

EFFECTIVE JANUARY 1, 2022

UnionBanc Investment Services  
Fee Schedule, Disclosures, and  
Services Agreements

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If you have an investment advisory account with us, please refer to the *Managed Account Solutions* and/or *Personal Portfolio Solutions Terms and Conditions*, the *Statement of Investment Selection*, and the Form ADVs you received from your financial advisor for information regarding your account rather than the *Investment Services Agreement*, *Portfolio Connection Accounts & Services Disclosure*, and the *BDSP Disclosure Document*, which apply to brokerage accounts.

<sup>1</sup> The Bank Deposit Sweep Program is offered through UnionBanc Investment Services, LLC (UBIS) and may be referred to as the Union Bank Consumer Deposit Sweep Program or the Union Bank Business Deposit Sweep Program (individually or collectively also referred to as "BDSP" or "BDSP<sup>SM</sup>").

Brokerage and investment advisory services available through UnionBanc Investment Services LLC, an SEC-registered broker-dealer, investment adviser, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A.:

**• Are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate • Are NOT insured by the FDIC or by any other federal government agency • Are subject to investment risks, including possible loss of the principal amount invested.**

EFFECTIVE JANUARY 1, 2022

## A. Customer Relationship Summary (Form CRS)

June 30, 2020

## Customer Relationship Summary “Form CRS” for UnionBanc Investment Services LLC – a Dually Registered Broker-Dealer and Investment Adviser

UnionBanc Investment Services® LLC (“UBIS”) is registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer and an investment adviser, is a member firm of the Financial Industry Regulation Authority, Inc. (“FINRA”) and is a subsidiary of MUFG Union Bank, N.A (“Union Bank”). This document is for retail investors only. Brokerage and investment advisory services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

### WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

WE OFFER BOTH BROKERAGE AND INVESTMENT ADVISORY SERVICES

#### BROKER-DEALER SERVICES

In our brokerage capacity, we accept orders and execute trades in your account at your direction. We do not have discretionary investment authority, which means the decision to buy, sell, hold, or exchange any security is solely your decision. We are available to assist you with your account needs, but we do not monitor your brokerage account investments or offer ongoing “hold” recommendations. It is your responsibility to monitor your account and keep us informed of any changes that could affect your investment profile. We limit our investment offerings that Financial Advisors (“FAs”) may recommend to a specific menu of investments, such as mutual funds, variable annuities, Unit Investment Trusts (UITs), Certificates of Deposits (CDs), and Market Linked CDs offered by issuers with whom we have an agreement, and fixed income bonds (e.g., Treasuries, municipal bonds, agency bonds, and corporate bonds). Some of our FAs cannot offer the full range of the investment offerings and brokerage services we offer. UBIS uses a bank deposit sweep program provided by our parent Union Bank. **There is no account minimum to open a brokerage account, however, you may be charged a service fee for inactive accounts and for retirement accounts that are under \$25,000 at the end of each year; see [UnionBanc Investment Services Commission & Fee Schedule](#) for more information.** We limit our mutual fund offerings to A shares except for retirement plans, which we are limited to offering specific retirement share classes (e.g., “R” class) chosen by the Plan Sponsor.

#### INVESTMENT ADVISER SERVICES

In our role as an investment adviser, we provide you with investment advice for a fee, including investment advice with respect to particular investments and wrap fee programs. This may include the recommendation to use a certain investment strategy or the portfolio management services of a third-party manager. We also monitor your investment portfolio on an ongoing basis as part of our advisory services. The frequency and limitations of this account monitoring depend on the advisory program that you select and on your financial needs. We will meet with you at least annually to review your investments and confirm that your account is still appropriate for you and make any needed changes. Not all of our Financial Advisors (“FAs”) can offer investment advisory services. We offer a discretionary and a non-discretionary investment management program. In the discretionary program your assets are managed by unaffiliated third-party managers on a fully discretionary basis, which means that you are not asked for prior approval for specific transactions. Our non-discretionary investment management program is one in which you are consulted by the FA, but you make the ultimate decision. Both are fully described within our Form ADV Part 2A and Form ADV Part 2A Appendix 1, which are available at [unionbank.com/invest](https://unionbank.com/invest). **Each investment advisory sub-program has a minimum balance requirement, for specific account minimum balance for each sub-program, please refer to our Form ADVs: [The Managed Account Solutions Form ADV Part 2A](#) and the [Personal Portfolio Solutions Form ADV Part 2A – Appendix 1](#).**

**For additional information regarding both brokerage and investment advisory programs, please see our [Guide to Brokerage Services, UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Service Agreements, Form ADV, Part 2A brochure](#) (Items 4 and 7 of Part 2A or Items 4 and 5 of Part 2A Appendix 1), and other applicable documents.**

**Conversation Starter.** Ask your financial professional **(i) Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not? (ii) How will you choose investments to recommend to me? (iii) What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?**

WHAT FEES WILL I PAY?	
BROKER-DEALER SERVICES	INVESTMENT ADVISER SERVICES
<p>We are paid each time you trade in your brokerage account or make a new investment. This payment is typically called a “commission,” “sales charge” or a “markup/markdown.” The type and amount of compensation UBIS receives for brokerage services provided to you varies depending on the investment you select and the size or amount of the transaction and if you use FA or broker assistance or simply transact online. UBIS receives this compensation for effecting securities transactions including when recommendations are made, where applicable. This compensation is typically paid up-front and often is based on the amount of assets invested in. The more transactions you make in your account, the more commissions you will pay to UBIS. UBIS and its FAs therefore have an incentive to encourage you to trade more often and make additional investments, which creates a conflict of interest for us. UBIS can transact the following types of securities: (1) general securities and other instruments, such as equities (i.e., common stock), exchange traded securities, fixed income securities such as corporate bonds, money market securities, bank issued Certificates of Deposits (“CDs”), mortgage-backed securities, municipal bonds, U.S. Treasuries, and U.S. Agency securities; and (2) Packaged products, such as Market-Linked CDs (“MLCDs”), mutual funds, variable annuities, and variable life insurance. In addition to sales charges and commissions discussed above, certain investments deduct other ongoing fees and expenses, such as mutual fund 12b-1 fees, management fees, or other servicing fees. These ongoing fees and expenses add to the cost of your investment and reduce returns, so you pay these ongoing fees and expenses indirectly. For more information on commissions or sales charges for each of your transactions (e.g., wire transfer fees, account termination fee, ACAT fee, margin fee, research fees, and custodial fees), please refer to the confirmation, prospectus or other offering document provided in connection with the investment. In addition, certain brokerage-related and administrative fees apply to your brokerage account, which is held in custody at National Financial Services (“NFS”), our unaffiliated clearing broker, and more information about these account level fees is available within the <a href="#">UnionBanc Investment Services Commission &amp; Fee Schedule, Disclosures, and Services Agreements</a>.</p>	<p>We are paid a fee based on a percentage of the assets, typically referred to as an “advisory fee.” You will pay this fee annually, billed quarterly in advance of each month. This fee covers various services such as clearing, custody, trading, technology, and monitoring for your account. The more assets you have in an advisory account, the more you will pay in fees, and the firm may therefore have an incentive to encourage you to add money to your account, which creates a conflict of interest for us. However, this also means that UBIS will make less when the value of your account drops or when you withdraw funds. For our wrap fee programs, you will typically pay a “wrap fee,” which includes the investment advisory fee and the costs for the execution of the securities transactions and other services. The wrap fee is usually higher than the advisory fees for non-wrap fee programs because it includes transaction costs. Each sub-program charges a separate management fee for providing investment management services. The Fund Strategist Portfolio (“FSP”) sub-program offers a third-party allocation strategist to clients seeking actively managed mutual funds or exchange traded fund portfolios. The Separately Managed Account (“SMA”) sub-program offers clients direct access to global investment managers. The Unified Managed Account (“UMA”) sub-program allows your FA to build customized model portfolios utilizing mutual funds, SMAs, and/or ETFs in a single diversified account. The Personal Portfolio Solutions (“PPS”) sub-program is a non-discretionary program allowing FAs to build customized models for our clients using either mutual funds and/or ETFs. Lastly, the WealthBuilder program offers a limited set of ETFs to clients with a minimum investment of \$10,000. Please note that both the PPS and WealthBuilder sub-programs are no longer offered to new clients. UBIS pays all ticket charges for all transaction fees related to the managed account program and does not pass along the fees to the client. UBIS does not charge additional brokerage account transaction fees to the client. The client only pays one fee, which is the total program fee. You can find more information about our investment advisory fees within our Form ADV Part 2A Brochures, <a href="#">Managed Account Solutions</a>; or <a href="#">Personal Portfolio Solutions</a>.</p>

**For both Brokerage and Investment Advisory accounts, you will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

**Conversation Starter.** Ask your financial professional. **Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?**

**WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER-DEALER OR WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?**

BROKER-DEALER SERVICES	INVESTMENT ADVISER SERVICES
<p>As a broker-dealer, we must act in your best interest and not put our interest ahead of yours when making an investment recommendation. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because it can affect the recommendation. Examples of conflicts of interest when providing you securities recommendations are: (1) <u>Proprietary Products</u>: Investments issued, sponsored, or managed by UBIS or any affiliate would create a conflict of interest for us because we or our affiliate would receive compensation if you purchased these investments. UBIS does not offer proprietary investments but does use an affiliated sweep called the Bank Deposit Sweep Program (“BDSP”). BDSP invests or “sweeps” uninvested brokerage account cash balances into an interest-bearing deposit account at our affiliate, Union Bank. Union Bank earns compensation from the BDSP and pays UBIS a fee for this service. A portion of this fee may be paid to your FA. This compensation creates an incentive for us to encourage your participation in the BDSP sweeps. (2) <u>Third-Party Payments</u>: UBIS receives third party payments from investment product issuers, sponsors, or managers, such as 12b-1 fees, marketing allowances, subsidized FA training and/or revenue sharing payments, each of which create an incentive for UBIS to recommend these products to you. UBIS receives these payments in part to maintain a relationship with these issuers. (3) <u>Principal Trading</u>: In its fixed income business, UBIS often buys or sells for its own account, earning a markup/markdown when either buying from, or selling to, retail investors.</p>	<p>In our capacity as an investment adviser, we are a fiduciary and are required to always put your interest ahead of our own. While there are inherent conflicts of interest as we provide you investment advice for a fee, we provide these disclosures within our Form ADV Part 2A Brochures for <u>Managed Account Solutions</u>; or <u>Personal Portfolio Solutions</u>. You should understand and ask us about these conflicts because they can affect the advice we provide you. In certain cases, we may be compensated by unaffiliated third parties based on the amount of assets our clients have with them. This represents a conflict of interest in that we are incentivized to recommend the services of the third-party from which additional compensation may be received. However, neither we nor our FAs generally direct the transactions in our wrap fee program. Furthermore, we do not favor the sales of any particular product sponsor, nor do we encourage or otherwise promote any particular product sponsor. NFS charges UBIS a fee to provide transaction execution, clearance, settlement, custody, and other related services for our advisory clients. These fees are reduced as our assets under management increase and reaches predetermined dollar thresholds. This creates an inherent conflict of interest in that we are incentivized to recommend an advisory program in order to realize the financial benefits of our arrangement with NFS. In addition, as part of our agreement with NFS, we receive a Business Development Credit each year for maintaining business with them. Unlike brokerage accounts, investment advisory accounts may not use the BDSP to sweep uninvested cash, which means neither UBIS nor Union Bank makes money from this product. Our parent, Union Bank, also offers managed accounts not governed by the Investment Advisers Act, which UBIS FAs may recommend or refer clients to as bank employees or refer clients to as part of the Wealth Markets business. As bank employees, UBIS FAs earn compensation, which may be higher for either product.</p>

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**Conversation Starter:** Ask your financial professional. **How might your conflicts of interest affect me, and how will you address them?**

For additional information, please see our *Regulation Best Interest Disclosures*, Form ADV, Part 2A brochure (Items 4 and 7 of Part 2A or Items 4 and 5 of Part 2A Appendix 1) and other applicable documents.

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### HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

BROKER-DEALER SERVICES	INVESTMENT ADVISER SERVICES
<p>Our FAs receive a portion of the commissions that we receive as compensation for selling you a product and/or service. FAs are paid a monthly commission based on their monthly "production level," which is based on an internal commission payout grid. All qualified sales revenue for the current and previous 5 months' sales are aggregated into a monthly average calculation, which is used to determine the payment to the FA. The compensation our FAs earn is a conflict of interest because they have a financial incentive to recommend investments that pay them more compensation. We mitigate this conflict by limiting compensation within product categories and requiring FAs to make recommendations that are in your best interest.</p>	<p>Our Financial Advisors (FA) receive a portion of the investment advisory fees we receive as compensation based on your assets under management, including any assets in the UBIS wrap fee program. Your FA receives a portion of the total program fee for each of the specific sub-programs listed above. This compensation represents a conflict of interest based on the total assets held in our managed account program as we and our FAs make more money when your account balance increases, and therefore have an incentive to recommend you increase the assets in your account. Because our compensation increases as your account balance grows, we and our FAs have an incentive to provide advice and services intended to help your account's investment performance.</p>

For both Broker-Dealer and Investment Adviser services, our FAs occasionally receive gifts of nominal value (limited to less than \$100 each calendar year) from product or service vendors, including our affiliates. Certain vendors may also invite our employees to training/educational events or host reasonable business entertainment that is deemed necessary and/or customary industry practices. These product or service vendors may be recommended to you.

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### DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Please review our Form ADV Item 11 of Part 1A or Item 9 of Part 2A. Disciplinary history of our individual RRs, is located on their respective ADV Part 2B. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research UBIS and our financial professionals. You can also get specific information about UBIS and our financial professionals by visiting [FINRA's BrokerCheck](http://FINRA's BrokerCheck) site.

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**Conversation Starter.** Ask your financial professional. **As a financial professional, do you have any disciplinary history? For what type of conduct?**

**Additional Information.** We encourage you to seek out additional information.

For additional information about UnionBanc Investment Services or to get a copy of this Client Relationship Summary, you can visit our website at [www.unionbank.com/invest](http://www.unionbank.com/invest). Our Client Services Desk can also provide you with a copy of the Client Relationship Summary (Form CRS) upon request by calling 800-634-1100. If you have any concerns about how your RR is treating you, please call 800-634-1100 and ask for the Compliance Department.

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

EFFECTIVE JANUARY 1, 2022

## B. UnionBanc Investment Services Commission & Fee Schedule



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Portfolio Connection and other investments available through UnionBanc Investment Services LLC, an SEC-registered broker-dealer, investment advisor, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A.:

- **Are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate**
- **Are NOT insured by the FDIC or by any other federal government agency**
- **Are subject to investment risks, including possible loss of the principal amount invested**

UnionBanc Investment Services® LLC ("UBIS") is an SEC-registered broker-dealer, investment advisor, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A. ("Union Bank" or "Bank"). UBIS offers a wide range of investment products and financial services from one convenient, reliable source. This UnionBanc Investment Services Commission & Fee Schedule describes fees, charges, and account minimums that apply to your brokerage account(s) with UBIS, and to products and services that are related to your brokerage account(s). Charges that apply to banking products and products offered outside of UBIS are disclosed in the schedules and agreements that apply to those products and services.

## INVESTMENT SERVICES

**Activity Assessment Fee** – A minimal Activity Assessment Fee is charged on most equity and option sales. The Securities and Exchange Commission (SEC) imposes this fee on the securities exchanges, and brokers typically pass the fee on to customers. The fee is disclosed on the confirmation of your trade under "Activity Assessment Fee." It is in addition to other fees described in this Fee Schedule. The SEC changes the fee from time to time; you can contact UBIS to inquire about the amount of the fee.

**Broker-Assisted Trading** – Provided through Financial Advisors or Client Services, 800-634-1100.

**Online Trading** – Online trading provided through login at unionbank.com/invest. Please see the *Important Information on Online Trading* section for further details.

**Please note:** These rates and fees are subject to change.

### Equities

#### Broker-Assisted Trading

Dollar Amount	Commission Rate
\$0-2,500	\$ 29 + 1.7% of dollar amount
\$2,501-6,000	\$ 55 + 0.66% of dollar amount
\$6,001-22,000	\$ 75 + 0.34% of dollar amount
\$22,001-50,000	\$ 99 + 0.22% of dollar amount
\$50,001-500,000	\$154 + 0.11% of dollar amount
\$500,001 +	\$154 + 0.09% of dollar amount

Minimum charge: \$0.04 per share or \$45 (whichever is greater).  
Maximum charge: \$0.55 per share.

#### Online Trading ("Electronic") (Listed/Over the Counter)

Share Amount	Commission
0-1,250 shares	per trade \$ 19.95
1,251+ shares	per trade \$ 19.95 (plus \$0.02 per share for share amounts over 1,250)

**Low-Priced Equities** – Equities less than \$1 per share will be charged 4.5% of the principal, with a \$45 minimum charge. For any trades placed for which the client does not specify "all or none" when placing the trade and takes longer than one trading day to fully execute the trade, a separate commission fee based on the appropriate schedule (either regular or electronic) will be incurred for each day a trade is executed to complete the entire order. For example, if the initial trade is for a purchase of 500 shares, and 200 shares are purchased the same day, and

the balance of 300 shares are purchased one subsequent day thereafter, two separate commission fees will be charged to the account.

**Large-Block Transactions** – Please contact the Investment Services trading manager on orders of 10,000 shares or more, or on orders over \$250,000, which may be eligible for special handling and/or special pricing.

### Options

#### Broker-Assisted Trading

Dollar Amount	Commission Rate
\$2,000 and under	\$18 + 1.80% of dollar amount
\$2,001-10,000	\$38 + 0.80% of dollar amount
\$10,001+	\$95 + 0.25% of dollar amount

Minimum charge: \$3 per contract. (All option transactions are subject to an overriding minimum commission of \$45 per trade.)  
Maximum charge: \$30 per contract.

#### Online Trading

\$19.95 per trade plus \$1.50 per contract.

Please see the *Important Information on Online Trading* section for additional information.

### Mutual Funds

Minimum investment for retirement accounts	\$ 1,000.00
Minimum investment for all other accounts	\$ 2,000.00

#### No-Load Mutual Funds

Broker-Assisted Trading	per transaction \$ 50.00
Online Trading	per transaction \$ 19.95

Money Market Funds are exempt from the above referenced fees. Please note that certain Money Market Funds with a floating NAV will still be subject to the above referenced fee.

The fees referenced above are in addition to those charged by the fund companies. Some funds can be obtained directly from the fund company without our service charge.

*Investments in money market funds are not insured or guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in money market funds.*

**Mutual fund investing involves risk, including possible loss of principal. You should consider a fund's investment objectives, risks, and charges and expenses carefully prior to investing. This information can be found in the prospectus along with other important information. A prospectus may be obtained by calling UBIS Client Services at 800-634-1100. Please read the prospectus carefully before investing.**

## Margin Borrowing

Current rates are as follows:

The annual rate of interest you will be charged may vary from a minimum of 1.75% to a maximum of 2.25% above the brokers' call money rate, depending upon the amount of your average debit balance.

Average Debit Balance	Interest to Be Charged Above Brokers' Call Money Rate
\$0-99,999	2.25%
\$100,000-499,999	2.00%
\$500,000 and over	1.75%

*Not all account types are eligible for Margin Borrowing. Margin borrowing is a sophisticated trading strategy involving a higher degree of risk and the possible loss of principal.*

## Fixed Income<sup>1</sup>

UBIS will act as principal or agent in relation to the sale or purchase of certain fixed income securities such as corporate bonds, discounted money market securities, certificates of deposit, mortgage-backed securities, municipal bonds, and U.S. agency securities (collectively "Fixed Income Securities"). For transactions where UBIS acts as principal, UBIS applies a transaction charge that is usually embedded in the execution price and not separately identified. For transactions for which UBIS acts as agent, the charge is delineated as an agency commission. Fixed Income Security transaction charges vary and are determined based on a variety of factors, including the principal amount of the transaction, the price of the security, the type of security, the liquidity/availability of the security, and the security's maturity. UBIS charges a \$100 fee for Treasury Auction Orders. A minimum ticket charge of \$25 may apply to certain Fixed Income Security transactions.

## Additional Items\*

A surcharge will apply for the following:

<b>International Fixed Income Settlement/Clearance</b>	\$	50.00
<b>International Equities Settlement/Clearance</b> (excluding Canadian equities; surcharge applies)	\$	75.00
<b>Outgoing Fedwire</b>	\$	50.00
<b>Incoming Fedwire</b>	\$	No Fee
<b>Legal Items (per issue)</b> (i.e., re-registration, accommodation transfer, etc.)	\$	15.00
<b>Service Fees (per transaction)</b>	\$	5.00
<b>Clerical Charges (includes research fee)</b>	per hour \$	30.00 (\$30 minimum)

<sup>1</sup> Fixed Income Securities, including bonds, are subject to various risks, including changes in value, interest rates, credit quality, inflation, prepayments, corporate events, and other factors, and may be worth less than their original cost if sold or redeemed prior to maturity. Tax implications vary. Consult your tax advisor prior to investing. Fixed income transactions may be subject to a principal transaction charge or an agency commission. Principal and Agency transaction charges vary and are determined based on the principal amount of the transaction, the type of product, and the product's maturity.

## Express Delivery

Domestic	\$	15.00
International	\$	50.00

**Returned Check Fee** ..... \$ 33.00

**Stop Payment Check Fee** ..... \$ 30.00

**Extensions** ..... \$ 25.00

Charged when cash or securities are not available to settle a trade by the extension date, and a trade extension is filed with the NYSE.

**Full Transfer of Account Deliveries** ..... \$ 75.00

Charged when a customer's entire account is transferred to another brokerage firm.

**Annual Custody Fee for Inactive Account** ..... \$ 30.00

Charged when an account has had no trading activity or margin interest within the previous 12 months. Union Bank retirement accounts, Portfolio Connection Managed Account Solutions, Personal Portfolio Solutions, accounts linked to an annuity, and accounts having a market value in excess of \$25,000 as of December 31 are exempt from this fee.

## Annual Alternative Investment (AI) Custody and Valuation

**Registered AI Products** ..... per position \$ 35.00

Note: NFS defines registered alternative investments as products registered under the Securities Act of 1933.

**Non-Registered AI Products** ..... per position \$ 125.00

The maximum AI Custody and Valuation fees charged per account are \$500 per year.

**Legal Returns** ..... \$ 75.00

Charged when certificates are returned to a customer due to a "not in good order" status that is in effect for more than 45 days.

**Legal Transfers** ..... \$ 150.00

Charged when a transfer requiring legal documentation is completed.

**Physical Reorganizations** ..... \$ 150.00

Charged when a certificate is deposited into a customer's account after the mandatory reorganization action date has passed.

## Transfer and Ship

**Non-Direct Registration (DRS) Eligible** ..... \$ 500.00

Charged when a customer requests receipt of a physical certificate.

**Pass-Through Fee** – Pass-through fees may apply to some additional fee items. Please call your Financial Advisor for more information.

**Transfer and Ship DRS Eligible** ..... \$ 35.00

Charged when customers request issuance of their stock through the DRS system.

**Safekeeping of Securities** ..... per month \$ 18.00

Charged for the physical custody of positions - covers deposit, custody, and withdrawal (per certificate/per month).

**Restricted Securities Clearance** ..... \$ 150.00

Charged to clear Restricted Securities (per CUSIP).\*

\*Service charges under Additional Items may also apply to investment advisory accounts.

## Important Information on Online Trading

Access your account online to check balances, positions, and order status, as well as make trades. The rates above apply only to trades of equities, options, and no-load mutual funds placed electronically through online investing. Otherwise, our standard fees and commissions for broker-assisted trading will apply. Online trading rates apply to commissions only. Any other applicable fees from this Fee and Commission Schedule apply to electronic transactions and activity. These rates and fees are subject to change.

Online investing **cannot** accommodate the following transactions. Please call 800-634-1100 or your Financial Advisor for these types of transactions.

- Equity trades over 10,000 shares in size
- Option trades over 100 contracts in size
- Complex option trades (e.g., spreads, straddles, etc.)
- Mutual fund trades over \$250,000 in value
- Most international securities
- Mutual fund purchases placed by number of shares (but online mutual fund purchases may be placed by dollar amount)

**Important:** For these types of transactions, our normal Fee and Commission Schedule will apply.

Please be aware that a \$5.00 per-transaction Service Fee, other applicable fees listed in the "Additional Items" section of our *Standard Fee and Commission Schedule*, and applicable Activity Assessment fees also apply to electronic transactions. The online commission calculator ([unionbank.com/invest](http://unionbank.com/invest)) does not reflect these additional items and displays the commission only.

## PORTFOLIO CONNECTION BROKERAGE ACCOUNT

**Minimum Opening Deposit** ..... \$ 10,000.00

### Annual Fee

The Annual Fee will be assessed to Portfolio Connection Brokerage accounts that do not maintain the required Average Total Market Value (TMV)<sup>2</sup> for the previous 12 months:

#### \$100,000.00 or More

**Yearly Average TMV** ..... \$ No Charge

#### Less Than \$100,000.00

**Yearly Average TMV** ..... per year \$ 25.00

(See below for how this fee is assessed.)

### Accounts Opened Prior to October 1, 2000

The Annual Fee will be assessed each subsequent year in October, based on the account's Annual Average Total Market Value for the previous 12 months.

### Newly Established Accounts

The Annual Fee will be assessed annually on the anniversary date that the account was established. The Annual Fee will be based on the Average Total Market Value of the account for the previous 12 months.

### Monthly Minimum Balance Fee

The Monthly Fee will be assessed to Portfolio Connection accounts that do not maintain the required Monthly Average Total Market Value (TMV)<sup>3</sup> on the last Business Day of the statement period.

## \$10,000.00 or More

**Monthly Average TMV** ..... \$ No Fee

## Less Than \$10,000.00

**Monthly Average TMV** ..... per month \$ 9.00

(See below for how this fee is assessed.)

## Additional Fees

There may be fees related to the banking services associated with your Portfolio Connection account. Please refer to the *Union Bank Personal Accounts Fee Schedule*.

## Indirect Compensation

For certain types of transactions, UBIS receives a fee or allowance from a third party. Such fees will be in addition to the direct fees set out in this Fee and Commission Schedule. Examples of such fees include service payments, payments related to the ongoing maintenance by UBIS of positions in your brokerage account, payment of a sales load, or payment of a 12b-1<sup>4</sup> fee. Please consult the appropriate disclosure, prospectus, or offering document for additional specifics on the indirect fees that UBIS and its affiliates may earn from the sale and servicing of products.

MUFG Union Bank, N.A. ("Union Bank" or "Bank"), UBIS, and their respective employees may be compensated by third parties, including affiliates, with respect to referrals of business and the sale, distribution, and servicing of securities and other property, fixed annuities, variable annuities, single premium immediate annuities, life insurance, 401(k) solutions, CDs, and other products that Union Bank and UBIS each makes available from time to time. UBIS employees may be compensated by Union Bank for client relationship management in collaboration with bank employees. Please note that comparable products and services made available by UBIS or its affiliates may be available at higher or lower fees from other independent service providers not affiliated with UBIS. Please also note that in addition to the above-described payments, UBIS has negotiated agreements with certain sponsors of mutual funds and annuity contracts that provide UBIS with cash payments of 5 to 30 basis points (0.05% to 0.30%) of the total purchase amount in order to defray the cost of promotional and marketing activities.

UBIS, Union Bank, or their affiliates may, if legally permissible, act as principal in the sale of certain securities and other property and receive compensation in connection with doing so, and UBIS and Union Bank employees may be paid a portion of any compensation received in connection with a client's account or in connection with a referral of a client's business to a third party or affiliate. Clients that are a pension plan subject to both Title I of ERISA and the requirements of Section 408(b)(2) thereunder should review the UBIS disclosure document entitled "Guide to Brokerage Services and Compensation Under Department of Labor Regulation 408(b)(2)" in order to determine that the compensation to be earned by UBIS is reasonable.

<sup>2</sup> TMV is the dollar value held in any combination of stocks, bonds, cash, etc., in a Portfolio Connection account.

<sup>3</sup> Monthly Average TMV is calculated as follows: Calculate the sum of the balances for each day of the month and then divide by the number of days in that month.

<sup>4</sup> A 12b-1 fee is a fee assessed on certain mutual funds or share classes permitted under an SEC rule to help cover the costs associated with marketing and selling the fund. 12b-1 fees may also be used to cover shareholder servicing expenses.

Union Bank and its affiliates provide an array of financial services to individuals, small businesses, and public companies for which they receive compensation. The services provided by Union Bank and its affiliates include commercial and retail banking products and services, investment advisory services, and brokerage services. As a result of the array of services provided by Union Bank and its affiliates, it is possible that securities or other investments recommended or otherwise made available by UBIS are issued or sponsored by clients or prospective clients of Union Bank and its affiliates.

## INDIVIDUAL RETIREMENT ACCOUNTS AND SMALL BUSINESS RETIREMENT PLANS

### Annual Custodial/Trustee Fee

You will be charged an annual custodial/trustee fee for each IRA plan that you have open anytime during the calendar year, as follows:

#### IRAs

- Traditional IRA (Contributory and Rollover)
- Roth IRA (Contributory and Rollover)

#### Small Business Retirement Plans

- Simplified Employee Pension (SEP) Plan IRA
- Savings Incentive Match Plan for Employees (SIMPLE) IRA

Except as described below, the full amount of the custodial/trustee fee will be assessed to your IRA or Small Business Retirement Plan. New plans opened from January 1, 2020, through December 31, 2020, will be subject to the 2020 fee schedule. **(Note: These fees do not apply to Coverdell ESA.)**

#### Annual Custodial Fee for

**Traditional and Roth IRAs**..... per plan \$ 25.00

**Annual Custodial Fee for SEP and SIMPLE IRAs**..... per plan \$ 25.00

**Termination Fee** .....\$ 95.00

The annual custodial fee for Traditional and Roth IRAs will be waived if:

- You have a combined account balance of at least \$25,000 in all of your Union Bank and UnionBanc Investment Services IRA plans, excluding Small Business Retirement Plans (e.g., SEP IRA and SIMPLE IRA plans) and Coverdell ESAs on December 31 of the year for which the annual custodial fee is being charged; or
- You make a minimum contribution of \$4,000 to one or more of your Union Bank and UnionBanc Investment Services IRA plans, excluding Small Business Retirement Plans (e.g., SEP IRA and SIMPLE IRA plans) and Coverdell ESAs, by December 31 of the prior year; or
- You are 70½ years of age or older during the prior year (qualification based upon being at least age 70 by June 30 of the prior year); or
- You are a primary owner of a Priority Banking® or a Private AdvantageSM checking account.\*

The annual custodial fee for SEP and SIMPLE IRAs will be waived if:

- You have a combined account balance of at least \$25,000 in all of your Union Bank and UnionBanc Investment Services SEP IRA and SIMPLE IRA plans on December 31 of the year for which the annual custodial fee is being charged; or
- You make a minimum contribution of \$4,000 to one or more of your SEP IRA and SIMPLE IRA plans by December 31 of the prior year; or

- You are 70½ years of age or older during the prior year (qualification based upon being at least age 70 by June 30 of the prior year).

