



**PRIVATE
CLIENT
SERVICES™**

MEMBER FINRA, SIPC
A Registered Investment Advisor

BROKERAGE ACCOUNT FEES AND COMPENSATION CHARGES DISCLOSURE

Introduction:

This disclosure document (this “Disclosure Document”) provides an overview of the fees and other compensation charged for or otherwise related to brokerage services provided by Private Client Services with respect to brokerage accounts held through Private Client Services (“Brokerage Account”).

This Disclosure Document should be read in conjunction with your client agreements and other account related documents, the product information (e.g., the prospectus and statement of additional information, descriptive brochure, offering memoranda) and similar documents for any products or securities purchased for or held in your Brokerage Account (collectively referred to as “Client Documents”). The Client Documents provide detailed information regarding services, fees, personnel, other business activities and financial industry affiliations, as well as potential conflicts of interest.

The following information reflects our current arrangements for services that may be provided to or offered to you in connection with your Brokerage Account at Private Client Services. The fees paid or received by Private Client Services in connection with your Brokerage Account are totally dependent on the transactions, services, and the securities and products purchased for or held in the account. To the extent that you receive services from Private Client Services that are outside of the scope of the services covered by this Disclosure Document, such as investment advisory or custody, please refer to the disclosure documents specifically relating to those services. For services and related fees and expenses associated with services provided by parties not affiliated with Private Client Services, please refer to the disclosure documents provided by those service providers or contact them directly.

Explanation of Services: Private Client Services makes available to you a wide variety of brokerage services. These services include execution of securities transactions such as mutual funds, exchange traded funds (“ETFs”), traded options, unit investment trusts (“UITs”), stocks, and fixed income securities. Private Client Services may further assist with account maintenance duties, including account set up and updating, client trading and processing journals, and other account maintenance-related services. These services may include certain sub-services that are not specifically stated. *For more information regarding brokerage services that Private Client Services makes available to you, please review your Client Account Documents.*

Explanation of Status/Capacity:

In providing the services contemplated under the Client Documents, Private Client Services operates solely in the capacity of a U.S. registered broker-dealer.

Securities and Advisory products and services offered through Private Client Services, Member FINRA, SIPC and a Registered Investment Advisor. Home Office located at 2225 Lexington Road, Louisville, KY 40206 (502) 451-0600

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Direct Compensation:

Pursuant to the Client Documents, the Brokerage Account is subject to several types of fees that may be charged to and deducted directly from the Brokerage Account. The amount shown below is the maximum fee amount that may be charged.

Account Fees:

Fee Type	Fee
Annual Account Maintenance Fee (IRA)	\$50.00 per year
Account Transfer Fees (ACAT)	\$75 per transfer (self-directed accounts)
Check Stop-Pay Fee or Insufficient Funds	\$30.00
Outgoing Fed Wire Fee	\$30.00 per domestic wire transfer
ACH Return Charge	\$30.00 per returned transaction
Safekeeping-Foreign	\$5.00
Safekeeping-Name	\$2.00
Security Transfer Fees	\$25.00
Account Termination Fee (IRA)	\$100.00

Commissions: Private Client Services may receive from the Brokerage Account transaction-based compensation in the form of commissions for effecting securities transactions (e.g., purchases and sales of stocks, bonds, ETF shares, mutual fund shares and traded options). The commission rates applicable to your Brokerage Account will vary by type of account and other factors (e.g., trading activity, type of security, transaction size, market and market conditions, overall relationship). Certain minimum commissions may apply. In all cases, the amount of commission charged on any particular trade will be disclosed on your trade confirmation or account statement.

Mutual Fund Sales Loads and Commissions: Private Client Services may receive sales loads and commissions for the purchase of certain mutual fund shares in the Brokerage Account. The rates of the sales loads and commissions, if applicable, are specified in the mutual fund's prospectus and statement of additional information (collectively referred to as the "prospectus"). *For more information regarding these fees, please refer to the mutual fund's prospectus.*

Indirect Compensation:

Mutual Fund Investments: Private Client Services may receive compensation from mutual funds and their affiliates in connection with client investments in shares of such mutual funds. The types of payments are:

- **12b-1 Fees/Selling Fees** – These fees are charged against the assets of the mutual fund on a continuing basis as compensation for providing certain distribution and shareholder services. These fees are described in the mutual fund's prospectus.
- **Shareholder Servicing Fees** – These fees are charged against the assets of the mutual fund on a continuing basis as compensation for providing certain shareholder services, such as maintaining call centers, keeping shareholder records and responding to shareholder requests. These fees are described in the mutual fund's prospectus as part of the fund's "other expenses".

Investments in Variable, Fixed and Immediate Annuities and Whole Life Insurance Policies: Private Client Services may receive compensation from and with respect to client investments in variable, fixed and immediate annuities as well as whole life insurance policies.

