

Client Relationship Summary

Your relationship with AE Financial Services, LLC

Introduction

AE Financial Services, LLC (“AEFS” or “we” or “our”) is registered as a broker-dealer with the U.S. Securities and Exchange Commission and is also a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). We offer our clients brokerage services. You should understand that, as a broker-dealer, our services and fees are different than the services and fees of an investment adviser. It is important for you, the retail investor, to understand the differences between the two. Free and simple tools are available for you to research firms and financial professionals at investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

What investment services and advice can you provide me?

Description of services: We offer brokerage services to retail investors, including buying and selling securities. This type of account is for individuals who do not need or want active monitoring of their account and intend to hold an investment for a long period of time. We do not make investment decisions for you or take discretion in your brokerage account or variable annuity and insurance products. We will make recommendations; however, you must approve the transactions. We do not provide investment monitoring for brokerage accounts.

Limited product offerings: We do not primarily recommend one type of security to clients. Instead, we recommend investments or products designed to be in the best interest for each client, relative to that client’s specific circumstances and needs. However, we are limited in investment selection in that we can only recommend securities that are available on our custodial platform or our approved products list. When providing you service, we do not recommend or offer advice on any proprietary products.

Conversation starters:

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

Account & fee minimums: We do not set an account minimum. However, investment companies or certain investment types with whom you have the option to work may set their own minimums.

For additional information, please see our fee schedule at ae-fs.com/disclosures.

What fees will I pay?

Description of principal fees & costs: With brokerage business, you open a brokerage account(s) with us through our clearing firm, National Financial Services, LLC. In a brokerage account, you can buy and sell a variety of securities like stocks, mutual funds, and ETFs. You typically pay a commission. Because your registered representative is paid a commission, they have an inherent conflict of interest to encourage you to have a high volume of trading activity to generate additional commissions. Certain account types are subject to annual custodial fees, and certain investments, for example, mutual funds, have additional underlying expenses, which can be found in the product’s prospectus. We encourage you to review the AEFS fee schedule and the custodian’s fee schedules for a listing of fees that may apply to brokerage accounts.

Description of other fees & costs: When you open a direct business account, you purchase securities directly from the product issuer. Common forms of direct business are purchases of mutual funds, variable annuities, or non-traded investments, such as real estate investment trusts. When you make these direct business purchases, it is brokerage business, and we will receive a commission. As with all brokerage business, we do not provide investment monitoring services for direct business accounts. The commission rates will vary depending on the product type. Regardless of the product you purchase, the commission or purchase charges will be detailed in the investment’s prospectus or private placement memorandum as well as your trade confirmation. With certain investments, you will pay a commission to the product issuer, who will share all or a portion of the commission with us, thus reducing the amount of your investment that “goes to work” for you. For example, if you invest \$100 in a mutual fund that has a 5% front-end sales charge, \$95 will go into the investment and \$5 will pay the front-end sales charge. This is common in mutual fund A-shares and non-traded investments. In other investment products, your entire purchase amount will be invested up front. For example, with variable annuities the product issuer of the annuity will pay us a commission, but the commission does not come directly out of your purchase amount. This does not mean these investments do not have fees and charges. The fees are paid over time and are typically reflected in the performance of the investment. This creates a conflict because the greater the investment, the greater the commission we generally receive. In addition to the commissions described, variable annuities and insurance have underlying fees and expenses, sometimes referred to as expense ratios. The underlying fees can vary widely from product to product. We encourage you to closely review the product’s prospectus or PPM to review these expenses.

Additional information: 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 the fees and costs you are paying. You may find FINRA's Fund Analyzer website helpful to learn about the expenses of mutual funds and ETFs. The website is located at: tools.finra.org/fund_analyzer/

Conversation starters:

- 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?

In addition to the fees and costs described above, you may have different expenses based on the products and services you choose. For example, you may be assessed a wire transfer fee.

What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

Standard of conduct: When we provide you with a recommendation, we must act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide you. Here are some examples to help you understand what this means. (1) We have an incentive to recommend that you make purchases or sales and make them on a frequent basis to generate additional commissions or fees. (2) After a sale, certain products such as variable annuities or mutual funds, continue to pay us a fee known as a "trail." This gives us an incentive to make a recommendation to you for products that have trails over other products that do not.

Conversation starters:

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

Examples of ways we make money and conflicts of interest: (1) Some product companies we do business with, or products we sell, offer higher compensation to us than other products. We have an incentive to recommend you purchase investments that pay us more. (2) Some third-party companies we work with give us additional benefits in exchange for recommending their products or services. These additional benefits include revenue sharing, technology, expense sharing, training, and client education events, to name a few. Some third-party companies we work with provide none of these

additional benefits. (3) AEFS receives compensation in the form of interest based on the Federal Deposit Insurance Commission's interest rates on any cash in your brokerage account. As such, AEFS is incentivized to allow cash to remain in a brokerage account instead of being invested in a product or investment vehicle. (4) AEFS is under common control and ownership of several other entities, some of which your RR could recommend products in another financial capacity. Please see the AE Financial Services Regulation Best Interest Disclosure for more information on these companies.

Additional Information: For more information about our conflicts of interests and the ways we are compensated, please see ae-fs.com/disclosures.

How do your financial professionals make money?

Description of how financial professionals make money: We compensate our registered representatives with commissions for selling investments. This creates a conflict of interest because your representative has an incentive to recommend that you invest more in your account with us due to the potential for increased compensation. An additional conflict is created because the commission earned is higher on some products versus other products. For example, products requiring a longer holding period before you can access the funds without penalty typically pay a greater commission than investments meant to be held for shorter periods, thus creating a conflict. Our representatives may also receive non-cash compensation, such as travel-related expenses to specific events and reimbursement for certain expenses. Our representatives may also serve as licensed insurance agents and receive commissions, incentives, bonuses, and other economic incentives for selling insurance products, and "non-cash" compensation for sales of insurance products, including reward trips. The receipt of such compensation creates a conflict of interest. Some of our representatives also serve as investment adviser representatives of affiliate registered investment adviser AE Wealth Management, LLC, and earn a fee based on the level of assets they have under management, which creates a conflict.

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

Yes. You can look up more information about us and our registered representatives at investor.gov/CRS.

Conversation starters:

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

Additional information about AE Financial Services, LLC

Conversation starters:

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

Additional information about us and copies of this relationship summary are available at ae-fs.com/disclosures. If you have any questions or want an up-to-date copy of this relationship summary, we can be reached by phone at (866) 363-9595.

Regulation Best Interest Disclosure

Your brokerage relationship with AE Financial Services, LLC

Regulation Best Interest (“Reg BI”) establishes a standard of conduct for broker-dealers and its associated persons when making recommendations to retail investors involving securities transactions or strategies. This AE Financial Services, LLC (“AEFS” or “we” or “our”) Regulation Best Interest Disclosure (“Disclosure”) provides information about the scope and terms of the relationship and business practices of AEFS with clients in addition to any material conflicts of interest. This Disclosure provides an overview of items you may wish to consider when deciding whether to work with AEFS and its registered representatives (“RR(s)”).

Best interest obligation

When we recommend any securities transaction, investment strategy, or account type, we will act in your best interest. We must have a reasonable basis for believing the recommendation or investment strategy—including hold recommendations—is appropriate and in your best interest at the time of the recommendation based on your investment profile and the risks, benefits, costs, and fees associated with the recommendation. We will not put our financial interests ahead of yours when making recommendations.

Scope of services

AEFS is registered as a broker-dealer with the U.S. Securities and Exchange Commission and is also a member of the Financial Industry Regulatory Authority (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). In our capacity as a broker-dealer, we offer the buying and selling of investments and variable annuity and insurance products on a transactional basis. Neither AEFS nor your RR provides ongoing monitoring of your brokerage account or variable insurance products. We do not make investment decisions for you or exercise discretion in your brokerage account; we will only place transactions in your account at your direction and/or with your approval following your RR’s recommendation.