### Fee Waiver Eligibility Chart

Fee Waiver Conditions	Retirement Plan Types	
	Traditional/Roth IRAs	SEP/SIMPLE IRAs
<b>Annual Contribution of \$4,000 or More by December 31 of the Prior Year</b>	Yes	Yes
<b>Account Balance of at Least \$25,000 in Combined, Qualifying Accounts on December 31 of Fee Year</b>	Yes	Yes
<b>Age 70 or Older by June 30 of Fee Year</b>	Yes	Yes
<b>Primary Account Owner of Priority Banking or Private Advantage Checking Account*</b>	Yes	No
<b>If Waiver Conditions Are Not Met</b>	\$25 Annual Custodial Fee	\$25 Annual Custodial Fee

\*Excludes IRAs held only with UnionBanc Investment Services.

You may prepay your annual custodial/trustee fee by mailing your payment to our Retirement Plan Center: P.O. Box 60319, Los Angeles, CA 90060-0319. Payments must be received prior to January 15 to be credited for the prior (calendar) year's custodial/trustee fee. Prepayment must be made for the full amount of the annual fee. Partial payments will not be accepted. In the event that you do not remit your annual fee payment prior to January 15, the fee will be assessed on or about March 1. If you close your retirement plan prior to the fee assessment date, we will deduct the fee in full when you close it. The fee may be collected from your IRA or Small Business Retirement Plan anytime after the fee assessment date. If your account balance is equal to or below the annual custodial/trustee fee amount, we will deduct the full amount available and close your account.

- If we debit your retirement plan, we will do so from an account as specified below:
- If you have a Union Bank IRA MoneyMarket Savings account, we will deduct the fee from that account.
- If you have a UnionBanc Investment Services Brokerage IRA, SEP IRA, or SIMPLE IRA, your core account investment vehicle will be debited to cover the fee.

**If you do not have enough funds in your core account investment vehicle, then UnionBanc Investment Services will sell shares to cover the fee. Standard commissions and brokerage fees will be charged for the transaction.**

*Important Note: Any fees that are paid by debiting your retirement plan will reduce the amount of your retirement assets. If you prepay the annual fee by cash or check, the amount may be eligible for itemization as a deduction on your income tax return. You should consult your tax advisor on all matters regarding deductions and tax treatment of distributions from your retirement plan.*

## **CASH FLOAT COMPENSATION**

Union Bank and/or NFS may retain as compensation for services to IRA products (Traditional, Roth, SIMPLE, SEP), interest earned on cash balances held in Union Bank and/or NFS IRA accounts awaiting investment into accounts or pending disbursement from IRA accounts. The interest earned is generally at a money market interest rate.

NFS services and cash pending investment and disbursement timing rules are disclosed in our *Investment Services Agreement*. The float period on check disbursements commences the date the check is requested through the date the check is presented for payment.

## **IMPORTANT NOTICE**

Except as outlined above, or as required by law, UBIS and Union Bank reserve the right to change any of the information contained in fee schedules and disclosure agreements and the rules of Union Bank at any time with or without notice.

## **CONTACT US**

If you have any problems, concerns, or complaints with your UnionBanc Investment Services brokerage account or representative, you can contact us at:

### **By Mail:**

UnionBanc Investment Services  
Compliance Department  
P.O. Box 513100  
Los Angeles, CA 90051-1100

### **By Phone:**

Client Services Desk at: 800-634-1100  
Toll-Free within the U.S.  
(Request to speak with Compliance regarding  
a customer complaint)  
818-254-2088 Outside the U.S.

### **By Email:**

UBIS\_compliance@unionbank.com  
For more information about investments available through  
UBIS, visit us at [unionbank.com/invest](http://unionbank.com/invest).

EFFECTIVE JANUARY 1, 2022

## C. Investment Services Agreement

These Terms and Conditions (the "Agreement") govern the relationship between Client (as defined below) and UnionBanc Investment Services LLC ("UBIS" or "Investment Services") with regard to one or both of the following activities of Client: (1) transactions in Securities or Other Property (as such terms are defined below) executed through UBIS; and/or (2) one or more Securities investment brokerage cash Account(s) with UBIS the Introducing Broker ("UBIS" or "Investment Services"), and National Financial Services LLC the Clearing Broker ("NFS"), as further defined below, when they have accepted Client's Account(s).

If Client seeks to have a Carried Account (as such term is defined below) hereunder, Client will have a cash Account(s) with UBIS and NFS to be used for buying and selling Securities and Other Property according to Client's instructions. **References in this Agreement pertaining to NFS' custodial role do not apply to Clients that settle transactions on a "delivery vs. payment" basis and/or through their own custodian.**

In consideration for UBIS and NFS accepting Client's Account(s) or by Client engaging in transactions for Securities or Other Property with UBIS, Client agrees to the terms and conditions of this Agreement.

**Client acknowledges that Section 40 of this Agreement contains a Pre-Dispute Arbitration Agreement, which should be carefully reviewed by Client.**

UBIS and NFS are members of the Financial Industry Regulatory Authority (FINRA). FINRA makes available to the public an Investor Brochure, which includes information on FINRA's BrokerCheck service. Client will contact FINRA's public hotline at 800-289-9999 or on the Internet at [www.finra.org](http://www.finra.org) if Client wants to obtain a copy of the Brochure.

Please note that certain banking products available through UBIS, including commercial paper, are not insured or guaranteed by the FDIC or any other governmental agency.

**CLIENT AGREES THAT CLIENT WILL OBTAIN AND READ THE PROSPECTUS OF ANY MUTUAL FUND AND THE OFFERING MEMORANDUM OR OTHER DISCLOSURE FOR ANY PRIVATELY PLACED OR NEW ISSUE SECURITY OR OTHER PROPERTY CLIENT INSTRUCTS UBIS TO PURCHASE.**

## **ENGLISH LANGUAGE CONTROLLING**

Client agrees that English is the controlling language of this Agreement and of all of the accounts and services described or referred to herein. In case of any disagreement between English and another language UBIS may use in communicating with Client in writing, the English language version is controlling, unless UBIS agrees otherwise with Client in writing, or the laws governing Client's account specifically require a different result. Client agrees that all written instructions given to UBIS or NFS, for example, traditional paper checks, will be in English. Client further agrees that UBIS or NFS may decline to process any check, draft, or other instrument for the payment of money written in a language other than English, whether issued by Client or another person, without liability on the part of UBIS or NFS.

## **CONTACT US**

If you have any problems, concerns, or complaints with your UnionBanc Investment Services brokerage account or representative, you can contact us at:

### **By Mail:**

UnionBanc Investment Services  
Compliance Department  
P.O. Box 513100  
Los Angeles, CA 90051-1100

### **By Phone:**

Client Services Desk at: 800-634-1100  
Toll-Free within the U.S.  
(Request to speak with Compliance regarding a customer complaint)  
818-254-2088  
Outside the U.S.

### **By Email:**

[UBIS\\_compliance@unionbank.com](mailto:UBIS_compliance@unionbank.com)

For more information about investments available through UBIS, visit us at [unionbank.com/invest](http://unionbank.com/invest).

Brokerage and investment advisory services available through UnionBanc Investment Services LLC, an SEC-registered broker-dealer, investment advisor, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A.:

- **Are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate**
- **Are NOT insured by the FDIC or by any other federal government agency**
- **Are subject to investment risks, including possible loss of the principal amount invested**



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## MEANING OF WORDS IN THIS AGREEMENT

As used in this Agreement:

“Account” means both a “Carried Account” and a “Non-Domiciled Account” as such terms are defined below. The term “Account” is only used in this Agreement when a specific reference is relevant to both a “Carried Account” and a “Settlement Account.”

“Bank” means MUFG Union Bank, N.A., which is the parent company of UBIS.

“BDSP” means the Bank Deposit Sweep Program, which may be referred to hereinafter as the Union Bank Consumer Deposit Sweep Program or the Union Bank Business Deposit Sweep Program (individually or collectively also referred to as “BDSP” or “BDSP<sup>SM</sup>”).

“Business Days” means Monday through Friday, excluding legal holidays. Although UBIS offices may be open on certain days that are not Business Days, these days are not considered Business Days for purposes relating to transfers of funds.

“Carried Account” means the brokerage Account(s), if any, Client has with UBIS that are carried by NFS, which are to be used for buying, selling, and holding Securities and Other Property (as defined below) according to Client’s instructions.

“Client,” whether used in the singular or plural, refers to the Institutional Client(s) subject to this Agreement and others who are legally obligated on the Account and/or who are authorized to take actions with respect to investments in the Account on Client’s behalf or on behalf of the entity on whose behalf this Agreement is executed.

“Core Account Investment Vehicle” means an account into which cash awaiting investment in a Carried Account can be transferred, including BDSP, a mutual fund (which may be advised or sub-advised by an affiliate of UBIS), and any other vehicle that UBIS makes available from time to time, as described in more detail below.

“FINRA Institutional Client” means a Client that is one of the following types of legal entities: (1) a bank, savings and loan association, insurance company, or registered investment company; (2) an investment advisor registered either with the SEC under Section 203 of the Investment Advisers Act or with a state securities commission (or any agency or office performing like functions); or (3) other legal entities (such as a corporation, business trust partnership, LLC, or otherwise) that are not Natural Persons (as defined below) that have total assets of at least \$50 million.

“Institutional Client” means either a FINRA Institutional Client (as defined above) or other legal entities (such as a corporation, business trust partnership, LLC, or otherwise) that are not Natural Persons (as defined below).

“Money Market Fund” means any registered money market mutual fund that UBIS has made available for Client’s Account, including a fund advised or sub-advised by Bank or an affiliate of UBIS.

“NFS” means National Financial Services, the broker-dealer that carries Accounts of the Clients of UBIS for financial responsibility purposes and clears transactions for and holds the assets in Carried Accounts unless Client has made other arrangements for which Client has informed UBIS.

“Non-Domiciled Account” means an Account that UBIS maintains for a Client that has its own custodian and whose transactions in Securities and Other Property are executed with UBIS and settled by NFS with Client’s own custodian.

“Natural Person” means an Account owner.

“Other Property” means investments other than securities, including money market instruments and financial instruments, which include, but are not limited to certificates of deposit, banker’s acceptances, and commercial paper.

“Securities” means Securities of any kind and nature, whether for present or future delivery.

References to “UBIS” and “Investment Services” include UnionBanc Investment Services LLC and its officers, directors, agents, and/or employees.

## 1. AUTHORITY AND OWNERSHIP

Client represents that Client has the legal capacity to enter into this Agreement and is authorized to do so. Client will provide UBIS with all necessary documentation authorizing the opening of and effecting transactions in Client’s Account. Client will be the owner of all Securities and Other Property purchased, held, and sold in Client’s Account or will otherwise have the authority to purchase, hold, and sell such Securities and Other Property. Client represents further that the information Client provides UBIS with respect to opening Client’s Account is true and correct in all respects, and Client will notify UBIS of any material changes. If Client is an employee of a bank, broker-dealer, municipal securities dealer, or investment advisor, Client will notify UBIS thereof at or before the time Client’s Account is opened, or at such later time as Client becomes such. Client authorizes UBIS to send duplicate confirmations and statements to Client’s employer, or referring entity, respectively, if UBIS is requested or required to do so. UBIS may, at its sole discretion, elect not to open an Account, or to close any existing Account, with or without cause. This will typically be done if there is an extended period of inactivity in the Account, or UBIS is not able to understand the purpose of the Account, the structure of an organization, the authority of the signers, the documentation provided, or the general risk associated with the establishment of the Account. UBIS may elect not to disclose the specific reason for closing the Account.

## 2. APPOINTMENT OF UBIS AS AGENT

Client appoints UBIS as Client’s agent for the purpose of carrying out Client’s directions with respect to the purchase, sale, and settlement of Securities and Other Property in accordance with this Agreement, and Client assumes all risks with respect to the purchase, sale, and settlement of Securities and Other Property. Client authorizes UBIS to take such steps as are reasonably necessary to carry out Client’s directions and the duties of UBIS, including, but not limited to, appointing and using independent contractors or subagents, including NFS, for UBIS Client Accounts. To carry out Client’s directions, UBIS and such agents are authorized to open and close Accounts; maintain customer records; hold Securities and Other Property in bearer, registered, or book entry form; and place and withdraw orders.

## 3. CLEARING BROKER RELATIONSHIP

Client understands that UBIS has entered into an agreement with NFS to execute and clear brokerage transactions for Client’s Account. A list of the respective responsibilities of UBIS and NFS appears in the section of this Agreement entitled “Notice to Clients” located in Section 39 of this Agreement.

Client understands that unless Client instructs UBIS otherwise in writing, Securities and Other Property purchased for a Carried Account will be held by NFS.

Client understands that if Client's Securities and Other Property are held in a Non-Domiciled Account with other entities, including the Bank, they may not be protected by SIPC, certain services and features available with UBIS Carried Accounts may not be available for such Securities and Other Property, and separate fees may apply.

Transactions for Securities and Other Property may be executed through entities other than NFS, including Bank and its affiliates. UBIS, Bank, or an affiliate of either of them may act as principal in transactions for Client's Account and receive compensation for these transactions. Client understands that UBIS may share with, remit to, or otherwise pay NFS for its services from UBIS commissions and/or fees charged.

NFS will provide margin loans only if Client applies for a margin Account, Client's application for such loans is approved, and Client agrees to the separate margin Account agreement.

#### **4. PURCHASE AND SELL ORDERS/SETTLEMENT/ INTEREST, DIVIDENDS, AND MUTUAL FUND REDEMPTIONS**

##### **A. Purchase and Sell Orders**

Prior to executing any order to sell Securities or Other Property, UBIS must receive such Securities and Other Property in good transferable form, which means that the Securities and Other Property must be freely transferable. Unless Client specifies that the purchase or sell order be executed on a specific exchange or market, and UBIS and NFS have agreed to such execution, UBIS or NFS will, at their sole discretion, and without prior notice to Client and as described at the end of this Agreement in the section entitled "Routing of Orders," execute any order to purchase or sell Securities or Other Property in any location or on any market or exchange, including a foreign exchange, where such Security or Other Property is traded. Client understands that if Client requests transactions to be executed for Client's Account on a specific market or exchange, and UBIS and NFS agree to such execution, separate fees may apply.

Restricted and Control Securities. Client will not buy or sell any Securities or Other Property of an issuer of which Client is an affiliate, or sell any restricted or control Securities, except in all cases in compliance with applicable laws and regulations and with prior notice to UBIS thereof, including notice of any restrictions (including contractual lockup or blackout restrictions) on Client's ability to sell such Securities, and to promptly furnish UBIS with whatever information and documents UBIS needs to comply with its regulatory duties and otherwise to execute the transaction. Client acknowledges that furnishing the necessary information and documents does not constitute an order to sell Client's restricted/control Securities, and that Client must place a separate order to sell. Client agrees that Client is responsible for all costs, including the cost to repurchase Securities, if Client sells Securities that are later found to be restricted or nontransferable, and that the proceeds from the sale of Client's restricted/control Securities may not be made available to Client for withdrawal or trading purposes until UBIS receives what UBIS, in its sole opinion, considers to be adequate verification that Client's restricted/control shares have been transferred or cleared for transfer.

Alternative Investments. Client will not buy, hold, or sell in a Carried Account certain publicly or non-publicly traded alternative investment assets such as limited partnerships, hedge funds, or other private investment funds (collectively "Alternative Investments") without the consent of UBIS and

(if applicable) NFS. In the event such consent is granted, Client understands and agrees that Client will be required to execute a separate agreement that will govern the duties of UBIS and NFS with respect to Alternative Investments. Client understands and agrees that UBIS does not typically hold or solicit Alternative Investments, does not take responsibility for valuing or monitoring such investments, and if UBIS and NFS agree to hold such Alternative Investments they will do so solely as an accommodation to Client.

##### **B. Settlement**

Client agrees to pay for all transactions in Client's Carried Account that UBIS reasonably believes Client authorized, including commissions and fees for such transactions. If Client fails to have adequate collected funds in Client's Carried Account or fails to deliver Securities or Other Property in good transferable form on or before settlement (which generally is 2:00 p.m. Eastern Time), UBIS or NFS may refuse to execute Client's transaction or cancel it without notice to Client, and Client will be liable for any resulting loss. Unless Client makes other arrangements, Client understands that UBIS will first use the available collected funds in Client's Carried Account to pay for Client's purchase transactions, and if collected funds are not available in Client's Carried Account, Client authorizes UBIS to initiate transfers of margin credit if Client has a Margin Account, cash from Client's Core Account Investment Vehicle, Client's Union Bank Account(s), or any electronically linked bank Account(s), as applicable, to pay for them. Funds shall be considered "collected" at the time of deposit if Client deposits cash and at the time the depository into which the item is deposited receives final credit on its books for the item if Client deposits checks or other non-cash items. If Client sends UBIS a check for deposit to Client's Account, UBIS will promptly credit it to Client's Account, and it will be subject to collection and any applicable hold period. If a check Client deposits is returned unpaid, UBIS may charge a fee to Client's Account, and UBIS reserves the right to, but is not obligated to, redeposit the check with or without notice to Client of the redeposit.

Investments in a Core Account Investment Vehicle that Client makes by check will earn dividends or interest, if any, as described in the BDSP disclosure document. Client understands that access to the redemption proceeds of shares of a mutual fund that Client purchases with a check(s) may be withheld for up to 7 Business Days (20 Business Days for acceptable foreign checks) after the purchase, to assure that such checks have been collected. Client understands that such withholding may result in dishonor of checks or rejection of other debit items if such redemption proceeds are not otherwise available to Client within Client's Account.

##### **C. Settlement of Non-Domiciled Accounts**

Client transactions in Non-Domiciled Accounts will be settled on a delivery versus payment basis by the custodian where Client's Securities and Other Property are held.

##### **D. Interest, Dividends, and Mutual Fund Redemptions**

If Client is entitled to receive interest and dividend payments with respect to the assets in Client's Carried Account, UBIS will credit them to Client's Carried Account when paid, or at the discretion of UBIS and only upon its receipt of such payments by the issuer. UBIS will handle the disposition of dividend and other distribution income in accordance with the instructions Client has provided on Client's Account application.

## 5. INCOME ON BALANCES AWAITING INVESTMENT

### A. Core Account Investment Vehicles

Client understands that Client may earn income on the cash balances in Client's Carried Account awaiting investment by either doing nothing, in which case uninvested cash in the Carried Account will be "swept" or deposited into the BDSP, a mutual fund (which may be advised or sub-advised by an affiliate of UBIS), and any other vehicle that UBIS makes available from time to time. Client agrees to read and be bound by the disclosure or mutual fund prospectus, as applicable, for the Core Account Investment Vehicle, which explains the respective investment and certain limitations. Client authorizes and directs UBIS to sweep to the default Core Account Investment Vehicle, currently the BDSP for new brokerage accounts opened as of June 25, 2020, the proceeds of Securities and Other Property sold, and interest, dividends, and other payments received by UBIS for Client's Carried Account and on Client's behalf. Client understands that any such automatic investments by UBIS on Client's behalf in BDSP shall be subject to Client's prior payment, either by Client or by debits initiated by UBIS on Client's behalf, of obligations in Client's Carried Account, including, but not limited to, settlement of Securities and Other Property transactions, margin loan balances (if applicable), and any other debt obligations. Client understands that UBIS can change the Core Account Investment Vehicle(s) available for Client's Carried Account at any time, including changing the Core Account Investment Vehicle from a mutual fund to a Bank Deposit Account and changing the eligibility requirements for each alternative.

### B. Money Market Fund

If Client has a Money Market Fund for Client's Core Account Investment Vehicle, UBIS will sweep Client's cash balances awaiting investment into Client's Core Account Investment Vehicle daily for amounts of \$1 or more, or weekly for lesser amounts. All investments must meet the fund's investment minimums. Money in Client's Money Market Fund Core Account Investment Vehicle earns dividends as described in the applicable fund's prospectus. If UBIS offers a different Money Market Fund as a default Core Account Investment Vehicle in the future, these provisions regarding sweep amount timing, dividends, and minimum fund investments will still apply. Client's Account statement details all activity in the Money Market Fund. This statement is provided in lieu of a confirmation that might otherwise be provided to Client with respect to this activity. To learn more, Client will refer to the fund's prospectus.

**If you utilize a Fidelity money market fund as your core position**, the Intra-day Free Credit Balance, if any, generated by activity occurring prior to the market close each business day (or 4:00 p.m. ET on business days when the market is closed and the Fedwire Funds Service is operating) is automatically swept into your core account and invested in your core position at the market close. There will be an additional automatic sweep into your core account early in the morning prior to the start of business on each business day that will also be invested in your core position at that time. This will include your After-hours Free Credit Balance along with credit amounts attributed to certain actual or anticipated transactions that would otherwise generate an Intra-day Free Credit Balance on such business day.

### C. Bank Deposit Sweep Program (BDSP) (for UBIS Brokerage Accounts Only)

If Client is automatically defaulted to and enrolled in the BDSP as the Client's Core Account Investment Vehicle, Client's cash balances awaiting investment will be swept to the BDSP daily. Money in the BDSP earns interest at the rate determined by UBIS as described in the applicable BDSP disclosure document. The rate of interest may change at any time without notice to Client. Client understands that any deposits (including certificates of deposit) that Client maintains in the same capacity at the Bank either directly or through an intermediary (such as through UBIS or another broker), will be aggregated for purposes of determining the maximum applicable FDIC insurance coverage for those Deposit Accounts, and that Client is responsible for monitoring the total amount of deposits that Client has with the Bank in order to determine the extent of FDIC deposit insurance coverage available to Client. Client's Account statement details all activity in the BDSP. Client will refer to the BDSP disclosure document for more information about the BDSP.

**If you utilize the BDSP as your core position**, the Intra-day Free Credit Balance, if any, as well as any After-hours Free Credit Balance generated by activity occurring prior to NFS's nightly processing cycle are automatically swept into your core account as part of that nightly cycle (the "Evening Bank Sweep") and reflected in your Account as Program Deposits (as defined below) in anticipation of the deposit process described below occurring on the next business day.

There will be an additional automatic sweep into your core account early in the morning prior to the start of business on each business day that will also be invested in your core position at that time (the "Morning Bank Sweep"). This will include credit amounts attributed to certain actual or anticipated transactions that would otherwise generate an Intra-day Free Credit Balance on such business day.

The total amount of the Evening Bank Sweep and the Morning Bank Sweep is referred to as your Cash Balance. In the morning of the business day of the Morning Bank Sweep, your Cash Balance will be deposited in an FDIC-insured interest-bearing account at Union Bank ("Union Bank" or "Bank" or "Program Bank"). The amounts on deposit may be referred to as the Union Bank Consumer Deposit Program or the Union Bank Business Deposit Program (individually or collectively also referred to as "BDSP" or "BDSP<sup>SM</sup>") and is eligible for FDIC insurance up to permissible FDIC insurance limits. Your deposit in the BDSP will earn interest, provided that the accrued interest for a given day is at least half a cent.

## 6. PAYMENT OF INDEBTEDNESS

Client agrees that Client shall at all times be liable for the payment upon demand of any debit balance or other obligations owing in any of Client's Carried Accounts, and that Client shall be liable to UBIS for any deficiency remaining in any such Carried Accounts in the event Client's Carried Account is liquidated, in whole or in part, by UBIS or by Client, and Client will make payment of such obligations and indebtedness upon demand. Client authorizes UBIS to initiate debits to and/or setoffs against Client's Carried Account; Client's Core Account Investment Vehicle, if any; any other Account; Securities, or Other Property at UBIS or NFS; and to Client's designated Bank Account or any Union Bank Account, if any, for payment of all debit items to Client's Carried Account and debts as they become due, including, but not limited to, payment of all purchases of Securities and Other Property, including any

associated fees and commissions; margin loan payments, including interest and other fees thereon, if Client has a margin Account with NFS and any sums necessary to maintain the required minimum equity in such margin Accounts; and any other amounts Client owes UBIS or NFS pursuant to any agreement with UBIS or NFS. Client understands that if there are insufficient collected funds in Client's Carried Accounts to fully pay for any transaction and/or (if applicable) adequate margin credit therefore, UBIS reserves the right to cancel the trade and/or decline to honor the debit. UBIS, in its sole discretion, can elect at any time to make any debit balance or other obligation in Client's Carried Account immediately due and payable, and Client agrees that if Client fails to pay the indebtedness after a demand for payment from UBIS, UBIS may close Client's Carried Account and liquidate the assets in Client's Carried Account, in Client's Core Investment Vehicle, and/or in Client's Bank Account in an amount sufficient to pay Client's indebtedness.

When multiple debit items become payable at the same time, these items will be paid in the following order:

- Securities and Other Property transactions (including any margin calls) and any Account fees
- ATM or debit card transactions
- Checks written against Client's Account

When settling debits against Client's Carried Account, it is NFS policy to turn to the following sources (collectively called Client's "available balance"), in this order:

- Any cash available in Client's Carried Account without incurring margin interest charges (including Core Account Investment Vehicle balances)
- If Client has a margin Account, any margin credit available
- Any shares in another Money Market Fund, including any in another Account with the same registration (which Client authorizes UBIS and NFS to sell for this purpose when Client signs the application)
- Any Securities or Other Property in Client's Carried Account or any other Account at UBIS or NFS in which Client has an interest

## 7. FEES AND CHARGES/OTHER COMPENSATION

Client understands that UBIS will charge commissions and other fees for execution of Client's transactions and various service charges and other fees relating to Client's Account. Client agrees to pay all such charges, commissions, and fees at the then-prevailing rates, which Client understands may be changed from time to time upon notice to Client as required by law, and Client agrees to be bound by such changes. If Client has requested the Bank to serve as custodian for Client's Account, Client understands that the Bank may impose separate custody charges for its services. The Bank and UBIS receive compensation earned from cash swept into the BDSP or another Bank account. Client acknowledges that UBIS and its affiliates and NFS receive compensation from balances held in the BDSP or similar bank accounts. Client acknowledges that compensation by UBIS may consist of certain fees and allowances, including transaction fees, service payments, or a percentage of a sales load that UBIS may receive from mutual funds, as disclosed in the applicable mutual fund prospectuses, and that UBIS may receive distribution fees from a mutual fund under such fund's 12b-1 plan. Client also understands that purchases and redemptions of some mutual funds may be available without transaction or other fees if purchased or redeemed directly from the issuer, principal underwriter, or distributor. For further information, Client will consult the prospectus to the funds. Client further acknowledges that

Union Bank and its employees, and UBIS and its employees, may be compensated by third parties, including affiliates, with respect to referrals of business and the sale, distribution, and servicing of Securities and Other Property, insurance products, 401(k) solutions, CDs, and other products that UBIS makes available from time to time. Client understands that UBIS, Bank, or their affiliates may, if legally permissible, act as principal in the sale of certain Securities and Other Property and receive compensation in connection with doing so, and that UBIS employees may be paid a portion of any compensation received in connection with Client's Account or in connection with a referral of Client's business to a third party or affiliate.

## 8. STATEMENTS/CONFIRMATIONS/VALUATIONS

Client acknowledges that Client is responsible for promptly examining all statements and confirmations sent to Client in connection with Client's Account and Client agrees to examine them accordingly. Client will notify UBIS of any objections to information reported to Client within 10 calendar days after UBIS makes the statement available to Client and within 5 calendar days after UBIS makes a confirmation available to Client. Otherwise, such information will be deemed approved. UBIS may require Client to provide such documentation as may be necessary to substantiate any claim Client may make regarding a statement or confirmation.

The market values, ratings, and prices reported on statements and confirmations represent the prices, ratings, and values provided to UBIS and NFS by third-party quotation services that are generally considered reliable; however, UBIS and NFS do not guarantee the accuracy of such values, ratings, and prices. The actual price at which Securities and Other Property may be bought and sold may be significantly different from those shown on the statement and confirmation.

Sales and redemptions will be handled as follows unless Client identifies specific Securities or Other Property to be sold and/or redeemed, or specifies another method for sale or redemption on a form that UBIS provides for this purpose (or Client otherwise specifies in writing):

- Sales and redemptions of non-mutual funds will default to a FIFO (First In, First Out) basis, in which oldest lots are depleted first in a sell or transfer restriction.
- Mutual funds will default to average cost (the total dollar amount of shares owned divided by the total number of shares).

If Client wishes to receive statements, confirmations, and other notices electronically, Client will give their consent for them on NFS's Electronic Notification Agreement.

## 9. STATEMENT HOUSE-HOLDING

Statement house-holding is an automatic service that consolidates brokerage statements for UBIS Accounts that meet UBIS criteria and sends a statement for each Account and a Consolidated Summary of Accounts page in one envelope. Client understands that unless Client objects in writing, Client's eligible Accounts will be included in the UBIS house-holding service. For Client Accounts to be eligible for this house-holding service, UBIS generally requires that Client's Accounts have some of the same exact information, including mailing address, social security number/tax identification number, and, if applicable, last name associated with each SSN, provided that for Uniform Gifts to Minors Act (UGMA) and Uniform Transfers to Minors Act (UTMA) accounts, the SSN of the custodian is used for matching purposes rather than the SSN of the minor so that all of Client's Accounts that meet the criteria will be house-held and sent

in a single envelope. If any Account Holder changes an address on any Account in the household, then the Account will not be included in the consolidated envelope and it will not be listed on the Consolidated Summary of Accounts page.

## **10. COMMUNICATIONS, INSTRUCTIONS, AND RECORDINGS**

Client's consent and agreement granted to UBIS in this "Communications, Instructions, and Recordings" section extends to UBIS representatives. Client expressly consents to UBIS calling Client at any telephone number Client has provided to UBIS or may provide to UBIS in the future, including cellular (mobile) phone numbers. Client's express consent authorizes us to use any means, including automatic dialing technology, artificial and prerecorded voices, and text messages, when UBIS contacts Client by telephone for any servicing or non-telemarketing purpose, including, without limitation, to collect debts.

