breached. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems for purposes of corrupting data or causing operational disruption, as well as denial-of-service attacks on websites. Cyber incidents may cause disruptions and impact business operations, potentially resulting in financial losses, the inability of Edward Jones or service providers to trade, violations of privacy and other laws, regulatory fines, reputational damage, reimbursement costs and additional compliance costs, as well as the inadvertent release of confidential information.

**Economic Conditions Risk.** Economic, political and financial trends and developments may, from time to time, result in periods of volatility or other potentially adverse effects that could negatively impact your Account. Domestic and international markets, including sectors and companies within those markets, may respond in significant and unforeseen ways to matters such

as public health issues, geopolitical events, natural disasters and social unrest. Those matters, as well as others not listed here, may increase the risk to your Account's performance and cause losses.

## Tailoring Advisory Services to Clients

See Item 4 above for a description of how we tailor our advisory services to you and how you can impose reasonable restrictions on investing in certain securities or types of securities.

## Wrap Fee Programs

We act as the wrap fee program sponsor for all Accounts and Strategies. We are also the portfolio manager for the Managed Solutions Strategy. Your financial advisor (and Edward Jones as needed) is the portfolio manager for FA Managed. We receive the IAP Fee as described in Item 4. We also act as an investment adviser in other advisory programs for which we provide different services. Additional information is available at [www.edwardjones.com/advisorybrochures](http://www.edwardjones.com/advisorybrochures).

## Voting Client Securities

*FA Managed, Managed Solutions, and Custom Managed Solutions (without SMAs).* As a registered investment adviser, Edward Jones may vote proxies for clients in accordance with applicable law and has a fiduciary duty to vote those proxies in a timely manner and in our clients' best interests, even if our clients' best interest is in conflict with our interests. Edward Jones votes eligible investment proxies for FA Managed and Managed Solutions and Custom Managed Solutions Accounts (without SMAs) (except Benefit Plan Accounts as applicable) unless the client specifically retains the right to vote proxies. If you transfer non-eligible investments to open or fund an Account, Edward Jones may also vote proxies for those securities if the date of record occurs before the securities are liquidated.

When you invest in one of these Strategies (without SMAs, as applicable), you delegate the right to vote on these securities to Edward Jones and cannot direct or recommend how we will vote. By delegating proxy authority, you also authorize us to receive all proxy-related materials, annual and semi-annual reports, and other shareholder materials, including corporate actions, arising from any eligible investments or other securities in the Account.

Edward Jones has hired an independent third-party proxy voting service to assist us in evaluating and voting proxies in a way that follows our adopted policies and guidelines. We have established policies and procedures that are intended to ensure that proxies are voted in a manner that is consistent with our clients' best interest. You further understand and acknowledge that certain independent shareholder rights available to you as an individual may not be exercised or effectuated when you delegate proxy authority to Edward Jones. For more information, you can receive a copy of proxy-related materials, Edward Jones' proxy voting policy and procedures, voting guidelines and/or proxy voting record by submitting a written request to: Edward Jones, Attention: Investment Advisory, 12555 Manchester Road, St. Louis, MO 63131.

If you want to retain your right to vote proxies, you must inform Edward Jones that we are not to vote on your behalf. Benefit Plan



Accounts, for which we will not vote proxies, and those clients who wish to retain their right to vote proxies will then continue to receive all materials and notices from Edward Jones or the applicable mutual fund company or issuer and will be responsible for voting on the issues that the companies raise. We will not provide recommendations or advice on how to vote on these issues.

*Client Directed.* When you invest in Client Directed, you are solely responsible for voting proxies arising from any securities held in your Account. Edward Jones will not take any action and will not render any advice regarding how to vote proxies arising from any securities held in your Account. You may receive proxy-related materials and notices from Edward Jones or the applicable securities issuer or mutual fund or ETF sponsor, and you will be responsible for voting proxies.