- ***Commissions:*** Each time an annuity is purchased through your Brokerage Account, Private Client Services is paid a commission by the provider. The commission amount for the initial purchase and subsequent payments to existing annuity contracts typically ranges from 1% to 6.25% of the purchase premium. In certain instances Private Client Services is paid an asset based commission which ranges from 0 to 1.25% of the annuity contract value in the second to tenth year the annuity contract is in force. Commissions on annuities vary by product type.
- ***Revenue Sharing:*** For each variable annuity product offered, Private Client Services seeks to collect from the provider a support fee, also known as revenue sharing. There is no revenue-sharing payment with respect to fixed or immediate annuities or whole life insurance policies. The revenue-sharing payments received in connection with variable annuity products are in addition to the mortality and expense risk charges, administrative fees, contract maintenance or annual fees, applicable contingent deferred sales charges and underlying subaccount expenses charged in connection with the annuity and disclosed in the prospectus. Revenue-sharing payments are paid out of the provider's revenues or profits. However, the provider's revenues or profits may in part be derived from product fees and expenses described in the prospectus. No portion of these revenue-sharing payments is made by means of brokerage commissions generated by the provider, the subaccount investment companies and/or their affiliates. Private Client Services receives separate revenue sharing fees charged at different rates from mutual fund families whose funds Private Client Services offers directly, which may include fund families whose products are offered within a provider's variable annuity subaccount, but not with respect to assets held within such subaccount. Currently, annuity providers pay revenue-sharing fees on variable annuity assets of up to 0.05% per year (\$5 per \$10,000), calculated quarterly, based upon the aggregate value of variable-annuity assets (including assets invested in fixed-rate accounts within variable annuities) invested in contracts for which CGMI is designated as the broker/dealer or agent of record, to the extent such contracts have been in force for more than one year. Providers may also pay an additional fee ranging up to 0.20% (\$20 per \$10,000) of the initial premium payments on new contracts or of subsequent premium payments to existing contracts. These fees are subject to change. This rate is subject to volume discounting (that is, as the number of assets increases, the basis-point charge for those assets will decrease).
- ***Whole Life Insurance:*** Each time a whole life insurance policy is purchased through your Brokerage Account, Private Client Services is paid a commission by the provider. The provider generally pays Private Client Services a commission which typically ranges from 90% to 114% of such insurance policy's first year premium payment, up to 6% of the second year's premium and up to 2.5% of the premium in subsequent years.

Additional disclosures regarding compensation that may be received by Private Client Services or related parties including sub-contractors:

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Private Client Services or a related party, including a sub-contractor, may receive other forms of compensation not disclosed above. Generally, these payments are not attributable to any individual account or client.

Pershing:

Private Client Services has retained Pershing, a non-Private Client Services related entity, to act as its clearing firm and to provide certain custody and clearing services as described in your Client Documents. These services, such as the execution and settlement of securities transactions, custody of securities and cash balances and certain account related activities (e.g., account statements, recordkeeping), are provided under a written Clearing Agreement between Pershing and Private Client Services. Private Client Services acts as introducing broker for your Brokerage Account. Pershing may receive revenue sharing and other payments for those assets held with Pershing.

The following chart shows transaction-based fees that may be paid to Pershing in connection with your Brokerage Account. The amount shown is the maximum fee amount that Private Client Services will pay Pershing. There may also be additional payments between Pershing and Private Client Services that are asset-based and not disclosed below.

Service/Transaction	Fee
Administrative/Maintenance Fee (IRA)	\$40.00
Account Transfer Fee (IRA non-ACAT)	\$40.00 maintenance fee + \$100.00 closing fee.
ACH return fees	\$30.00 per event
Account Statement (Paper)	\$1.00 per event
Confirmation Fee	\$1.00 per event
Tax Statement (Duplicate)	\$2.00 per event
Stop payment Fee	\$30.00 per event
Overnight mail fee - delivery Monday through Friday	\$20.00 per event
Overnight mail fee - weekend delivery	\$30.00 per event
Overnight mail fee (Foreign)	\$30.00 per event
Clearance Services for Equities, Options and Fixed Income	\$2.50 per transaction
Clearance Services for Mutual Funds and UITs	\$0.25 -\$2.50
Margin Extension	\$20.00 per event
COD Extension	\$10.00 per event
Inactive Account Fee*	\$ 25.00
Foreign Settlement Fee	Depends on market \$50.00 - \$75.00
Paper Delivery Surcharge for statements and confirms	\$1.00 per event
Foreign Safekeeping	\$5.00
Security Transfers (CRS, Legal, Restricted Legal etc.)	\$10.00 - \$60.00
Equity Dividend Reinvestment	\$1 per security, per investment
DWAC Delivery items	\$10.00
Securities Information Center (as Indirect Inquirer by Broker Dealer for any SIC activities)	\$200.00 per year
Books and Records Client Notification Fee	\$1.50 per notification