Client also expressly authorizes UBIS to act on telephone, wire, written, fax, electronic, and any other instructions UBIS believes in good faith to be made by Client or authorized by Client, provided, however, UBIS shall not be obligated to act on time-sensitive, action-oriented messages or transaction orders, including orders to purchase or sell Securities or Other Property that Client sends via electronic mail.

Client agrees that UBIS may monitor and record all telephone calls, electronic communications, and any other communications with Client, and UBIS may retain them for UBIS's records. Client understands that Client's phone service provider may charge Client for these calls and messages, and agrees that UBIS, NFS, Bank, and any transfer agent will not be liable for, and Client agrees to hold UBIS and all of them harmless from, any claim or expense arising in connection with UBIS or their complying with instructions or requests with respect to Client's Account that UBIS or they believe in good faith to be authorized by Client.

Client agrees that UBIS may contact Client by mail, or by courier, at any mailing address Client has provided to us or provides to us in the future. Client agrees that UBIS may contact Client electronically by email at any email address Client has provided to us or provides to us in the future.

## **11. ACCOUNT MONITORING AND ADVICE**

Neither UBIS nor NFS monitors Client Accounts, and they have no duty to do so. Client assumes all responsibility and risk for the investment, review, and reinvestment of all Securities and Other Property in Client's Account. UBIS shall make all purchases, sales, exchanges, investments, and reinvestments only upon receipt of and pursuant to Client's instructions. UBIS shall have no duty or obligation to review or make recommendations for the investment or reinvestment of any Securities or Other Property in Client's Account, including uninvested cash.

Client acknowledges that to the extent UBIS recommends the purchase of Securities or Other Property, such recommendation applies only at the time of purchase. UBIS will not monitor such positions in Client's Account and does not undertake to provide subsequent "sell" or "hold" recommendations and no such ongoing monitoring or advice shall be implied to be part of this Agreement or the services under this Agreement in the event a Financial Advisor provides a recommendation from time to time. UBIS shall have no responsibility for monitoring financial publications for, or notifying Client of, notices of redemption, conversions, exchanges, calls, puts, subscription rights, and script certificates ("Corporate Actions"), and UBIS shall not be obligated to take any action with respect thereto. UBIS shall have

no discretionary power or control over any decisions made by Client or on Client's behalf, whether or not any recommendation or advice UBIS may render is used in Client's decision. Client understands that no fiduciary relationship exists between UBIS or NFS and Client.

Client understands that neither UBIS nor NFS provides investment advice with respect to Client's Account except as UBIS may provide that is solely incidental to the conduct of its business under this Agreement and may change its recommendations at any time without notice to Client. Any such advice will not serve as the primary basis for any decision by Client or on Client's behalf. UBIS and its Financial Advisors are not authorized to, and do not, exercise discretionary authority or control over any plan or the account of any plan or plan participants or beneficiaries or other entity subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA") or the Internal Revenue Code of 1986, as amended ("Code") and are not authorized to, and do not provide investment advice or investment recommendations (including by mutual agreement or arrangement) on a regular basis intended to form a primary basis for investment decisions or tax qualification or treatment under ERISA or the Code but may provide "investment education" within the meaning of Department of Labor Interpretive Bulletin 96-1. Client understands that affiliates of UBIS may provide research and "buy" and "sell" ratings on Securities and Other Property that may conflict with or contradict the recommendations provided by UBIS. Client understands further that any such advice is based on information from sources that UBIS believes to be reliable, but UBIS does not warrant the accuracy, completeness, or reliability of such information. In this regard, if UBIS provides Client with a prospectus, offering circular, or other materials related to an investment, UBIS similarly believes the materials are based on information from sources UBIS considers to be reliable, but does not warrant their accuracy, completeness, or reliability. Client understands that UBIS does not endorse any particular investment product, specifically including any mutual fund that is advised or sub-advised by UBIS affiliates. Although UBIS may make available research, analysis, news, and other information provided by third parties or an affiliate, such information does not constitute an individualized recommendation by UBIS (or any third party) or a solicitation by UBIS (or any third party) to buy or sell Securities. Client understands further that UBIS and NFS neither guarantee investment performance or profitability of a security or investment nor do they provide legal, tax, or accounting advice.

Client understands that neither UBIS nor NFS provides advice with respect to the purchase or sale of options in connection with this Account.

## **12. INVESTMENT OBJECTIVES**

If applicable, Client acknowledges Client's responsibility as the Account owner to select Client's Account's investment objective(s) as described on the Account Application. Neither UBIS nor NFS can assure Client that any given investment or strategy will achieve Client's investment objective(s).

## **13. BANK ACTIVITIES OF UBIS REPRESENTATIVES**

Client understands that certain UBIS representatives and employees are also dual employees of the Bank ("Dual Employees"). Client understands that such Dual Employees may make banking products available to Client in the Dual Employee's capacity as a Bank employee. The Dual Employee will identify such transactions as a Bank transaction and/or

such transactions will be identified as a Bank transaction in the confirmation delivered to the Client. Client further understands and agrees that such Bank transactions are between Client and the Bank and do not involve UBIS. Client understands, agrees, and authorizes the Bank to establish an Account with the Bank on Client's behalf in order to accommodate Client's Bank transactions where the Client's assets are held by a third party. If the Client's assets are held by the Bank, a separate safekeeping agreement with the Bank will apply to Bank transactions.

#### **14. RESPONSIBILITIES FOR UNDERSTANDING SECURITIES AND OTHER PROPERTY**

Client understands that Client is responsible for knowing and understanding the rights and terms for all Securities and Other Property that Client purchases, sells, and maintains in Client's Account, including, but not limited to, stock splits, reorganizations, mergers, name changes, symbol changes, dividends (including stock dividends), options symbols, and options deliverables. Client acknowledges that certain Securities may impart valuable rights that expire unless Client takes some action.

For example, warrants and stock purchase rights typically may be exercised only on or before a specified expiration date; certain convertible redeemable Securities will be redeemed automatically unless Client exercises Client's conversion rights before a specified redemption date; certain bonds may be redeemed, at the holder's option, only during specified periods; or some Securities may become the subject of tender or exchange offers, which are limited in time.

Client understands that Client is responsible for knowing the expiration and redemption dates and the circumstances under which rights associated with Client's Securities and Other Property may be called, cancelled, and/or modified, and for taking action to realize the value of Client's Securities and Other Property. However, and solely with respect to Carried Accounts, if any such Security or Other Property is about to expire worthless; be redeemed, exchanged, converted, tendered, or exercised; or remain at a value significantly less than the value Client would have received if Client had given UBIS specific instructions, and UBIS has not received instructions from Client, at the discretion of UBIS or NFS, UBIS or NFS may, but are not obligated to, sell, redeem, exchange, tender, convert, or exercise the Security or Other Property for Client's Carried Account. Client understands that UBIS will charge Client a brokerage commission and/or fee for any such transaction. Although UBIS or NFS may take the actions described above, UBIS and NFS are not obligated to do so or to notify Client of impending expiration or redemption dates. Client agrees not to hold UBIS or NFS liable for any decrease in the value of Client's Securities or Other Property or for other losses resulting from Client's failure to give UBIS instructions regarding how to respond to a tender offer, exchange offer, or other offer or transaction with respect to Client's Securities or Other Property, or from any action UBIS or NFS takes or does not take with respect to Client's Securities or Other Property in this regard.

#### **15. TRANSFERS UPON TERMINATION**

Upon termination of this Agreement as provided below, NFS and UBIS shall have a reasonable amount of time to transfer the Securities and Other Property held in a Carried Account in accordance with Client's written instructions or those of the person or entity legally entitled to receive such Securities and Other Property. The fees and costs related to termination, including, without limitation, costs for shipping Securities and

Other Property held in the Account and costs of re-registering Securities and Other Property and generating reports and accounting for disposition of cash, shall be charged to Client's Carried Account or billed to Client.

#### **16. ACCOUNT INFORMATION/CREDIT INFORMATION**

Client represents that all information Client has provided on Client's application for Client's Account is correct, and Client understands that all information Client provides in connection with Client's Account(s) will be subject to verification. Client authorizes UBIS and its agents at its and their discretion to obtain reports and exchange information with others about Client's credit and business relationships.

Upon Client's request and if applicable, UBIS will inform Client whether UBIS has obtained any consumer credit reports from a consumer reporting agency and, if so, the name and address of the consumer reporting agency that furnishes it. Unless Client instructs UBIS otherwise, Client authorizes UBIS to disclose Client's name, address, and Securities and Other Property positions to issuers in whose Securities Client holds a position. Client authorizes UBIS to release information regarding the status and history of Client's Account to others, including (without limitation) the parent company of UBIS and affiliates (including for, but not limited to, marketing purposes). Information also may be released about Client's Account and the transactions UBIS performs, for example, to third parties where it is necessary or helpful in verifying and completing transactions; to verify the existence and condition of Client's Account for account verification services; to regulators or consumer reporting agencies, if applicable; to merchants with whom Client is doing business; to financial institutions and members of a network that processes Client's electronic transfers; when Client gives UBIS oral or written consent; to paying agencies after the death or incapacity of a recipient or beneficiary of recurring direct deposit payments, if applicable; to comply with the law or a court order; and otherwise in compliance with the Union Bank Privacy Policy (which applies to affiliates of MUFG Union Bank, N.A., including UBIS). Client acknowledges receipt of the Union Bank Privacy Policy.

#### **17. INDEMNITY/LIMIT OF LIABILITY**

CLIENT AGREES TO INDEMNIFY, DEFEND, AND HOLD UBIS HARMLESS FROM AND AGAINST ALL CLAIMS, DEMANDS, PROCEEDINGS, AND ALL LIABILITIES, AND EXPENSES, INCLUDING ATTORNEYS' FEES IN CONNECTION THEREWITH, ARISING OUT OF UBIS ACTING IN ACCORDANCE WITH ANY INSTRUCTIONS FROM CLIENT OR SOMEONE PURPORTING TO BE CLIENT, OR OTHERWISE IN CONNECTION WITH THIS AGREEMENT UNLESS CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF UBIS.

ALTHOUGH ALL ENTITIES THAT PROVIDE SERVICES TO CLIENT'S ACCOUNT STRIVE TO ENSURE THE QUALITY AND RELIABILITY OF THOSE SERVICES, NEITHER UBIS NOR NFS WILL BE RESPONSIBLE FOR THE AVAILABILITY, ACCURACY, TIMELINESS, COMPLETENESS, OR SECURITY OF ANY SERVICE RELATED TO CLIENT'S ACCOUNT PROVIDED BY A THIRD PARTY.

CLIENT THEREFORE AGREES THAT UBIS, BANK, AND NFS ARE NOT RESPONSIBLE FOR ANY LOSSES (MEANING CLAIMS, DAMAGES, ACTIONS, DEMANDS, INVESTMENT LOSSES, OR OTHER LOSSES, AS WELL AS ANY COSTS, CHARGES, ATTORNEY'S FEES, OR OTHER FEES AND EXPENSES) THAT CLIENT INCURS AS A RESULT OF CONDITIONS BEYOND THE

REASONABLE CONTROL OF UBIS, BANK, OR NFS OR ANY AGREEMENT BETWEEN THE PARTIES. THIS INCLUDES, FOR EXAMPLE:

- ANY ACTION THAT IS DONE IN ACCORDANCE WITH THE PROVISIONS DESCRIBED IN THIS AGREEMENT OR AN APPLICABLE MUTUAL FUND OR SECURITIES PROSPECTUS OR DISCLOSURE DOCUMENT OR OTHER INVESTMENT DESCRIPTION
- THE ACCEPTANCE AND PROCESSING OF ANY ORDER PLACED IN CLIENT'S ACCOUNT, WHETHER RECEIVED ELECTRONICALLY OR THROUGH OTHER MEANS, AS LONG AS THE ORDER REASONABLY APPEARS TO BE AUTHENTIC
- INVESTMENT DECISIONS OR INSTRUCTIONS PLACED IN CLIENT'S ACCOUNT, OR OTHER SUCH ACTIONS ATTRIBUTED TO CLIENT OR ANY AUTHORIZED PERSON
- OCCURRENCES RELATED TO GOVERNMENTS OR MARKETS, SUCH AS RESTRICTIONS, SUSPENSIONS OF TRADING, EXCHANGE OR MARKET RULINGS, BANK CLOSURES OR BANK REGULATORY, LEGAL, OR OTHER LIMITATIONS OR RESTRICTIONS, HIGH MARKET VOLATILITY OR TRADING VOLUMES, OR OTHER MARKET CONDITIONS
- UNCONTROLLABLE CIRCUMSTANCES IN THE WORLD AT LARGE, SUCH AS WARS, TERRORIST ATTACKS, EARTHQUAKES, OTHER NATURAL DISASTERS, POWER OUTAGES, OR UNUSUAL WEATHER CONDITIONS
- OCCURRENCES RELATED TO COMPUTERS AND COMMUNICATIONS, SUCH AS A NETWORK OR SYSTEMS FAILURE, EQUIPMENT FAILURE, A MESSAGE INTERCEPTION, MALICIOUS OR CRIMINAL ACT (INCLUDING, BUT NOT LIMITED TO, A CYBERATTACK), OR AN INSTANCE OF UNAUTHORIZED ACCESS OR BREACH OF SECURITY
- THE STORAGE AND USE OF INFORMATION ABOUT CLIENT AND CLIENT'S ACCOUNT(S) BY UBIS SYSTEMS AND TRANSMISSION OF THIS INFORMATION BETWEEN CLIENT AND UBIS; THESE ACTIVITIES OCCUR ENTIRELY AT CLIENT'S RISK
- TELEPHONE REQUESTS FOR MONEY TRANSFERS, SO LONG AS WE TRANSMIT THE PROCEEDS TO CLIENT OR THE BANK ACCOUNT NUMBER IDENTIFIED
- ANY CHECKS OR OTHER DEBITS TO CLIENT'S ACCOUNT THAT ARE NOT HONORED BECAUSE THE ACCOUNT HAS INSUFFICIENT FUNDS

IF ANY SERVICE FAILURE IS DETERMINED TO BE THE RESPONSIBILITY OF UBIS, UBIS WILL BE LIABLE ONLY FOR WHATEVER LOSS CLIENT WOULD HAVE SUSTAINED UP TO THE TIME BY WHICH CLIENT SHOULD HAVE NOTIFIED UBIS, AS SPECIFIED EARLIER IN THIS AGREEMENT IN THE SECTION ENTITLED "ACCOUNT MONITORING AND ADVICE."

CLIENT ACKNOWLEDGES THAT THERE MAY BE DELAYS IN CLIENT'S ACCESS TO AND/OR INTERRUPTIONS IN UBIS AND NFS AND/OR THEIR SYSTEMS, AND THAT UBIS AND NFS WILL NOT BE LIABLE TO CLIENT BY REASON OF SUCH DELAYS OR INTERRUPTIONS, REGARDLESS OF THE CAUSE, INCLUDING UBIS OR NFS SERVICING THEIR SYSTEMS. CLIENT ACKNOWLEDGES THAT UBIS MAKES AVAILABLE ALTERNATIVE MEANS FOR ACCESSING TRADING FACILITIES, BUT THAT UBIS DOES NOT GUARANTEE THAT ANY SUCH ALTERNATIVE ARRANGEMENT WILL BE AVAILABLE AT ANY GIVEN TIME AND IT WILL NOT BE HELD LIABLE FOR DELAYS IN ENTERING ORDERS IF SUCH SYSTEMS ARE NOT AVAILABLE FOR ANY REASON. CLIENT ACKNOWLEDGES THAT UBIS WILL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR ANY PUNITIVE, INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL LOSSES OR DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF BUSINESS, PROFITS, OR GOODWILL. CLIENT AGREES THAT CLIENT WILL PAY OR REIMBURSE UBIS FOR THE REASONABLE COSTS AND

EXPENSES OF COLLECTION OF THE DEBIT BALANCE OR ANY UNPAID DEFICIENCY IN CLIENT'S ACCOUNT, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT AND SHALL BE BINDING ON CLIENT'S SUCCESSORS AND ASSIGNS.

## 18. TYPES OF ACCOUNTS

### A. Joint or Multiple Party Accounts

If there is one or more Account holder of Client's Accounts, "Client" refers to all Account holders, and each of the Account holders jointly and individually agrees that any Account holder has authority acting alone on behalf of Account to:

- Buy, sell (including short sales), and otherwise deal in Securities and Other Property on margin or otherwise;
- Receive confirmations, reports, statements of account, demands, notices, and communications of every kind on behalf of the Account;
- Receive money, Securities, and Other Property of every kind, and dispose of the same on behalf of the Account;
- Make agreements relating to any of the foregoing matters and to terminate, modify, or waive any of the provision
- Deal with UBIS as fully and completely as if he or she alone was interested in this Account and without notice to the other Account participants; and
- Change Account features and services (but no Account holder may remove another's name from the Account).

Client understands that all obligations and liabilities arising under this Account are joint and individual, and may be enforced by UBIS or NFS against any or all Account holders. UBIS is authorized to follow the instructions of any Account holder without notice to any other Account holder in every respect and to deliver any or all monies, Securities, or Other Property to any Account holder upon the instructions of any single Account holder, or to any other person upon such instructions, even if such delivery or payment is to that Account holder personally and not to the others. UBIS will be under no obligation to inquire into the purpose or propriety of such delivery or payment and is not bound to inquire into the disposition or application of such delivery or payment. This authority remains in force until written notice to the contrary is addressed to UBIS and delivered to its office. UBIS or NFS, at their sole discretion and for their sole protection, may terminate the Account upon receipt of such notice. UBIS and NFS will be deemed to have fulfilled an obligation to all Account holders and to the Account if it or they fulfill such obligations to one Account holder. Notwithstanding the foregoing, UBIS retains the right, at all times, to require written consent of all Account holders prior to acting upon the instructions of any Account holder.

### i. Community Property Laws

Laws covering joint or community property vary by state. Client is responsible for verifying that the joint registration Client chooses is valid in Client's state. Client may want to consult Client's lawyer about this. Generally, for joint tenants with rights of survivorship and tenants by the entirety, on the death of an Account owner the entire interest in the Account goes to the surviving Account owner(s), on the same terms and conditions. For tenants in common, a deceased Account owner's interest (which equals that of the other Account owner(s) unless specified otherwise) goes to that Account owner's legal representative. Tenants in common are responsible for maintaining records of the percentages of ownership of the Agreement on behalf of the Account.



## B. Fiduciary Accounts

Fiduciary Accounts consist of accounts where a fiduciary is authorized to make decisions and take action with respect to the Account on behalf of the Account's beneficial owners. Fiduciaries include a trustee; custodian under the Uniform Gifts to Minors Act (UGMA); custodian under the Uniform Transfer to Minors Act (UTMA); conservator; guardian; executor; administrator; attorney-in-fact; investment adviser; or other person to whom the beneficial owner of the Account has granted trading and/or discretionary authority over the Account. Client understands and agrees that UBIS and NFS do not review any action or inaction by a fiduciary and are not responsible for determining the extent of the fiduciary's authorities, whether a fiduciary's action satisfies the standard of care applicable to such fiduciary's handling of the Account or for determining the validity of the fiduciary's status or capacity to serve as a fiduciary. Client agrees to hold UBIS and NFS and their officers, directors, employees, agents, and affiliates harmless from any loss, liability claim, or expense (including attorney's fees and disbursements) that is incurred as a result of the actions or non-actions of a fiduciary for Client's Account. In the event that there is more than one (1) fiduciary (such as co-trustees) with the authorization to make decisions and take action with respect to the Account, UBIS retains the right, at all times, to require written consent of all fiduciaries (or co-trustees) prior to acting upon the instructions of any single fiduciary.

## C. Custodial Accounts

For Accounts opened under the Uniform Gifts/Transfers to Minors Acts, Client, the Account owner, is the custodian. By opening this type of Account, Client represents that all assets belong to the minor and that Client will only use *the assets for the minor's benefit—even after the assets have been removed from the Account.*

## D. Transfer on Death Account Registration

With transfer on death ("TOD") Account registration, Client can designate a beneficiary or beneficiaries who will receive all monies, Securities, or Other Property held in Client's Account at the time of Client's death (or upon the death of the last surviving Account holder, if this is a joint Account). UBIS and NFS will not advise Client on whether TOD registration is appropriate for Client's tax or estate planning purposes. Client understands that registering a Securities Account in TOD form is legal only in certain states, and Client will consult with Client's legal or tax advisor as Client deems necessary before Client establishes or revokes a TOD registration.

Client can change Client's beneficiary designation at any time by completing a new Beneficiary Designation form and delivering it to UBIS. UBIS will rely on the latest Beneficiary Designation in its possession. Client understands that Client cannot change Client's beneficiary by will, codicil, or trust, or other testamentary document. If UBIS considers it necessary, UBIS may request additional documents from any beneficiaries before UBIS transfers assets to any of them from Client's Account. NFS has no responsibility to determine the registration or ownership of the Account as a whole, either before or after Client's death.

"Per Stirpes" designation rules may vary from state to state. It is Client's responsibility to consult with an estate planning attorney or other expert to determine whether Per Stirpes designation is available and/or appropriate for Client's situation. By checking the Per Stirpes box associated with a given beneficiary, Client is agreeing that if that beneficiary predeceases Client, his or her

share of the Account will pass through to his or her descendants in accordance with state law. If more than one (1) person is named as a beneficiary and no share percentages are indicated, UBIS will make payment in equal shares to Client's primary beneficiary or beneficiaries who survive Client. If a percentage is indicated for a primary beneficiary who does not survive Client, and if Client has not checked the Per Stirpes box, the percentage of that beneficiary's designated share will be divided equally among the surviving primary beneficiaries. If there is no primary beneficiary living at the time of Client's death, Client hereby directs that the balance is to be distributed to the contingent beneficiary or beneficiaries listed.

## E. Institutional Account

Except as otherwise required by SEC Regulation Best Interest, if Client is a FINRA Institutional Client (as defined above), Client acknowledges and agrees that (1) Client's Account and transactions through UBIS will be treated as an "Institutional Account" within the meaning of FINRA Rules 2111(b) and 4512(c); (2) Client is an entity that meets the definition of an "Institutional Account" within the meaning of FINRA Rule 4512(c); (3) Client is capable of evaluating investment risks independently, both in general and with regard to all transactions and investment strategies involving a Security or Securities and Other Property; (4) Client will exercise independent judgment in evaluating the recommendations of UBIS or its associated persons, unless Client has otherwise notified UBIS in writing; and (5) Client will notify UBIS immediately if anything in Section 12 ceases to be true.

## 19. POWER OF ATTORNEY

If Client intends to grant a power of attorney to another person to act on Client's behalf, UBIS reserves the right to determine in its sole discretion whether to honor such power of attorney, and what additional documentation UBIS may require, if any. If UBIS honors Client's power of attorney, the person Client designates to act for Client is an authorized signer and is authorized to act under and will be bound by this Agreement. If Client's Account is a joint account, Client agrees that any of the Account holders individually may grant the power of attorney, but UBIS reserves the right to require all owners to do so.

## 20. SECURITY INTEREST

As security for the repayment of all present or future indebtedness owed to UBIS by any Carried Account Holder under this Agreement or otherwise, Client grants to UBIS and NFS a continuing security interest in and lien on, and a right of setoff with respect to, Securities and Other Property that are now, or in the future may be, held, carried, or maintained for the Carried Account, and in Securities and Other Property in any present or future Account with UBIS or any of its affiliates, including, without limitation, in any Money Market Fund or Core Account Investment Vehicle in which Client has an interest, including a BDSP, if applicable. If applicable, if Client owes money to UBIS with respect to Client's Account and there are assets in any Individual Retirement Account (IRA) that Client holds with UBIS that could partially or fully satisfy Client's debt to UBIS, Client agrees to execute all documents necessary to effect a distribution of Client's IRA Account to the extent necessary to pay Client's obligation to UBIS upon the demand from UBIS for such payment and the corresponding documentation for such payment. In enforcing its lien, UBIS shall have the right to determine which Securities and Other Property it will sell to satisfy Client's indebtedness without consulting with Client.

UBIS may sell, transfer, or assign any of Client's Securities or Other Property to satisfy a margin deficiency or other obligation in Client's Carried Account whether or not UBIS has made advances with respect to such property. Without notice to Client, such property may be carried in the general Accounts of UBIS, and if Client has a margin Account all Securities and Other Property in Client's Carried Account may be pledged, repledged, hypothecated, or rehypothecated separately or in common with other Securities or any Other Property for the sum due to Client, or for a greater sum, and without retaining in Client's possession and control for delivery a like amount of similar Securities or Other Property. At any time in its discretion, UBIS may, without notice to Client, apply or transfer any Securities or any Other Property interchangeably between Client's Carried Accounts from any of Client's Carried Accounts to any Account guaranteed by Client. UBIS is specifically authorized to transfer to Client's Carried Account, on the settlement day following a purchase made in that Account, excess funds available in any of Client's Carried Accounts, including, but not limited to, any free balances in any margin Account sufficient to make full payment of such cash purchase. Client agrees that any debit occurring in any of Client's Carried Accounts may be transferred by UBIS at its option to Client's margin Account if Client has one.

## **21. GOVERNING LAW AND APPLICABLE REGULATIONS**

Except as otherwise provided in the Pre-Dispute Arbitration Agreement contained in this Agreement, this Agreement and all transactions hereunder shall be governed by the laws of the State of California without giving effect to the choice of law or conflict of laws provisions thereof. All transactions for Client's Account shall be further subject to the regulations of all applicable federal, state, and regulatory agencies, including, but not limited to, the Securities and Exchange Commission; the applicable self-regulatory organizations; the Board of Governors of the Federal Reserve System; the Office of the Comptroller of the Currency; and the constitution, rules, and customs of the exchange or market (and its clearing house, if any) where such transactions are executed. Actual deliveries are intended on all transactions. Client agrees not to exceed the exercise limits and/or position limits set by the option exchanges for Client's own Account, acting alone, or in concert with others.

## **22. DISPUTE RESOLUTION AND MEDIATION**

THE FOLLOWING PROVISION ONLY APPLIES TO INSTITUTIONAL ACCOUNTS.

An "Institutional account" means the account of a bank, savings and loan association, insurance company, registered investment company, registered investment adviser or any other person (whether a natural person, corporation, partnership, trust, or otherwise) with total assets of at least \$50 million.

UBIS and Client shall attempt in good faith to resolve any dispute arising out of or relating to this Agreement promptly by negotiation in the normal course of business between executives who have authority to settle the controversy.

Prior to the commencement of any action or other proceeding against the other party by UBIS or Client (including, but not limited to, proceedings outlined in Section 21), UBIS or Client shall initiate a mediation by giving the other party written notice of the party's request to mediate any dispute not resolved in the normal course of business. Within 15 days after delivery of the notice, the receiving party shall submit a written response to the

other. The notice and response shall include with reasonable particularity a statement of the party's position and a summary of arguments supporting that position, the name and title of the executive who will represent that party along with any other person who will accompany the executive. The response shall also propose the name and title of one person to act as a neutral, independent, and impartial mediator. If that person is not acceptable, the other party shall propose the name of another neutral, independent, and impartial mediator. If that suggested mediator is not acceptable, the 2 nominees shall select a third neutral, independent, and impartial mediator. Within 90 days after selection of a mediator, the parties shall conduct a mediation at a mutually acceptable time and place.

All applicable statutes of limitation and defenses based upon the passage of time shall be tolled while the mediation procedure specified above is pending and for 15 calendar days thereafter. The parties will take such action, if any, required to effectuate such tolling.

## **23. JURY TRIAL WAIVER/JUDICIAL REFERENCE**

To the extent permitted by law, in connection with any claim, cause of action, proceeding, or other dispute concerning this Agreement that is not resolved pursuant to Section 22 (each a "Claim"), UBIS and Client expressly, intentionally, and deliberately waive any right each may otherwise have to trial by jury. In the event that the waiver of jury trial set forth in the previous sentence is not enforceable under the law applicable to this Agreement, the parties to this Agreement agree that any Claim, including any question of law or fact relating thereto, shall, at the written request of any party, be determined by judicial reference pursuant to the state law applicable to this Agreement. The parties shall select a single neutral referee, who shall be a retired state or federal judge. In the event that the parties cannot agree upon a referee, the court shall appoint the referee. The referee shall report a statement of decision to the court. Nothing in this paragraph shall limit the right of UBIS or Client at any time to exercise self-help remedies or obtain provisional remedies. The parties shall bear the fees and expenses of the referee equally, unless the referee orders otherwise. The referee shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph. The parties acknowledge that if a referee is selected to determine the Claims, then the Claims will not be decided by a jury.

## **24. CUSTOMER IDENTIFICATION VERIFICATION/ USA PATRIOT ACT**

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person and/or entity that opens an Account. This means that when Client opens an Account, UBIS will ask for Client's name, address, and other information that will allow UBIS to identify Client. UBIS may also ask to see Client's identifying documents (or driver's license if Client is a natural person), and UBIS may also ask Client for specific information regarding the nature of anticipated activity in Client's Account, the sources of Client's funds, the purposes of transactions, the ultimate beneficiaries of funds Client sends and receives and Client's relationship with them, the anticipated frequency of such transactions, and other questions that may help to clarify the nature and purpose of Client's transactions.

## 25. AMENDMENTS/TERMINATION

UBIS or NFS may amend or terminate this Agreement or restrict the services contemplated by this Agreement or provide Client with additional disclosures at any time, in any respect. UBIS or NFS will send written notice to Client of any such amendment, change, termination, or restriction of a service as may be required by law, and Client's use of the services provided hereunder after UBIS sends such amendment, notice, or disclosures shall constitute Client's agreement to them. Client acknowledges that such written notice may be sent via email to the extent Client has provided UBIS with an email address on Client's Account Application.

Client has the right to terminate this Agreement at any time by sending written notice to:

UnionBanc Investment Services LLC  
PO Box 513100  
Los Angeles, CA 90051-1100.

Client will continue to be responsible for any obligations Client incurred prior to any termination, whether such termination is by UBIS or by Client. Any termination will only affect transactions initiated after receipt of such notice by UBIS and reasonable time to act on it.

UBIS or NFS may transfer or assign its or their interests in Client's Account or Agreement to any of their successors and assigns, whether by merger, consolidation, or otherwise. In the event of such a transfer or assignment, any rights and obligations in existence at the time will accrue to, and be binding on, Client's administrators, successors, or assigns.