*Managed Solutions and Custom Managed Solutions utilizing SMAs.* If utilizing SMAs, Edward Jones does not vote proxies for clients. The Overlay Manager will vote any proxies received in accordance with their proxy voting policies and procedures, which are reasonably designed to ensure that they vote securities in the best interest of clients. You cannot retain the right to vote proxies yourself or direct or recommend how the Overlay Manager should cast any particular vote. The Overlay Manager endeavors to vote proxies in accordance with the best economic interest of its clients and similarly to resolve any conflicts of interest exclusively in the best economic interests of the clients. You should review the Overlay Manager's Form ADV Part 2A Brochure for more information about their proxy voting policies. The Overlay Manager is also authorized to receive all proxy-related materials, annual and semi-annual reports, and other shareholder materials, including corporate actions, arising from any eligible investments or other securities in the Account. You can receive a copy of these materials, the Overlay Manager's proxy voting policy and procedures, voting guidelines and/or proxy voting record by submitting a written request to: Edward Jones, Attention: Investment Advisory, 12555 Manchester Road, St. Louis, MO 63131.

## Legal Notices

Edward Jones will not take any action or render any advice regarding any legal action on your behalf relating to any eligible investments or other assets held in your Account (including shares of the Money Market Fund) that may become subject to any legal action, regulatory action, administrative action, bankruptcy, and/or class action lawsuit other than the Class Action Claim Filing service described in this Brochure. However, Edward Jones will promptly forward any such documents to you, or if you are enrolled in the Class Action Claim Filing service, Edward Jones will execute such service as described in this Brochure.

## Item 7: Client Information Provided to Portfolio Managers

Client information provided to Edward Jones, a portfolio manager in IAP, will be maintained in accordance with our privacy policies. Over time, your financial goals and objectives may change.

Accordingly, you and your financial advisor must perform an annual review, as set forth in Item 9B below.

Additionally, if utilizing SMAs in a Managed Solutions or Custom Managed Solutions Strategy, we will provide client information to the Overlay Manager and to Executing SMA Managers who are authorized to execute transactions to the extent necessary for the Overlay Manager or Executing SMA Managers to manage the Account (or any portion thereof). This includes providing updated investment objective information to the Overlay Manager and/or applicable Executing SMA Manager(s). Edward Jones does not provide client information to Unaffiliated Managers who are not authorized to execute transactions for the Account. Similarly, Edward Jones does not provide client information to a transfer agent or asset manager of an Alternative Investment who have not been selected, reviewed, and approved for inclusion in IAP.

## Item 8: Client Contact with Portfolio Managers

You may contact your Edward Jones financial advisor, or as applicable, Portfolio Strategy representative during normal business hours with questions regarding your Account and selected Strategies, including questions regarding an SMA or Alternative Investment. You cannot directly contact the Overlay Manager, SMA Managers, unaffiliated mutual funds, ETFs, the subadvisers of the affiliated mutual funds, or the asset manager or transfer agent of an Alternative Investment. If you have a complex or non-routine question, Edward Jones will communicate with these third-party providers.

## Item 9: Additional Information

### A. Disciplinary Information and Other Financial Industry Activities and Affiliations

#### Disciplinary Information

Edward Jones is a registered broker-dealer and investment adviser. This section contains information about certain legal and regulatory matters that Edward Jones believes are material to a client's evaluation of our advisory business or the integrity of our management. Edward Jones has also been subject to various legal and regulatory proceedings relating to our brokerage business that are disclosed in Part 1 of our Form ADV, which is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov), as well as on FINRA's website at [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

**SEC – Municipal Bond Pricing.** On August 13, 2015, Edward Jones, without admitting or denying the findings, entered into a settlement in public administrative and cease-and-desist proceedings with the SEC regarding certain of the firm's municipal securities activities. Pursuant to the settlement, the SEC alleged that Edward Jones violated Sections 17(a)(2) and (3) of the Securities Act of 1933 ("Securities Act"), Sections 15B(c)(1) and 15(b)(4)(E) of the Securities Exchange Act of 1934 ("Exchange Act"), and MSRB Rules G-17, G-11(b) and (d), G-27 and G-30(a). Edward Jones was censured and ordered to cease and desist from violating or causing any current and future violations of Sections 17(a)(2) and (3) of the Securities Act, Section 15B(c)(1) of the Exchange Act and MSRB Rules G-17, G-11, G-27 and G-30. The

settlement required Edward Jones to pay \$5,194,401.37 to current and former customers of Edward Jones and to pay a civil money penalty in the amount of \$15 million. In entering into the settlement, the SEC considered remedial acts undertaken by Edward Jones related to this matter.