Fees and costs

Our fee schedule provides important information regarding the material fees and costs associated with your brokerage account. The commission and costs vary depending on the product type. Regardless of which investment(s) you choose, the commission, investment expenses, or purchase charges will be detailed in the investment’s prospectus or private placement memorandum (“PPM”). If you have questions regarding fees and costs, you should discuss them with your RR. Our fee schedule can be found at ae-fs.com/disclosures.

Conflicts of interest

A conflict of interest is defined as an interest that might incline a firm or RR, consciously or unconsciously, to make a recommendation that is not disinterested. AEFS has identified conflicts of interest which can be found in the AEFS Client Relationship Summary (“Form CRS”). This Disclosure provides additional information related to conflicts of interest between or among you, AEFS, and your RR.

Conflicts related to product and services

Limited product offerings. We do not primarily recommend one type of security to clients. Instead, we recommend investment products designed to be in the best interest of each client, relative to that client’s specific circumstances and needs. AEFS’ RRs may only offer those products made available on our custodial platform and our approved products list. Therefore, there are products and services available at other financial services firms that are not available through AEFS. Additionally, you may pay more to AEFS than if you purchased similar products and services through other financial services firms.

Brokerage and directly held accounts. If an account is held directly with a product issuer, both AEFS and your RR receive compensation when transactions are executed for such accounts. The compensation AEFS receives depends on the type of security, the nature of the transaction, the amount invested, how the transaction is executed, and who pays the compensation. AEFS and its RRs earn compensation that differs from one transaction or type of security to the next.

Fixed income securities. RRs may apply mark-ups or mark-downs on the purchase or sale of fixed-income securities. Fixed-income products include brokered certificates of deposit, municipal bonds, corporate bonds, mortgage-backed securities, and government agency bonds/notes. Your RR is compensated either by commission or through a mark-up/mark-down. A mark-up/mark-down is the difference between the prevailing market price for the bond and the price that you will pay or receive. A mark-up/mark-down represents the total compensation earned by a dealer (i.e., AEFS) for executing the trade on your behalf.

Ticket charges. Depending on the product, there may be different transaction charges. Some products have ticket charges. In some instances, RRs bear additional costs for ticket charges that could incentivize them to sell products without ticket charges or with lower ticket charges.

Conflicts related to compensation

Affiliated Companies and Registrations

Your RR may also be an investment adviser representative (“IAR”) registered with AE Wealth Management, LLC (“AEWM”) or another registered investment adviser firm. In their separate capacity as an IAR, your RR can receive an ongoing management fee based on the assets in your accounts under the IAR’s management. As such, your RR may be motivated by the ongoing management fees they receive for recommending an advisory account to you. Consequently, the objectivity of the advice rendered is biased due to the receipt of an ongoing fee in lieu of one-time commissions, which may not be in your best interest. We address this conflict by disclosing it to you and requiring your RR to document and implement which type of financial relationship is most appropriate for your situation and in your best interest. Additionally, as noted below, AEFS is under common control with Advisors Excel, LLC (“AE”). AEWM and AE, as affiliate companies, have initiated a cash incentive plan in which your RR is eligible to receive cash payments based on a combination of the sale of insurance products through AE and the value of securities managed by AEWM. To be eligible, your RR must also be an insurance producer with AE and an investment adviser representative registered with AEWM. The methodology used to calculate the cash payment is weighted in favor of insurance products. As a result, your RR is incentivized to recommend insurance products. AEWM and AE also offer business loans to RRs on a case-by-case basis. At times, either of these affiliate companies may forgive a portion or all of such loans based on certain factors, such as the RR agreeing to remain with one or more of the affiliate companies for a specified time period. Additionally, our representatives may also serve as licensed insurance agents with AE or other unaffiliated marketing organizations and receive commissions, incentives, bonuses, and other economic incentives for selling insurance products, and “non-cash” compensation for sales of insurance products, including reward trips. The receipt of such compensation creates a conflict of interest.

Mutual fund share class differential compensation. Mutual funds offer multiple share classes with varying expense structures. Each share class invests in the same portfolio of securities and has the same investment objectives and policies. However, each class has different expense structures. The appropriate mutual fund share class for you depends on several factors, including your investment objectives, investment time horizon, and liquidity needs. AEFS and its RRs receive different compensation based on the mutual fund share class you invest in.

The internal operating expenses assessed by a mutual fund, as well as the timing and amount of compensation received by AEFS, will vary between the different share classes and may affect the overall performance of your investment. Class A shares assess a higher front-end sales charge. This sales charge may decrease when larger investments are made to the fund, which is known as a breakpoint discount. Class C shares assess a contingent deferred sales charge. Both Class A and C shares have higher operating expenses than institutional shares, which may only be available to fee-based investment advisory accounts or qualified retirement plan accounts and/or subject to minimum investment restrictions. Additional information regarding mutual fund share class expenses can be found in the applicable mutual fund prospectus.

Variable annuity and insurance product compensation. Variable annuity and insurance products typically have annual fees and expenses in addition to potential sales and surrender charges and early withdrawal penalties. The annual fees and expenses can include mortality and expense risk charges, administrative fees, underlying fund expenses relating to the investment subaccounts, and charges for special features, such as enhanced death benefits, guaranteed minimum income benefits, principal protection, etc.

Insurers may offer variable annuity and insurance products with different share classes (e.g., A/B/C/L/X shares). The principal difference between the share classes is that you will be charged different fees and charges depending on the class you choose. Typically, share classes with shorter surrender periods will carry higher charges and fees than share classes with longer surrender periods. It is important to select the most appropriate share class based on how long you expect to own the product, your need to access funds, whether you desire living benefits and/or enhanced death benefits and other important factors. Since fees are paid from the amount you invest, they can reduce your potential investment return. Variable annuity and insurance products pay AEFS and its RRs different levels of commissions depending on the product or share class recommended. Refer to the product’s prospectus for important information about the contract or policy, including fees and charges, investment options, death benefits, and annuity payout options.

Investment product differential compensation. AEFS and its RRs receive higher or lower commission compensation depending on the investment product being recommended. For example, a variable annuity product may pay a higher commission than a mutual fund product. Generally, the investment products that result in higher compensation to AEFS will also have higher operating expenses. The appropriate investment product type for you will depend on several factors as determined by your particular situation and stated investment objectives.

Forgivable loans. If your registered representative qualifies for a forgivable loan offered by our firm, it will not increase the cost of fees charged to you. Your RRs can qualify for a forgivable loan due to their transition from another firm, production level, or length of service. Any transition loan received by a RR is forgiven over a period of years, based on the RR remaining associated with AEFS.

Conflicts related to third-party payments

AEFS sometimes will receive additional compensation from certain third parties, including issuers of mutual funds and variable annuity and insurance products, custodians, brokers, and 529 plan providers. These payments, referred to as “third-party payments,” include variable product sales charges; gross dealer concessions; revenue sharing payments; 12b-1 fees; distribution, volume-based fees; fees for seminars and educational programs; and any other compensation, consideration, or financial benefit provided to AEFS by a third-party as a result of a transaction involving your account. These third-party payments are not paid by you. They are paid by the Third-Party Payor in addition to the standard fees and transaction-based commissions paid in connection with account investments and will vary based upon AEFS’ agreement with the Third-Party Payor.

AEFS uses the third-party payments to offset costs associated with conducting due diligence, operations and marketing, certain educational conferences and seminars about investment products for its RRs, and as general revenue. Except for 12b-1 fees and the commission compensation mentioned above, AEFS does not share third-party payments directly with RRs.

In exchange for third-party payments, Third Party Payors receive additional access to RRs, which sometimes includes being invited to firm conferences or seminars. This access to RRs provides product issuers additional opportunities for marketing, education, and training on their investment products. RRs do not directly receive or share in these payments; however, they receive an indirect benefit of additional education and training related to the product issuers’ products and services.

Gifts and Entertainment. RRs may also receive gifts and entertainment from product issuers, as allowed within the scope of applicable securities laws, rules, regulations and AEFS’ policies and procedures. Gifts and entertainment may include an occasional meal, tickets to a sporting event or show, or other similar entertainment or promotional items.