Client may not transfer Client's interests in Client's Account or Agreement except with the prior written approval of UBIS or through corporate dissolution, or similar circumstances, as allowed by law, in which case any rights and obligations in existence at the time will accrue to, and be binding on, Client's heirs, administrators, successors, or assigns, as applicable.

In the event that UBIS determines that the Bank Deposit Sweep Program is no longer an eligible Core Account Investment Vehicle, Client authorizes UBIS to withdraw all of Client's balance in the Bank Deposit Sweep Program and to invest such funds in a different Core Account Investment Vehicle that (i) might not be a BDSP, (ii) might not be eligible for FDIC insurance, and (iii) may not provide the same interest rate and/or rate of return as Client's previous Core Account Investment Vehicle.

## 26. NOTICES

UBIS will send all communications to Client at the postal mailing or email address, facsimile, or telephone number that Client has specified to UBIS in writing on Client's Account Application or otherwise in writing. Any communication that UBIS sends accordingly shall be considered delivered, whether or not Client actually receives it, on the earlier of the actual delivery date or if by U.S. mail, 5 days after it is sent.

## 27. ENTIRE AGREEMENT SEVERABILITY

This Agreement, including any agreement incorporated herein by reference, constitutes the entire Agreement between Client and UBIS with respect to Client's Accounts, including, but not limited to, any option and/or margin Account that Client may open in connection with this Account. All previous agreements and instructions, whether written or oral, between UBIS and Client with respect to Client's Accounts are hereby superseded provided, however, if Client has entered, or in the future enters, into any agreements with UBIS or NFS concerning services or

features that relate to this Account, such as a margin agreement, this Agreement incorporates by reference the terms of such other agreement. In the case of any conflict between this Agreement and an agreement for a particular service or feature, the agreement for the service or feature will prevail.

If any provision of this Agreement is found to be in conflict with applicable laws, rules, or regulations, either present or future, that provision will be enforced to the maximum extent allowable, or made to conform, as the case may be. However, the remainder of this Agreement will remain fully in effect.

## 28. TEXAS RESIDENTS ONLY

In accordance with Texas House Bill 1454, you, as an account owner, may designate a representative for the purpose of receiving a due diligence notice. If you add a designated representative, NFS is required to mail the written notice upon presumption of abandonment to the representative, in addition to mailing the notice to you, the account owner.

## 29. TAXATION OF ACCOUNT

Client is responsible for filing any and all tax returns and for paying the taxes on all Securities and Other Property and income of Client's Account.

## 30. ACCOUNT PROTECTION

Securities in Accounts carried by NFS are protected by the Securities Investor Protection Corporation (SIPC) up to \$500,000 (including a limit of \$250,000 for cash claims), subject to periodic adjustments for inflation in accordance with terms of the SIPC statute and approval by SIPC's Board of Directors. NFS also has arranged for coverage above these limits. Neither coverage protects against a decline in market value of Securities, nor does either coverage extend to certain Securities that are considered ineligible for coverage.

**For more details on SIPC, or to request a brochure, visit [www.sipc.org](http://www.sipc.org) or call 202-371-8300.**

## 31. ELECTRONIC SERVICES

### Electronic Services Customer Agreement (Online Investing)

Client hereby authorizes and requests that UBIS and NFS provide Client with access to and use of one or more electronic investment services, including Online Investing, which provides Client with access to information and trading capabilities over the Internet. By using the electronic services of UBIS, Client agrees to the following terms and conditions in addition to the other terms and conditions of this UBIS Investment Services Agreement:

#### A. Market Data

Although investment and market data information available through the UBIS electronic services are obtained from independent sources that UBIS and NFS believe are reliable, UBIS and NFS make no representations about this information and do not endorse this information or guarantee its accuracy, non-infringement, security, completeness, timeliness, or sequence nor give any express or implied warranties, including warranties of merchantability or fitness for a particular use. The information provided on the UBIS website is provided for informational purposes only and does not constitute a solicitation, recommendation, endorsement, or offer by UBIS or any third-party service provider to buy or sell any Securities or Other Property.

Client assumes full responsibility for evaluating the information provided through the UBIS electronic services and for any decision Client makes that is based in any way on such information.

## **B. Risks**

Client understands that system response and Client's access to Client's Account may vary due to a variety of factors, including trading volumes, market conditions, system performance, and other factors.

## **C. Indemnity and Limitations of Liabilities**

IN ADDITION TO ANY OTHER INDEMNITIES AND HOLD HARMLESS PROVISIONS TO WHICH CLIENT AGREES IN THIS AGREEMENT, CLIENT AGREES THAT CLIENT WILL HOLD UBIS HARMLESS FROM ANY LOSS, LIABILITY, COST, OR EXPENSE FOR ACTING ON CLIENT'S INSTRUCTIONS THROUGH ELECTRONIC SERVICES. CLIENT AGREES THAT UBIS, NFS, AND ANY OTHER DISSEMINATING PARTY SHALL NOT BE LIABLE, AND CLIENT AGREES TO INDEMNIFY AND HOLD SUCH PARTIES HARMLESS FROM ANY LOSS, DAMAGE, OR EXPENSE FOR ACTING ON CLIENT'S INSTRUCTIONS OR ATTRIBUTABLE TO ANY INACCURACY, ERROR, DELAY IN, TRANSMISSION OR OMISSION OF, NONPERFORMANCE, INTERRUPTION, OR UNAVAILABILITY OF ANY INFORMATION DUE EITHER TO ANY ACT OR OMISSION NOT CONSTITUTING GROSS NEGLIGENCE OR WILLFUL MISCONDUCT BY SUCH PARTIES OR DUE TO ANY "FORCE MAJEURE" (I.E., FLOOD, WEATHER CONDITIONS, EARTHQUAKE, OR OTHER ACT OF GOD, FIRE, WAR, INSURRECTION, TERRORIST ACT, MALICIOUS OR CRIMINAL ACT (INCLUDING WITHOUT LIMITATION ANY CYBERATTACK), RIOT, LABOR DISPUTE, ACCIDENT, ACTION OF GOVERNMENT, COMMUNICATIONS, POWER FAILURE, CYBERATTACK, OR EQUIPMENT OR SOFTWARE MALFUNCTION) OR DUE TO ANY OTHER CAUSE BEYOND THE REASONABLE CONTROL OF SUCH PARTIES. UBIS, NFS, AND ANY OTHER DISSEMINATING PARTY SHALL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS OR TRADING LOSSES, ARISING OUT OF RELIANCE UPON OR THE INABILITY TO ACCESS OR USE THESE SERVICES OR ANY INFORMATION.

## **D. Confidentiality**

Client acknowledges that maintaining confidentiality of Client's Account is Client's responsibility. Client agrees that Client will maintain Client's User Identification (ID) number and Personal Identification Number (PIN) in strict confidence and immediately notify UBIS if Client becomes aware of (i) any unauthorized use of Client's User ID, PIN, or other security data; (ii) a discrepancy in the Account balance, stock position, or order status; or (iii) any other type of suspicious or unexplained occurrence relating to these services in Client's Account.

Client acknowledges that anyone with whom Client shares or otherwise uses Client's Account User ID and PIN will have access to Client's Account for all purposes, including, without limitation, placing trades and making withdrawals, and that Client will be responsible for any access to and use of Client's Account for any purpose.

Client acknowledges in addition that anyone with whom Client shares Client's User ID and PIN for online access to Client's Accounts at Union Bank will also have online access to Client's UBIS Account(s), for all purposes, including for placing trades and making withdrawals, irrespective of the ownership of such Union Bank Accounts and UBIS Accounts. Client will be

responsible for all transactions in and other access to such Union Bank Accounts and UBIS Accounts using Client's shared Union Bank online access User ID and PIN.

If Client has multiple Accounts, Client may, but is not required to, elect to have different User IDs for each Account. Client understands and acknowledges that all users accessing an Account via the same User ID are able to trade and obtain Account information equally and from any and all Accounts linked to that User ID.

Client agrees that use of electronic services may involve the transmission of confidential financial information, including the identity, number, and net dollar price of shares traded, and that neither UBIS nor NFS guarantees the security of electronic transmission of this and other information over the Internet. Client consents to the electronic transmission of such information through these services. Due to the inherently limited security mechanisms for the Internet, neither UBIS nor NFS guarantees the privacy, security, or authenticity of electronic transmissions.

UBIS, its affiliates, and agents are entitled, but not obligated, to review or retain Client's communications. UBIS and its third-party service providers may monitor Client's communications to evaluate the quality of service Client receives, Client's compliance with these electronic service agreement provisions, the security of UBIS services, or for other reasons. Client agrees that these monitoring activities will not entitle Client to any cause of action or other right with respect to the manner in which UBIS or its third-party service providers monitor Client's communications and enforce or fail to enforce the terms of any UBIS service. In no event will UBIS or its third-party service providers be liable for any costs, damages, expenses, or any other liabilities Client incurs as a result of any monitoring activities.

## **E. Re-Dissemination**

Client agrees not to cause or permit any information Client accesses through UBIS electronic services to be published, broadcast, retransmitted, reproduced, professionally or commercially exploited, or otherwise re-disseminated, or to be used to create any derivative works, including databases.

## **F. Trading**

Investments placed through electronic services for Client's Account will be settled in the same manner as currently established for non-electronic transactions for Client's Account. Client understands that orders entered through electronic services may be subject to review and approval by UBIS. Receiving an order reference number online or an order number on the phone is not an indication of an approved order. An approved order will be given the status "Open" in the Order Status/Open Orders section of the electronic services system. In the event that UBIS does not approve an order or an order is not otherwise placed, UBIS may attempt to contact Client as soon as possible at Client's primary telephone number, but is not obligated to do so. Trades placed through electronic services may be subject to broker review and release. Trades may experience a short delay prior to release to the market. Trades placed through electronic services while the market is closed will be released to the market when it reopens. Client will not hold UBIS or NFS responsible for any lost profits or increased losses that may result from their failure to accept Client's order through electronic services or for any delays in releasing or executing Client's orders.

Client acknowledges that there are risks associated with trading generally, and in particular trading over the Internet. Client acknowledges having read the UBIS disclosures at the end of this Agreement about some of these risks.

### **G. Limitations**

Client acknowledges that the Electronic Services Enrollment Form on which Client enrolled in the UBIS electronic services describes certain limitations on eligible Accounts and combinations of Accounts for which Client may use electronic services, and Client agrees to be bound by these limitations.

### **H. Termination**

UBIS reserves the right to terminate Client's Online Investing access if Client does not log on to Online Investing's secured area for 90 consecutive days.

## **32. BANK WIRE AND ELECTRONIC FUNDS TRANSFER ("EFT") TRANSACTIONS**

Bank wire transactions are normally executed the Business Day after Client requests them.

EFT transactions are normally executed within 3 to 7 Business Days of Client's request. The two Accounts involved in an EFT transaction must have at least one owner's name in common (and that name must match exactly on the Accounts involved in the transaction). To send and receive EFT transactions, Client's bank must be a member of the Automated Clearing House (ACH) system.

For EFT transactions, Client hereby grants UBIS limited power of attorney for purposes of redeeming any share in Client's Accounts (with the right to make any necessary substitutions), and directs UBIS to accept any orders to make payments to an authorized bank Account and to fulfill these orders through the redemption of shares in Client's Account. Client agrees that the above appointments and authorizations will continue until either the Account is terminated, UBIS receives written notice of any change, or UBIS has sent 30 days' written notice to Client's Account address of record indicating that UBIS will cease to act as agent to the above appointments.

## **33. DIVIDEND REINVESTMENT**

With this feature, Client can designate Securities held in Carried Accounts for which all dividends paid by the issuers of such Securities will be automatically reinvested in purchasing additional shares of the same Security. References to "Dividends" mean cash dividends and capital gain distributions, but not cash-in-lieu payments, late ex-dividend payments, and special dividend payments. In designating any Security for dividend reinvestment, Client authorizes NFS to purchase shares of that Security for Client's Carried Account.

To be eligible for this feature, a Security must satisfy all of the following:

- Be a closed-end fund, domestic common stock, or ADR
- Be margin-eligible (as defined by NFS)
- Be listed on the New York Stock Exchange or the American Stock Exchange, or traded on NASDAQ
- Be held in street name by NFS (or at a Securities depository on its behalf)
- Not be held as a short position.

Dividends are reinvested on shares that satisfy all of the following:

- The Security is eligible
- Client owns the shares on the dividend record date

- Client owns the shares on the dividend payable date (or the posting date, for shares handled through the DTC program described below), even if Client sells them that day
- Client's position in the Security was settled on or before the record date
- The shares are designated for reinvestment as of 9:00 p.m. Eastern Time on the record date (or, if the record date is not a Business Day, then as of 9:00 p.m. on the last Business Day before the record date).

If Client designates all Securities in Client's Carried Account for dividend reinvestment, any ineligible Securities that Client owns will automatically be designated if and when they become eligible. If Client designates Securities individually for dividend reinvestment, and Client wants to designate a new Security that Client purchases for dividend reinvestment, Client can do so when Client places their order to buy the Security; however, if Client's purchase order is a limit order, Client will have to reconfirm the dividend reinvestment designation at the end of every business week that Client's limit order remains unfilled.

If an issuer delays a dividend, the reinvestment will occur on the day the dividend is actually paid. Automatic reinvestments often involve purchases of partial shares, calculated to 3 decimal places. Partial shares pay pro-rated dividends and can be sold if Client sells their entire share position, and will be liquidated automatically in the case of transfers and certain other situations, but otherwise typically cannot be sold.

For dividend reinvestments, Client's regular Carried Account statement constitutes the confirmation of the dividend reinvestment. Client understands that Client can obtain immediate information regarding the reinvestment the day after the reinvestment date by contacting UBIS.

If Client transfers or reregisters Client's Carried Account with UBIS, Client must re-designate any Securities whose dividends Client wants to be reinvested.

At the option of UBIS or NFS, UBIS or NFS may buy reinvestment shares for Carried Accounts through a program offered by the Depository Trust Company (DTC) that offers a share price discount of up to 5%. Client will contact UBIS to ascertain which Securities are currently available through the DTC. Client understands that (i) the availability through DTC's program of any given Security may change without notice; (ii) DTC program reinvestment transactions take longer to process; and (iii) reinvestment transactions are effective as of the dividend payable date but are generally not posted to Client's Carried Account until 10 to 15 days after the effective date of the reinvestment transaction. If Client sells their dividend-generating shares before the posting date, the dividend will not be reinvested and it will be paid to Client.

Client will notify UBIS in writing or by phone during business hours if Client wants to remove Securities from the dividend reinvestment service. UBIS must receive Client's notification by 9:00 p.m. Eastern Time one (1) Business Day before the record date (or, if the record date is not a Business Day, then 2 Business Days before the record date).

Client acknowledges that dividend reinvestment does not assure a profit on Client's investments and does not protect against loss in declining markets.

### **34. CLAIM OF LOSS**

If Client claims a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, Client agrees to cooperate with UBIS in the investigation of the loss, including, but not limited to, giving UBIS an affidavit containing whatever reasonable information UBIS requires concerning Client's Account, the transaction(s), and the circumstances surrounding the claimed loss. Client also agrees to file a criminal report if requested.

Client also agrees to pursue all rights that Client may have under any insurance coverage that Client maintains before making a claim against UBIS and to provide UBIS with all reasonable information about Client's coverage, including Client's insurance carrier, policy number, policy limits, and applicable deductibles. The liability of UBIS is reduced by the amount of all insurance proceeds Client receives or is entitled to receive. At the request of UBIS, Client agrees to assign to UBIS Client's rights under Client's insurance policy.

Client agrees that UBIS has a reasonable period of time to investigate the facts and circumstances surrounding any claimed loss and that UBIS has no obligation to "provisionally" credit Client's Account. The maximum liability of UBIS is the lesser of Client's actual damage proved, or the amount of the forgery, alteration, or other unauthorized withdrawal, reduced by an amount that could not have been realized by the use of ordinary care. In no event will UBIS be liable for special or consequential damages, including loss of profits and/or opportunity or for attorneys' fees incurred by Client.

### **35. UNLAWFUL INTERNET GAMBLING ENFORCEMENT ACT (UIGEA)**

Pursuant to applicable U.S. federal or state law and regulations, UBIS prohibits conducting transactions through Client's Account(s) related to unlawful Internet gambling, and UBIS has the right, without liability to Client or anyone else, to refuse to process any transaction and/or close Client's Account if UBIS, in its sole discretion, suspects that activities relating to unlawful Internet gaming are or may be occurring in Client's Account. By signing the client agreement, Client is certifying that Client is not engaged in and will not engage in an Internet gambling business. Further, UBIS has the right, without liability to Client or anyone else, to refuse to process any transaction and/or close Client's Account if UBIS, in its sole discretion, suspects activities in or related to Client's Account relating to Internet gambling.

### **36. UNCLAIMED PROPERTY**

Client understands that applicable unclaimed property laws require UBIS to turn over to the state of Client's last known address (as shown in UBIS records) property or assets in Client's Account that are considered to be unclaimed by its owner for a set period of time. Such property or assets include the assets, Securities, or Other Property in Client's UBIS Account, as well as any uncashed dividend checks and other checks that UBIS may have issued to Client. In general if Client has not made a deposit, trade, or withdrawal in Client's UBIS Account; written or otherwise contacted UBIS about Client's Account; or otherwise shown an interest in Client's Account for the period of time set by state law, the property or assets in Client's Account will be considered unclaimed. Before UBIS turns over property or assets in Client's Account, if any, to any state, UBIS will try to contact Client as required by law, by sending Client a notice to Client's last known address on Client's Account statement. Client may contact the appropriate state regarding recovering unclaimed property or assets that UBIS turns over.

### **37. NON-TRANSFERABLE SECURITIES**

In the event that any Securities in Client's Carried Account become non-transferable, NFS may remove them from Client's Carried Account without further notice. Non-transferable Securities are those where transfer agent services have not been available for 6 or more years. A lack of transfer agent services may be due to a number of reasons, including that the issuer of such Securities may no longer be in business and may even be insolvent. Please note the following:

- There are no known markets for these Securities.
- NFS is unable to deliver certificates to Client representing these positions.
- These transactions will not appear on Form 1099 or any other tax reporting form.
- The removal of the position will not be reported as a taxable distribution, and any reinstatement of the position will not be reported as a contribution.
- If transfer agent services become available sometime in the future, NFS will use its best efforts to have the position reinstated in Client's Carried Account.
- Positions removed from Client's Carried Account will appear on Client's next available Account statement following such removal as an "Expired" transaction.

By opening and maintaining a Carried Account with NFS, Client consents to the actions as described above, and Client waives any claims against UBIS or NFS arising out of such actions. Client also understands that UBIS and NFS do not provide tax advice concerning Client's Account or any Securities or Other Property that may be the subject of removal from or reinstated into Client's Account, and Client agrees to consult with Client's tax advisor concerning any tax implications that may arise as a result of any of these circumstances.

### **38. ROUTING OF ORDERS**

UBIS or NFS transmits Client orders for execution to various exchanges or market centers based on a number of factors. These include: size of order, trading characteristics of the security, favorable execution prices (including the opportunity for price improvement), access to reliable market data, availability of efficient automated transaction processing, and reduced execution costs through price concessions for the market centers. Certain of the market centers may execute orders at prices superior to the publicly quoted market in accordance with their rules or practices. While a Client may specify that an order be directed to a particular market center for execution, the order-routing policies, taking into consideration all the factors listed above, are designed to result in favorable transaction processing for customers; however, Clients may not specify a market center for execution for orders placed through any telephone, electronic, or online trading systems. UBIS and/or NFS may receive remuneration, compensation, or other consideration for directing Client orders for equity Securities to particular broker/dealers or market centers for execution. Such considerations may take the form of financial credits, monetary payments, or reciprocal business.

### **39. NOTICE TO CLIENTS**

FINRA Rule 4311 requires that UBIS and NFS identify the various Account administration functions that UBIS and NFS perform for Client Accounts. The following is a summary of the allocation of services performed by UBIS and NFS. A more complete description is available upon request.

UBIS is responsible for (1) obtaining and verifying brokerage Account information and documentation; (2) opening and approving brokerage Accounts; (3) transmitting timely and accurate instructions to NFS with respect to Client's brokerage Account; (4) determining the suitability of any investment recommendations and advice; (5) operating brokerage Accounts in compliance with applicable laws and regulations, and if the Account is a margin Account, advising Client of margin requirements and overseeing that Client's margin Account is in compliance with margin rules pertaining to margin Accounts; and (6) maintaining required books and records for the services it performs. Certain pricing and other information may be provided by UBIS or obtained from third parties that has not been verified by NFS.

NFS shall, at the direction of UBIS: (1) execute, clear, and settle transactions processed through NFS by UBIS; (2) prepare and send transaction confirmations and periodic statements of Client's Carried Account (unless UBIS has undertaken to do so); (3) for Carried Accounts, act as custodian for funds and Securities and Other Property received by NFS on Client's behalf; (4) follow the instructions of UBIS with respect to transactions and the receipt and delivery of funds and Securities for Client's Carried Account; (5) extend margin credit for purchasing or carrying Securities on margin if Client has a margin Account; and (6) maintain proper books and records of all services NFS performs in connection with Client's Account.

For purposes of qualified retirement plan accounts' administration, neither NFS nor UBIS provides any tax withholding or governmental reporting services. These obligations are the sole responsibility of the Trustee and/or Plan Administrator of the qualified retirement plan.

#### **40. PRE-DISPUTE ARBITRATION AGREEMENT**

THE FOLLOWING PROVISION DOES NOT APPLY TO INSTITUTIONAL ACCOUNTS.

An "Institutional account" means the account of a bank, savings and loan association, insurance company, registered investment company, registered investment advisor or any other person (whether a natural person, corporation, partnership, trust, or otherwise) with total assets of at least \$50 million.

**PLEASE KEEP THIS DOCUMENT FOR YOUR RECORDS.** THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE. BY SIGNING AN ARBITRATION AGREEMENT, THE PARTIES AGREE AS FOLLOWS: **(A) ALL PARTIES TO THIS AGREEMENT ARE GIVING UP THEIR RIGHT TO SUE EACH OTHER IN COURT, INCLUDING THE RIGHT TO A TRIAL BY JURY, EXCEPT AS PROVIDED BY THE RULES OF THE ARBITRATION FORUM IN WHICH A CLAIM IS FILED. (B) ARBITRATION AWARDS ARE GENERALLY FINAL AND BINDING; A PARTY'S ABILITY TO HAVE A COURT REVERSE OR MODIFY AN ARBITRATION IS VERY LIMITED. (C) THE ABILITY OF THE PARTIES TO OBTAIN DOCUMENTS, WITNESS STATEMENTS, AND OTHER DISCOVERY IS GENERALLY MORE LIMITED THAN IN COURT PROCEEDINGS. (D) THE ARBITRATORS' AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING, AND ANY PARTY'S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED. (E) THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY. (F) THE RULES OF SOME ARBITRATION FORUMS MAY IMPOSE TIME LIMITS FOR BRINGING A CLAIM IN ARBITRATION. IN SOME CASES, A CLAIM THAT**

**IS INELIGIBLE FOR ARBITRATION MAY BE BROUGHT IN COURT. (G) THE RULES OF THE ARBITRATION FORUM IN WHICH THE CLAIM IS FILED, AND ANY AMENDMENTS THERETO, SHALL BE INCORPORATED INTO THIS AGREEMENT.** IF THE CLIENT FILES A COMPLAINT IN COURT AGAINST UBIS THAT CONTAINS CLAIMS THAT ARE SUBJECT TO ARBITRATION PURSUANT TO THIS PRE-DISPUTE ARBITRATION AGREEMENT, UBIS MAY SEEK TO COMPEL ARBITRATION OF THE CLAIMS THAT ARE SUBJECT TO ARBITRATION, PROVIDED THAT UBIS MUST AGREE TO ARBITRATE ALL OF THE CLAIMS CONTAINED IN THE COMPLAINT IF THE CLIENT SO REQUESTS. THE CLIENT AGREES THAT ALL CONTROVERSIES THAT MAY ARISE BETWEEN THE PARTIES CONCERNING ANY ORDER OR TRANSACTION, OR THE CONTINUATION, PERFORMANCE, OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN US, WHETHER ENTERED INTO BEFORE, ON, OR AFTER THE DATE THIS ACCOUNT IS OPENED, SHALL BE DETERMINED BY ARBITRATION BEFORE A PANEL OF INDEPENDENT ARBITRATORS SET UP BY THE FINANCIAL INDUSTRY REGULATORY AUTHORITY AS THE CLIENT MAY DESIGNATE. IF THE CLIENT DOES NOT NOTIFY UBIS IN WRITING WITHIN 5 DAYS AFTER THE CLIENT RECEIVES FROM UBIS A WRITTEN DEMAND FOR ARBITRATION, THEN THE CLIENT AUTHORIZES UBIS TO MAKE SUCH A DESIGNATION ON THE CLIENT'S BEHALF. THE CLIENT UNDERSTANDS THAT JUDGEMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT OF COMPETENT JURISDICTION.

NO PERSON SHALL BRING A PUTATIVE OR CERTIFIED CLASS ACTION TO ARBITRATION, NOR SEEK TO ENFORCE ANY PRE-DISPUTE ARBITRATION AGREEMENT AGAINST ANY PERSON WHO HAS INITIATED IN COURT A PUTATIVE CLASS ACTION OR WHO IS A MEMBER OF A PUTATIVE CLASS ACTION WHO HAS NOT OPTED OUT OF THE CLASS WITH RESPECT TO ANY CLAIMS ENCOMPASSED BY THE PUTATIVE CLASS ACTION UNTIL: (I) THE CLASS CERTIFICATION IS DENIED; OR (II) THE CLASS IS DECERTIFIED; OR (III) THE CLIENT IS EXCLUDED FROM THE CLASS BY THE COURT. SUCH FORBEARANCE TO ENFORCE AN AGREEMENT TO ARBITRATE SHALL NOT CONSTITUTE A WAIVER OF ANY RIGHTS UNDER THIS AGREEMENT EXCEPT TO THE EXTENT STATED HEREIN.

#### **41. TRADING DISCLOSURES**

##### **A. Client Access and System Response Time**

System response and Account access times may vary due to a variety of factors, including trading volumes, market conditions, system performance, and other factors. UnionBanc Investment Services (UBIS) and/or our clearing firm, National Financial Services, LLC (NFS), have an ongoing commitment to provide the highest level of service and technology to enable Client to access Client's Account; obtain market information; and enter orders quickly, easily, and efficiently. However, during periods of extraordinary volatility and volume, a Client using online or automated trading services may experience delays in accessing their Account due to high Internet traffic or systems capacity limitations. Similarly, Client may experience delays in reaching telephone representatives. Market conditions, including stock and bond prices, may change during these periods. Multiple channels are available through which Client may place orders or access information, including the Web and client services representatives, so Client has alternative ways to do business. For more information on trading in fast-changing markets, Clients should contact a Financial Advisor.

## **B. Market Orders**

When Client places a market order, UnionBanc Investment Services and/or our clearing firm will transmit the order to a market center for full and prompt execution without regard to price. Therefore, in a volatile market, a market order may receive an execution price significantly different from the price of that Security quoted when the order was entered. Furthermore, if Client places a market order when the markets are closed (e.g., nights, weekends, or holidays), the order will be executed at the prevailing price when the market next opens. There can be substantial changes between the most recent closing price of a Security and the next opening or available price. If Client has limited assets to allocate to a transaction, Client should consider placing a limit order, whether during the trading day or after hours. For example, Client's ability to make additional contributions to a retirement Account is subject to certain requirements. Therefore, transactions in retirement Accounts are generally limited to the assets available in the Account. If Client's transaction price exceeds Client's available Account balance and Client cannot otherwise pay for the transaction, UnionBanc Investment Services and/or our clearing firm will be required to liquidate all or a portion of the transaction or other Account assets to the extent necessary to satisfy Client's financial obligation. Any losses or costs of such liquidation will be Client's responsibility.

Since market orders are executed as promptly as possible, it is generally not feasible to cancel a market order even if Client has not received an execution report. Client's request to attempt to cancel a market order will be handled on a best-efforts basis. Although Client may receive an electronic notice or verbal confirmation that UBIS has received Client's request for the attempted cancellation, Client must not assume that it means that the trade was cancelled. UBIS and/or NFS are not responsible in cases where a replacement order is placed and executed prior to Client receiving confirmation of the cancellation of a prior order. In addition, due to the queuing of orders, if a market order is entered near the close of trading, it may not be eligible to receive an execution.

## **C. Limit Orders**

A limit order will be executed only at a specific price or better. With a limit order to buy, the Security is eligible to be purchased at or below the limit price, but never above it. Similarly, with a limit order to sell, the Security is eligible to be sold at or above the limit price, but never below it. By placing a limit order instead of a market order, Client is protected from buying the Security at a price higher or selling at a price lower than expected. However, in volatile markets, although Client's limit order receives price protection, due to priority of other orders, Client's order may not be executed even if the Security is trading at Client's limit or better after the order is entered. Similarly, the Security price may move away from Client's limit after the order is entered, in which case the order will not be executed.

## **D. Stop Orders**

Stop orders are available on certain Securities to buy or sell after a Security has reached a certain specified price. A buy-stop order is placed above the current market price and automatically becomes a market order to buy when the "stop" price is reached. A sell-stop order is placed below the current market price and automatically becomes a market order to sell when the "stop" price is reached. As with any market order in volatile markets, the market order triggered at the stop price may receive an execution price significantly different from the quoted price

of that Security when the order is triggered. Market makers' procedures vary with respect to the handling of stop orders that have already hit the stop price. In addition, some market makers may not be willing to accept stop orders under certain market conditions, and this practice varies among market makers. When this occurs, UnionBanc Investment Services and/or our clearing firm may not accept certain stop orders.

## **E. IPO Securities Trading in the Secondary Market**

Due to the extreme volatility sometimes associated with trading an IPO in the secondary market (particularly one that is trading at a price much higher than the initial offering price), a Client who places a market order for such a Security is at risk of receiving an execution price that is substantially different from the market price at the time the order was placed. As discussed above, this risk can be reduced by appropriate use of limit orders. The placement of a limit order in such situations would address the risk of receiving an execution that is substantially away from the market price that was quoted at the time the order was placed. However, as with any limit order in a volatile market, due to order imbalances and fast markets, a limit order may not receive an execution, even if the Security is trading at Client's limit or better after the order was entered.



