



PRIVATE  
CLIENT  
SERVICES™

# **Operations Paperwork and Business Processing Resource Guide**

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This guide, in conjunction with the PCS Written Supervisory Procedures (WSP) and the PCS Registered Representative Manual (RRM), comprise policies, procedures and supervisory controls to assist with processing the types of business in which PCS engages. Operations coordinates revisions to this guide as necessary to meet new and changing regulatory obligations and as necessitated by business practice changes. PCS issues amendments via the PCS Newsletter and/or they are sent via email to those individuals affected by the amendment and posted to the firm’s website. Access the most recent version of this guide, the WSP and RRM via Advisor Resource Center on the PCS website.

# Operations Contact Information

## Trading / 502-992-1644

- NetX360 Trade Entry Support
  - How to enter equity, mutual fund and fixed income trades
  - Order types
  - Trade entry field questions
  - Systematic trades
- Execution Questions
  - Price disputes
  - Unexecuted orders
  - Ticket charges
- Trade Corrections
  - Commissions corrections
  - Account corrections
  - Solicited vs unsolicited
  - Account type
- Trade Entry
  - Out of office support
  - Technology disruption

## Operations / 502-992-1640

[operations@pcsbdd.net](mailto:operations@pcsbdd.net)

- Account Opening and Maintenance
  - Registration requirements
  - Paperwork requirements
  - Account updates
  - Broker dealer changes
- Asset Movement Support
  - How to request check, ACH, journal or fed fund wire
  - How to set up standing and periodic instructions
  - Deposit status
  - Transfer status
- Account Activity and Holdings
  - Activity questions
  - Fees and charges
  - Alternatives
  - Position quantities and values
  - Balance inquiries
- Services
  - Cost basis
  - Corestone check writing
  - Margin
  - E-delivery
  - NetXInvestor
  - Statements and confirmations

## Pershing Help Desk / 888-878-3142

- Netx360 Technical Support and Password Resets
  - Netx360 application and web version support
  - Netx360 functionality support



# Opening, Maintaining and Closing Accounts

*This section details the brokerage and direct new account opening process, updating account information, and the steps for closing accounts.*

## Opening a New Account

- The paperwork to establish an account can be emailed to [prd@pcsbd.net](mailto:prd@pcsbd.net). *Include in the subject line if a check or trade is pending.*
  - See Registration Requirements below for documents required by account type.
  - Suggested naming convention: Client Last Name.Client First Name.Registration Type.
    - A set naming convention will help during any future search/find request.
  - One set of account paperwork per paperwork packet.
- The paperwork should be signed off by your OSJ/Managing Principal (if applicable).
- Provide a copy of the PCS Customer Account Form and appropriate Client Fee Schedule (for brokerage accounts) to the client at the time of opening a new account.
- The Operations team will assign an account number upon receiving the PCS Customer Account Form and supporting documents.
- You may access the client account number via NetX360 by utilizing the Advanced Search option. This allows you to search a client's account by short name (client's last name), Social Security Number, or Tax ID.
- For Direct Accounts, once the account is approved by the Firm, your office forwards the PCS Change of Broker Dealer paperwork or vendor documents directly on to the sponsor for continued processing.

## Pershing Disclosure Statement and Welcome Letter

As our clearing firm, Pershing is required to disclose to all clients the details of the Clearing Agreement that Pershing has with each broker-dealer. The Pershing Disclosure Statement is mailed directly from Pershing to clients a few days after the account open date, regardless of when assets are received into the account. The disclosure explains the responsibilities of Private Client Services, the responsibilities of Pershing, the clear-through relationships, and certain credit and margin disclosures. Since every account (brokerage and direct) is assigned a Pershing account number, every client will receive this mailing.

## Registration Requirements

To decrease delays during paperwork processing, please utilize the following tables and hyperlinks, which outline the documents required to process each type of account.