Entities Under Common Control and Ownership

As noted above, AEFS is under common control and ownership with AE Wealth Management, LLC (“AEWM”). AEWM is an investment adviser registered with the Securities and Exchange Commission. AEFS RRs, in their separate capacities as investment adviser representatives (“IAR(s)”), may be registered with AEWM, through which they can provide investment advisory services to clients. When your RR recommends an investment advisory account to you, the principal owners of AEFS will benefit. We address this conflict of interest by disclosing it to you in this Regulation Best Interest Disclosure as well as prohibiting both the collection of a retail commission and the assessment of an ongoing management fee on the same security.

Again, as noted above, AEFS is under common control and ownership with Advisors Excel, LLC (“AE”). AE is an insurance agency that markets/wholesales life and health insurance and fixed annuities to third-party insurance agents in exchange for a marketing and/or override fee from the issuer of such products. AEFS RRs, in their separate capacities as insurance agents, may utilize AE’s marketing and wholesaling services. When your RR sells you an insurance product through AE, the principal owners of AEFS will benefit. We address this conflict of interest by disclosing it to you in this Regulation Best Interest disclosure as well as prohibiting any additional compensation on the sale of insurance products or collecting of any advisory fees on the same product.

AEFS is under common control and ownership with Innovation Design Group (“IDG”). IDG is an insurance agency that designs and distributes annuities. When your RR, in their separate capacity as an insurance agent, sells you an annuity designed by or distributed through IDG, the principal owners of AEFS benefit.

Additional information

Additional information about AEFS can be found at ae-fs.com. A copy of the AEFS Client Relationship Summary is available at ae-fs.com/disclosures/ or we can be reached by phone at (866) 363-9595.

Expenses and Fees Disclosure

AE Financial Services, LLC (“AEFS” or “we” or “our”) is a broker-dealer offering brokerage services. This document is intended to provide information about general characteristics, costs, and fees associated with the investment products we offer on our platform. We do this in order to assist you in making an informed decision when buying, selling, or holding these securities and/or variable insurance products. If applicable, you will receive additional details regarding fees and costs in trade confirmations, product prospectuses, or offering documentation.

CLOSED-END FUNDS

Like other exchange-traded products, a closed-end fund price fluctuates throughout the trading day. However, a closed-end fund is different in that the company will not issue additional shares, and the fund can only be bought and sold in the secondary market. A closed-end fund's fluctuating price may differ from the internal net asset value (“NAV”). This means that you may pay a premium or discount on the share price versus the internal NAV. Closed-end funds have annual internal expenses ranging from 0% to 14.34%, with an average rate of 1.74%. Annual internal expenses will impact the NAV and performance of the fund. More detailed information can be found in the product's prospectus.

EXCHANGE-TRADED FUNDS (ETF)

Like mutual funds, ETF fees are included in the fund's expense ratio and are not deducted or withdrawn directly from the investor's account. For example, an ETF or mutual fund with an expense ratio of 0.50% would deduct 0.50% from the fund's assets annually. An expense ratio of 0.50% translates to an expense of \$5 for every \$1,000 invested. ETF fees pay for the fund's management and operational expenses. The investor will receive the total return of the ETF, less the expenses. For example, if the fund's total return (before expenses) during a year is 10%, and the expense ratio is 0.50%, the net return to the investor (after expenses) would be 9.50%. The price for ETFs will fluctuate throughout the trading day. The fluctuating price may differ from the internal NAV. This means you may pay a premium or discount on the share price versus the internal NAV.

EXCHANGE-TRADED PRODUCTS

Exchange-traded products include equities/stocks, ETFs, closed-end funds, exchange-traded real estate investment trusts, and exchange-traded master limited partnerships. Exchange-traded products are charged a flat fee and a commission. The flat fee depends on the transaction amount. In addition to the flat fee, a commission will be charged, ranging between 0% and 1.70%, depending on the transaction amount. For stocks costing less than \$1, the commission is 3%.

FIXED- INCOME PRODUCTS

Fixed-income products include brokered certificates of deposit, municipal bonds, corporate bonds, United States treasuries (bills, notes, bonds), US Government mortgage-backed securities, and government agency bonds/notes. AEFS and your registered representative (“RR”) are compensated by commission or through a mark-up/mark-down. A mark-up/mark-down is the difference between the prevailing market price for the bond and the price you will pay or receive. A mark-up/mark-down represents the total compensation a dealer earns for executing the trade on your behalf. For example, if purchasing a bond and the prevailing market price is \$99 on a \$1000 par bond with a 1-point (\$10 per bond) mark-up, your cost is \$1,000 plus any applicable accrued interest. Mark-up/mark-downs will vary based on the type of security, the transaction's size, and the debt issue's maturity date. Please consult with your RR for more information.

MARKET-LINKED CERTIFICATE OF DEPOSITS

A market-linked CD is a certificate of deposit with a return based on a collection of stocks or a market index. Market-linked CD fees vary based on the issuer and maturity. Costs can incorporate selling commissions, placement fees, structuring, development, and other costs that will impact the market price for the offering. The product disclosure supplement provides more detailed information.

MUTUAL FUNDS

Mutual funds are sold by prospectus. More specific information related to your purchase, including the mutual fund's investment objectives, risks, charges, and expenses will be delivered to you through the product prospectus and from your RR. The prospectus can be obtained from your RR or the mutual fund company.

Mutual fund companies offer different ways to buy mutual fund shares. Some mutual funds offer only one share class while others may offer multiple share classes of each mutual fund (class A, B, and C shares). Some mutual fund companies offer what is commonly referred to as “Clean” shares. However, financial intermediaries offering clean shares may assess sales charges or commissions that will increase the cost of ownership. Typically, these share classes have minimal, if any, transfer agent or recordkeeping fees and are, therefore, less expensive to own. In addition to the sales charge, there are ongoing expenses for mutual funds.

Sales charges and expenses

- **Front-end sales charges** – A front-end sales charge may be deducted from a mutual fund investment at the time of purchase. This sales charge is calculated as a percentage of your total investment purchase. For example, if you invest \$10,000 in a mutual fund with a 6% front-end sales charge, \$9,400 will be invested in the fund. The difference between your \$10,000 investment and the \$9,400 actually invested is \$600, which is the front-end sales charge. Mutual funds with this pricing option are often called Class A shares. Front-end sales charges typically range from 0% to 6%.

Class A mutual fund shares provide qualifying investors the right to receive a front-end sales charge discount based on the amount invested. The discount is offered when “breakpoints” are reached. Breakpoint discounts are volume discounts to the front-end sales charge. You can qualify for breakpoints through a single purchase of Class A mutual fund shares or staggered payments within a specified time frame and documented in a letter of intent (LOI). Discount entitlements are also available with Rights of Accumulation (ROA). This gives existing mutual fund shares the potential for a reduced sales charge when you purchase more fund shares to reach a breakpoint within the same family of funds. When calculating the value of your current mutual fund family holdings for ROA purposes, the value of shares you own, combined with those owned in certain family members and related accounts, may count toward a breakpoint discount. More detailed information on breakpoints and ROA can be found in the mutual fund prospectus. If you invest over a certain amount, typically \$1 million, in an A share, you may qualify for NAV, which means you will not pay a front-end sales charge.