EFFECTIVE JANUARY 1, 2022

## D. Portfolio Connection Accounts & Services

**Disclosure and Supplemental Agreement**

Investments available through UnionBanc Investment Services LLC ("UBIS"), an SEC-registered broker-dealer, investment advisor, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A. ("Union Bank" or "Bank"):

- **Are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate**
- **Are NOT insured by the FDIC or by any other federal government agency**
- **Are subject to investment risks, including possible loss of the principal amount invested.**

A Portfolio Connection account gives you the convenience of having a brokerage account through UBIS with personal cash management services administered through Union Bank integrated into one account. Offered through UBIS, the brokerage and investment advisory subsidiary of MUFG Union Bank, N.A., Portfolio Connection gives you the control and flexibility to help you meet your financial goals.

Portfolio Connection allows you to consolidate such key financial components as investments and certain features of a checking account into one integrated brokerage account. The UBIS Portfolio Connection brokerage account takes the complexity out of managing multiple accounts and lets you enjoy a wide array of investment and personal cash management services.

A Portfolio Connection brokerage account with UBIS provides (1) the option to automatically sweep uninvested cash balances into a money market mutual fund or the Bank Deposit Sweep Program ("BDSP") on a daily basis, and (2) the convenience of cash management services such as check writing, direct deposit, ATM or debit card upon request, and Online Banking Bill Pay services within your brokerage account.

In addition to the *Investment Services Agreement* and *Personal Accounts & Services Disclosure and Agreement*, this document contains the following supplemental terms (the "Supplemental Agreement") to which your *Portfolio Connection Accounts & Services Disclosure and Supplemental Agreement* will be subject.

## SUPPLEMENTAL AGREEMENT

In consideration for UBIS accepting Client's account, Client hereby agrees to the following additional terms and provisions (the "Supplemental Agreement"):

### Contractual Relationships

Client acknowledges that the Portfolio Connection brokerage account (the "Account") is subject to agreements with both UBIS and Union Bank. Client acknowledges that the UBIS *Investment Services Agreement* and the *UnionBanc Investment Services Commission and Fee Schedule*, as amended from time to time, shall govern with respect to brokerage services provided by UBIS. Client acknowledges that with respect to the Account's cash management features and services offered through Union Bank, such services shall be subject to the Union Bank *Personal Accounts & Services Disclosure and Agreement*, or other service agreements such as the *Online Banking Service Agreement*, as amended from time to time. Client acknowledges receipt of both the *Investment Services Agreement* and the Union Bank *Personal Accounts & Services Disclosure and Agreement* (provided under separate cover), and agrees that they, together with the applicable fee schedules and this Supplemental Agreement (collectively, the "Agreement"), will govern Client's Account. In the event of a conflict between the

forementioned agreements and this Supplemental Agreement, this Supplemental Agreement shall control.

### Account Is Not FDIC Insured

Although the Account offers certain features similar to a checking account, it is a brokerage account and not a bank account. Accordingly, the Account is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency.

### Role of National Financial Services

As further described in the *Investment Services Agreement*, Client acknowledges that unless it has informed UBIS otherwise in writing, National Financial Services ("NFS") will be the broker-dealer that carries Client's UBIS Account for financial responsibility purposes, will clear transactions for the Account, and will hold the assets in the Account. A list of the respective responsibilities of UBIS and NFS appears at the end of the *Investment Services Agreement* in the section entitled "Notice to Clients."

## ACCOUNT FEATURES

### i. Core Account Investment Vehicles for Sweeps

UBIS provides Client with the ability to direct UBIS to automatically "sweep" the cash balances awaiting investment in Client's Account into a core account investment vehicle while Client decides how those funds should be invested. (See also the *Investment Services Agreement* section entitled "Income on Balances Awaiting Investment" for more information.) For new brokerage accounts opened on or after June 25, 2020, Client's Account will be defaulted to sweep the cash balances in the Account into an interest-bearing, FDIC-insured Deposit Account at Union Bank, also known as the BDSP. The available cash from securities transactions and dividend and interest payments, and other activities in Client's Account, will be automatically deposited or "swept" into this Core Account Investment Vehicle. Client will review the Bank Deposit Sweep Program Disclosure Document ("BDSP Disclosure") accompanying this, especially as to applicable limits of the FDIC insurance coverage and Securities Investor Protection Corporation ("SIPC") fund protection. Some accounts established prior to June 25, 2020, may have defaulted to a Fidelity money market mutual fund. For these accounts, the available cash from securities transactions and dividend and interest payments, and other activities in Client's Account, will be automatically deposited or "swept" into this investment vehicle. If Client participates in the sweep program with a Fidelity money market mutual fund as Client's sweep vehicle, Client will review the prospectus. Client acknowledges receipt of the BDSP Disclosure or Fidelity prospectus, as applicable. The sweep program should not be viewed as a long-term investment option. If Client desires, as part of an investment strategy or otherwise, to maintain a cash position in the Account for other than a short period of time and/or is seeking the highest yields currently available in the market for Client's cash balances, Client will contact Client's Financial Advisor to discuss other investment options that may be available outside of the sweep program.

**Mutual Fund investing involves risk, including possible loss of principal. You should consider a fund's investment objectives, risks, and charges and expenses carefully prior to investing. This information can be found in the prospectus along with other important information. For Fidelity Funds, a prospectus may be obtained by contacting Fidelity directly at [funddocuments@fmr.com](mailto:funddocuments@fmr.com) or 800-840-6333; for all other Mutual Funds, a prospectus may be obtained by calling UBIS Client Services at 800-634-1100. Please read the prospectus carefully before investing.**

## ii. Payment of Checks and Other Transactions

Shares of a money market mutual fund will be redeemed at their net asset value. Client agrees that Client's shares may be redeemed automatically to satisfy any debit balance in Client's Account such as checks, ATM or debit card transactions, electronic funds transfers, overdrafts, and other authorized debit items. Client may also request, via telephone, to redeem shares of a money market mutual fund and to transfer these funds to a bank account that Client designates. Client may elect to send such funds by means of the Federal Reserve Wire System, an automated clearinghouse system, or through another payment system. Except as otherwise limited by federal or state law, Client ratifies such actions and agrees that neither UBIS nor Union Bank nor a fund's transfer agent will be liable for any loss, liability, cost, or expense for (1) any action made in accordance with the procedures set forth herein or in the applicable fund prospectus, or (2) acting upon instructions with respect to money transfers given by any person they or it believes to be genuine, provided the funds are transferred to the bank account designated by Client.

All debit items, including drafts, checks, ATM or debit card transactions, investment transactions, and other items and transactions, will be accumulated daily and paid by NFS to the extent to which sufficient funds are available. Client agrees to maintain sufficient assets in Client's selected affiliated core account investment vehicle to satisfy all obligations as they become due. Client understands that payment of any debit items may be made first from Client's core account investment vehicle balance available that day (defined as cash available to you on demand without giving rise to margin interest charges), and second, when Client has no remaining cash balance, from any available margin loan value of Client's marginable securities. Client understands that in the event margin credit is extended by NFS, interest will accrue beginning on the date credit is extended, and is defined in and subject to the terms of a separate Margin Account Agreement.

### **Payments for debit items may be made on Client's behalf in the following order as they become due:**

- First, securities transactions (including margin calls) and other account fees;
- Second, ATM or debit card transactions; and
- Third, any Account checks.

UBIS, NFS, and Union Bank will not be responsible for dishonoring any transaction due to an insufficient available balance. Client understands that other transactions that Client initiates or has consented to may reduce Client's available balance. Client also understands that due to the transmission time of certain data between financial institutions, debit card authorizations may be limited even if funds were contributed or released to the core account investment vehicle the previous Business Day.

If any liability arises in Client's Account that remains unpaid after payment is requested of Client, NFS and UBIS will have the right to sell, liquidate, transfer, redeem, or otherwise apply any asset, money, property, security, or shares that Client, either now or later, has an interest in for the purpose of satisfying that obligation. No further demand or notice shall be required prior to taking such an action.

## iii. Check-Writing Privileges

Checks drawn against Client's Account are payable through Union Bank. Client may be charged fees, such as account service fees, overdraft fees, stop payment fees, and copy fees, as set forth in the applicable Union Bank *Personal Accounts Fee Schedule*. Client's checks may be returned if the available balance in the Client's Account is insufficient (Overdraft Item Returned Fees may apply).

## Amendments/Termination

UBIS, NFS, and Union Bank may amend (add to, change, or delete), terminate, or restrict the services contemplated by this Agreement or provide Client with additional disclosures at any time, in any respect, effective upon 30 days' advance notice to Client. Client's use of the services provided hereunder, after receipt of such amendment, notice, or disclosure, shall constitute Client's agreement thereto. Client has the right to terminate this Agreement at any time by sending written notice to:

**UnionBanc Investment Services LLC  
P.O. Box 513100  
Los Angeles, CA 90051-1100**

## Waivers

Client agrees that UBIS or Union Bank may delay enforcing their rights under this Agreement without losing them. Any such waiver by UBIS or Union Bank shall not be deemed a waiver of other rights or of the same right at another time.

## Governing Law and Applicable Regulations

Except as otherwise provided in the Pre-Dispute Arbitration Agreement contained in the *Investment Services Agreement*, this Agreement and all transactions hereunder shall be governed by the laws of the State of California without giving effect to the choice of law or conflict of laws provisions thereof. All transactions for Client's Account shall be further subject to the regulations of all applicable federal, state, and regulatory agencies, including, but not limited to, the Securities and Exchange Commission; the applicable self-regulatory organizations; the Board of Governors of the Federal Reserve System; the Office of the Comptroller of the Currency; and the constitution, rules, and customs of the exchange or market (and its clearing house, if any) where such transactions are executed. Actual deliveries are intended on all transactions. Client agrees not to exceed the exercise limits and/or position limits set by the option exchanges for Client's own Account, acting alone or in concert with others.

## **CONTACT US**

If you have any problems, concerns, or complaints with your UnionBanc Investment Services brokerage account or representative, you can contact us at:

### **By Mail:**

UnionBanc Investment Services  
Compliance Department  
P.O. Box 513100  
Los Angeles, CA 90051-1100

### **By Phone:**

Client Services Desk at: 800-634-1100  
Toll-Free within the U.S.  
(Request to speak with Compliance regarding  
a customer complaint)

818-254-2088  
Outside the U.S.

### **By Email:**

[UBIS\\_compliance@unionbank.com](mailto:UBIS_compliance@unionbank.com)  
For more information about investments available through UBIS,  
visit us at [unionbank.com/invest](http://unionbank.com/invest).

EFFECTIVE JANUARY 1, 2022

## E. Bank Deposit Sweep Program (BDSP<sup>SM</sup>) Disclosure Document

## **BDSP Summary**

This section highlights certain key features of the Bank Deposit Sweep Program, which may be referred to as the Union Bank Consumer Deposit Sweep Program or the Union Bank Business Deposit Sweep Program (individually or collectively also referred to as “BDSP” or “BDSP<sup>SM</sup>”). The name of your sweep program will be reflected on your account statement. Please read this complete Disclosure Document if your Brokerage Account defaults to the BDSP as the Core Account Investment Vehicle. Only eligible Brokerage Accounts that utilize the BDSP as their Core Account Investment Vehicle will be subject to the information discussed in this Disclosure Document. You should consult with your Financial Advisor for more information.

## **FREQUENTLY REFERENCED TOPICS**

### **Available Sweep Options**

For new brokerage accounts established on or after June 25, 2020, and for some existing brokerage accounts established prior to that date, your Brokerage Accounts will be swept by default to the BDSP. This Disclosure Document discusses the BDSP. If you elect or if your Brokerage Account defaults to the BDSP as your Core Account Investment Vehicle, available cash from securities transactions, dividend and interest payments, and other activities in your Brokerage Account will be deposited through the BDSP into interest-bearing Deposit Accounts at MUFG Union Bank, N.A.

*For some accounts that were established prior to June 25, 2020, and default to a Fidelity money market mutual fund, investments allocated to a money market fund are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. It is fundamental policy to use every effort to maintain a stable net asset value of \$1.00. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund. Please obtain a prospectus and read it carefully before you invest.*

*Carefully consider the investment objectives, risks, and charges and expenses before investing in a mutual fund or annuity. A prospectus, which contains this and other important information, may be obtained from a UnionBanc Investment Services Financial Advisor or by calling 800-634-1100 or by contacting Fidelity directly at [funddocuments@fmr.com](mailto:funddocuments@fmr.com) or 800-840-6333. Please be sure to read the prospectus carefully before investing.*

### **Rate of Return**

The interest rate for your Deposit Accounts, as described in the “Introduction” to this Disclosure Document, may be obtained from your UnionBanc Investment Services Financial Advisor or at the website specified in Appendix A. Your interest rate is based upon your BDSP Deposits in accordance with the Interest Rate Tiers, as determined by UnionBanc Investment Services.

Over any given period, the interest rates on the BDSP Deposits may be lower than the rate of return on other investment vehicles that are non-FDIC insured and/or not offered within your UBIS brokerage account.

UnionBanc Investment Services and Union Bank do not have a duty to offer the highest rates available or rates that are comparable to money market mutual funds. By comparison, money market mutual funds generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses.

The BDSP should not be viewed as a long-term investment option. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your Brokerage Account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your Financial Advisor to discuss investment options that may be available outside of the BDSP that may be better suited to your goals.

### **Eligibility**

Most Brokerage Accounts are eligible for BDSP. You should consult with your Financial Advisor for more information.

### **How the BDSP Works**

The BDSP is a core account investment vehicle used to hold your cash balance while awaiting investment. The cash balance in your Brokerage Account(s) (as defined below) will be automatically deposited or “swept” into interest-bearing BDSP Deposit Accounts (“Deposit Accounts”) at Union Bank (“Union Bank” or “Bank” or “Program Bank,” as that term may be used in other documents) that may be eligible for insurance by the Federal Deposit Insurance Corporation (“FDIC”) up to applicable limits.

### **Duty to Monitor**

You are responsible for monitoring the total amount of deposits that you have with Union Bank in order to determine the extent of FDIC insurance coverage available to you. Depending on the amount of deposits that you have at Union Bank apart from your BDSP Deposit, you may wish to limit deposits in the BDSP.

### **Changes to Your Sweep Vehicle**

Circumstances may require a change to your core account investment vehicle. Generally, you will receive notification in advance of changes to your core account investment vehicle, as is reasonably practical.

### **Benefits to UnionBanc Investment Services and Others**

The BDSP creates financial benefits for UnionBanc Investment Services and MUFG Union Bank, N.A., our parent company; your Financial Advisor; and National Financial Services LLC (“NFS”), our fully disclosed clearing broker. UnionBanc Investment Services will receive a fee from Union Bank in connection with the BDSP, and a portion of this fee may be paid to your Financial Advisor. We will also pay a fee to NFS. The revenue generated by UnionBanc Investment Services may be greater than revenues generated by sweep options at other brokerage firms, and may be greater than possible core account investment vehicles that we have used in the past or may consider using in the future.

### **FDIC and SIPC Protection**

Once your cash balance has been swept to Union Bank, it is referred to as your “BDSP Deposit.” Your BDSP Deposit at Union Bank will qualify for FDIC insurance in the manner and to the extent more fully described herein. You need to review and understand how FDIC insurance will apply to your BDSP Deposit. Your cash balance is only eligible for FDIC insurance once it becomes a BDSP Deposit held by Union Bank. For additional information regarding FDIC coverage, please visit [www.fdic.gov](http://www.fdic.gov).

Your Brokerage Account balance while held by UnionBanc Investment Services and/or our clearing broker, NFS, is not FDIC insured but is covered by SIPC up to applicable SIPC limits. This includes amounts in the cash balances placed in your Brokerage Account that have not yet been received by Union Bank or

that have been swept from Union Bank back to your Brokerage Account. SIPC currently protects these funds and securities up to \$500,000, including \$250,000 for claims for cash.

**Any securities held in your Brokerage Account, including money market mutual funds (as opposed to the BDSP Deposit held by Union Bank), are investment products, and as such: (i) are not insured by the FDIC; (ii) carry no bank or government guarantees; (iii) are not deposits or other obligations of, or guaranteed by, MUFG Union Bank, N.A., or its subsidiaries; and (iv) are subject to investment risk, including possible loss of the principal amount invested.**

For additional information regarding SIPC coverage, please visit [www.sipc.org](http://www.sipc.org).

BDSP Deposits are not covered by SIPC.

## CONTACT US

If you have any problems, concerns, or complaints with your UnionBanc Investment Services brokerage account or representative, you can contact us at:

### By Mail:

UnionBanc Investment Services  
Compliance Department  
P.O. Box 513100  
Los Angeles, CA 90051-1100

### By Phone:

Client Services Desk at: 800-634-1100  
Toll-Free within the U.S.  
(Request to speak with Compliance regarding a customer complaint)

818-254-2088  
Outside the U.S.

**By Email:** [UBIS\\_compliance@unionbank.com](mailto:UBIS_compliance@unionbank.com)

For more information about investments available through UBIS, visit us at [unionbank.com/invest](http://unionbank.com/invest).

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Brokerage and investment advisory services available through UnionBanc Investment Services LLC, an SEC-registered broker-dealer, investment advisor, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A.:

- Are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate
- Are NOT insured by the FDIC or by any other federal government agency
- Are subject to investment risks, including possible loss of the principal amount invested

## INTRODUCTION

Your Brokerage Account held with us and National Financial Services LLC (“NFS”) has a core account that is used for settling securities transactions and holding credit balances. We may at any time provide you with access to a variety of different cash sweep vehicles, including money market funds and bank Deposit Accounts (each a “core account investment vehicle”), that may be used to hold a cash balance that is awaiting reinvestment. The BDSP is one such core account investment vehicle.

UnionBanc Investment Services (“UBIS” or referred to in this Disclosure Document as “we,” “our,” or “us”) provides the ability for you to automatically “sweep” the cash balances awaiting investment in your brokerage account (“Brokerage Account”) into a core account investment vehicle while you decide how those funds should be invested. This core account investment vehicle is referred to as the Bank Deposit Sweep Program (“BDSP”). A Fidelity money market fund is another core account investment vehicle for available cash balances in your eligible Brokerage Account. Please note that effective as of June 25, 2020, BDSP is the only default core account option for new brokerage accounts. If you elect the BDSP as your core investment vehicle, available cash from securities transactions, dividend and interest payments, and other activities in your Brokerage Account will be deposited through the BDSP into interest-bearing deposit accounts (“Deposit Accounts”) at Union Bank (“Union Bank” or “Bank” or “Program Bank”, as that term may be used in other documents).

This Disclosure Document contains key information about the BDSP that is offered by us in conjunction with NFS, a New York Stock Exchange (“NYSE”) member that we have engaged to provide custody and clearing services to us. The terms “account owner,” “you,” and “your” refer to the owner indicated on the account application. For joint accounts, these terms refer to all owners, collectively and individually. For trust accounts, these terms refer both to the entity and to all account owners. Additional terms, conditions, and disclosures applicable to your Brokerage Account held with us are included in other documents, including your account application, account agreement, and applicable privacy notice (“Other Agreements”), and are hereby incorporated by reference into this Disclosure Document. In the event of a conflict between the terms of this Disclosure Document and the Other Agreements, this Disclosure Document will control. Please review these Other Agreements for important information governing your Brokerage Account.

As more fully described in this Disclosure Document, your Brokerage Account with UnionBanc Investment Services is generally protected, up to applicable limits, by the Securities Investor Protection Corporation (“SIPC”). At the time funds are deposited with Union Bank through the BDSP, your investment in the BDSP is eligible, subject to the limitations described in this Disclosure Document, to be insured, up to applicable limits, by the Federal Deposit Insurance Corporation (“FDIC”), an independent agency of the U.S. government. Funds in the Deposit Accounts at Union Bank are generally eligible for deposit insurance by the FDIC up to a total amount of \$250,000 principal and accrued interest per depositor in most insurable capacities (e.g., individual, joint, etc.) when aggregated with all other deposits held in the same insurable capacity at Union Bank. For example, funds in the Deposit Accounts at Union Bank held by an individual are insured up to \$250,000, and funds in the Deposit Accounts at

Union Bank held jointly by 2 or more individuals are insured up to \$250,000 per joint owner. For IRAs and certain other self-directed retirement accounts, funds in the Deposit Accounts at Union Bank are eligible for deposit insurance up to \$250,000 principal and accrued interest per retirement account depositor in the aggregate, separately from other non-self-directed retirement accounts. Funds deposited in Deposit Accounts are not eligible for coverage by the SIPC.

**The Standard Maximum Deposit Insurance Amount (SMDIA) is \$250,000 per depositor, per insured depository institution for each account ownership category. For more information on FDIC SMDIA, please reference the FDIC’s website at [www.fdic.gov](http://www.fdic.gov) or by phone at 1-877-ASK-FDIC (1-877-275-3342).**

**Any deposits (including certificates of deposit) that you maintain in the same ownership capacity directly with Union Bank or through an intermediary (such as with us or another broker) will be aggregated with deposits in your Deposit Accounts at Union Bank for purposes of the Maximum Applicable FDIC Deposit Insurance Amount. You are responsible for monitoring the total amount of deposits that you have with Union Bank in order to determine the extent of FDIC deposit insurance coverage available to you. You should review carefully the section of the Disclosure Document titled “FDIC/SIPC Coverage.”**

In the rare instances when we are unable to place your funds at Union Bank within the BDSP, your funds will be uninvested.

Each Deposit Account constitutes a direct obligation of Union Bank and is not directly or indirectly an obligation of UBIS or NFS. Neither UBIS nor NFS guarantees in any way the financial condition of Union Bank or the accuracy of any publicly available financial information concerning Union Bank.

You can obtain information on the availability of paper copies of FDIC public documents from the Public Information Center:

**By telephone:** 877-275-3342 or 703-562-2200

**By fax:** 703-562-2296

**By email:** [publicinfo@fdic.gov](mailto:publicinfo@fdic.gov)

**By postal mail:**

**FDIC Public Information Center  
3501 North Fairfax Drive, Room E-1005  
Arlington, VA 22226**

You will not have a direct account relationship with Union Bank. NFS, as your agent and custodian, will establish the Deposit Accounts for you at Union Bank and make deposits and withdrawals from the Deposit Accounts. We will receive a fee from Union Bank. The amount of the fee paid to us will affect the interest rate paid on the Deposit Accounts. You should review carefully the section of this Disclosure Document titled “Information About Your Relationship with UnionBanc Investment Services, Union Bank, and Fidelity.”

As discussed herein, interest rates on the Deposit Accounts will be tiered and will vary based upon prevailing economic and business conditions. Please refer to the section below titled “Core Account Funds Investment Vehicle Options and Rates of Return” and Appendix A of this Disclosure Document for more information on the interest rate tiers. Union Bank does not have a duty to offer the highest rates available or rates that are comparable to money market mutual funds. By comparison, money market mutual funds generally seek to achieve



the highest rate of return consistent with their investment objectives, which can be found in their prospectuses.

The information in this Disclosure Document applies, unless otherwise indicated, to each eligible Brokerage Account for which you are an owner, whether as an individual, joint tenant, trustee, executor, custodian, or in any other capacity.

### **Customers Affected by the Changes in Our Core Account Investment Options**

All Brokerage Accounts that are eligible for the BDSP will be subject to the information discussed in this Disclosure Document with respect to your election into the BDSP as your core account investment vehicle option. Please refer to the "BDSP Eligibility" section of this Disclosure Document or contact your Financial Advisor for information concerning eligibility for the Deposit Accounts. Your Financial Advisor can provide you with more information concerning the accounts and programs to which the changes in our core account investment vehicle options do and do not apply.

### **Core Account Funds Investment Vehicle Options and Rates of Return**

**Current Annual Percentage Yields (APYs) on the BDSP may be obtained from your Financial Advisor or on our website at [www.unionbank.com/bdsp](http://www.unionbank.com/bdsp).** Current yields on the Fidelity Money Market Funds may be obtained from your Financial Advisor or by contacting Fidelity directly at [funddocuments@fmr.com](mailto:funddocuments@fmr.com) or 800-840-6333.

The BDSP interest rate and APYs are based upon commitments from Union Bank with respect to interest rates on Deposit Accounts listed on [unionbank.com/bdsp](http://unionbank.com/bdsp). The interest rate will vary. You should review carefully the section of the Disclosure Document titled "Interest" and Appendix A for additional information.

### **Alternatives to the Deposit Accounts as a Core Account Investment Vehicle Option**

UnionBanc Investment Services is not obligated to offer you any core account investment vehicle options or to make available to you bank deposit sweep program investments that offer a rate of return that is equal to or greater than other comparable investments. The sole core account investment vehicle choice for your eligible Brokerage Account is the BDSP for new brokerage accounts (established on or after June 25, 2020). Some clients whose brokerage accounts were in place before June 25, 2020, may default to a Fidelity money market mutual fund as the core sweep investment vehicle. In these cases, Clients may continue to have their brokerage account(s) sweep to the designated Fidelity money market fund as the core sweep investment vehicle or direct UBIS to designate the BDSP as the sweep account by contacting your Financial Advisor.

**Investments in money market mutual funds such as the Fidelity CMF Government – Daily Money Class Fund and the Fidelity CMF Government – Capital Reserves Class Fund ("Money Market Mutual Funds") are not guaranteed or insured by the FDIC or any other government agency. Although Money Market Mutual Funds seek to preserve a net asset value of \$1.00 per share, there is no guarantee that this will occur, and it is possible to lose money by investing in a Money Market Mutual Fund, including the possible loss of principal. A prospectus may be obtained by contacting**

**Fidelity directly at [funddocuments@fmr.com](mailto:funddocuments@fmr.com) or 800-840-6333, or by contacting your Financial Advisor. Please read the prospectus carefully prior to investing.**

**Carefully consider the Money Market Mutual Fund's investment objectives, risks, and charges and expenses before investing. This and other information can be found in the Money Market Mutual Fund's prospectus, which may be obtained by contacting Fidelity directly at [funddocuments@fmr.com](mailto:funddocuments@fmr.com) or 800-840-6333, or by contacting your Financial Advisor. Please read the prospectus carefully before investing.**

## **DETAILS**

### **BDSP Eligibility**

Eligibility for the BDSP is based on the account type and ownership of your Brokerage Account. In order to be eligible for the BDSP, each beneficial owner must be a natural person (each such beneficial owner and beneficiary, an "Eligible Person"). Eligibility is subject to the limitations described herein and as determined by NFS. The BDSP is available to Eligible Persons, acting for themselves or through an agent or fiduciary, whether having a single account or joint account (so long as all beneficial owners are natural persons), trust accounts (so long as all beneficial owners and beneficiaries of the trust accounts are natural persons), and sole proprietorships (so long as they are not incorporated or in company form). The following custodial individual retirement accounts are also eligible for the BDSP if each beneficial owner is an Eligible Person: Union Bank Custodial Investment Services IRA, Union Bank Custodial Investment Services Roth IRA, Union Bank Custodial Investment Services SEP-IRA, and Union Bank Custodial Investment Services SIMPLE IRA, and if applicable (based on eligibility of the Brokerage Account and its owners and beneficiaries), the Premiere Select® Traditional IRA, Premiere Select Roth IRA, Premiere Select SIMPLE IRA, Premiere Select SEP-IRA, Premiere Select IRA-BDA, and Premiere Select Roth IRA-BDA. Brokerage Accounts beneficially owned by entities organized to make a profit, such as corporations, limited liability companies, partnerships, limited liability partnerships, associations, business trusts, and other organizations (other than sole proprietorships that are not incorporated or in company form) are not eligible for the BDSP.

Managed accounts (such as those managed in the Managed Account Solutions Program) for which you have given full discretionary authority to a third-party investment manager to invest, reinvest, and otherwise deal with the assets in your account are not eligible for the BDSP.

**To the extent that you change any beneficial owner or beneficiary on your Brokerage Account, you are responsible for determining whether each beneficial owner or beneficiary of your Brokerage Account continues to qualify as an Eligible Person. If we or NFS determine that your Brokerage Account is not eligible or the BDSP eligibility requirements change, we may change your core account investment vehicle, as that term is defined in Brokerage Account documentation or any amendments thereto, including, but not limited to, the applicable Customer Agreement, from the BDSP to an alternative core account investment vehicle made available by UnionBanc Investment Services and NFS, which may not be an FDIC-insured investment.**

## How the BDSP Works

**Sweep to Union Bank** – Through the BDSP, cash balances in your Brokerage Account (resulting from sales of securities, deposits, dividend and interest payments, and other activities) will be automatically deposited or “swept” into Deposit Accounts at Union Bank, an FDIC-insured depository institution. Once your cash balance has been swept to Union Bank, it is referred to as your “BDSP Deposit.” Please note that your ability to access the money held at Union Bank may be limited, as more fully described herein.

**You are responsible for monitoring the total amount and insurable capacity of deposits that you have at Union Bank, both as part of and outside of the BDSP, for the purpose of determining the FDIC insurance coverage for those deposits.**

**BDSP Limitations** – The amount of your cash balances that are swept into the Deposit Accounts may need to be limited if Union Bank stops accepting deposits, becomes ineligible for the BDSP as described in this Disclosure Document, or for other exceptional circumstances. You will receive notification in advance of Union Bank being removed from the BDSP, and if advance notice is not practical due to the circumstances, you will be notified as soon as is reasonably practical. Please consult the following sections for further important information, as such action may affect the amount of your cash balances that are covered by FDIC insurance.

## Alternatives to the BDSP

To the extent that an alternative to the BDSP is offered as a core account investment vehicle, such as a different Union Bank account or a mutual fund, and you do not select one of those core account investment vehicles when you open your account or you select an ineligible core account investment vehicle, your core account investment vehicle will be determined by UnionBanc Investment Services. If a money market mutual fund option exists, you may contact your Financial Advisor with respect to current yields as well as for a free prospectus.

If you elect not to participate in the BDSP, and your available cash is not invested in another interest-bearing account or other investment vehicle, accruing cash balances may not earn a rate of return prior to direct investment.

If you wish to specify a different core account investment vehicle, if available for your account type, you may do so at any time by contacting us. In such case, existing balances in your prior core account investment vehicle will be automatically transferred to the new core account investment vehicle you select.