**FINRA – Mutual Fund Sales Charge Waivers.** On May 5, 2015, FINRA's Enforcement Division advised Edward Jones that it was investigating whether any violations of the federal securities laws or rules had occurred with respect to mutual fund purchases and sales charge waivers for certain retirement plan and charitable organization accounts. Prior to being advised of the investigation, Edward Jones had commenced a review of this issue and self-reported to FINRA. On October 26, 2015, Edward Jones, without admitting or denying the findings, entered into a settlement agreement with FINRA to resolve this matter. Pursuant to the settlement, Edward Jones agreed to provide remediation to certain customers, estimated at the time of the settlement agreement to be approximately \$13.5 million. A monetary penalty was not imposed by FINRA. In reaching the settlement, FINRA recognized the extraordinary cooperation of Edward Jones, including its self-reporting of the issue to FINRA.

**FINRA – Municipal Securities Transactions Below Minimum Denominations.** On June 2, 2017, Edward Jones, without admitting or denying the findings, entered into a settlement agreement with FINRA's Department of Market Regulation in connection with its investigation of possible violations of MSRB rules regarding transactions in certain municipal securities in amounts lower than the applicable minimum denominations. As part of the settlement, Edward Jones agreed to pay a monetary fine of \$210,000.

**FINRA – Supervision of Tools-Generated Reports.** On July 13, 2017, Edward Jones, without admitting or denying the findings, entered into a settlement agreement with FINRA in connection with its investigation of the supervision of the use and dissemination of reports generated through Edward Jones' systems by financial advisors. FINRA expressly stated that its review of 65,000 reports did not reveal any instances of reports that were misleading. FINRA also stated that Edward Jones had made changes to enhance its supervisory processes. As part of the settlement, Edward Jones agreed to pay a monetary fine of \$725,000.

**FINRA – Call Detail Records Production and Preservation.** On December 13, 2022, Edward Jones entered into a settlement agreement with FINRA without admitting or denying the findings therein. FINRA alleged Edward Jones violated FINRA Rules 8210(a)(1) and 2010 by (1) failing to timely, completely, and accurately respond to certain FINRA requests for call detail records that are not required broker-dealer books and records and (2) failing to preserve certain responsive call detail records during the pendency of regulatory requests. Edward Jones was censured, agreed to certify that it has established and implemented policies, procedures, processes and internal controls reasonably designed to address and remediate the issues identified by FINRA in the settlement, and agreed to pay a monetary fine of \$1.1 million.

**State of Pennsylvania – Investment Adviser Registration.** On January 12, 2024, Edward Jones and the Pennsylvania Department of Banking and Securities entered into a Consent Order. The Department alleged that from in or about January 2015 through the present, Edward Jones failed to register at least one employee as an investment adviser representative in Pennsylvania in violation of Section 301(c.1)(1)(ii) of the Pennsylvania Securities Act of 1972 ("the 1972 Act"), 70 P.S. §1-301(c.1)(1)(ii). Without admitting or denying the findings in the Order, Edward Jones agreed to pay a monetary fine of \$300,000 and to comply with the relevant provision of the 1972 Act.

**SEC Off-Channel Communications Platforms Investigation.** On August 14, 2024, Edward Jones entered into a settlement with the SEC in connection with the SEC's industry-wide investigation into the preservation of electronic communications pursuant to applicable recordkeeping provisions of Section 17(a) of the Securities Exchange Act of 1934 ("Exchange Act") and Section 204 of the Investment Advisers Act of 1940 ("Advisers Act") and supervisory provisions of Section 15(b)(4)(E) of the Exchange Act and Section 203(e)(6) of the Advisers Act, and applicable rules thereunder. Edward Jones fully cooperated with the SEC's investigation and has enhanced its policies and procedures concerning the use of approved communication methods. The settlement imposes a cease-and-desist order and censure, requires Edward Jones to pay a civil monetary penalty of \$50 million, and requires Edward Jones to comply with undertakings including the retention of an independent compliance consultant to assess the firm's policies and systems regarding electronic communications recordkeeping and assist Edward Jones in further enhancing those policies and systems.