- **Back-end sales charges** – A back-end sales charge is sometimes referred to as a contingent deferred sales charge (CDSC). This charge, which may decrease over time, is deducted from your mutual fund investment if you sell your mutual fund shares prior to a specified period, as stated in the mutual fund prospectus. The back-end sales charge is calculated as a percentage of the total sales proceeds. For example, if you sell \$10,000 of shares in a fund that you owned for 18 months and that fund has a 5% back-end sales charge during the second year, you will receive \$9,500. The \$500 difference between the \$10,000 worth of shares sold and the \$9,500 paid to you is the back-end sales charge. Back-end sales charges are typically associated with Class B and C shares. For Class B shares, the level of the applicable back-end sales charge will decline over time until it is eventually eliminated. For Class C shares, the CDSC period is shorter and will typically expire all at once versus declining over time. A back-end sales charge may also apply in some special circumstances as outlined in the applicable mutual fund prospectus. Often, these circumstances are associated with purchases at NAV or as a penalty imposed on shorter-term trading.
- **No load funds** – Not all mutual funds impose a sales charge. No-load funds may charge direct fees, not sales loads (i.e., sales charge), such as purchase fees, redemption fees, exchange fees, and account fees. These fees are typically higher than load funds. Because no-load funds do not charge front-end sales loads, they do not offer breakpoints to investors. No-load funds will also have annual fund operating expenses that investors pay for indirectly through fund assets. Several “no load” funds are available to AEFS clients.
- **Mutual fund operating expenses** – Operating expenses apply to all mutual funds and commonly include management or advisory fees, distribution and/or service fees (also known as 12b-1 fees), shareholder or administrative service fees, and other fees, such as transfer agency, custody, directors, legal and audit fees. These expenses are calculated and included on a daily basis in the fund’s NAV. Annual net expenses can range from 0% to 8.08%, while most are typically between 0.29% and 2%, with an industry average of 1.02%. More detailed information can be found in the applicable mutual fund prospectus.
- **Low Balance Fees/ Account Fees** – This is a fee charged to investors in connection with the maintenance of their accounts. For example, some products impose an account maintenance fee on accounts whose value is less than a certain dollar amount. More detailed information can be found in the product prospectus.

529 Plans

Investments in 529 plans are generally Class A or Class C shares. The maximum sales charge for Class A shares ranges from 0% to 6%. Additionally, Class A shares have operating expense fees. Class C shares have a back-end sales charge in addition to the operating expense fees.

OPTIONS

For any listed options transactions a flat fee will be charged. The flat fee is dependent on the transaction amount. In addition to the flat fee, a commission will be charged and ranges between 0% and 1.6%, depending on the transaction amount. Additional options regulatory fees will be assessed on options transactions and are based on the number of contracts transacted.

UNIT INVESTMENT TRUSTS (UIT)

Investment companies typically offer a UIT by making a one-time public offering of only a specific, fixed number of units comprised of marketable securities. A UIT will terminate and dissolve on the date established when the UIT is created. UITs do not actively trade their investment portfolios. UITs have initial and deferred sales charges, creation/development/organization expenses, and operating expenses that are paid out of their assets. The levelized upfront/deferred fee structure is based on the product type (equity or fixed income) and maturity of the trust investment. The deferred sales charge can be up to 3.45% and the creation and development fees can be up to 0.6% for a total sales charge up to 3.95%. More detailed information can be found in the product prospectus.

VARIABLE ANNUITIES

Variable annuities ("VA(s)") are complex investment vehicles that combine features of both insurance contracts and mutual funds. An investor in a VA can choose from a wide range of mutual fund-like investment portfolios, usually referred to as subaccounts. These subaccounts, with varying investment objectives and risk levels, can invest in stocks, bonds, money market instruments, or are linked to various indices. Similar to mutual funds, the investment returns of these subaccounts fluctuate with market conditions.

Variable annuities are offered in a variety of share classes, each with different mortality and expense/distribution ratios, CDSC schedules, built-in features, and optional features commonly known as riders.

- **Asset-based Fees**
 - Mortality and Expense (M&E) Risk Charge. The M&E risk charge compensates the insurance company for the actuarial insurance risks (e.g., annuitization, death benefit, etc.) it assumes under the annuity contract.
 - Administrative/Distribution Fees. Administrative fees may be assessed by the insurance company to cover distribution and other expenses associated with servicing the annuity.
 - Asset-based fees can range from 0.30% to 1.70% depending on share class, CDSC period, and any applicable features. B-shares are the most common share class and typically have asset-based fees of approximately 1.13% with a 6-year CDSC period.
- Contract maintenance (generally \$26/annually) and administrative fees typically assessed for record keeping and administrative purposes could be reduced or waived if the contract value exceeds certain thresholds.
- Fund expenses are expenses charged by the separate accounts and include management fees paid to the broker-dealer responsible for making investment decisions affecting your separate accounts, similar to the investment manager's fee in a mutual fund. These expenses will also include the cost of buying and selling securities for the fund and administering trades.
- Contingent Deferred Sales Charge (CDSC). The CDSC period is the period of time in which an annuity provider may impose a surrender charge or penalty for a full or partial liquidation. CDSCs are typically imposed on the value of the liquidation and decline gradually each year during the surrender charge period (e.g., 7%, 6%, 5%, 4%, 3%, 2%, 1%, 0%). Some variable annuity contracts allow the owner to make an annual withdrawal up to 10% of premiums paid or gains in the contract, whichever is greater, free of a CDSC.
- Riders, if available, can be added to a variable annuity for an additional annual cost.
 - Living Benefit Riders – average range 0.40% - 1.6% (living benefit riders generally provide a lifetime or minimum level of income)
 - Enhanced Death Benefit Riders – average range 0% - 1% (enhanced death benefit riders generally provide a return of premiums paid or stepped-up death benefit minus withdrawals taken)

VARIABLE LIFE INSURANCE

Variable life insurance is a permanent life insurance policy with an investment component. A portion of premium payments are allocated to a variety of subaccounts. These subaccounts, with varying investment objectives and risk levels, can invest in stocks, bonds, money market instruments, or are linked to various indices. The investment returns of these subaccounts fluctuate with market conditions and prevailing interest rates. Like other life insurance, it provides a death benefit, and a portion of premium payments are also deducted for a variety of fees. Those fees include the cost of insurance (carrier expectations of future mortality and expenses) and possible substandard ratings based on the underwriting process. Other fees and expenses that could be applicable are administrative charges, premium charges, service fees, policy fees, subaccount operating/management/value expenses, index charges, and surrender fees based on a declining annual surrender schedule (e.g., 10%, 9%, 8%, 7%, 6%, 5%, 4%, 3%, 2%, 1%, 0%). Applicable fees/charges/expenses, amounts and ranges vary by insurance carrier and product.

Variable life insurance policies may offer riders or additional benefits. A rider is an optional insurance policy provision that adds benefits to or amends the terms of a basic insurance policy (e.g., term insurance, waiver of premium, accelerated



enhanced death benefit, etc.). Riders generally come at an additional cost but, in some instances, do not have a cost or are charged at the time the benefit is realized. Policy owners can request an in-force illustration and/or a copy of the policy which outlines specific costs, features, current value, and hypothetical future value. The insurance carrier may charge a service fee to cover the cost of processing this request.

OTHER FEES

Securities not sold by AEFS but allowed to be held or liquidated will be assessed fees and other administrative costs. The product prospectus provides specific fees and costs related to these products.

Account and Service Fees

Brokerage accounts held on the NFS platform

This list is intended to provide an overview of the account and service fees associated with an AE Financial Services, LLC (AEFS) brokerage account held on the National Financial Services (NFS) platform.¹ The account and service fees noted below do not include commissions, markups, commission equivalents or advisory fees, and may be changed by AEFS and/or NFS at their discretion upon notice to you.