## UNION BANK

### General Information About Union Bank

Your funds will be deposited in accordance with the terms and conditions in this Disclosure Document. **To the extent your deposits exceed the Maximum Applicable FDIC Deposit Insurance Amount, these excess funds are ineligible for FDIC insurance.** You are responsible for monitoring the total amount of deposits that you have at Union Bank for purposes of reviewing deposits that may be eligible for insurance by the FDIC. Union Bank, UnionBanc Investment Services, and NFS do not have any duty to monitor the core account investment vehicle for your account or make recommendations about, or changes to, the BDSP that might be beneficial to you.

**Deposits at Union Bank are eligible for FDIC insurance coverage, except for amounts deposited in excess of the Maximum Applicable FDIC Deposit Insurance Amount, which will not be insured by the FDIC and will not be protected by SIPC. The amount of FDIC insurance in Union Bank may be limited pursuant to the limitations explained in this Disclosure Document. In any event, all deposits in the BDSP are subject to all applicable FDIC qualification requirements and to the BDSP limitations described in this Disclosure Document.**

## Deposit Accounts

Your BDSP Deposits will be deposited in two linked bank accounts at Union Bank: (1) an interest-bearing money market deposit account (commonly referred to as an “MMDA” account), and (2) an interest-bearing transaction account (commonly referred to as an interest checking account). You will receive the same interest rate on the funds in your MMDA account and in your interest checking account at Union Bank. Your Brokerage Account statement will reflect the combined balances of the MMDA account and the interest checking account at Union Bank.

Your BDSP Deposit will be combined with the BDSP Deposits of other customers of UnionBanc Investment Services and/or NFS that participate in the BDSP. For ease of reference, however, the portion of your BDSP Deposit that is allocated to the interest checking account is referred to as “your” interest checking account, and the portion of your BDSP Deposit that is allocated to the MMDA account is referred to as “your” MMDA account.

Available cash balances are deposited in your MMDA account at the Bank as set forth above. From time to time, part of such deposits may be transferred to your interest checking account to establish and/or maintain a threshold amount that may differ among customers. All withdrawals will be made from the interest checking account at Union Bank as necessary to satisfy debits in your Brokerage Account (securities purchases, checking, Debit Card, etc.), and funds will automatically be transferred from the MMDA account to the related interest checking account at Union Bank.

If there are insufficient funds in the Deposit Accounts to satisfy a debit, NFS will withdraw funds from other available sources as described in this Disclosure Document or in your account-opening paperwork.

You may make no more than six limited transfers and/or withdrawals (subject to Available Balance) per monthly statement period from your MMDA account, or per calendar month if statements were requested to be on a specific day each month. Limited transactions include checks, ATM or debit card purchases, preauthorized transfers to another payee or institution (includes ACH or wires), Online Bill Pay transfers, Mobile Banking transfers, automatic transfers to a Union Bank Deposit Account, and telephone transfers. This would include the linking of the interest checking and the MMDA account where transfers from the MMDA to interest checking count toward the number of limited transactions. Therefore, in order to minimize the potential for exceeding the limits, at any point during a month in which transfers from an MMDA account at Union Bank have reached the applicable limit, all funds will be transferred from that MMDA account to the linked interest checking account at Union Bank.

Then, for the remainder of the month, all deposits to the BDSP at Union Bank will be made to the interest checking account. At the beginning of the next month, an amount of funds on

deposit in the interest checking account less any applicable threshold amount will be automatically transferred back to the MMDA account.

The cash balance in your Brokerage Account will be automatically swept from your Brokerage Account into your Deposit Accounts on the Business Day following the day your Brokerage Account reflects a cash balance. For purposes of this BDSP, "Business Day" generally means a day on which Union Bank is open for business. Available cash balances will not begin to earn interest or be eligible for FDIC insurance until swept into the Deposit Accounts at Union Bank. **As stated above, to the extent your Union Bank deposits outside of the BDSP in combination with BDSP Deposits exceed the Maximum Applicable FDIC Deposit Insurance Amount, the amounts above such limits will NOT be eligible for FDIC insurance protection nor will they be protected by SIPC.**

If your funds are deposited in a Fidelity money market fund, any such funds will NOT be eligible for FDIC insurance protection but will be eligible for SIPC coverage.

### **Withdrawals and Credits— Access to Your BDSP Deposits**

When funds are needed to cover transactions in your Brokerage Account, generated by account activity occurring prior to NFS' nightly processing cycle, these debits will be settled using the following sources, in this order:

- any Intra-day or After-hours Free Credit Balances
- proceeds from the withdrawal of Program Deposits occurring on the next business day (not including bank holidays or days on which the New York Stock Exchange is closed, such as Good Friday)
- redemption proceeds from the sale of any shares of a Fidelity money market mutual fund held in the account that maintains a stable (i.e., \$1.00/share) net asset value and is not subject to a liquidity fee or similar fee or assessment
- if you have a margin account, any margin surplus available, which will increase your margin balance

In addition, early in the morning prior to the start of business on each business day, certain unsettled debits in your account along with debits associated with certain actual or anticipated transactions that would otherwise generate a debit in your account during the business day will be settled using proceeds from the withdrawal of Program Deposits occurring that business day (not including bank holidays or days on which the New York Stock Exchange is closed, such as Good Friday).

**Please review your applicable Brokerage Account customer agreement for important information regarding any unsatisfied obligations owed to us and/or NFS.**

You may access your cash balance only through your Brokerage Account. You cannot access or withdraw the money on deposit in the BDSP Deposit Accounts by contacting Union Bank directly.

NFS will automatically withdraw funds from the Deposit Accounts (up to the amount of your BDSP Deposit) and deposit funds back to your Brokerage Account in order to satisfy any obligation you have to us or NFS, or to settle a securities transaction or other debit transaction, including, but not limited to, checks, wires, debit card purchases, or margin balances in any account you have with us or NFS. Your BDSP Deposit is also subject to legal process such as a levy or a garnishment

delivered to us or NFS to the same extent as if those funds were in your Brokerage Account.

As required by federal banking regulations, Union Bank has reserved the right to require 7 calendar days' prior notice before permitting a withdrawal from an MMDA or the BDSP Deposit Accounts. So long as this right is not exercised, your ability to access funds, including the ability to write checks against your account, if you have a Portfolio Connection Brokerage Account, and transfer funds from your Deposit Accounts to your Brokerage Accounts, should not be impacted. Your interest in the Deposit Accounts is not transferable. Notwithstanding the foregoing, you will remain obligated for all obligations arising from your Brokerage Account, including, but not limited to, margin balances, settlement of transactions, checks, wires, and debit card purchases.

Credits to your Account including any Intra-day Free Credit Balance as well as any After-hours Free Credit Balance generated by activity occurring prior to NFS nightly processing cycle are automatically swept into your core account as part of that nightly cycle (the "Evening Bank Sweep") and reflected in your Account as Program Deposits in anticipation of the deposit process described below occurring on the next business day.

There will be an additional automatic sweep into your core account early in the morning prior to the start of business on each business day that will also be invested in the BDSP at that time (the "Morning Bank Sweep"). This will include credit amounts attributed to certain actual or anticipated transactions that would otherwise generate an Intra-day Free Credit Balance on such business day.

The total amount of the Evening Bank Sweep and the Morning Bank Sweep is referred to as your Cash Balance. In the morning of the business day of the Morning Bank Sweep, your Cash Balance will be deposited at one or more Program Bank. The Program Deposit will earn interest, provided that the accrued interest for a given day is at least half a cent.

### **Balance Computation Method**

We use the daily balance method to calculate the interest on your account. This method applies a daily periodic rate to the Collected Balance in the account each day.

## **INTEREST**

### **Interest Rates**

The interest rate for your BDSP Deposit may be obtained from your UnionBanc Investment Services Financial Advisor or at the website specified in Appendix A. Interest on your BDSP Deposit is accrued daily, compounded monthly, and reflected on your Brokerage Account statement as of the last Business Day of the statement period. Interest on your BDSP Deposit begins to accrue on the Business Day those funds are received by Union Bank, which will typically be the Business Day following the day your Brokerage Account reflects a cash balance. Generally, interest will accrue on your BDSP Deposit through the Business Day preceding the date of withdrawal from your Deposit Accounts at Union Bank (which will typically be the day on which a withdrawal of funds is made from your Brokerage Account).

Non-Business Days occurring between Brokerage Account withdrawal and Deposit Account withdrawal and deposit with Union Bank will be included in the interest accrual. Your interest

rate is based upon your BDSP Deposit in accordance with the Interest Rate Tiers, as determined by UnionBanc Investment Services. Current yields and Interest Rate Tiers on the Deposit Accounts may be obtained at [unionbank.com/bdsp](http://unionbank.com/bdsp) or by calling your Financial Advisor.

The rate of interest paid is tiered based on the value of your BDSP Deposit. BDSP Deposits are currently evaluated on a daily basis. Interest rates and corresponding tiers applicable to BDSP Deposits in the evaluation period are determined by UnionBanc Investment Services LLC in its sole discretion, may change at any time, and may be based on a number of factors as described in this Disclosure Document, including general economic, market, and business conditions, and on other factors from time to time. The interest rate/APY will vary. Current yields on BDSP Deposits may be obtained on the Union Bank website at [unionbank.com/bdsp](http://unionbank.com/bdsp) or by calling your Financial Advisor. In general, BDSP Deposits of a greater value will receive higher interest rates than BDSP Deposits of a lower value. Interest on your BDSP Deposits will be paid by Union Bank.

Over any given period, the interest rates on BDSP Deposits may be lower than the rate of return on other non-core account investment vehicles that are non-FDIC insured or on bank account deposits offered outside of the BDSP. Union Bank does not have a duty to offer the highest rates available or rates that are comparable to Money Market Mutual Funds. By comparison, Money Market Mutual Funds, which currently are unavailable as the core sweep investment option for new brokerage accounts opened on or after June 25, 2020, generally seek to achieve the highest rate of return consistent with their investment objectives, which can be found in their prospectuses.

The BDSP should not be viewed as a long-term investment option. If you desire, as part of an investment strategy or otherwise, to maintain a cash position in your account for other than a short period of time and/or are seeking the highest yields currently available in the market for your cash balances, please contact your Financial Advisor to discuss investment options that may be available outside of the BDSP that may be better suited to your financial goals. Interest rates for BDSP may provide lower returns than other types of investments.

You should compare the terms, interest rates, required minimum amounts, and other features of the BDSP with other accounts and alternative investments prior to investing.

### **Interest Credited to Your Deposit Account**

While interest will generally be credited to your Deposit Accounts at month-end, intra-month interest credits to your Deposit Accounts may occur. Intra-month interest credits may occur in the following instances: (i) when you close your account intra-month; (ii) when you change the core account investment vehicle from the BDSP to a different eligible core account investment vehicle option intra-month; or (iii) when there has been a change to Union Bank process intra-month. Intra-month interest credits will appear on your Brokerage Account statement to reflect interest accrued on your Deposit Accounts through such intra-month event. Adjustments made to your Brokerage Account, which can be caused by transactions entered for a prior date (e.g., a fee reimbursement or a debit adjustment), may result in an interest credit or debit to your Deposit Accounts. The interest rate applied to credit or debit adjustments may not be made at the current rate, but should reflect interest rates applicable at the time of the event. Interest rates applied to

credit adjustments are not expected to be lower but, depending upon the interest rate tiering schedule, could be less than those applied to your Deposit Account balances on the day on which the credit adjustment is made. Interest amounts on adjustments are rounded to the penny and, for interest amounts of less than half a cent, you will receive no interest and you also will not be debited. Interest rate and associated APY may change as often as daily without prior notice. You must maintain a minimum balance of \$0.01 to obtain the disclosed APY. Interest accrues daily and is reinvested monthly. APY assumes monthly reinvestment of interest rate if invested for a full year (based on 365 days a year or 366 days in a leap year). There may be service fees assessed on the account, which may reduce earnings. Please refer to the *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Services Agreements* for more information regarding fees in your brokerage account.

## **CHANGES**

### **Changes to Your Core Account Investment Vehicle**

From time to time, circumstances may require that we or NFS modify the BDSP, which may result in us changing the core account investment vehicle for your Brokerage Account. If we make any change, there is no guarantee that such change will provide an equal or greater rate of return to you during any given period, and the rate of return may be lower. Generally, we will give you advance notice of any such change. If advance notice of a BDSP modification is not practical due to the circumstances, we will notify you as soon as is reasonably practical of any change in the BDSP or any change to the core account investment vehicle for your Brokerage Account. Unless you object within the time period specified in the notice, we will transfer the balances from the BDSP into a new core account investment vehicle. If you object to the core account investment vehicle that we offer, or if at any time the BDSP does not meet your needs, including, but not limited to, any change in the BDSP, your Financial Advisor can assist you in finding an alternative investment vehicle or in transferring your account to another provider or another program.

### **Notices**

We may provide all notices described in this Disclosure Document by means of a letter; an entry on or insert with your Brokerage Account statement, or an entry on a trade confirmation; or by electronic or other form of notification if available to you, which may include, but is not limited to, electronic alerts or email.

## **ACCOUNT INFORMATION**

### **Statements and Confirmations**

The statement for your Brokerage Account will (i) indicate your beginning and ending balance in your Deposit Accounts at Union Bank as of the last Business Day of each monthly statement period (except if your Brokerage Account was established on the last Business Day of a month, your statement will not include BDSP detail); (ii) detail sweeps to and from the Deposit Accounts during the statement period; and (iii) reflect interest credited to your Brokerage Account. This information is provided in lieu of separate confirmations for each sweep to and from the Deposit Accounts during the statement period. Transfers between your MMDA accounts and interest checking accounts will not be reflected in your Brokerage Account statements.

**Because you are responsible for monitoring the total amount of your deposits at Union Bank (including any BDSP Deposit held at Union Bank and all deposits you may make at Union Bank outside the BDSP), in order to determine the extent of FDIC insurance coverage available, you should carefully review your statements to determine any impact on your deposit insurance coverage.**

### **Tax Information**

For most clients with non-retirement Brokerage Account types, interest earned on deposits in the Deposit Accounts will be taxed as ordinary income in the year it is received. In those cases, a Form 1099 will be sent to you by NFS each year showing the amount of aggregate interest income you have earned on deposits in your Deposit Accounts. You should consult with your tax advisor about how the BDSP affects you.

## **INFORMATION ABOUT YOUR RELATIONSHIP WITH UNIONBANC INVESTMENT SERVICES, UNION BANK, AND FIDELITY FUNDS**

### **Relationship with Fidelity Funds**

Fidelity Investments, a registered investment advisor, serves as investment advisor for Fidelity Funds. Union Bank and UBIS provide certain services to Fidelity Funds and may receive shareholder servicing fees or other compensation for these services. For this and additional information about Fidelity Funds, or other mutual funds available through UnionBanc Investment Services LLC, a subsidiary of MUFG Union Bank, N.A., please request a prospectus and read it carefully before you invest.

If either you or we terminate your use of the BDSP as a core account investment vehicle or Union Bank ceases to participate in the BDSP, you may establish a direct depository relationship with Union Bank subject to its rules with respect to maintaining deposit accounts.

ESTABLISHING THE DEPOSIT ACCOUNTS DIRECTLY IN YOUR NAME AT UNION BANK WILL SEPARATE THE DEPOSIT ACCOUNTS FROM YOUR BROKERAGE ACCOUNT. IF YOU ESTABLISH A DIRECT DEPOSITORY RELATIONSHIP WITH UNION BANK, AS DISTINGUISHED FROM A BDSP, THOSE ACCOUNTS WILL NOT BE REFLECTED IN YOUR BROKERAGE ACCOUNT STATEMENT AND UBIS WILL HAVE NO FURTHER RESPONSIBILITY CONCERNING THE DEPOSIT ACCOUNTS.

### **Benefits to UnionBanc Investment Services and Others**

The BDSP will create financial benefits for us and MUFG Union Bank, N.A. (our parent), and NFS.

We will receive a fee from Union Bank for services provided in connection with the BDSP (equal to a percentage of all participants' average daily deposits at Union Bank). Amounts will vary but in no event will be more than 1.5% on an annualized basis as applied across all Deposit Accounts. In our discretion, we may reduce our fee and may vary the amount of the reductions between clients. The amount of fees received will affect the interest rate paid by Union Bank on your BDSP Deposits. A portion of these fees may be paid to your Financial Advisor. We will also pay a fee to NFS. We reserve the right to modify the fees we receive from Union Bank.

Union Bank uses BDSP Deposits to fund current and new lending and for investment activities. Union Bank earns net

income from the difference between the interest they pay on BDSP Deposits and the fees paid to us and the income they earn on loans, investments, and other assets. As noted above, Union Bank may pay rates of interest on BDSP Deposits that are lower than prevailing market interest rates that may have been paid on accounts otherwise opened directly with Union Bank. Union Bank does not have a duty to provide the highest rates available and may instead seek to pay a lower rate. Lower rates are generally more financially beneficial to Union Bank. There is no necessary linkage between bank rates of interest and the highest rates available in the market, including any Money Market Mutual Fund rates. By comparison, a Money Market Mutual Fund generally seeks to achieve the highest rate of return (less fees and expenses) consistent with the fund's investment objective, which can be found in the fund's prospectus.

The revenue generated by us may be greater than revenues generated by sweep options at other brokerage firms, and may be greater than other core account investment vehicles currently available to you or core account investment vehicles that we have used in the past or may consider using in the future. In addition, we will make compensation payments to NFS, our clearing agent, for record keeping and other services with respect to amounts invested in the BDSP, which will be no more than 70 basis points. NFS may receive more revenue with respect to amounts in the BDSP than with respect to other sweep products.

As a result of the fees and benefits described above, the BDSP may be more profitable to UBIS and Union Bank than other available sweep options, if any. UBIS and/or NFS may also benefit from the possession and temporary investment of cash balances prior to the deposit of such balances in the BDSP.

### **Relationship with Fidelity**

UBIS, MUFG Union Bank, N.A., and their affiliates are not affiliated with Fidelity Investments; however, UBIS utilizes the services of National Financial Services, LLC (NFS) as its clearing firm to provide clearing, custody and other related services. NFS is a Fidelity Investments company.

### **Sharing of Your Information with Union Bank**

NFS may provide Union Bank with confidential information related to you and any individual authorized by you to trade in your Brokerage Account used in the BDSP ("Authorized Individual"). If provided, the information could consist of the name, address (including city, state, postal code, and, if applicable, foreign country), date of birth, either Social Security number or taxpayer identification number, and any other information as necessary or requested by Union Bank.

### **Questions/Comments Regarding This BDSP**

You may contact your Financial Advisor or access the website specified in Appendix A to determine the current interest rate on the Deposit Accounts for each Interest Rate Tier. For the current yields for Money Market Mutual Funds, please contact your Financial Advisor or call 800-634-1100.

The material in this Disclosure Document is intended for informational purposes. If there is any conflict between the descriptions in this Disclosure Document and the terms of your applicable Brokerage Account customer agreement, this Disclosure Document will control.

## FDIC/SIPC COVERAGE

### FDIC Insurance Coverage in General

The Deposit Accounts, including principal and accrued interest, are insured by the FDIC, an independent agency of the U.S. government, to the Maximum Applicable Deposit Insurance Amount for all deposits held in the same insurable capacity at Union Bank. Your funds become eligible for deposit insurance immediately upon placement into the Deposit Accounts at Union Bank. Generally, any accounts or deposits that you may maintain directly with Union Bank, including its division PurePoint® Financial, or through any other intermediary in the same insurable capacity in which the Deposit Accounts are maintained, are aggregated with the Deposit Accounts for purposes of the Maximum Applicable Deposit Insurance Amount.

**You are responsible for monitoring the total amount of deposits that you hold with Union Bank directly or through an intermediary in order to determine the extent of deposit insurance coverage available to you on your deposits, including the Deposit Accounts. We and NFS are not responsible for any insured or uninsured portion of the Deposit Accounts or any other deposits.**

### Deposit Insurance

**The Standard Maximum Deposit Insurance Amount (SMDIA) is \$250,000 per depositor, per insured depository institution for each account ownership category. For more information on FDIC SMDIA, please reference the FDIC's website at [www.fdic.gov](http://www.fdic.gov) or by phone at 1-877-ASK-FDIC (1-877-275-3342).**

**Any deposits (including certificates of deposit) that you maintain in the same ownership capacity (e.g., individual, joint, etc.) and \$250,000 for certain individual retirement accounts directly with Union Bank or through an intermediary (such as with us or another broker), including the Deposit Accounts through the BDSP, will be aggregated with deposits in your Deposit Accounts at Union Bank, including its division PurePoint Financial, for purposes of the Maximum Applicable FDIC Deposit Insurance Amount. You are responsible for monitoring the total amount of deposits that you have with Union Bank in order to determine the extent of FDIC deposit insurance coverage available to you.**

Your funds become eligible for deposit insurance immediately when Union Bank accepts your deposits into Deposit Accounts. To the extent that your deposits at Union Bank in one ownership capacity, either through the BDSP when aggregated with your other Union Bank deposits or otherwise, exceed the FDIC insurance limits applicable to that ownership capacity, deposits in excess of the limits will not be insured.

**Bank Deposit Sweep Program funds are FDIC-insured when they have been swept into Union Bank Deposit Accounts. In the event Union Bank fails, the Deposit Accounts at Union Bank are insured up to the \$250,000 limit, or such other limit per depositor for each account ownership category, as applicable, for principal and interest accrued on the day Union Bank is closed. You will be an unsecured creditor of Union Bank in connection with your deposit in a Bank Deposit Sweep Account. Neither UnionBanc Investment Services nor NFS is responsible for any insured or uninsured portion of the Deposit Accounts. You are responsible for monitoring the total amount of deposits that you have with Union Bank in order to determine the extent**

**of deposit insurance coverage available to you. Depending on the amount of deposits that you have at Union Bank apart from the Deposit Accounts, you may wish to contact your Financial Advisor to discuss other investment options.**

Under certain circumstances, if you become the owner of deposits at Union Bank because another depositor dies, beginning 6 months after the death of the depositor the FDIC will aggregate those deposits for purposes of the \$250,000 limit, or such other applicable limit, with any other deposits that you own in the same insurable capacity at Union Bank. Subject to BDSP limitations, examples of accounts that may be subject to this FDIC policy include joint accounts and certain trust accounts, including transfer upon or payable upon death accounts. The FDIC provides the 6-month "grace period" to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

In the event that federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you through NFS. There is no specific time period during which the FDIC must make insurance payments available. Furthermore, you may be required to provide certain documentation to the FDIC and NFS before insurance payments are made. For example, if you hold deposits for beneficiaries as trustee or in other fiduciary capacities, you may be required to furnish affidavits and provide indemnities regarding an insurance payment.

If your Deposit Accounts or other deposits at Union Bank are assumed by another depository institution pursuant to a merger or consolidation, such deposits will continue to be separately insured from the deposits that you might have established with the acquirer until (i) the maturity date of the certificates of deposit or other time deposits that were assumed, or (ii) with respect to deposits that are not time deposits, the expiration of a 6-month period from the date of the acquisition. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquirer held in the same capacity for purposes of federal deposit insurance. Any deposit opened at the acquirer after the acquisition will be aggregated with deposits established with the acquirer for purposes of federal deposit insurance.

The application of a \$250,000 federal deposit insurance limitation is illustrated by several common factual situations discussed below.

### Information on Deposit Insurance for Specific Types of Accounts

**Individual Customer and Agency Accounts.** Funds owned by an individual and held in an account in the name of the individual or an agent or nominee of such individual (such as the Deposit Accounts held through NFS) are not treated as owned by the agent or nominee, but are added to other deposits of such individual held in the same capacity (including funds held in a sole proprietorship) and are insured up to \$250,000 in the aggregate. Please refer to "BDSP Limitations" on page 42 within the "How the BDSP Works" section for BDSP-specific limitations.

**Custodial Accounts.** Funds in accounts held by a custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act) are not treated as owned by the custodian, but are added to other deposits of the minor or other beneficiary held in the same insurable capacity and are insured up to \$250,000 in the aggregate. Please refer to

"BDSP Limitations" on page 42 within the "How the BDSP Works" section for BDSP-specific limitations.

**Joint Accounts.** An individual's interest in funds in all qualified accounts held under any form of joint ownership valid under applicable state law may be insured up to \$250,000 in the aggregate, separately, and in addition to the \$250,000 allowed on other deposits individually owned by any of the co-owners of such accounts (hereinafter referred to as a "Joint Account"). For example, a Joint Account owned by 2 persons would be eligible for insurance coverage of up to \$500,000, subject to aggregation with each owner's interests in other Joint Accounts at the same depository institution. Joint Accounts will be "qualified" and insured separately from individually owned accounts only if each of the co-owners is an individual person and has a right of withdrawal on the same basis as the other co-owners. Nonqualified joint accounts are not insured separately and are added to individual accounts for the purposes of the individual maximum coverage of \$250,000 in the aggregate at the Program Bank. Please refer to "BDSP Limitations" on page 42 within the "How the BDSP Works" section for BDSP-specific limitations.

**Irrevocable Trust Accounts.** Funds in an account established pursuant to one or more irrevocable trust agreements created by the same grantor (as determined under applicable state law) will be insured for up to \$250,000 for the interest of each beneficiary provided that the beneficiary's interest in the account is non-contingent (i.e., capable of determination without evaluation of contingencies). The deposit insurance of each beneficiary's interest is separate from the coverage provided for other accounts maintained by the beneficiary, the grantor, the trustee, or other beneficiaries. The interest of a beneficiary in irrevocable trust accounts at a depository institution created by the same grantor will be aggregated and insured up to \$250,000 at the Program Bank. Please refer to "BDSP Limitations" on page 42 within the "How the BDSP Works" section for BDSP-specific limitations.

**Revocable Trust Accounts.** Revocable trusts include informal revocable trust accounts in which the owner has designated the names of beneficiaries to whom the funds in the account will pass upon the owner's death (referred to as transfer upon or payable on death accounts) and formal revocable trusts usually established for estate planning purposes (referred to as living or family trusts). Revocable trusts will be insured as to each named beneficiary separately from another account of the owner or the beneficiary provided (i) the beneficiaries are natural persons, and (ii) NFS's account records disclose the names of all trust beneficiaries. For each trust owner with combined revocable trust account deposits of \$1,250,000 or less at a bank, the maximum coverage will be determined by multiplying the number of different beneficiaries by \$250,000. If an owner has in excess of combined revocable trust account deposits of \$1,250,000 at the Program Bank and has named more than five beneficiaries, there is a limitation on the maximum coverage. Please refer to "BDSP Limitations" on page 42 within the "How the BDSP Works" section for BDSP-specific limitations.

**Individual Retirement Accounts.** Individual retirement accounts as described in the Internal Revenue Code Sections 408(a) and 408A are insured up to \$250,000 per depositor. Each person's deposits in self-directed retirement accounts at the same bank are added together and insured up to \$250,000, separately from any retirement accounts that are not self-directed and any non-retirement accounts. Please refer to "BDSP

Limitations" on page 42 within the "How the BDSP Works" section for BDSP-specific limitations.

### Questions About FDIC Deposit Insurance Coverage

If you have questions about basic FDIC insurance coverage, please contact your Financial Advisor. You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one capacity. You may also obtain information by contacting the FDIC, Division of Supervision and Consumer Protection, by letter at:

**550 17th Street, NW  
Washington, DC 20429**

by phone (1-877-275-3342, 1-800-925-4618 (TDD)), by email (dcainternet@fdic.gov), or by accessing the FDIC website at [www.fdic.gov](http://www.fdic.gov).

### SIPC Coverage

Your cash balance is only eligible for FDIC insurance once it becomes a BDSP Deposit held by Union Bank. Your cash balance while held in your Brokerage Account (as opposed to at Union Bank in the Deposit Accounts) by NFS and/or UnionBanc Investment Services is not FDIC insured but is covered by SIPC up to applicable SIPC limits. This includes amounts in the cash balances placed in your Brokerage Account that have not yet been received by Union Bank or that have been swept from Union Bank back to your Brokerage Account.

SIPC currently protects cash and securities up to \$500,000, including \$250,000 for claims for cash. SIPC coverage does not cover fluctuations in the market value of your investments. Any securities held in your Brokerage Account (as opposed to the BDSP Deposit held by Union Bank) are investment products, and as such: (i) are not insured by the FDIC; (ii) carry no bank or government guarantees; and (iii) are subject to investment risk, including loss of principal amount invested.

If, due to BDSP limitations, your cash balance is placed into a core account investment vehicle other than the BDSP, your cash deposits will not be eligible for FDIC insurance but may be protected by SIPC in accordance with applicable legal requirements and limitations.

SIPC is a nonprofit membership corporation created by the Securities Investor Protection Act of 1970, funded primarily by its member securities brokerage firms registered with the U.S. Securities and Exchange Commission. SIPC provides protection against custodial risk to clients of securities brokerages in the event such firms become insolvent. Unlike FDIC insurance, SIPC does not ensure against the loss of your investment. Nor does SIPC protection insure the quality of investments or protect against a decline or fluctuation in the value of your investment. SIPC protects each client's securities and cash held in a client's Brokerage Account at an insolvent brokerage firm. Money Market Mutual Fund shares are considered to be securities for purposes of SIPC coverage. **The Deposit Accounts are not eligible for SIPC coverage.**

If you have questions about SIPC coverage and additional SIPC-like coverage, please contact your Financial Advisor. You may also obtain information about SIPC coverage, including a brochure that describes SIPC and SIPC insurance, by accessing the SIPC website at [www.sipc.org](http://www.sipc.org).

## APPENDIX A

### CORE ACCOUNT INVESTMENT VEHICLE OPTIONS AND INTEREST RATE TIERS

Interest rates/Annual Percentage Yield (APY) will be determined based on prevailing economic and business conditions. The interest rate/APY will vary. Current Annual Percentage Yields for the Deposit Accounts may be obtained on the Union Bank website [www.unionbank.com/bdsp](http://www.unionbank.com/bdsp) or by calling your Financial Advisor. Current yields on the Fidelity Money Market Funds may be obtained by contacting Fidelity directly at [funddocuments@fmr.com](mailto:funddocuments@fmr.com) or 800-840-6333, or by contacting your Financial Advisor.

**Important Note:** Your interest rate is based upon your BDSP Deposit in accordance with the Interest Rate Tiers, as determined by UnionBanc Investment Services. The rate of interest paid is tiered based on the value of your BDSP Deposit, which is currently evaluated on a daily basis. You should also note that you may not link your Brokerage Account to brokerage accounts held by members of your household to determine your Interest Rate Tier. Please refer to the section on Interest Rates in this Disclosure Document.