**Multistate Supervision Investigation.** As announced by the North American Securities Administrators Association ("NASAA") on January 8, 2025, a coordinated investigation into Edward Jones' supervision of financial advisors who serviced brokerage customers who hired the firm's investment adviser to manage some or all of the customers' securities investments during the period of approximately July 1, 2016 to June 30, 2018 (the "Investigation") has been conducted by a multistate task force, coordinated among members of the NASAA, with Texas and Montana serving as the lead states for the other 48 states and 3 U.S. territories participating in the Investigation (together the "Investigation Participants"). Specifically, the Investigation focused on whether Edward Jones had reasonably designed procedures to precisely apply the holding period of a Class A share mutual fund purchase relative to the fee offsets provided when brokerage clients holding these security types transferred to an Edward Jones advisory offering. Without admitting or denying the findings of facts or conclusions of law set forth in the orders issued by each Investigation Participant, Edward Jones agreed to pay each Investigation Participant \$320,754.72 in administrative monetary fines, as well as an additional \$15,000 in costs to certain states, that resulted in a total monetary fine of \$17.25 million.

## Other Financial Industry Activities and Affiliations

You should be aware that Edward Jones, our affiliates and our financial advisors perform services for you and other clients

outside of IAP, including the execution of brokerage transactions (e.g., the purchase or sale of securities or insurance products), research, the retail distribution of securities (e.g., mutual funds), the participation in principal transactions and certain underwritings and other investment advisory services. Edward Jones and our affiliates receive compensation, including fees and commissions, associated with these services. We have a financial interest in our clients' transactions and the recommendations we make to clients to buy or sell securities or investment products.

A conflict of interest exists where Edward Jones has an existing business relationship with the mutual fund families or sub-advisers that also provide products or services or are available as eligible investments in IAP. Edward Jones receives revenue sharing payments from certain unaffiliated mutual fund families on client assets held outside of Edward Jones' advisory programs.

"Revenue sharing" generally means a mutual fund family shares with another company, like Edward Jones, a portion of the revenue it earns through managing mutual fund assets. Edward Jones' receipt of revenue sharing outside of advisory programs creates a conflict of interest in the form of additional financial benefits to us, our financial advisors and equity owners. We believe that this conflict of interest is mitigated through internal policies designed to prevent Edward Jones, in our capacity as investment adviser, and any affiliated investment adviser, from considering revenue sharing from existing business relationships when selecting eligible investments and/or sub-advisers.

Similarly, no affiliated investment adviser considers such business relationships or revenue sharing in recommending to the board of trustees of any affiliated mutual fund that a sub-adviser be selected to manage the affiliated mutual funds.

For more information regarding revenue sharing, please visit [www.edwardjones.com/disclosures](http://www.edwardjones.com/disclosures) or request a revenue sharing disclosure document from your Edward Jones financial advisor. Edward Jones does not receive revenue sharing on assets held in IAP Accounts. Edward Jones and our financial advisors also receive compensation for services and recommendations that may differ from advice given to you while participating in IAP.

In our capacity as a broker-dealer, Edward Jones performs research and distributes recommendations to buy, sell or hold the equity securities of asset management companies or financial institutions with asset management affiliates that participate in IAP. In order to preserve the independence of this process and to address any conflicts of interest, we have adopted a policy under which we do not consider our opinion on equity securities of asset management companies or financial institutions in selecting mutual funds designated as eligible investments. Similarly, the affiliated investment adviser does not consider Edward Jones' opinion on equity securities of asset management companies or financial institutions when recommending sub-advisers to the board of trustees of an affiliated mutual fund.

The following summarizes Edward Jones' material relationships or arrangements with other entities that participate in the financial industry.

Edward Jones, the primary operating subsidiary of JFC, is dually

registered with the SEC as an investment adviser and broker-dealer, and is a member of FINRA.

Olive Street, a wholly owned subsidiary of JFC, is registered as an investment adviser with the SEC and serves as the investment adviser of the affiliated mutual funds. Certain current or former associates of Edward Jones serve as officers or directors/trustees of the affiliated investment adviser and/or the affiliated mutual funds. Appendix A contains a detailed discussion of our affiliation with the affiliated mutual funds.