FEES BILLED TO CLIENT		
ACCOUNT OR SERVICE	FEE AMOUNT	FREQUENCY
ACCOUNT MAINTENANCE		
Annual custody fee ³	\$50	Per account
Dividend reinvestment ⁴	\$2	Per event
NFS IRA, Rollover IRA, Roth IRA, BDA IRA, SEP IRA, SIMPLE IRA prototypes ("Premiere Select IRA")		
Maintenance fee ⁵	\$35	Per year/per account
Liquidation fee	\$125	Per account
NFS Brokerage Access SM Asset Management Account	\$0	Per year
NFS Brokerage Access SM Asset Management Account without a debit card	\$0	Per year/per account
NFS Premier Access Cash Management Account	\$200	Per year/per account
NFS Premier Access Cash Management Account with VISA Premier Rewards debit card	\$200	Per year/per account
NFS Standard Brokerage Account	\$0	Per year/per account
Cash management Capable (ACH + bill pay)	\$20	Per year/per account
Add debit card	\$10	Per year/per account
Add checkbook	\$10	Per year/per account
Stop payments	\$30	Per event
Custody/Registration/Transfer		
Bounced checks	\$30	Per event
Full transfer of account delivery (ACAT exit fee)	\$100	Per event
Legal return	\$150	Per event
Legal transfer	\$300	Per event
Mailgrams	\$10	Per event
Physical Reorganization	\$300	Per event
Safekeeping (deposit, custody & withdrawal)	\$30	Per month/per certificate
Transfer & ship (DRS eligible)	\$30	Per event
Transfer & ship (non-DRS eligible)	\$1,000	Per event
Wire fee	\$15	Per event
Investment specific		
Alternative Investments transfers/re-registration	\$50	Per event
Annual custody & valuation ²		
Registered products	\$35	Per event
Non-registered products	\$125	Per event
Trade & margin extension	\$24	Per event
FEES BILL TO THE REGISTERED REPRESENTATIVE⁶		
CLEARING SERVICES	FEE AMOUNT ¹	FREQUENCY
PRODUCTS		
Equities		
Equities and Exchange traded funds	\$25	Per ticket
Exchange traded REITs	\$25	Per ticket
Foreign exchange		
With NFS	\$25	Per ticket
Away from NFS	\$65	Per ticket
Fixed Income		
Government securities	\$25	Per ticket
International fixed income	\$25	Per ticket
Listed corporate bonds	\$25	Per ticket
Money market instruments / Certificate of Deposit	\$25	Per ticket
Mortgage-backed securities	\$25	Per ticket
Municipal bonds	\$25	Per ticket
OTC corporate bonds	\$25	Per ticket
Precious metals	\$90	Per ticket
Unit investment trusts (UITs)	\$35	Per ticket
Zero coupon bonds	\$25	Per ticket
FEES BILL TO THE REGISTERED REPRESENTATIVE⁶		
CLEARING SERVICES	FEE AMOUNT ¹	FREQUENCY
PRODUCTS		
Mutual Funds (load and no-loaded funds)		
Buys/sells	\$25.00	Per ticket

Exchanges (both sides)	\$9.00	
Systematic investments & withdrawals	\$5.00	Per ticket
Options		
ADR arbitrage processing fee	\$65.00	Per event
ADR agent bank creation/cancellation fee	Varies by event	Per event
Alternative investments	\$50.00	Per ticket
Cancel and correct fees	\$10.00	Per event
Cancel and correct fees - foreign settlements	Varies by event	Per foreign settlement
Non-fund service & physical load mutual fund certificates	\$45.00	Per position
Option exercise and assignment transactions per notification	\$30.00	Per notification
Up to \$1 premium	\$25.00	Per contract
\$1 premium & greater	\$25.00	Per contract
Execution Fees (minimum \$0.50, maximum \$5.00)		
Bonds - executed on an exchange	\$1.25	Per bond
Equities	\$1.00	Per ticket
Options	\$1.50	Per contract
UITs	\$30.00	Per ticket
All other market orders	\$0.015	Per share
All other orders	\$0.015	Per share

¹Plus any clearing execution fees. • ²The Annual Custody & Valuation fee is charged per CUSIP. Such Annual Custody & Valuation fees shall be capped at \$500 per Account per year. • ³The Annual custody fee is assessed on each account which holds a position, and for which there has been no trading activity during the prior calendar year. Fund PIPs/SWPs, Exchanges, NTFs as well as equity dividend reinvestments and margin interest are considered trading activity. Fees will be charged in January following the calendar year of no activity. • ⁴The pricing for Dividend Reinvestment events will not be effective until the capability is made generally available to clients. • ⁵In the event that the customer does not pay the Maintenance Fee by the last Friday in January following the year of the fee cycle, these charges will be passed directly to the registered representative. The Maintenance Fee referenced above shall be charged directly to the following accounts: All open accounts with greater than \$0.01 market value and all closed accounts in excess of \$35.00 market value. • ⁶Fees charged to registered representative and may be passed on to the client. • AEFS brokerage accounts are carried by National Financial Services (NFS).

AE Financial Services, LLC will bill the customer directly for the following services	AEFS Fee	Frequency
Full Transfer of Accounts Delivery (ACAT Exit Fee)	\$100.00	Per event
Wire Fee	\$15.00	Per event
Legal Transfer	\$300.00	Per event
Transfer & Ship (DRS Eligible)	\$30.00	Per event
Transfer & Ship (Non-DRS Eligible)	\$1,000.00	Per event
Trade & Margin Extension	\$24.00	Per event
Mailgrams	\$10.00	Per event
Physical Reorganization	\$300.00	Per event
Legal Return	\$150.00	Per event
Bounced Checks	\$30.00	Per event
Alternative Investments		
-Transfer / Re-registration	\$50.00	Per event
Annual Custody & Valuation ²		
-Registered Products	\$35.00	Per event
- Non-Registered Products	\$125.00	Per event
Stop Payments	\$30.00	Per event
Safekeeping (covers deposit, custody & withdrawal)	\$30.00	Per certificate per month
Annual Custody Fee ³	\$50.00	Per Account
Dividend Reinvestment ⁴	\$2.00	Per event
NFS Brokerage Access SM Asset Management Account	\$0.00	Per year
without Debit Card		
NFS Standard Brokerage Account –	\$0.00	Per year
Cash Management Capable (ACH + Bill Pay)	\$20.00	
- Add a debit card	\$10.00	
- Add a checkbook	\$10.00	
NFS Premier Access Cash Management Account	\$200.00	Per year
with Visa Premier Rewards Debit Card		

NFS IRA, Rollover IRA, Roth IRA, BDA IRA, SEP IRA, SIMPLE IRA prototypes (“Premiere Select IRA”):

Maintenance Fee⁵ \$35.00 per account, per year

Liquidation Fee \$125.00 per account


² The Annual Custody & Valuation fee is charged per CUSIP. Such Annual Custody & Valuation fees shall be capped at \$500 per Account per year.

³ The Annual Custody Fee is assessed on each account which holds a position, and for which there has been no trading activity during the prior calendar year. Fund PIPs/SWPs, Exchanges, NTFs as well as equity dividend reinvestments and margin interest are considered trading activity. Fee will be charged in January following the calendar year of no activity.

⁴ The pricing for Dividend Reinvestment events will not be effective until the capability is made generally available to clients.

⁵ In the event that the customer does not pay the Maintenance Fee by the last Friday in January following the year of the fee cycle, these charges will be passed directly to the registered representative. The Maintenance Fee referenced above shall be charged directly to the following accounts:

- All open accounts with greater than \$0.01 market value
- All closed accounts in excess of \$35.00 market value.

FACTS	WHAT DOES AE FINANCIAL SERVICES (“AEFS”) DO WITH YOUR PERSONAL INFORMATION?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and investment experience • Income and risk tolerance • Assets and account transactions 	
How?	All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons AEFS chooses to share; and whether you can limit this sharing.	

REASONS WE CAN SHARE YOUR PERSONAL INFORMATION	DOES AEFS SHARE?	CAN YOU LIMIT THIS SHARING?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes – to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don’t share
For our affiliates’ everyday business purposes – information about your transactions and experiences	Yes	No
For our affiliates’ everyday business purposes – information about your creditworthiness	No	We don’t share
For nonaffiliates to market to you – for clients with accounts established with an AEFS independent financial professional * If your independent financial professional terminates their relationship with us and moves to another brokerage firm, we or your independent financial professional may disclose your personal information to the new firm, unless you instruct us otherwise (as described below).	Yes*	Yes

TO LIMIT OUR SHARING	<ul style="list-style-type: none"> ▪ Call (866) 363-9595 and ask for the AEFS Operations Department, or ▪ Mail in the form provided at the end of this notice. <p>Please note: If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.</p>
QUESTIONS?	Call (866) 363-9595

✂ MAIL-IN FORM			
Mark if you want to limit: <input type="checkbox"/> Do not share my personal information with nonaffiliates to market their products and services to me.			
Name		Mail To: Attn: Operations AE Financial Services 2950 SW McClure Rd., Ste. B Topeka, KS 66614	
Address			
City, State, Zip			
Date of Birth			

WHAT WE DO	
How does AEFS protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does AEFS collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • Open an account or give us your contact information • Seek recommendations about your investments • Tell us about your investment or retirement portfolio or tell us about your investment or retirement earnings • Direct us to buy or sell your securities <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account.