EFFECTIVE JANUARY 1, 2022

## F. UnionBanc Investment Services Business Continuity Plan Disclosure

**UnionBanc Investment Services LLC (“UBIS” or the “Firm”) is committed to safeguarding the interests of its customers and employees. As a subsidiary of MUFG Union Bank, N.A. (“Union Bank” or “Bank”), UBIS promotes and facilitates business continuity through the Bank’s detailed and centrally coordinated Business Continuity Program (“BCP”). The Bank’s BCP utilizes a corporate-wide framework to initiate enterprise-wide global response and recovery for all events that potentially impact the brand, reputation, and/or financial solvency of the Bank. Our “all-hazards response” includes a comprehensive Business Continuity Plan comprised of scenarios, including the possibility of a pandemic influenza. The plan allows for an efficient means to conduct financial and operational impact assessments, to promptly recover and resume services, to protect the Firm’s books and records, and to provide customers access to their funds and accounts during an emergency or a business disruption.**

The Bank is regulated primarily by the Office of the Comptroller of the Currency, which requires national banks to maintain disaster recovery plans. UBIS, on the other hand, ensures that the BCP, in conjunction with the Bank’s programs, complies with applicable federal securities laws and Financial Industry Regulatory Authority (“FINRA”) rules and makes the BCP available to FINRA upon request.

The BCP outlines the Firm’s advance preparations and possible courses of action that are designed to address various magnitudes of disruption. Furthermore, the BCP has procedures in place that systematically address issues related to communications and reporting with staff, customers, and regulators; coordination of staff and resources; trade and order management; document processing and records preservation; account servicing; funding requirements; possible impacts on counter-parties and other business constituents; and other mission-critical systems.

In the event of a business disruption that affects the building, the business district, or the city, and the UBIS headquarters is deemed to be unsafe or inoperable for more than twenty-four (24) hours, UBIS staff and operations may be relocated to the Disaster Recovery Site. UBIS intends to resume key operations as soon as possible or within forty-eight (48) hours of a disruption. Once services resume, UBIS Retail Brokerage customers can call 800-634-1100, while UBIS Institutional Brokerage customers can call 800-358-8771. Actual recovery times will depend on the nature or severity of the disruption and whether it affects the building, the business district, the city, or the region.

UBIS relies on its clearing arrangements with National Financial Services LLC (“NFS”) for securities clearing and other administrative or operational services for brokerage accounts, including the maintenance of certain books and records. Should UBIS cease its business operations, NFS would be able to facilitate liquidating transactions and cash disbursements for brokerage account holders. In addition, the UBIS product vendors that directly maintain customer accounts (i.e., insurance product carriers, 529 plan sponsors, Trust Custody (MoneyFlow) at 619-230-4408, etc.) would be able to provide ongoing services for respective UBIS customers. In this instance, UBIS customers may contact the NFS Customer Service Line at 800-801-9942, their applicable product vendors, or, if available, their UBIS Financial Advisor. Meanwhile, UBIS Institutional Brokerage Customers with their own custodial arrangements may contact their respective custodians to process liquidations or other transactions that may be offered by such custodians.

The Firm has employed steps aimed at maintaining and developing its BCP on an ongoing basis. Annual simulated tests, along with periodic reviews, are conducted on the BCP to determine whether revisions are necessary in light of new best practices or changes to the UBIS business environment. A formal annual review of the BCP is also conducted by the Division Operations Manager of UBIS who is responsible for its approval.

While UBIS strives to prepare itself for a variety of business disruptions by having a robust and detailed BCP, it cannot guarantee that it will be successful in achieving recovery goals or in maintaining certain service standards, due to unpredictable and uncontrollable factors during emergency situations.

This notice about the UBIS BCP is provided to customers when they open a new account and is also available on our website, [www.unionbank.com/invest](http://www.unionbank.com/invest). Customers may also call 800-634-1100 to request a copy of this notice. The UBIS BCP is subject to change at any time.

Brokerage and investment advisory services available through UnionBanc Investment Services LLC, an SEC-registered broker-dealer, investment advisor, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A.:

- **Are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate**
- **Are NOT insured by the FDIC or by any other federal government agency**
- **Are subject to investment risks, including possible loss of the principal amount invested**

EFFECTIVE JANUARY 1, 2022

G. Brokerage or Advisory Account:  
Which is the best fit for you?

UnionBanc Investment Services LLC (UBIS) is a member of the Financial Industry Regulation Authority (FINRA) and is registered with the U.S. Securities and Exchange Commission (“SEC”) as a broker-dealer and investment advisor. As such, we can offer you both retail brokerage and investment advisory accounts. To help you decide which type of account may best meet your individual financial needs and goals, we’ve outlined some key differences between these two types of accounts to assist you in your decision-making process.

### Understanding your brokerage relationship with us

As a broker-dealer, our primary role is to accept orders and execute trades in your account at your direction. The decision to buy, sell, hold, or exchange any security is solely your decision, and we will not use discretion when placing any trade for you.

In our brokerage capacity, we must act in your best interest and not put our interest ahead of yours when making an investment recommendation and to treat you fairly. In this capacity, if we recommend that you buy, sell, hold, or exchange a security, we must first determine that the recommendation is suitable, in your best interest, and appropriate for you based on your investment objectives, time horizon, tolerance for risk, and other financial considerations, such as tax status. We provide our services when you request them and when we have an opportunity or idea that we want to bring to your attention. It is your responsibility to monitor your account on an ongoing basis and to keep us informed of any changes that could affect your investment profile.

In a brokerage relationship, you will typically pay a commission for each transaction and/or we will receive compensation from the issuer or sponsor of the product. Additionally, depending on the type of investment you select, you might also incur other fees and expenses charged by the issuers and product sponsors. The amount of the commission varies and is dependent on the type of investment you select. We do not charge a separate fee for any recommendation that we may provide to you because they are a part of, and considered to be incidental to, the brokerage services that we provide.

### Understanding your advisory relationship with us

As an investment advisor, our primary role is to provide you with investment advice for a fee. This may include the recommendation to use a certain investment strategy or the portfolio management services of a third-party manager.

We have a fiduciary relationship with you and are obligated to act solely in your best interest, to put your interests above our own, and to disclose and avoid material conflicts of interest. It is important to note that we have different but similar fiduciary duties depending on the type of account. Although we are fiduciaries under the Investment Advisers Act of 1940, for certain accounts, such as Individual Retirement Accounts or 401(k)

plans, we may be a fiduciary under the Employee Retirement Income Security Act (ERISA) or the prohibited transactions provisions under the Internal Revenue Code.

We provide investment advice and we monitor your portfolio on an ongoing basis. In our role as an investment advisor, we meet with you as frequently as necessary but at least annually to review your investments and confirm with you that they are still appropriate for your needs and goals, and if appropriate, together we can make any needed changes.

We offer several discretionary investment management services through the Managed Account Solutions Program including the Fund Strategist Portfolio, Unified Managed Account, and Separately Managed Account. These services provide discretionary investment management which means that you are not asked to provide your approval for specific trades. We also offer non-discretionary investment management services through the Personal Portfolio Solutions Program where you are consulted by your Financial Advisor prior to any transactions.

In an advisory relationship, you will pay an annual fee, billed quarterly in advance of each quarter that covers fees related to various services such as clearing, custody, trading, technology, and monitoring for your account. The fee is based on a percentage of the value of your account.

### Which type of account is right for you?

Here are a few questions to help you decide whether a brokerage or advisory account best meets your needs.

If you can answer “yes” to one or more questions below, a **brokerage relationship** may be the right choice for you. However, you must make that decision based on all surrounding circumstances.

- Do you prefer to make investment decisions yourself and only need a broker to execute the trades?
- Do you require only limited or occasional advice and prefer to independently trade and monitor your account?
- Do you plan to buy and hold your securities for a long period of time?

If you can answer “yes” to one or more questions below, an **advisory relationship** may be the right choice for you. However, you must make that decision based on all surrounding circumstances.

- Do you want or need a financial advisor to manage your investment portfolio?
- Do you want to engage a financial advisor in a fiduciary capacity to provide ongoing investment advice?
- Do you anticipate the number and size of your holdings to require active trading?

Brokerage and investment advisory services available through UnionBanc Investment Services LLC, an SEC-registered broker-dealer, investment advisor, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A.:

- **Are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate**
- **Are NOT insured by the FDIC or by any other federal government agency**
- **Are subject to investment risks, including possible loss of the principal amount invested**

**It is important to note that if you do not have, or anticipate having, active trading within your investment advisory account on an ongoing basis. It may be more cost-effective for you to establish or maintain a retail brokerage account.**

In making your decision, keep in mind that your financial needs and goals may change as you move from one stage of life to the next. An effective way to make sure that the type of account you select is the right choice for you is to review your situation with your UBIS Financial Advisor or broker at least annually over the course of your relationship with us.

Our disclosure documents (UBIS Form ADV 2A and Form ADV Part 2A – Appendix 1) for our investment advisory services provide valuable information and are available upon request.

**If you have questions and would like to talk to a UBIS representative in person, visit the Investment Center in your local Union Bank branch or call 800-634-1100.**

EFFECTIVE JANUARY 1, 2022

## H. Guide to Brokerage Services

## INTRODUCTION

The Securities and Exchange Commission (“SEC”) enacted a new Rule called Regulation Best Interest (“Reg BI”). The intent of this rule is to ensure that recommendations made to the investing public are done so to serve the best interest of the investor. In addition to ensuring our Financial Advisors (“FAs”) are acting in the best interest of our clients, and in compliance with SEC requirements, we are providing the following *Guide to Brokerage Services Regulation Best Interest Disclosure* (“Guide” or “Disclosure”) to you with an overview of the types of services and products we provide to you, how UnionBanc Investment Services (“UBIS” or “Firm”), is compensated and to disclose any identified or perceived conflicts of interest may arise. You may research our Firm and associated persons by accessing [Investor.gov/CRS](https://www.investor.gov/CRS). This site also provides you with educational materials about broker-dealers, investment advisers, and investing. We believe that the best investor is a well-informed investor.

At UBIS our goal has always been to ensure that our clients are well informed about the investment products they are offered and that the transactions we recommend are suitable for the client’s stated investment goals. To expand upon this we have modified our existing disclosures to address the scope and terms of our relationship with you, including the capacity in which we are acting, the type and scope of our services, material limitations on our services, the fees and costs associated with your holdings, account features, transactions, the conflicts of interest that exist for the Firm and/or for our FAs.

UBIS is registered with the SEC as both a broker-dealer and an investment adviser. UBIS is also a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). In addition, UBIS is a subsidiary of MUFG Union Bank, N.A. (“Union Bank” or “the Bank”). Our brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available for you to research firms and financial professionals at [Investor.gov/CRS](https://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers, and investing.

Depending on your needs and your investment objectives, we may assist you with brokerage services, investment advisory services, or both. There are important differences between brokerage and advisory services, including their costs, the services we provide, and the rules that govern them. You should carefully consider these differences when deciding which type, or combination of types, of services and accounts are right for you. Information regarding the differences between our brokerage and advisory services is available in our Customer Relationship Summary “Form CRS” disclosure, which is available at <https://www.unionbank.com/personal/investing>.

**Brokerage and investment advisory services available through UBIS are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate, are NOT insured by the FDIC or by any other federal government agency, and are subject to investment risks, including possible loss of the principal amount invested.**

While we take reasonable care in developing and making recommendations to you, investments in securities and other investments involve risk, and you may lose money. There is no guarantee that you will meet your investment goals, or that the recommended investment and/or strategy will perform as anticipated. Clients should consult the product offering documents, prospectuses and/or product disclosure documents for additional discussion of risks associated with a particular product.

As a UBIS client, we can introduce you to a broad scope of services and resources whether we serve you as a broker-dealer, investment adviser, or refer you to our affiliate, Union Bank, for banking, trust services, or insurance products through its insurance division, UnionBanc Insurance Services. Clients may purchase many of our products and services in either transaction-based accounts (i.e., brokerage accounts), fee-based accounts (i.e., advisory accounts), or a combination of both.

## CAPACITY IN WHICH UBIS SERVES

All recommendations made by your FA regarding your brokerage account will be made in a broker-dealer capacity, and all recommendations regarding your managed account will be made in an investment advisory capacity. When we make a recommendation to you, we will expressly tell you which account we are discussing. This Guide primarily addresses brokerage services and products. For more complete information on our investment advisory services, please see our Form ADV Part 2A brochure for the Managed Account Solutions program and Personal Portfolio Services, available at <https://adviserinfo.sec.gov/>.

**Brokerage.** In our capacity as a broker-dealer, we recommend and upon your instruction will effect securities transactions, including the buying or selling of securities within your brokerage account. Clients can also transact securities directly in their brokerage accounts utilizing our online services. Such transactions are self-directed by the client without a recommendation from either UBIS or their FA. See our Material Limitations section below for additional information.

When we act as a broker-dealer of securities, including variable insurance products or when we recommend investment strategies in connection with your account, we will facilitate the execution of transactions based upon your instructions. UBIS does not offer discretionary accounts and does not have discretionary authority to buy and/or sell investments for you. Each trade within a brokerage account is facilitated upon the client’s instruction. As such, you as the client and not UBIS or the FA, will make individual buy, sell and hold decisions. We are acting as your agent without any investment discretion.

While we remain available to assist you after effecting a securities transaction for you (including those we recommend to you), UBIS will not monitor your account(s). It is your responsibility to monitor your account on an ongoing basis and to keep UBIS informed of any changes that could affect your investment profile including changes to your financial situation, investment time horizon or level of risk you are willing to accept.

UBIS does not require an account minimum to open a brokerage account. However, you may be charged an Annual Custody Fee for Inactive Accounts if your brokerage account does not have trading activity or margin interest within the preceding 12 months. UBIS reserves the right to waive the minimum balance charge for certain accounts. For additional information regarding the Annual Custody Fee, please refer to the *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Services Agreements*.

Certain product types may require a minimum purchase amount in order to execute the transaction. Please refer to the specific product offering documents for additional details.

A broker-dealer does not serve in a fiduciary capacity, but rather as an agent, under the client protection and other rules of FINRA and the SEC and the Securities Exchange Act of 1934, including the requirement that any recommendations must be suitable, which was modified by SEC Regulation Best Interest, as noted below. When we act in our capacity as a broker-dealer, we are subject to the Securities Act of 1933, the Securities Exchange Act of 1934, as amended, the rules of self-regulatory organizations, such as FINRA, and applicable state laws. On or after June 30, 2020, all broker-dealers who provide a recommendation of securities or investment strategies containing securities to retail clients must comply with Reg. BI.

**Investment Advisory.** Investment Advisers generally provide investment advice, for a fee, regarding securities or investment strategies involving securities. When we act in our capacity as an investment adviser, we will generally do so pursuant to a written agreement with you that sets forth the investment advisory relationship with you and our obligations to you. Advisers must comply with various requirements under the Investment Advisers Act of 1940 including having a fiduciary duty, which requires, among other things, that we owe a duty of care and a duty of loyalty to you. We currently have two types of investment advisory programs, (1) the Managed Account Solutions (MAS) program, in which a FAs gathers information from you and helps you select a third-party money manager (“Platform Manager”) and (2) the Personal Portfolio Solutions (PPS) program, a program in which the FA serves as your investment adviser on a non-discretionary basis. Please note that the PPS program is no longer offered to new clients of UBIS. For each type of investment advisory account you maintain, we provide ongoing monitoring of your account portfolio and will meet with you as frequently as necessary, but no less than once per calendar year to review your investments and confirm that your account is still appropriate for your financial needs and goals, and if necessary, make any needed changes. Each specific investment advisory program maintains a separate and distinct account minimum balance requirement. For detailed information regarding UBIS’ investment advisory program, please review our Form ADVs (*The Managed Account Solutions Form ADV Part 2A* and the *Personal Portfolio Solutions Form ADV Part 2A – Appendix 1*).

For detailed information regarding the distinctions between brokerage and advisory services, please see our publication *Brokerage or Advisory Account: Which is the best fit for you?* This information is also provided to you when you open an account at UBIS.

We encourage you to consider the costs and services associated with each pricing structure carefully and to speak with your FA regarding which approach is most appropriate for you. Different products have different compensation structures and accordingly our FAs will be paid more or less depending on the products or services you choose. For more information please refer to the section below entitled *Fees and Expenses*.

## **BROKERAGE ACCOUNTS, ACCOUNT FEATURES, AND PRODUCT LIMITATIONS**

UBIS, as a broker dealer, offers the following types of accounts and services to our retail clients:

- Retail and Institutional Brokerage accounts: UBIS offers brokerage accounts for taxable and tax-advantaged assets (such as traditional brokerage accounts and individual retirement accounts (“IRAs”), ROTH IRA, etc.) to both retail and institutional clients to transact general securities for a commission-based fee structure.
  - “Qualified accounts” are most commonly known as retirement accounts and can receive certain tax advantages when saving for an individual’s retirement. These types of accounts can include individual retirement accounts (“IRAs”) such as traditional IRAs, Roth IRAs, or 401(k) plans or Pension Plans.
  - Non-qualified accounts are commonly known as individual accounts that do not receive or qualify for any level of tax-deferral or tax-exempt status. These types of accounts can include individual accounts, joint accounts, joint with rights of survivorship, trust accounts, community property accounts, fiduciary accounts, custodian accounts, Uniform Gifts to Minors Act (UGMA), Uniform Transfer to Minors Act (UTMA), conservator, guardian, executor, administrator, or attorney-in-fact, or Transfer on Death accounts.
  - As part of the brokerage platform, UBIS utilizes an affiliated “sweep” feature called the Union Bank Business Deposit Sweep Program/Union Bank Consumer Deposit Sweep Program (collectively referred herein as “BDSP”). The BDSP sweeps the uninvested cash balances in your brokerage account into an interest-bearing deposit account at our affiliate, Union Bank. Union Bank earns compensation from the BDSP and pays UBIS a fee for this service. A portion of this fee may be paid to your FA. The compensation earned by us and the FA creates an incentive for us to encourage your participation in BDSP. The BDSP is a default feature for certain accounts, and UBIS reserves the right to require BDSP as a default sweep for all UBIS brokerage accounts.
  - Margin accounts are defined as an account that allows for securities investments held in an account to be used as collateral in obtaining funds or purchasing credit. Credit for marginable securities will be offered by UBIS’ clearing firm, National Financial Services (“NFS”) and will be based upon the value of the stock or other investment and upon its marginable percentage. NFS may impose credit restrictions based upon Federal Reserve Board, SEC and FINRA regulations. Clients should be aware that margin accounts carry an extra element of risk as it relates to market conditions, such as volatility of the prices of the securities, and should be able to anticipate extraordinary losses in value that can cause the client to lose more money than the value in the account. UBIS charges an annual rate of interest for maintaining a margin account, please refer to the *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Services Agreements* for a full description of fees charged.
  - Portfolio Connection account provides clients the convenience of investment services offered through UBIS and personal cash management services administered by Union Bank integrated into one account. Portfolio Connection consolidates certain features of a checking account into one integrated brokerage account and takes the complexity out of managing multiple accounts to allow clients to enjoy a wide array of investment and personal cash management services. UBIS charges an annual fee for maintaining a Portfolio Connection account, please refer to the *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Services Agreements* for a full description of fees charged.



- Managed Accounts offered through UBIS, as an introducing broker dealer, are brokerage accounts that provide clients access to top professional money managers on an ongoing basis and are charged an asset-based fee structure. For additional details regarding our managed account program, please refer to our *Form ADVs: The Managed Account Solutions Form ADV Part 2A* and the *Personal Portfolio Solutions Form ADV Part 2A – Appendix 1*.
- Direct Held accounts: Clients can open accounts that are held directly with investment product providers such as insurance companies, 529 plans, or 401K carriers.
- Insurance Accounts (Annuity/Long-Term Care/Life Insurance):
  - Annuity: An annuity is a policy and contract issued by an insurance company and a contract between an insurance policy holder and an insurer which is designed to provide a series of payments made at equal intervals to an account of your choice.
  - Long-Term Care: Long-term care insurance is an insurance product that helps pay for the costs associated with long-term care. Long-term care insurance covers care generally not covered by health insurance, Medicare, or Medicaid. Long-term care insurance typically is provided by a policy issued by the insurance company which is also a contract between the insured and the insurance company.
  - Life Insurance: Life insurance is a policy issued by an insurance company and a contract between an insurance policy holder and an insurer, in which the insurer promises to pay a designated beneficiary a sum of money in exchange for a premium, upon the death of an insured person.
  - Insurance policies are designed to provide coverage under the terms and conditions of the policy and are subject to the liquidity of the insurance company which is an inherent risk that an insurance company could be unable to pay the claims due to financial distress. Ask your FA about the credit rating of the insurance company that would be issuing your policy.
- 529 Plans: 529 plans are tax-advantaged savings plans specifically designed to pay for future education costs. Legally known as “qualified tuition plans,” 529 plans are sponsored by states, state agencies, or educational institutions.
- 401K Plans: 401(k) plans are savings and retirement plans offered by employers. 401(k) plans offer tax advantages for employees as 401(k) contributions are taken before federal or state taxes are withdrawn, and earnings are not taxed while assets remain in the plan.
- Direct Issuer purchase CDs: UBIS uses a commercial application that connects to a network of FDIC insured financial institutions offering certificates of deposits (CDs) in the primary market available for purchase directly with the issuer for our clients.

### Material limitations

- UBIS restricts its FAs from soliciting/recommending common stocks, exchange traded funds (“ETFs”), and mutual fund C Shares to its clients, however UBIS is able to transact these types of securities as requested by clients on an unsolicited basis.
- In limited instances, UBIS may hire a registered representative that may not have obtained his/her investment adviser FINRA Series 65/66 or other license at time of hire. As such, the registered representative will be limited to offering only the products and services he/she is currently licensed to offer.
- We limit our investment offerings to a specific menu of investment types, which include mutual funds, variable annuities, and variable life insurance. We also limit our investment offerings to those product providers with whom we have a contractual relationship. For example, we do not offer every mutual fund or mutual fund provider; nor do we offer every type of mutual fund that exists in the marketplace. Please consult your FA about these limitations, including how they might affect recommendations provided to you or your choices for investing.

### FEES AND EXPENSES

Unless you are transacting a mutual fund trade at Net Asset Value (“NAV”) you will pay each time you trade in your brokerage account or make a new investment. This payment is typically called a “commission,” “sales charge,” “markup” or “markdown.” The type and amount of compensation you pay UBIS for brokerage services provided to you varies depending on the investment you select and the size or amount of the transaction and if you use FA or broker assistance or simply transact on your own online. UBIS receives this compensation for effecting securities transactions including making recommendations, where applicable. This compensation is typically paid up-front and often based on the amount of assets invested.

The more you transact in your account, the more commissions you will pay to UBIS. UBIS and its FAs therefore have an incentive to encourage you to trade more often and make additional investments, which creates a conflict of interest for us. UBIS can transact the following types of securities: (1) general securities and other instruments, such as equities (i.e. common stock), exchange traded securities, fixed income securities such as corporate bonds, money market securities, bank-issued certificates of deposit (“CDs”), mortgage-backed securities, municipal bonds, U.S. Treasuries, and U.S. Agency securities; and (2) packaged products, such as market-linked CDs (“MLCDs”), mutual funds, variable annuities, and variable life insurance. In addition to sales charges and commissions discussed above, certain investments deduct other ongoing fees and expenses, such as mutual fund 12b-1 fees, management fees, or other servicing fees. These ongoing fees and expenses add to the cost of your investment and reduce returns, so you pay these ongoing fees and expenses indirectly. Below, under Sources of Revenue to UBIS, we explain more about the fees and commissions charged for different products you might buy, hold, or sell.

The fees and expenses you pay will be determined based on the products or services you receive. Certain investment(s) carry an initial charge and/or ongoing fees or expenses that are charges you incur regularly such as without limitation, periodic fees (e.g., management fees, account fees, distribution and service fees, and other operating expenses).

Most mutual funds, 529 Plans, and UITs available through UBIS require that you pay a sales commission plus an annual fee associated with operating the mutual fund, 529 Plan or UIT. For mutual funds and 529 Plans, certain share classes, such as B or C shares, will contain a deferred sales charge based on a specific time period. These deferred sales charges are designed to recoup the cost of creating and maintaining the mutual fund for a specific time period in the event the mutual fund is sold prior to the specific time period associated with the share class. For UITs, the total sales charges can include a deferred sales charge and a creation and development fee, which are fixed dollar amounts per unit. These ongoing fees and expenses are typically charged daily as a percentage of your investments. You pay these fees and expenses indirectly as they are deducted from your investments on an ongoing basis.

For most variable annuity products available through UBIS you will pay contract charges which include mortality and expense (“M&E”) fees or charges set by the insurance company. M&E charges are a fixed fee that varies by policy. In addition to M&E fees, the insurance company charges an annual administration fee to cover record-keeping, account services, and basic management associated with the annuity contract. These are typically a flat fee and can be waived if the annuity contract is above a certain dollar amount. As mentioned in the section below regarding direct compensation, riders are an optional provision feature of an annuity contract. These features could provide a death benefit payout, or income stream payout, or a living benefit to enhance the overall benefits of the annuity contract. Each specific rider has a cost associated with the feature and the more riders that are added to an annuity contract, the more expensive the annuity ultimately can become. Lastly, the selection of sub-accounts available within an annuity contract is determined by agreement between the insurance company and the fund company. These sub-accounts offer the annuity contract holder diversification by offering the ability to choose between or among various types of investment options. Diversification does not guarantee a profit or insure against a loss.

For more information on commissions or sales charges for each of your transactions (e.g., wire transfer fees, account termination fee, ACAT fee, margin fee, research fees, or custodial fees) please refer to the confirmation, prospectus, or other offering document provided in connection with the investment. In addition, certain brokerage-related and administrative fees apply to your brokerage account, which is held in custody at NFS, our unaffiliated clearing broker, and more information about these account level fees is available at *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Services Agreements*.

## **SOURCES OF REVENUE TO UBIS**

UBIS earns its revenue primarily from our clients. We also earn revenue from product providers and money managers (“third parties”) who assist us in providing the investments and services that we offer you. The following list of revenue sources is not finite and may change over time. Clients should contact their FA regarding additional questions relating to the compensation we earn or any other conflicts of interest.

### **Direct compensation**

The type and amount of direct compensation UBIS receives for brokerage services provided to our clients varies depending on the investment selected by the client and the amount invested by the client. UBIS receives compensation in the form of commissions, concessions, sales charges, and markups/markdowns for effecting securities transactions on the client’s behalf. Compensation is generally derived by the up-front commission charged on the amount of assets invested by the client.

#### **Equities**

Equities are typically ownership positions (stock) in a publicly traded company, or other financial instruments that are considered to be a “security” such as private placements in privately traded companies. For equities and other exchange-traded securities (such as ETFs) transacted through UBIS, the commission rate is determined by the dollar amount of the investment plus a flat fee. The commission rate varies between 0.09% and 1.7% and does not include the flat fee, which may be up to \$154 per transaction. UBIS does not solicit or recommend equities or ETFs to its clients, however, we are able to transact these securities on behalf of our clients on an unsolicited basis.

#### **Mutual Funds**

A mutual fund is a type of an investment company that pools money collected from many investors to invest in securities such as stocks, bonds, money market instruments, and other alternative asset classes and permits daily redemptions. Mutual funds are managed by professional money managers who seek to achieve the fund’s investment objectives through the use of asset allocation, diversification, and rebalancing strategies. UBIS offers only mutual fund Class A shares to its clients and fees are charge based on breakpoints, which can vary by fund company. Please refer to the mutual fund company’s website and/or fund prospectus for information on the particular fund you are purchasing, information provided will include sales charges (the amount of commission you are charged to purchase the mutual fund), management fees (the internal cost the manager charges the mutual fund to provide their investment management), and investment objective (which is the financial objective of the mutual fund based on their principal investment strategy or management style). UBIS does not solicit or recommend any other share class of mutual funds, although UBIS may accept client directed trades for other share classes on an unsolicited basis. The maximum compensation a UBIS FA will receive for an A share mutual fund transaction is 3.5%.

## Unit Investment Trust

A unit investment trust (UIT) is another type of investment company that offers a fixed portfolio, which generally consists of stocks, bonds, or other assets and are offered as redeemable units to investors for a specific period of time. Typical UITs are composed of portfolios made up of equities securities (for capital appreciation) or fixed income bonds (for income generation). UITs differ from mutual funds in that UITs do not have an investment adviser providing ongoing management of the fixed portfolio. The maximum compensation a UBIS FA will receive for an UIT transaction is 3%.

## Variable Annuity

An annuity is a contract between the account holder and the life insurance company. Variable annuities (“VAs”) are typically designed to help meet investment and income objectives for retirement. The contract offers tax-deferred growth through a range of investment options. These investments are subject to the market fluctuations of the underlying investment options and possible loss of principal. Variable annuities have a “surrender period,” which is a period of time that typically lasts five to eight years after a contract is issued. A “surrender charge” typically applies during the surrender period when a policy holder cancels or withdraws funds in excess of an amount that may be allowed by the contract. The surrender fee will reduce the return of the investment and the value of the annuity. Surrender charges typically decrease over the surrender period. All VAs available through UBIS contain surrender periods. Another provision offered by insurance companies is an optional rider that can be added to the annuity for a cost. For additional information regarding VAs, please review the specific insurance company’s prospectus regarding that annuity’s costs and features. UBIS earns a commission for selling a VA and can earn a maximum upfront commission of 5.5% and a trail commission of 0.25% to 1.0% from year 2 forward.

## Registered Index Linked Annuity

Registered Index Linked Annuity (“RILA”) references the performance of a particular market index to calculate both gains or losses, but the annuity does not directly invest in the markets. Instead, the contract offers tax-deferred growth opportunities by tracking the performance of a market index. RILA is a cross between a fixed indexed annuity and a variable annuity. RILAs available through UBIS have surrender charges. For additional information regarding RILA, please review the specific insurance company prospectus regarding that annuity’s costs and features. UBIS earns a commission for selling a RILA and can earn a maximum upfront commission of 4.5% and a trail commission of 0.25% to 1.0% from year 2 forward.

## Variable Universal Life Insurance

Variable Universal Life Insurance (“VUL”) is a type of permanent life insurance that offers a death benefit combined with a cash value component. The cash value component can be allocated to a variety of sub-accounts that are market sensitive and can produce positive returns in an up market along with negative returns in a down market. The cost of insurance varies based on client’s age, sex, risk class, and insurance amount applied for. Clients can obtain more cost information by contacting their FA and also reviewing the prospectus. UBIS earns a commission for selling VULs and can earn up to a maximum of 80% of the first year’s target premium, plus an annual trailer payment that is typically between 0% and 2%.