Edward Jones, an Ontario limited partnership (Edward Jones in Canada), an indirectly wholly owned subsidiary of JFC, is a broker-dealer registered with the Canadian Investment Regulatory Organization.

EJTC, a wholly owned subsidiary of JFC, is a federally chartered savings and loan association that offers personal trust and investment management services. EJTC also acts as custodian for certain traditional IRAs and Roth IRAs that are participating, or have participated, in IAP and other Edward Jones programs. For additional information about this arrangement, please see Item 4.

Edward Jones owns directly or indirectly 100% of three insurance agencies that conduct insurance-related activities in the U.S.: Edward Jones Insurance Agency of New Mexico, L.L.C., a New Mexico limited liability company; Edward Jones Insurance Agency of Massachusetts, L.L.C., a Massachusetts limited liability company; and Edward Jones Insurance Agency of California, L.L.C., a California limited liability company.

JFC indirectly owns 100% of two insurance agencies that conduct general insurance-related activities in Canada: Edward Jones Insurance Agency (Quebec) Inc., a Canadian corporation; and Edward Jones Insurance Agency, an Ontario, Canada, limited partnership.

Edward Jones owns 7% of Customer Account Protection Company Holdings, Inc. (CAPCO), a captive insurance group.

JFC indirectly owns 100% of EDJ Insurance Company, Inc., a Missouri captive insurance company.

## **B. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading; Review of Accounts; Client Referrals and Other Compensation; and Financial Information**

### **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Edward Jones has established a Code of Ethics to ensure that our associates:

- Act with integrity and in an ethical manner with you and all of our clients
- Place your and all of our clients' interests first
- Conduct personal trading in compliance with our Code of Ethics, avoid potential conflicts of interest and make sure they do not abuse the faith and trust you have placed in them



- Comply with all applicable rules, regulations and laws
- Do not use any material nonpublic information they may receive as a result of their employment with Edward Jones

Some Edward Jones associates are deemed “access persons” under our Code of Ethics because they may have access to nonpublic information regarding either the securities in a client’s Accounts or changes to the eligible investments, including asset allocations. Under our Code of Ethics, access persons must receive prior approval before acquiring a beneficial ownership interest in any security in an initial public offering, limited offering or hedge fund transaction. Additionally, access persons are required to submit to the chief compliance officer, or his or her delegate, a list of any securities they own and securities transactions they made for any account they control at Edward Jones or another financial institution. You may request a copy of the Edward Jones Code of Ethics from your financial advisor.

As a broker-dealer, there may be times when Edward Jones will buy, sell or recommend that our brokerage clients who are not participating in IAP buy securities that are also eligible investments in IAP. These brokerage activities are done in the regular course of our business as a broker-dealer and are separate from our investment advisory services. There are times when we act as principal, which means we participate in client transactions by buying securities for our own inventory and selling those securities to our clients. To the extent conflicts arise under such transactions, Edward Jones is nevertheless obligated to execute any such transaction in the manner it believes is in the client’s best interest.

You should know that financial advisors, Edward Jones associates (including those directly involved with IAP) and/or their family members are permitted to and do invest in IAP. This practice could create a conflict of interest if associates placing trades for their own Accounts were to place a trade before our clients and receive a better price on a security. To address this potential conflict, trades for financial advisors, Edward Jones associates (including those directly involved with IAP) and/or their family members are aggregated along with other trades, which may include trades for your Account.

Edward Jones has internal supervisory reviews and procedures to review Accounts held by our associates and certain family members and their personal trading practices. The reviews look for improper trading activities, including trading that may be in conflict with the best interests of a client. In addition to the Code of Ethics and the supervisory reviews, we prohibit financial advisors from placing trades for their personal Accounts before trades for our clients in the same security. In the event a financial advisor’s personal order fills at a better price than a client’s order placed close in time, we will adjust the trade so the client receives the better price.