DEFINITIONS	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Our affiliates include companies such as Advisors Excel, LLC, AE Wealth Management, LLC, Madison Avenue Securities, LLC, and Impact Partnership Wealth, LLC.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Nonaffiliates we may share information with include an independent representative's new brokerage firm.</i>
Joint Marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • <i>AEFS doesn't jointly market.</i>

OTHER IMPORTANT INFORMATION	
Call Monitoring and Recording. If you communicate with us by telephone, we may monitor or record the call.	



When you submit a form to our custodian or instruct our custodian or investment sponsor to affix AE Financial Services ("AEFS," "we," "our," or "us") to your account, or by submitting new account forms to us to open an account, you agree that your relationship with AEFS will be governed by the terms, conditions, disclosures, and other information in this Customer Disclosure ("Agreement"). In addition, you agree to be bound by policies or other documents we provide to you, such as fee schedules, AEFS' Privacy Notice, etc. AEFS may amend this Agreement, change or alter its policies, or add or remove service offerings in its sole discretion.

You should read this and other documents we provide to you carefully and retain them for future reference. If you do not understand any of the terms, conditions, or disclosures in this Agreement, please contact us or seek the advice of your attorney.

The terms "Account Owner," "you," and "your" refer to the owner(s) indicated on the account at the custodian or investment sponsor. For joint accounts, these terms refer to all owners, collectively and individually. For accounts owned by entities, such as trust or business accounts, these terms refer both to the entity and to all account holders.

THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE LOCATED ON PAGE 9, SECTION 11.

1. INTRODUCTION

Applicability

This Agreement will govern your relationship with us in connection with securities or products purchased or sold by AEFS on your behalf. This Agreement will not govern any transactions that are not made by AEFS.

Your Commitment to Us

Many of these commitments are spelled out more completely on the following pages, but in general, when you engage with AEFS you agree to the following:

- to accept full responsibility for the content and accuracy of all authorized instructions placed on your account, and for all results and consequences of these instructions; this includes all investment decisions and trading orders, and all instructions placed by you or any other person you authorize
- to pay all fees, charges, and expenses incurred in your account
- to maintain enough assets in your account to satisfy all obligations as they become due, and to authorize us to take whatever steps we may consider to let us verify the information you provide and obtain credit reports and other credit-related information about you at any time, such as payment and employment information (for any purpose)
- to resolve disputes concerning your relationship with us (other than class actions) through arbitration rather than in a court of law
- to understand that, whenever you invest in, or exchange into, any mutual fund (including any fund chosen for your core account), you are responsible for reading that fund's prospectus, including its description of the fund, the fund's fees and charges, and the operation of the fund
- to provide accurate and complete information on our forms and for submitting any additional information that AEFS requires
- to notify us in writing any time there is a material change in your financial circumstances or investment objectives
- to comply with all applicable laws and regulations concerning trading in restricted securities and securities of issuers of whom you are an affiliate
- to be bound by these current and future terms and conditions
- to understand that we have the right to reject any transaction for any reason

How AEFS Works with Custodians and Investment Sponsors

AEFS retains a clearing and custodial partner on behalf of our customers for providing services and custody of certain accounts ("Custodian"). AEFS and Custodian are unaffiliated entities. Reference to Custodian is only applicable to the extent you choose to open and maintain an account through AEFS. Alternatively, we provide you with access to investment sponsors (mutual fund companies, insurance companies, etc.) that you would not otherwise have access to by investing directly, without AEFS or a similar broker/dealer facilitating these transactions. You may choose to open an account to be held at the Custodian, directly with the investment sponsor, or both.

Account Information

You are responsible for submitting accurate and complete information to us when establishing your account. If any of this information subsequently changes or becomes inaccurate, you are responsible for notifying AEFS immediately. For example, you are responsible for notifying us immediately if you revoke a representative's authority to act or inquire regarding your account or, if a joint owner on a jointly owned account dies.

You are responsible for ensuring your mailing address, email, phone number, and other contact information remain accurate and up to date.

Tax and Legal Advice

You are responsible for obtaining your own legal and tax advice as needed, and understand that AEFS does not, and will not, provide personalized legal or tax advice.

2. ACCOUNT FEATURES

You represent that you have read this Agreement and understand, authorize, and consent to us changing and/or submitting, per your request, any and all account features or characteristics related to your account to the applicable investment sponsor, if available.

You agree to hold us harmless for any actions taken in connection with or resulting from changing and/or submitting per your request any and all account features or characteristics related to your accounts.

Electronic Delivery

You authorize AEFS to deliver, and you agree to accept, all notices relating to this Agreement, including but not limited to amendments to this Agreement, all required regulatory notices and disclosures, as well as all other reports and correspondence from AEFS, via electronic mail. When using electronic delivery, AEFS will have completed all delivery requirements upon the forwarding of such document, disclosure, notice, and/or correspondence to your last provided email address. You may notify AEFS Support Team in writing at 2950 SW McClure Rd, Suite B, Topeka, KS 66614 or at aefs.support@ae-wm.com in the event you do not want electronic delivery of this information. You have the right to withdraw your consent to electronic delivery without the imposition of any fee or condition. Your consent to electronic delivery regarding AEFS notices, disclosures, and other information does not impact electronic delivery of entities other than AEFS including, but not limited to, account Custodian.

Statements

The Custodian or investment sponsor directly holding your investments should send a statement of account to your address of record or by electronic delivery:

- as per your instruction elected on the Custodian's or investment sponsor's account application or subscription documents and/or industry requirements
- for any month when you have trading or cash management activity

Your account statements will show all activity in your account for the stated period, including securities transactions, cash and margin balances, credits and debits to your core account, and all fees paid directly from your account. They may also send confirmation for every securities transaction in your account.

Account Protection

Generally, the Securities Investor Protection Corporation ("SIPC") provides up to \$500,000 of protection to customers who hold cash and securities in an account at SIPC-member brokerage firms in the event the brokerage firm fails. The \$500,000 total amount of SIPC protection is inclusive of up to \$250,000 protection for claims for cash. For more details on SIPC coverage, or to request a SIPC brochure, visit www.sipc.org or call 202-371-8300.

Dividend Reinvestment

Reinvestment of dividends can commonly be an option for most accounts, including retirement accounts. If available, you can communicate these reinvestment elections directly with the investment sponsor or Custodian for your account or individual eligible securities in your account.

Trading or Disbursement Restrictions

AEFS is not required to accept any trade or funding and it may place trading, funding, disbursement, or other restrictions on certain requests or accounts. These restrictions could relate to or result from many factors, including, without limitation, court orders, tax levies, or garnishments; requests regarding securities or products subject to sanctions or similar restrictions imposed by a government agency or law enforcement authority; trade-related violations causing custodial or legal restrictions being placed on the account; notice of a dispute between account holders; if AEFS believes that in doing so will prevent fraud, financial exploitation, or abuse, or will protect vulnerable investors; or AEFS suspects that a violation of any law may or could occur without the restriction. AEFS has no obligation to facilitate the sale or transfer of any securities if it concludes that taking such action(s) is likely to violate applicable laws, regulations, orders, or similar restrictions.

Requests for Transactions or Orders

AEFS will accept orders when submitted to your AEFS Registered Representative. AEFS will not accept orders via email without an accompanied method of confirmation.

Changing or Canceling Orders

It may not be possible for you to cancel an order once you have placed it. If you attempt to cancel or change an order, AEFS will process your request on a best-efforts basis. If AEFS is unable to cancel or change your order, you will be bound to the terms of the original order.

3. ACCOUNT REGISTRATION

Certain account registrations have features you should be aware of as described below:

Joint Registration

With joint registration accounts, any obligations or liabilities resulting from one account owner's actions are joint and several (in other words, are the responsibility of each account owner, both individually and jointly). We may enforce this agreement against all account owners or against any owner individually.

Each owner of a joint account may act as if he or she were the sole owner of the account, with no further notice or approval necessary from any joint owner. In addition, when you are an account owner for a joint account, notice provided to a single account owner is effective notice to all account owners.

Authorization capabilities may vary at each investment sponsor. We are legally considered to have fulfilled an obligation to you and the account if we fulfill it with respect to just one account owner (for example, sending required communications to just one account owner).