While the up-front commission amounts to 80% of the first-year target premium, this amount is based upon an annual premium paid by the client that equals to or exceeds the commission target premium. In the event the client pays the premium on a monthly basis, the commission is then paid in monthly installments until the first-year target commission premium is satisfied. The annual trailer payment is also limited to the specific product duration, for additional clarification regarding specific products, please refer to the specific product prospectus.

## Fixed Income Securities

Fixed income securities refer to investment in debt issued by corporations, municipal entities, federal government, and other quasi government agencies. Fixed income securities, or more commonly referred to as bonds, are investments that pay investors periodic coupon payments (fixed interest or dividend) until its maturity date. At the maturity date, the issuer pays the principal amount (face value) to the investor and redeems the debt issue. Transactions in fixed income securities, such as corporate bonds, money market securities, certificates of deposit, mortgage-backed securities, municipal bonds, U.S. Treasuries, and U.S. Agency securities may be marked up between 0.9% and 2.9% for purchase orders and marked down between 0% and 1.5% for sell orders. UBIS earns revenue from the markup or markdown.

## Certificates of Deposit

UBIS offers traditional bank-issued certificates of deposit, which are not securities, but rather a type of bank deposit. If you purchase a third-party certificate of deposit through UBIS, we are also compensated via an interest rate spread as further described in the *UBIS CD Placement Service Agreement*.

## Market Linked CDs

UBIS also offers market-linked certificates of deposit (“MLCD”) issued by third-party banks. MLCDs are different from traditional bank CDs in that they are structured and embed a derivative feature allowing them to gain access to the stock or bond market to which they are linked. MLCDs are a type of structured product, which is more complex and contains more features than general securities or traditional bank CDs. MLCDs involve greater risks, including a potential cap on returns, and possible adverse tax consequences. MLCDs are structured deposit products issued and managed by various FDIC-insured banking institutions (“Issuing Banks.”) MLCDs are NOT insured, backed, or guaranteed by SIPC, UBIS, or Union Bank. MLCDs may be in the form of a master certificate held by the Depository Trust Company. Each MLCD constitutes a direct obligation of the Issuing Bank. Union Bank does not currently issue its own MLCDs. Please refer to the third-party bank’s MLCD’s Disclosure Statement and applicable Disclosure Supplement for additional information, which can be found on the following Market Linked Certificate of Deposit Disclosure Acknowledgment form. UBIS will receive up to 3.5% in its role as placement agent for the investment.

For more information about the fees, commission or sales charge applicable to products and services we offer please refer to the respective prospectus, offering document or the *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Service Agreements* provided in connection with the investment. These are available through your FA or by calling us at 800-634-1100.

In addition, certain brokerage-related and administrative fees may apply to your account if assets are held in custody at NFS, an unaffiliated broker-dealer providing custody and clearing services.

## INDIRECT COMPENSATION RECEIVED BY UBIS

For certain types of transactions, UBIS receives a fee or allowance from a third party. Such fees will be in addition to the direct fees set out in the *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Service Agreements*. Examples of such fees include service payments, payments related to the ongoing maintenance by UBIS of positions in your brokerage account, payment of a sales load, or payment of a 12b-1 fee. Please consult the appropriate disclosure, prospectus, or offering document for additional specifics on the indirect fees that UBIS and its affiliates may earn from the sale and servicing of products.

Union Bank, UBIS, and their respective employees may be compensated by third parties, including affiliates, with respect to referrals of business and the sale, distribution, and servicing of securities and other property, fixed annuities, variable annuities, single premium immediate annuities, life insurance, 401(k) solutions, CDs, and other products that Union Bank and UBIS each make available from time to time. UBIS employees may be compensated by Union Bank for client relationship management in collaboration with bank employees. Please note that comparable products and services made available by UBIS or its affiliates may be available at higher or lower fees from other independent service providers not affiliated with UBIS. Please also note that in addition to the above-described payments, UBIS has negotiated agreements with certain sponsors of mutual funds and annuity contracts that may provide UBIS with cash payments of 10 to 30 basis points (0.10% to 0.30%) of the total purchase amount in order to defray the cost of promotional and marketing activities.

These revenue sharing payments are in addition to other payments such as commissions, 12-b-1 fees, and shareholder servicing fees. Information about a mutual fund, UIT, or variable annuity’s fees and expenses may be found in the fee table located in the product prospectus. These revenue sharing payments are not made directly by the client, but are paid by a fund’s distributor, investment adviser, or other related entities. UBIS evaluates sponsors and their investment products for inclusion on the product sponsor list using criteria that include investment performance and style, wholesaling, marketing and operational support, and amount of assets under management. UBIS does not consider the receipt of fund portfolio brokerage commission as a factor in the selection of product sponsors. UBIS does not receive directed brokerage compensation or offer any differential cash compensation from any fund, UIT, or annuity company.

For variable annuities, UBIS may typically receive between 0.25% and 1.5% in trails. Trail payments are paid to UBIS whether or not any such shareholder services are provided. Please refer to the prospectus, subscription agreement, or other offering documents for the investment for more detailed information about the amount of trail payments.

UBIS may also receive additional compensation from investment and insurance companies, often called revenue sharing. Such compensation is paid by the third-party investment or insurance company and does not reduce the amount invested by you. UBIS receives cash payments of up to 0.30% of assets invested with such participating product sponsors. If you participate in the BDSP, UBIS and NFS are compensated by Union Bank pursuant to an agreed upon fee schedule based on the Federal Reserve Funds effective rate. Please refer to the BDSP Disclosure Document and your new account application for additional details.

UBIS may also be compensated between 0.04% and 0.12% of assets by NFS based on the aggregate value of all No-Transaction Fee funds held by UBIS clients.

In addition, UBIS and your FA may receive certain non-cash compensation from product sponsors from time to time. Compensation may include gifts valued at less than \$100 annually, an occasional meal, and reimbursement for meetings, workshops, seminars, or other similar events. These types of non-cash compensation are generally not tied to any particular client or product.

## FEES AND EXPENSES, YOU PAY AS A CLIENT OF UBIS

### Compensation paid among related parties

Compensation, such as commissions, sales charges, and trail payments that UBIS receives in connection with the services provided to you is shared with your FA. In addition, UnionBanc Insurance Services, an affiliated insurance agency and a division of Union Bank shares compensation associated with the purchase of any insurance product with UBIS. If you purchase a third-party certificate of deposit, Union Bank acts as a qualified custodian for such investments and earns a fee of approximately 0.05% of assets annually. Lastly, Union Bank stands to benefit from participation in the BDSP as interest revenue is generated over time.

UBIS also earns other forms of compensation derived from your brokerage account such as the International Fixed Income Settlement/Clearance, international Equities Settlement/Clearance, outgoing Fedwire, incoming Fedwire, legal items, service fees, clerical charges, express delivery, returned check fees, and stop payment check fees. Please note that this is not a full and exhaustive list of compensation derived from your brokerage account. For a full listing, please refer to the *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Services Agreements* for a full description of fees charged.

## INVESTMENT PROFESSIONALS' COMPENSATION

**Financial Advisors:** Your FA serves as your key relationship contact for all of your UBIS accounts. Your FA will help you to identify your investment profile, goals, and strategies to assess which types of investments may be suitable for you. Your FA will help you determine which investments are in your best interest based on your financial circumstances, risk tolerance, and investment objectives.

UBIS generally pays its FAs a portion of the revenue received according to a schedule (that is adjusted from time to time by UBIS) based on the revenues they generate. FAs compensation may be based on a combination of commissions and fees from the products you invest in, as well as a base salary as an employee of Union Bank.

FAs may be eligible to receive incentives or other types of compensation if they reach certain production levels or other targets and they may also be eligible for one-time or ongoing bonuses based on a combination of factors, including but not limited to, their annual revenues, length of service with UBIS, product mix, and net new assets under management from both current and new clients.

Some FAs may also receive various forms of non-cash compensation from product providers who sell or issue mutual funds, annuities, insurance, UITs and other securities, including but not limited to, various forms of marketing support, payment of expenses related to the training and educational efforts of our FAs and occasional meals and entertainment.

FAs may also have the opportunity to earn ongoing Commission Payouts ("Trailers") on certain eligible accounts and/or products where UBIS receives ongoing service fees and the FA is responsible for managing the account relationship. For instance, FAs receive trailing commission payouts generated by mutual funds, variable annuity product sales, variable insurance product sales, BDSP, and Money Market Funds.

Union Bank may pay its employees and employees of its affiliates, such as UBIS and HighMark Capital Management ("HighMark"), referral compensation when clients they refer to Union Bank establish an account, relationship, or service with Union Bank. In addition, Union Bank may pay its employees and employees of its affiliates compensation for coordination of the review, recommendation and integration of suitable products and services relevant to your overall financial situation. An example of this type of compensation is that FAs who refer clients or prospects to the Bank's Investment Management & Trust ("IM&T") accounts receive compensation. Such referrals to IM&T accounts are made by FAs acting in their capacity as bank employees, not as UBIS FAs.

Finally, FAs may also receive a portion of the revenue created by investment sales to clients referred by a Licensed Professional (Licensed Professional refers to any Retail Bank Licensed Banker or Private Bank Professional who possesses securities licenses with UBIS). In addition, from time to time, FAs may form an alliance or "partnership" with a UBIS Institutional Salesperson to more effectively serve UBIS clients. The revenue generated from the partnership is split between the FA and the UBIS Institutional salesperson. The amounts earned and/or split may change on a periodic basis due to performance measurements or assessments (e.g., monthly performance matrix or grid).

Please note that while this summary broadly outlines how we currently compensate the majority of our FAs, some FAs may be compensated differently, and we may adjust our compensation policies periodically.

In addition to the FAs, you may also work with Licensed Bank Professionals, Client Associates, Investment Center Associates, Call Center Representatives, Regional Sales Managers, or Institutional Brokerage Specialists. These licensed professionals receive compensation by working with you and your FA. Their compensation includes incentive compensation which typically rewards them for revenue earned on products and services recommended to you by your FA.

The compensation of our managers and supervisors is tied to the production levels of branches or regions over which they have managerial or supervisory responsibility. The tying of managers' and supervisors' compensation to the production of the branches or regions they supervise incentivizes them to spend more time on increasing production levels in a given branch or region than on their supervisory responsibilities.

## CONFLICTS OF INTEREST

Potential and actual conflicts of interest are inherent in financial services businesses. Conflicts of interest may arise on account of UBIS's affiliations, interests and our relationships with multiple clients, other financial services firms and vendors with which we conduct business. Examples of conflicts of interest that may arise as a result of our compensation structures are described below. This is not intended to be an all-inclusive list, and any questions that you have should be directed to your FA.

## CONFLICTS FOR FINANCIAL PROFESSIONALS

Financial Advisor Compensation: You should be aware that FAs may have an incentive to recommend products and services for which they receive higher compensation. The following examples are types of conflict of interest:

- FAs generally receive higher revenue over time from investment advisory program fees over brokerage or direct investment commissions, however, FAs can earn more in the first few years of recommending certain brokerage products such as variable annuities and/or mutual funds.
- In general, FAs earn more for products sold initially to the client but will earn trail commissions on renewals for existing insurance products and may earn trail commissions on existing mutual fund positions.
- FAs can also receive non-cash compensation in the form of educational training or marketing support from individual product sponsors. For further information, please refer to the Non-Cash Compensation section below.

Conflicts of interest are generally mitigated through culture principles including policies, procedures, and training designed to ensure recommendations are made in the client's best interest based on factors relevant to the client, not based on the incentive. See also *How We Mitigate Potential Conflicts of Interest* below.

**Revenue sharing:** Many issuers of investments our FAs recommend periodically pay us based on the total amount of sales we make of their investments or the total amount of client assets we direct to them. These payments are sometimes called "revenue sharing" payments, and these payments incentivize UBIS to sell you or recommend you hold investments that entail such payments. When UBIS receives revenue sharing or similar compensation or distribution support from distributors or advisers of mutual funds, annuity products, UITs and other products we sell, it presents a conflict of interest between our interests and those of our clients. Although these payments are not shared with FAs, they can create incentives to promote those products for which we receive revenue-sharing payments.

**Trading and execution practices:** When executing your order in certain types of securities, including debt, we are permitted to trade with you for our own account or for an affiliate or another client, and may earn a profit on those trades. When we or an affiliate act as principal in buying a security from you or selling a security to you, we earn compensation on the transaction by charging you a markup or markdown from the prevailing market price of the security and collecting a spread for our affiliate's role. This spread is our compensation for taking market risk and making a market in the security. Please note that for clients that maintain brokerage accounts in our Managed Account Solutions ("MAS") or Personal Portfolio Solutions ("PPS") accounts, UBIS does not act in the capacity of a principal as we do not purchase securities from any client managed accounts into our accounts and we do not sell securities from our inventory directly to a client. Managed account transactions are executed through our relationship with NFS, and NFS executes client transactions through the applicable market.

We have adopted policies and procedures that limit transactions for our proprietary accounts and the accounts of our employees. These policies and procedures are designed to prevent, among other things, improper or abusive conduct when there may be a potential conflict with the interests of clients.

**Best Execution:** UBIS seeks best execution when executing securities transactions for its clients in accordance with applicable regulatory requirements. As noted above, NFS serves as the executing and clearing broker-dealer for UBIS and provides trading execution on behalf of UBIS and its clients. UBIS is an introducing broker-dealer operating under a fully disclosed clearing agreement with NFS. UBIS has only one clearing broker relationship, which is with NFS. NFS executes, clears, and/or will settle securities transactions on behalf of our clients. UBIS evaluates the quality of execution for its clients through NFS by the following metrics: (i) National Best Bid/Offer (NBBO) – the best price in the public market for a security at a specific point in time during a given trading day; (ii) Price Improvement – occurs when the client receives an execution at a price lower than the best offer for a buy order and higher than a best bid for a sell order; (iii) Effective Spread, how well an order was executed in comparison to the NBBO; (iv) Effective/Quoted Ratio – compares the average effective spread with the quoted spread.

**Conflicts between UBIS products and Bank products:** UBIS FAs may make available to clients one or more Union Bank products or services. For example, the following products and services are available from Union Bank: Bankers Acceptances, and managed accounts within Union Bank's Investment Management & Trust ("IM&T") Platform.

Bankers Acceptances are similar to commercial paper, and most of these investments are exempt from registration with the SEC. Most are also exempt from registration with any state securities administrator and will typically only be purchased by institutions in exempt transactions. When a UBIS investment professional such as an FA sells Bankers Acceptances, he or she does so as a Union Bank employee.

**Third-party payment conflicts:** From the universe of mutual funds available for investment, UBIS has a selected group of mutual fund families that reflect a variety of performance and styles in a broad spectrum of investment products and services. UBIS has chosen to work with these fund families because of the array of investment products and services these companies offer to address the varied needs of its client base and because of their size, marketing and operational sophistication, and history of investing and performance statistics. These mutual fund families provide brokers with additional training, educational presentations, and other support so that they can ultimately work more effectively with clients. UBIS receives payments from sponsors of mutual funds and variable annuity contracts that UBIS has placed on its approved product list for its brokers to recommend to clients. The payments

that UBIS negotiates from these approved fund families cover the costs of promoting and marketing activities. This compensation is in addition to commissions or any applicable sales charges, including 12b-1 fees and all other service fees disclosed in the prospectus or Statement of Additional Information (SAI). UBIS may pass on all or a portion of this compensation to its brokers. In spite of these arrangements, FAs must always act in the best interest of their client and provide investment options that best meet the client's overall suitability needs. Either in place of these payments, as an inducement to sell shares of approved mutual funds or as a factor in the selection of approved fund families, UBIS does not have an arrangement with any approved fund family that it must direct a certain number or proportion of mutual fund transactions executed by UBIS or its clearing broker to these fund companies. To prevent any consideration that these practices create inappropriate incentives and conflicts of interest that may compromise investment suitability determinations, the policy of UBIS is not to arrange for or accept directed or reciprocal brokerage compensation from approved fund families. Each mutual fund prospectus or SAI that a client receives should disclose these payments. In addition, the UBIS Payment by Product Sponsors Disclosure Statement, that discloses the approved fund families with which UBIS may have negotiated payments, can be located on the Union Bank website [www.unionbank.com/invest](http://www.unionbank.com/invest). Clients can access the Mutual Fund Disclosure and Acknowledgment Statement on UBIS' website at [www.unionbank.com/invest](http://www.unionbank.com/invest).

**Non-cash compensation conflicts:** UBIS and its FAs are limited in giving or receiving anything of value, including gratuities where such payments is in connection with the person's business activities. Associates of UBIS may not give or receive gifts to or from another person in excess of \$100 per calendar year. All gifts received or given must be aggregated for the calendar year to ensure compliance with our internal dollar limit.

From time to time, UBIS and its FAs may give or receive business entertainment in connection with conducting business. Business entertainment can contain the following categories:

- Meals
- Hotel accommodations
- Tickets to sporting or other event
- Reasonable education-related seminars or conferences, such as training events or due diligence meetings
- Reimbursement for reasonable business expenses associated with sales functions including travel

**Proprietary product conflicts:** UBIS does not currently offer any proprietary products for investment purposes, however as part of your brokerage account, UBIS does offer a proprietary sweep program offered through Union Bank which is referred to as the BDSP. The BDSP is a core account investment vehicle used to hold your cash balance while awaiting investment. The cash balance in your Brokerage Account(s) (as defined below) will be automatically deposited or "swept" into interest-bearing BDSP Deposit Accounts ("Deposit Accounts") at Union Bank that may be eligible for insurance by the Federal Deposit Insurance Corporation ("FDIC") up to applicable limits. Effective as of June 25, 2020, BDSP is the default core sweep option for new Brokerage Account(s). The BDSP creates financial benefits for UBIS and Union Bank, our parent company; your FA; and NFS. UBIS will receive a fee from Union Bank in connection with the BDSP, and a portion of this fee may be paid to your FA. We will also pay a fee to NFS. The revenue generated by UBIS may be greater than revenues generated by sweep options at other brokerage firms and may be greater than other core account investment vehicles available to you or possible core account investment vehicles that we have used in the past or may consider using in the future. For additional details regarding the BDSP, please review the *UnionBanc Investment Services Commission & Fee Schedule, Disclosures, and Services Agreements—E. Bank Deposit Sweep Program (BDSP<sup>SM</sup>) Disclosure Document*.

In addition to the BDSP, UBIS enables clients to use their UBIS brokerage accounts for collateral loan purposes through Union Bank. UBIS does not receive compensation for facilitating a collateral loan from Union Bank.

**Account-type conflicts:** As a broker-dealer, our primary role is to accept orders and execute trades in your account at your direction. The decision to buy, sell, hold, or exchange any security is solely your decision, and we will not use discretion when placing any trade for you. In our brokerage capacity, we have an obligation to treat you fairly and to act in your best interest. In this capacity, if we recommend that you buy, sell, hold, or exchange a security, we must first determine that the recommendation is suitable and appropriate for you based on your investment objectives, time horizon, tolerance for risk, and other financial considerations, such as tax status. We provide our services when you request them and when we have an opportunity or idea that we want to bring to your attention. It is your responsibility to monitor your account on an ongoing basis and to keep us informed of any changes that could affect your investment profile.

As an investment adviser, our primary role is to provide you with investment advice for a fee. This may include the recommendation to use a certain investment strategy or the portfolio management services of a third-party manager. We have a fiduciary relationship with you and are obligated to act solely in your best interest, put your interests above our own, and to disclose and avoid incurring material conflicts of interest. We provide investment advice and we monitor your portfolio on an ongoing basis. In our role as an investment adviser, we meet with you at least annually to review your investments and confirm with you that they are still appropriate for your needs and goals, and if necessary, together we can make any needed changes. We offer several discretionary investment management services through the Managed Account Solutions Program including the Fund Strategist Portfolio, Unified Managed Account, Separately Managed Account, and Multi-Manager Account. These services provide discretionary investment management which means that you are not asked to provide approval for specific trades. We also offer non-discretionary investment management services through the Personal Portfolio Solutions Program where you are consulted by your FA prior to any transactions. In an advisory relationship, you will pay an annual fee, billed quarterly in advance of each quarter that covers fees related to various services such as clearing, custody, trading, technology, and monitoring for your account. The fee is typically based on a percentage of the value of your account.

## Investment Professionals' Compensation

The manner in which our FAs at UBIS are compensated result in material conflicts of interest. UBIS generally pays our FAs and certain other employees a portion of the revenue we receive according to a schedule (that is adjusted from time to time by UBIS) based on the revenues they generate. In this respect, compensation may be based in part on a combination of commissions and fees from the products sold to you. Advisors may also have the opportunity to earn ongoing Commission Payouts (Trailers) on certain eligible accounts and/or products where UBIS receives ongoing service fees and the FAs is responsible for managing the account relationship. FAs may receive marketing support, payment of expenses related to the training and educational efforts and occasional meals and entertainment. In addition, FAs may be eligible to receive incentives or other types of compensation if they reach certain production levels or other targets and they may also be eligible for one-time or ongoing bonuses based on a combination of factors, including their annual revenues, length of service with UBIS, product mix and net new assets under management from both current and new clients. FAs are eligible to receive a portion of the revenue created by investment and insurance sales to clients referred by a Licensed Professional (Licensed Professional refers to any Retail Bank Licensed Banker or Private Bank Professional who possesses active securities and/or insurance licenses with UBIS or UnionBanc Insurance Services). As a result, FAs and other employees have an incentive to recommend certain products over others and to recommend a high volume of investment product purchases.

FAs and other UBIS employees can receive bonuses and other compensation from the referrals to and recommendations of investment advisory programs offered by Union Bank and its affiliates, as well as referrals to third-party investment managers. Union Bank may pay its employees and employees of its affiliates, such as UBIS and HighMark, referral compensation when clients they refer to Union Bank establish an account, relationship or service. FAs may also receive increased compensation when providing services to an investment advisory program as opposed to a brokerage/insurance relationship. Therefore, FAs and other employees may have a conflict of interest when recommending certain investment services to you.

The Union Bank IM&T managed accounts are similar to UBIS' managed accounts, except that the manager is Union Bank. Union Bank offers their IM&T managed accounts as part of its investment management services. In some cases, the accounts may be created as trust accounts, in which Union Bank holds assets as trustee for the client or they may be managed accounts in which Union Bank acts as custodian. In both cases, Union Bank serves as the investment manager for the client. In those cases in which Union Bank acts as custodian but not trustee, Union Bank sometimes refers to these accounts internally as "agency accounts." Incentive compensation may be greater for recommending and selling IM&T managed accounts rather than a UBIS managed account.

Certain management personnel, such as Regional Sales Managers, receive compensation that is based in part on the revenue produced by FAs and other UBIS employees over which they have authority. To the extent that management personnel use their influence over FAs and other employees in order to drive increased revenue, a conflict of interest may arise.

**Conflicts with multi-share class structures:** UBIS does not solicit or recommend any share class other than A shares for its clients. While a client can continue to purchase other share classes besides an A share, the transaction would be conducted on an unsolicited basis. In addition, UBIS and its FAs do not solicit equity (such as common stock and exchange traded funds) positions for its clients. As discussed above, a client can transact these securities on an unsolicited basis.

**How we mitigate potential Conflicts of Interest:** One of the primary ways that UBIS mitigates or eliminates conflicts of interests, either identified or perceived, is to identify the interests of our clients by conducting suitability analyses and asking our clients to identify the elements of their investor profile which include, but are not limited to, their investment objectives, risk tolerance, time horizon, knowledge of various investment products and strategies, and financial needs. In doing so, our FAs can present, for the client's review and consideration, investment products and strategies that are more closely aligned to the investor profile and which are in their best interest.

As previously disclosed, UBIS strives to mitigate conflicts related to compensation, portfolio management, insurance products, and affiliate relationships by identifying known conflicts and providing investor disclosure. We are diligent through various supervision activities to ensure that we are first and foremost serving the interests of our clients over the interests of another client, interests of UBIS, or interests of its affiliates. We serve each client individually based upon their unique investor profile and needs and we act in the client's best interest.

The Bank has implemented a Code of Conduct throughout the Bank and its affiliates and each affiliate, based upon their unique business practices and services, have implemented Codes of Ethics that demand the highest level of conduct from all associates.

As in most financial institutions today, the practice of cross-selling products and services to a single client is a common occurrence. Clients demand a multitude of products and services from one institution and value the convenience and affordability of the products and services that are made available. This investor convenience serves as a primary conflict of interest as more and more institutions diversify their product offerings and their associated salespersons offer diversified products in multiple capacities—i.e., stockbroker (commissions), investment advisor (fees), and licensed life agent (commissions) to name a few.

**Limitations on Our Investment Recommendations:** UBIS and its FAs offer and recommend investment products only from investment sponsors with which UBIS has entered into selling and distribution agreements. Other firms may offer products and services not available through UBIS, or the same or similar investment products and services at a higher or lower cost. The scope of products and services offered by our FAs may also be more limited than generally available through UBIS, based on their securities registration, insurance licensing, training or branch office policy restrictions. You may ask a UBIS FA about the securities or services he or she is registered, licensed or qualified to sell, and their ability to service investments transferring to UBIS from another firm. UBIS and its FAs do not offer recommendations on general securities like common stock or ETFs, although clients may execute those or direct us to purchase or sell such securities on an unsolicited basis. In addition, UBIS and its FAs are limited to recommending only class A shares of mutual funds.



We encourage you to be informed, stay informed, and ask questions regarding the products and services you own, or are thinking of buying or selling. It is our purpose to ensure you are being treated fairly and ethically, are paying a fair price for the products and services you purchase or sell and receive information that is easy to understand. Ask your FA or visit [www.unionbank.com/personal/investing](http://www.unionbank.com/personal/investing) for more information.

**Payments by Product Sponsors Disclosure Statement:** As applicable to our brokerage business, UBIS and its FAs are compensated in different ways when you purchase or sell a mutual fund or an annuity contract or Unit Investment Trust ("UIT") depending on the type of investment involved, amount invested, and share class purchased. Most mutual funds and UITs require that you pay a sales commission plus an annual fee associated with operating the mutual fund/UIT. These expenses affect the return on your investment. UBIS utilizes a single uniform method to calculate commission compensation to its FAs for sales of all mutual funds/UITs and variable annuity contracts. This method is the same regardless of which mutual fund, UIT or annuity contract you purchase, and does not provide the FAs additional incentives either to sell any particular mutual fund or annuity.

We want you to also know that, because there are thousands of mutual funds, it is not possible for UBIS to evaluate and monitor all on an ongoing basis. As such, UBIS maintains a limited relationship with a select group of mutual funds, UITs, and annuity companies. In addition, UBIS and its FAs do not recommend no-load mutual funds directly to our clients within our brokerage platform and only recommend A share mutual funds. However, clients may purchase no-load mutual funds or other mutual fund share classes or ETFs on an unsolicited basis within their brokerage account.

Companies UBIS works with reflect a variety of performance and styles in a broad spectrum of investment products and services. UBIS has chosen to work with these companies because of the array of investment products and services these companies offer to address the varied needs of our client base, and because of their size, marketing and operational sophistication, and history of investing and performance statistics. These relationships bring additional compensation to UBIS and our FAs as well as providing access to these companies to work with our FAs, which provides the FAs additional training, educational presentations, and other support so that they can ultimately work more effectively with and for you.

UBIS may receive cash payments of up to 0.30 percent (30 basis points) of the total purchase amount from sponsors of mutual funds, UIT and annuity contracts that UBIS has placed on its product sponsor list for its brokers to recommend to clients. UBIS negotiated these payments from these product sponsors in order to defray the costs of promotional and marketing activities. These revenue sharing payments are in addition to other payments such as commissions, 12b-1 fees, and shareholder servicing fees. (Information about a mutual fund's, UITs or variable annuity's fees and expenses may be found in the fee table located in the product prospectus.) These revenue sharing payments are not made directly by the client, but are paid by a fund's distributor, investment adviser, or other related entity. UBIS evaluates sponsors and their investment products for inclusion on the product sponsor list using criteria that includes investment performance and style, wholesaling, marketing and operational support, and amount of assets under management. UBIS does not consider the receipt of fund portfolio brokerage commissions as a factor in the selection of product sponsors. Also, UBIS does not receive directed brokerage compensation or offer any differential cash compensation from any fund, UIT or annuity company.

UBIS receives a quarterly marketing allowance from Franklin Templeton and NFS and does not pass along the additional marketing allowance received to its FAs. These specific quarterly marketing allowances are in addition to the revenue sharing payments, product commissions, 12b-1 fees, and other shareholder servicing fees. UBIS negotiated these payments from Franklin Templeton and NFS for the specific FA training, support, and marketing allowance.

For a current list of the mutual fund and annuity sponsors that UBIS includes on its product list, please visit [www.unionbank.com/invest](http://www.unionbank.com/invest), contact your UBIS FA, or call us at 800-634-1100.

UBIS also earns a small percentage of its revenue from NFS, such as Unsecured Debit Interest, Margin Debit Interest, Free Credit Interest, Annual Net Flows Growth Incentive Credits, and Business Development Credits. The revenue received is not passed on to FAs or other UBIS Sales Personnel.

UBIS and its affiliates have an economic interest in facilitating the purchase or retention of additional services for its clients to the extent that its client's may have an additional need for of the products and/or services that are available from UBIS or its affiliates. UBIS or its affiliates will receive commissions or other types of remuneration for those products and/or services. Please know that comparable products and/or services recommended by UBIS or its affiliates may be available at higher or lower fees from other independent service providers that are not affiliated with UBIS.

### **Risk Disclosure**

While we take reasonable care in developing and making recommendations to you, securities involve risk, and you may lose money. There is no guarantee that you will meet your investment goals, or that the recommended investment and/or strategy will perform as anticipated. Clients should consult the product offering documents, prospectuses and/or product disclosure documents for additional discussion of risks associated with a particular product.

Brokerage and investment advisory services available through UnionBanc Investment Services LLC, an SEC-registered broker-dealer, investment adviser, member FINRA/SIPC, and subsidiary of MUFG Union Bank, N.A.: • **Are NOT deposits or other obligations of, or guaranteed by, the Bank or any Bank affiliate** • **Are NOT insured by the FDIC or by any other federal government agency** • **Are subject to investment risks, including possible loss of the principal amount invested.**





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