## Review of Accounts

At the time your Account is opened, Edward Jones’ supervisory associates will review your selected Account Portfolio Objective to confirm it is appropriate based on considerations such as your net

worth, risk tolerance, time horizon and/or Goal Portfolio Objective (if applicable). The funding of your Account will also be reviewed. If you have sold investments purchased at Edward Jones in order to fund the Account, the holding period of those investments will be reviewed for appropriateness. Supervisory personnel may also call you directly to discuss your understanding of IAP, including the fees and expenses you are or will be paying.

While you are invested in IAP, we provide ongoing monitoring, including an annual review. The Asset Allocation Category and eligible investment weightings established for your Account Portfolio Objective are monitored and reviewed to determine realignment needs according to Edward Jones’ guidelines.

You will receive a written Account statement at least quarterly (monthly in months in which activity occurs in your Account) containing a description of all activity in your Account during the period, including all transactions, contributions, withdrawals, fees and the value of your Account at the beginning and end of the period.

Our review does not substitute for your own continued review and monitoring of your Account and performance of your investments. You should review performance reports and trade confirmations (as applicable), Account statements, and other information we provide to you. Current and timely information about your Account will be available in Edward Jones’ online client access system. If you have any questions, please discuss them with your financial advisor.

At least annually, you and your financial advisor should discuss any changes to your financial situation, including, but not limited to, your risk tolerance, Account Portfolio Objective, Goal Portfolio Objective (if applicable), and whether you would like to impose any reasonable investment restrictions on your Account. If you decide to pursue a different Account Portfolio Objective, your Account will be reviewed for realignment to match your new Account Portfolio Objective. If utilizing SMAs, the review will help determine if your Asset Allocation Category and/or eligible investment weightings and/or SMA Manager selections need to be modified.

For the Client Directed Strategy, you will need to work with your financial advisor to determine what adjustments are needed to bring your Account back into alignment. In the event that you do not provide instructions to bring your Account back into alignment within a time period determined by Edward Jones, your Account will be removed from IAP.

## Client Referrals and Other Compensation

From time to time, Edward Jones and our financial advisors pay for client referrals and potential client leads from third parties (“paid solicitor arrangements”). The third parties providing the referrals and leads are not affiliated with Edward Jones. The compensation paid to third parties can include a flat-fee or subscription fee that is not dependent on whether a referral or lead becomes an Edward Jones client or an ongoing fee that is stated as a percentage of the IAP Fee or the fee of other advisory programs offered at Edward Jones (collectively referred to as



“Edward Jones Advisory Program”), which is dependent upon the referral or lead becoming a client in an Edward Jones Advisory Program. Edward Jones enters into written agreements with such third parties governing the paid solicitor arrangements. Paid solicitor arrangements create a conflict of interest as the third party has an incentive to recommend prospects engage with an Edward Jones financial advisor and, where the third party compensation is dependent upon the client enrolling in an Edward Jones Advisory Program, the third party has an incentive to recommend the prospect enroll in an Edward Jones Advisory Program.

In addition to the paid solicitor arrangements disclosed above, from time to time, our financial advisors receive uncompensated referrals from other professionals or clients. Our financial advisors also may provide uncompensated referrals to other professionals. Other than in connection with Edward Jones approved solicitor arrangements, Edward Jones policy prohibits financial advisors from purchasing or providing any compensation, cash or non-cash, directly or indirectly, in exchange for appointments or referrals. The purchase of lists (such as mailing or calling lists), by Edward Jones and our financial advisors, from third parties does not involve solicitation or referrals to Edward Jones.

From time to time, affiliates of Edward Jones may make and/or maintain investments in other firms, including financial services firms, that we utilize, in part, to deliver the service offerings of an Edward Jones Advisory Program. Such investments in these firms by our affiliates may influence our decision to incorporate such product or service offering into an Edward Jones Advisory Program.

Edward Jones has contracted with Broadridge Investor Communications Solutions, Inc. (“Broadridge”), an unaffiliated third-party vendor, to distribute proxies, periodic reports and voting instruction information to our clients. Pursuant to the agreement between Edward Jones and Broadridge and in accordance with regulations, Broadridge charges the issuing company on behalf of Edward Jones for these services. Edward Jones receives from Broadridge a portion of the fees paid by the issuing company.