We do not have any obligation to question or inquire as to the purpose or propriety of any instruction of a joint account owner that appears to be authentic, or to let other owners know about any changes an owner has made to the account, unless we have received written notice to the contrary, in good order, from another account owner. We reserve the

right to require, at any time, the written consent of all account owners before acting on an instruction from any one account owner, but we will use this right only at our own discretion and for our own protection.

Laws covering joint or community property vary by state. You are responsible for verifying that the joint registration you choose is valid in your state. You should consult your lawyer about this before establishing your account. The joint registration type you choose, such as rights of survivorship, tenants in common, and tenants by the entirety, may affect how ownership transfers upon a joint owner's death and may impose additional requirements on the surviving joint owner.

Transfer on Death Registration

Authorization capabilities may vary at each investment sponsor. With transfer on death ("TOD") registration, you designate a beneficiary or beneficiaries who will receive all monies, securities, or other assets held in your account at the time of your death (or upon the death of the last surviving account holder, if this is a joint account).

Each investment sponsor may have their own requirements as it relates to beneficiary changes.

Note that Per Stirpes designation rules may vary from state to state. It is your responsibility to consult with an estate-planning attorney to determine whether this designation is available and/or appropriate. It will be your responsibility to make these elections and confirm directly with the investment sponsor (if available) as to how this registration functions.

We will not advise you on whether TOD registration is appropriate for your tax or estate-planning purposes. Registering a securities account in TOD form is legal only in certain states, so it is important to consult your own legal or tax advisor before establishing or revoking a TOD registration.

Custodial Registration

For accounts opened under the Uniform Gifts/Transfers to Minors Acts, you, the account owner, are the custodian. By opening this type of account, you agree that all assets belong to the minor and that you will only use them for the minor's benefit — even after the assets have been removed from the account. It is your responsibility to confirm directly with the investment sponsor how this registration functions and permissions given to you as the custodian.

Retirement Plan Registration

The retirement plan's trustee is responsible for the administration of the retirement plan, including its obligations to follow the governing plan document. It is your responsibility to adhere to the investment sponsor's requirements as it relates to these types of account registrations.

We are not responsible for any tax filing on behalf of your plan or IRA. The plan trustee or IRA custodian will be responsible for additional reporting, tax filing, and disclosures required on this account. We do not perform any disclosures and/or filings on behalf of the plan.

For plan accounts, note that we, in our capacity as a broker/dealer firm, may not be providing all the necessary information required for your plan's trustee to complete these additional filings and disclosures. Each investment sponsor may request additional documentation directly from you.

4. INVESTMENT OBJECTIVES

For selecting investment objectives and their respective descriptions, please refer to your Custodian and/or investment sponsor's application and agreement. We cannot assure you that any given investment or strategy will achieve your investment objective.

5. POLICIES ON TRANSACTIONS

Credits to Your Account

It will be your responsibility to confirm with each investment sponsor as to what credit activity may take effect (if any) as

described in their prospectus and/or subscription agreement documents.

Debits to Your Account

It will be your responsibility to confirm with each investment sponsor as to what debit activity may take effect (if any) as described in their prospectus and/or subscription agreement documents.

Resolving Unpaid Debts or Other Obligations

As an account owner, you acknowledge that you are responsible for understanding the policies and practices of your Custodian as it relates to resolving unpaid debts or other obligations regarding your account(s). Please refer to your account agreement with your Custodian for additional information.

Transaction Settlement Deadlines

The Custodian and each investment sponsor may vary and/or have different timeframes as it relates to specific products and/or product types as to transaction settlement deadlines. You will need to ensure, unless notified to the contrary, all transactions are paid for by all associated settlement dates as outlined in your custodial account agreement or the prospectus and/or subscription documents. Your Custodian will take action to cancel or liquidate, at your risk, any transaction not settled in a timely way.

Bank Wires and EFT Transactions

Your Custodian and each investment sponsor may vary and/or have different methods as to how they may accept funding to specific products and/or product types and/or distribute funds from your accounts. You will need to ensure, unless notified to the contrary, all required funding methods related to payments or receipts are met as outlined in your account agreement or the prospectus and/or subscription documents for the specific investment sponsor.

Dividend Reinvestment

Each investment sponsor may vary and/or have different methods or eligibility requirements as to how dividend activity is executed as it relates to your directly held accounts. These elections are your responsibility upon each submission purchase and subsequent update to the accounts should such provisions be made available. It is your responsibility to make these elections through the information provided by the prospectus and/or subscription documents for the specific investment sponsor.

Optional Dividends

At times, certain investment sponsor that pay dividends may offer shareholders an opportunity to elect to receive stock or cash, or a combination of both. This is known as an "Optional Dividend." The investment sponsor may assign a default if no instruction is received. For example, the default option could be cash, stock, or a combination of both. You have the opportunity up until the applicable deadline to make an election to receive the payment of your choice. Please be advised, if you do not make an election prior to the deadline, your account will be assigned a default election based on the dividend reinvestment program instructions you established with respect to your account. This default election will be utilized in lieu of the investment sponsor's default option being applied to your account. Each investment sponsor may vary and/or have different methods or eligibility requirements as to how any optional dividend activity is executed as it relates to your directly held accounts. These elections are your responsibility upon each submission purchase and subsequent update to the accounts should such provisions be made available. It is your responsibility to make these elections through the information provided by the prospectus and/or subscription documents for the specific investment sponsor.

Potential Financial Exploitation

AEFS monitors activity in customer accounts. In the event that suspicious or irregular activities occur, AEFS may be required by State law to notify State authorities. AEFS may also put a hold on any transactions or disbursements in the account, pending further investigation of a legitimate purpose by AEFS and State authorities. As required by law, AEFS, your Custodian, and your investment sponsors will make a reasonable effort to gather the name of a trusted contact for you ("Trusted Contact") to use in a situation such as described here. Adding Trusted Contact information to your

account(s) does not authorize the Trusted Contact to give direction or direct trades on your account(s). Instead, it permits AEFS, or others you have provided Trusted Contact information to, to contact the Trusted Contact if we have questions or concerns about your health or welfare due to potential diminished capacity or financial exploitation or endangerment. You may change or remove this information at any time by contacting AEFS Compliance in writing at 2950 SW McClure Rd, Suite B, Topeka, KS 66614 or at (866) 363-9595.

6. MONITORING YOUR ACCOUNT

As an account owner, you are responsible for monitoring your account. This includes making sure that all transactions are accurate and that you are receiving confirmations, account statements, and any other expected communications. It also includes reviewing these documents to see that information about your account is accurate and contains nothing suspicious. You understand that we do not monitor your account for you and that you should work closely with your registered representative on account review and any associated maintenance issues.

So long as we, your registered representative, and/or the investment sponsor send communications to you at the physical or electronic address of record given on the application, or to any other address given to us, your registered representative, and/or the investment sponsor by an owner, the communications are legally presumed to have been delivered, whether you actually received them or not. In addition, confirmations are legally presumed to be accurate unless you specifically tell us, your registered representative, and/or the investment sponsor otherwise within five days of when the confirmations were sent to you or within ten days of when the account statements were sent to you.

If you have not received a communication you expected, or if you have a question or believe you have found an error in any communication from us, your registered representative, the Custodian, and/or the investment sponsor, telephone the appropriate individual(s) corresponding to the communication immediately, then follow up with written notice.

7. LIMITS OF RESPONSIBILITY

Although all entities that provide services to your account strive to ensure the quality and reliability of those services, we cannot be responsible for the availability, accuracy, timeliness, completeness, or security of any service related to your account.