**Inactive accounts are defined as holding a security position for a calendar year January 1 – December 31 without generating a trade.*

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The following disclosures have been provided by Pershing for inclusion in this Disclosure Document:

Pershing Mutual Fund Fees: Pershing has entered into agreements with certain mutual fund companies that pay Pershing for performing certain services for the mutual fund. Pursuant to these agreements, Pershing receives fees for operational services from mutual funds in the form of networking or omnibus processing fees. The reimbursements are remitted to Pershing for its work on behalf of the funds. This work may include, but is not limited to, sub-accounting services, dividend calculation and posting, accounting, reconciliation, client confirmation and statement preparation and mailing and tax statement preparation and mailing. These reimbursements are based either on (a) a flat fee ranging from \$0 to \$20 per holding or (b) a percentage of assets that can range from 0 to 15 basis points for domestic funds and 0 to 30 basis points for offshore funds. For a listing of funds that pay Pershing networking or omnibus fees, please refer to www.Pershing.com/mutual_fund.htm. The mutual funds listed on this website are listed in order from highest to lowest paying mutual funds based on gross payments made to Pershing.

Pershing Money Fund and FDIC Insured Bank Product Fees: Pershing has entered into agreements with money market fund companies and FDIC-insured bank deposit products service providers. Pershing receives fees from money fund companies and service providers for making available money market funds and FDIC-insured bank deposit programs. A portion of Pershing's fees is applied against costs associated with providing services on behalf of the fund companies and service providers, which may include maintaining cash sweep systems, sub-accounting services, dividend and interest calculation and posting, accounting, reconciliation, client statement preparation and mailing, tax statement preparation and mailing, marketing and distribution related support, and other services. These fees are paid in accordance with an asset-based formula that can range from 0 to 100 basis points annually. For a listing of money funds and FDIC-insured bank products that pay Pershing these fees, please refer to www.pershing.com/money_fund.htm.

Pershing Annuity Fees: Pershing has entered into arrangements with insurance companies through which Pershing may receive servicing fees from certain insurance companies that participate in Pershing's annuity program. These one-time fees typically amount to between \$10 and \$17 per annuity contract. In addition, Pershing receives operational reimbursement fees from certain insurance companies for the services it provides, which may include, but are not limited to, posting, accounting reconciliation and client statement preparation and mailing. These fees typically amount to \$6 per year for annuity contracts. For a listing of the insurers that pay Pershing these fees, please refer to www.pershing.com/annuity_fees.htm.

Pershing Sponsorship Fees: Mutual fund companies, annuity companies, ETF providers, money market providers and other providers offering investment, business and technology products and services offer marketing support in the form of sponsorship fee payments to Pershing (or third parties at Pershing's direction) in connection with educational conferences, events, seminars, and workshops that Pershing offers to its broker-dealer or investment professional customers. These payments are made through arrangements with investment providers and may be for the expenses of educational materials or other conference-related expenses. Generally, the smallest level of sponsorship is \$5,000.00, and the level of sponsorship can increase depending on the opportunity. For a listing of companies that pay sponsorship fees to Pershing for events, please refer to www.pershing.com/event.

Pershing Payments for Order Flow: Pershing may receive compensation in connection with routing orders to the marketplace for execution, subject to its obligations to seek best execution. Such compensation may be

received from unaffiliated broker-dealers or from securities exchanges. In all cases, Pershing seeks best execution in routing orders. For a description of the compensation earned by Pershing in connection with routing orders, and Pershing's procedures in routing orders, please refer to Pershing's disclosure at www.orderrouting.com/orderrouting/HOME.

Pershing Float Income: From time to time, Pershing may obtain a financial benefit attributable to uninvested cash balances held in the Brokerage Account. These cash balances result from (1) cash awaiting investment and (2) cash pending distribution. This is because Pershing may invest these cash balances or use them to fund certain of its business activities, whereby Pershing keeps the difference between any interest paid and other costs incurred by it with respect to these cash balances and the interest or other income earned on its loans, investments and other assets. *For more information regarding float income, please refer to Pershing's disclosure at www.pershing.com/business_continuity.html#float_disclosure.*

Referral/Solicitor Fees:

If your account was referred to us by a third party, please refer to the applicable disclosure letter/document provided to you at the time of the referral for information regarding any fees that may have been paid by Private Client Services to the referring party.

The foregoing are the services, transactions and fees that may be offered to clients. Your Brokerage Account could be subject to fees not disclosed herein and you should refer to your Client Documents (or disclosure document provided by Private Client Services or other service provider) for information on any fee not specifically referenced herein.

If you have any questions concerning this Disclosure Document or the information provided to you concerning our brokerage services and compensation, or you need a copy of your Client Documents, please contact your Private Client Services representative.