Certain unaffiliated mutual fund companies, ETF sponsors, Alternative Investment asset managers, and/or SMA Managers on the list of eligible investments (or their investment advisers) pay certain expenses on behalf of financial advisors, including training and educational expenses, and in some instances make payments directly to Edward Jones to subsidize training and educational costs for financial advisors. These companies also participate in conferences or other marketing activities with Edward Jones and generally share in the cost of those activities. Edward Jones has not entered into any agreement with any SMA Manager, ETF, mutual fund, Alternative Investment, or its investment adviser or its distributors or affiliates providing for payment of such expenses as a condition of inclusion on the list of eligible investments or the selection of a sub-adviser for affiliated mutual funds. Our financial advisors are not allowed to consider an advisory product partner’s sponsorship of a marketing activity when choosing which eligible investments to suggest to you.

## Financial Information

This section does not apply to Edward Jones.

## Item 10: Requirements for State-Registered Advisers

This section does not apply to Edward Jones.

## Appendix A

### Disclosures Regarding Affiliated Money Market Fund and Mutual Funds

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**Edward Jones Money Market Fund.** Your Account may from time to time be invested in shares of the Edward Jones Money Market Fund (the “Money Market Fund”), which is advised by Olive Street Investment Advisers, LLC (“Olive Street”), an affiliate of Edward Jones. Olive Street receives a management fee of 0.20% of average net assets of the Money Market Fund, less any fees paid to its sub-adviser.

The Money Market Fund declares dividends daily and pays them monthly to shareholders. Whether a dividend is accrued for a shareholder on a particular day is based on the Money Market Fund’s current yield and the size of the shareholder’s investment in the Money Market Fund. If a shareholder’s investment in the Money Market Fund is not large enough to result in a dividend of at least half a penny on a particular day, no dividend is accrued for the shareholder for that day. This fraction of a penny is not credited to the shareholder’s Account nor is it aggregated with past or future unpaid fractions of a penny when determining whether a shareholder’s daily dividend equals at least a half penny on a particular day. Rather, this fraction of a penny is retained by the Money Market Fund as part of its overall fund assets, which are used to determine the Money Market Fund’s daily dividend calculation to all shareholders.

The Money Market Fund pays a Rule 12b-1 fee of up to 0.25% of average net assets to Edward Jones for providing distribution and shareholder services to shareholders of the Money Market Fund’s Investment Shares and Retirement Shares, and an Administrative Shareholder Service Fee up to 0.15% of average net assets to Edward Jones for providing administrative services, including banking administrative services and sweep administrative services, to shareholders. Edward Jones provides distribution services, shareholder services, administrative services, and transfer agent services to the Money Market Fund and the Accounts that our clients maintain in the Money Market Fund.

For any Account investing in the Money Market Fund, Edward Jones or an affiliate will apply a fee offset equal to the amount of the Money Market Revenue received by Edward Jones or an affiliate, with respect to such Account.

Please review the current summary prospectus for the Money Market Fund, which describes the investment characteristics of the Money Market Fund and the fees paid to Olive Street by the Money Market Fund. The prospectus also describes certain revenue received by Edward Jones in connection with the Money Market Fund.

**Bridge Builder Mutual Funds.** Your Account may from time to time be invested in shares of the Bridge Builder Mutual Funds (“Bridge Builder Funds”), which are also advised by Olive Street, an affiliate of Edward Jones. Bridge Builder Funds are sub-advised by multiple sub-advisers that are unaffiliated with us. If your Account invests in a Bridge Builder Fund, Olive Street charges the fund a management fee which the fund pays directly to the fund’s sub-advisers. Olive Street has entered into an agreement with each Bridge Builder Fund to waive its management fees to the extent management fees charged by Olive Street exceed the management fees the fund is required to pay a fund’s sub-advisers (i.e., as a result of its waivers, Olive Street does not receive any management fees from a fund). The waiver agreement can only be terminated as described in the fund’s registration statement.

Please review the current summary prospectus for each of the relevant Bridge Builder Funds, which describes the investment characteristics of the fund, risks of the fund, and the fees charged by Olive Street to the fund. Certain Bridge Builder Funds are only available in taxable Accounts.