You therefore agree that we are not responsible for any losses (meaning claims, damages, actions, demands, investment losses, or other losses, as well as any costs, charges, attorneys' fees, or other fees and expenses) that you incur as a result of conditions beyond our control or any agreement between us. This includes, for example:

- any action that is done in accordance with the procedures described in this Agreement, your custodial agreement, or an applicable mutual fund or securities prospectus or other investment description
- our acceptance and processing of any order you or an authorized person place in your account(s), regardless of the method by which you place the order, as long as the order reasonably appears to be authentic
- investment decisions or instructions placed in your account, or other such actions attributable to you or any authorized person
- occurrences related to governments or markets, such as restrictions, suspensions of trading, bank closures or bank regulatory, legal or other limitations or restrictions, or high market volatility or trading volumes
- uncontrollable circumstances in the world at large, such as wars, earthquakes, power outages, or unusual weather conditions
- occurrences related to computers and communications, such as a network or systems failure, a message interception, or an instance of unauthorized access or breach of security
- the storage and use of information about you and your account(s) by our systems and transmission of this information between you and us, including but not limited to consolidated account reporting; these activities occur entirely at your own risk
- telephone requests for money transfers, so long as we transmit the proceeds to you or the bank account number identified
- any checks or other debits to your account that are not honored because the account has insufficient funds

If any service failure is determined to be our responsibility, we will be liable only for whatever benefit you would have realized up to the time by which you should have notified us, as specified earlier in “Monitoring Your Account.”

8. INDEMNIFICATION

You agree to indemnify us from, and hold us harmless for, any losses (as defined in “Limits of Responsibility”) resulting from your actions or failures to act, whether intentional or not, including losses resulting from actions taken by third parties.

Beyond taking reasonable steps to verify the authenticity of instructions, we have no obligation to inquire into the purpose, wisdom, or propriety of any unsolicited instruction we receive.

9. ADDITIONAL TERMS CONCERNING THIS AGREEMENT

Applicability

This agreement is the only agreement between you and us concerning its subject matter. This agreement supersedes all prior agreements, representations, and understandings relating to the subject matter herein. This agreement covers all accounts held at an investment sponsor and at the Custodian that you, at whatever time, open, reopen, or have opened. In the case of any conflict between this agreement and an agreement for a particular service or feature, the service or feature agreement shall prevail.

Governing Laws and Policies

This agreement and its enforcement are governed by the laws of the State of Kansas, except with respect to its conflicts-of-law provisions.

All transactions made or processed through us are subject to the rules, guidelines, and customs of the Custodian or the marketplace where they are executed, and those of any investment sponsor facility we may use, as well as applicable state and federal laws and any of our trading policies and limitations that are in effect at the time.

Modification and Enforcement

We may amend this agreement at any time. This may include changing, dropping, or adding fees and policies, changing features and services or the entities that provide them, and limiting the usage or availability of any feature or service, within the limits of applicable laws and regulations. It is our policy to send notice to you of any material changes. Outside of changes originating in these ways, no provision of this agreement can be amended or waived except in writing by one of our authorized representatives.

We may transfer our interests to any of our successors and assigns, whether by merger, consolidation, or otherwise. You may not transfer your interests except with our prior written approval, or through inheritance, corporate dissolution, or similar circumstance, as allowed by law, in which case any rights and obligations in existence at the time will accrue to, and be binding on, your heirs, executors, administrators, successors, or assigns.

We may enforce this agreement against any and all account owners. Although we may not always enforce certain provisions of this agreement, both parties retain the full right to do so at any time.

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.

If for any reason (such as the termination of a contract between us) where your account is held directly at a investment sponsor, it may be restricted, and there may be new or different fees and commissions. Examples of restrictions include the ability to place sell orders only and the loss of electronic trading.

Termination

Regarding your account with the investment sponsor or Custodian, you can close your account, or terminate any optional feature, by notifying us in writing or calling us on a recorded line.

Either we or you can terminate the services that AEFS provides to you at any time, for any reason, by instructing the Custodian and/or investment sponsor to remove AEFS from your account. You can also terminate the services that AEFS provides to you by closing or transferring your account to another custodian.

Regardless of how or when your account is closed, you will remain responsible for all unpaid obligations of your account. This includes charges, debit items, or other transactions you initiated or authorized, whether arising before or after the termination of our services, as well as any fees incurred but not yet charged to your account. Payment for these obligations will be your responsibility.

Your account balance and certain uncashed checks issued from your account may be transferred to a state unclaimed property administrator if no activity occurs in the account or the check remains outstanding within the time period specified by the applicable state law.

10. NOTICES AND DISCLOSURES

Account Administration

FINRA Rule 4311 requires that we identify the various account administration functions that we and the Custodian each agree to perform. Below is a summary of this information; for a more complete description, contact us.

As your Broker/Dealer, we will:

- Open, approve, and monitor your brokerage account
- reviewing and approving direct business account applications
- transmitting accurate, timely instructions to the Custodian regarding your brokerage account or investment sponsors regarding your directly held accounts
- determining the suitability of any investment recommendations and advice
- operating your brokerage account and your direct business accounts in compliance with applicable laws and regulations
- maintaining proper books and records of all services we perform for you

At our direction, your Custodian will:

- execute, clear, and settle transactions that we process through them
- send you transaction confirmations and periodic brokerage account statements
- act as custodian for all funds and securities they receive on your behalf
- carry out our instructions regarding the transactions, and the receipt and delivery of securities, on your brokerage account(s)
- maintain proper books and records of all services they perform in connection with your account(s)

Note that the Custodian may not have verified certain pricing information that we or third parties provide to you. For more information on the allocation of services, speak with your registered representative.

Credit-Related Information

For the name and address of any credit reporting agency from whom we have obtained information about you, send a written request to us or the Custodian, as applicable.

Customer Identification Program Notice

To help the government fight financial crimes, Federal regulation requires us to obtain your name, date of birth, address, and a government-issued ID number before opening your account, and to verify and maintain the information. We will undertake this background due diligence upon account opening and reserve the right to conduct additional due

diligence for as long as your account(s) is open. In certain circumstances, we may obtain and verify comparable information for any person authorized to make transactions in an account. Also, Federal regulation requires us to obtain and verify the beneficial owners and control persons of legal entity customers. Requiring the disclosure of key individuals who own or control a legal entity helps law enforcement investigate and prosecute crimes. Your account may be restricted or closed if we cannot obtain and verify this information. We will not be responsible for any losses or damages (including, but not limited to, lost opportunities) that may result if your account is restricted or closed. We do not permit bearer-share entity accounts known to us on our platform. If it comes to our attention that an entity account has issued or is permitted to issue bearer shares, we will restrict the account to permit liquidations only.

11. PRE-DISPUTE ARBITRATION CLAUSE

This agreement contains a pre-dispute arbitration clause. Under this clause, which becomes binding on all parties when you sign your account application, you and AEFS agree as follows:

- A. All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- B. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- C. The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.
- D. The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- 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.

All controversies that may arise regarding this agreement and the respective services concerning any subject matter, issue, or circumstance whatsoever (including, but not limited to, controversies concerning any account, order, distribution, rollover, advice interaction, or transaction, or the continuation, performance, interpretation, or breach of this Agreement or any other agreement between you and AEFS whether entered into or arising before, on, or after the date this account is opened) shall be determined by arbitration in accordance with the rules then prevailing of the Financial Industry Regulatory Authority (FINRA) or any United States securities self-regulatory organization or United States securities exchange of which the person, entity, or entities against whom the claim is made is a member, as such party may designate. If a United States self-regulatory organization or United States securities exchange is designated and those rules fail to be applied for any reason, then the party against whom a claim is made shall designate the prevailing rules of any other United States securities self-regulatory organization or United States securities exchange of which the person, entity or entities against whom the claim is made is a member. If you are the designating party and you do not notify us in writing of your designation within five (5) days after such failure or after you receive a written demand for arbitration, then you authorize us to make such designation on your behalf. The designation of the rules of a United States self-regulatory organization or United States securities exchange is not integral to the underlying agreement to arbitrate. You understand that judgment 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 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 customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.



**AE Financial Services, LLC (AEFS) Form CRS, Privacy Notice, Customer Agreement and Schedule of Fees
Acknowledgment Form**

With this letter, I/we acknowledge and confirm I/we have received the following documents. I/we have read and fully understand all the policies and terms provided in these documents.

1. AEFS Form CRS
2. AEFS Reg BI Disclosure
3. AEFS Expenses and Fees Disclosure
4. AEFS Privacy Notice

Printed Client Name

Client Signature

Date

Printed Client Name

Client Signature

Date