### Pershing Brokerage Business Processing

Account Registration	Required Document(s)
<b>Individual Account</b>	PCS Customer Account Form
<b>Joint Tenants in Common Account</b>	PCS Customer Account Form Joint Account Agreement (required only if the clients would like the assets separated in a manner other than 50/50)
<b>Joint Tenants with Rights of Survivorship</b>	PCS Customer Account Form
<b>Custodial Account (UTMA/UGMA)</b>	PCS Customer Account Form (Minor is listed as Primary and Custodian listed as Secondary)
<b>529 Account</b>	PCS Customer Account Form (Owner/Custodian is listed as Primary and Beneficiary/Minor as Secondary) Pershing 529 Plan Account Application NOTE: the only 529 plans approved on the Pershing platform are CollegeAmerica (American Funds), John Hancock Freedom 529 Tomorrow's Scholar 529 If transferring in a 529, additional paperwork is required. Contact Operations for guidance.
<b>Guardian Account</b>	PCS Customer Account Form Copy of Court Document appointing Guardian
<b>Trust Account</b>	PCS Customer Account Form Pershing Trustee Certification of Investment Powers
<b>Corporate Account</b>	PCS Customer Account Form Pershing Corporate Resolution PCS Certification of Beneficial Owners
<b>Non-Corporate/Non-Profit Account</b>	PCS Customer Account Form Pershing Non-Corporate Resolution PCS Certification of Beneficial Owners
<b>Partnership Account</b>	PCS Customer Account Form Pershing Partnership Agreement PCS Certification of Beneficial Owners
<b>Transfer on Death Account</b>	PCS Customer Account Form Pershing Individual TOD Agreement or Joint TOD Agreement
<b>Estate Account</b>	PCS Customer Account Form Letters of Testamentary (dated within 60 days) Copy of Death Certificate
<b>Power of Attorney (POA)</b>	PCS Customer Account Form Copy of Power of Attorney Documents (dated within three years) PCS POA Affidavit (if POA Documents are older than three years)
<b>Traditional IRA</b>	PCS Customer Account Form Traditional IRA Adoption Agreement

Account Registration	Required Document(s)
<b>Roth IRA</b>	PCS Customer Account Form ROTH IRA Adoption Agreement
<b>SEP IRA</b>	PCS Customer Account Form Traditional IRA Adoption Agreement 5305 SEP Form (Employer must maintain a copy on file; does not need to be provided to Pershing)
<b>Prototype SEP IRA</b>	PCS Customer Account Form Traditional IRA Adoption Agreement SEP Prototype Adoption Agreement
<b>SAR-SEP IRA</b>	PCS Customer Account Form Traditional IRA Adoption Agreement SEP Prototype Adoption Agreement (must be established prior to December 31, 1996)
<b>SIMPLE IRA</b>	PCS Customer Account Form SIMPLE IRA Adoption Agreement 5304 SIMPLE Form
<b>Inherited IRA</b>	PCS Customer Account Form Inherited IRA Adoption Agreement Copy of Death Certificate
<b>Education IRA</b>	PCS Customer Account Form (Beneficiary/Minor is listed as Primary and Responsible Individual/Custodian listed as Secondary) Coverdell Education Savings Account Adoption Agreement
<b>403(b)</b>	PCS Customer Account Form 403(b) Adoption Agreement Information Sharing Agreement PCS Retirement Plan Certification of Authority
<b>Third Party Custodian QRP – Pershing is not doing the tax reporting (e.g. Defined Benefit Plan)</b>	PCS Customer Account Form Copy of Plan Documents or Pershing Trustee Certification Form PCS Retirement Plan Certification of Authority Application Addendum for ERISA 408(b)(2)
<b>DVP/COD</b>	PCS Customer Account Form (must indicate DVP or COD at the top of the CAF) Delivery Instructions
<b>Collateral Account</b>	PCS Customer Account Form (signed by the Bank & the Client) Copy of Collateral Agreement (signed by Bank & Client only) Corporate Resolution for the Bank PCS Certification of Beneficial Owners Pershing Trading Authorization/Power of Attorney and Indemnification Form (if the Client can act on the account)
<b>Individual(K)</b>	<p><b>Option (1):</b> Recordkeeping Services (Ascensus provides plan document support and maintenance in addition to Recordkeeping services) PCS Customer Account Form Individual(k) Kit</p> <ul style="list-style-type: none"> <li>• Standardized Adoption Agreement (Form A)</li> <li>• Individual(k) Designation of Beneficiary (Form B)</li> <li>• Recordkeeping Service Agreement (Form C)</li> <li>• Ascensus Recordkeeping Service Application (Form C1)</li> <li>• Document Compliance Services Contact Information Form (Form G)</li> </ul> <p>PCS Retirement Plan Certification of Authority Employee Data Worksheet Form D (For each additional participant in the plan, and if the client elected for ROTH deferrals) <b>OR</b></p> <p><b>Option (2):</b> Document Compliance Services (Ascensus provides plan document support and maintenance) PCS Customer Account Form</p>



Account Registration	Required Document(s)
	Individual(k) Kit <ul style="list-style-type: none"> <li>Standardized Adoption Agreement (Form A)</li> <li>Individual(k) Designation of Beneficiary (Form B)</li> <li>Document Compliance Services Contact Information Form (Form G)</li> </ul> PCS Retirement Plan Certification of Authority Employee Data Worksheet Form D (For each additional participant in the plan and if the client elected for ROTH deferrals)  *Individual(k) plan accounts should not be set up as pooled accounts. A separate account must be maintained for each participant. If the plan elects for ROTH deferrals, a second ROTH Individual(k) must be established (using the original documents submitted and an Employee Data Worksheet Form D).
<b>Pershing Qualified Plans</b>	
<b>*401(K) Plans</b>	PCS Customer Account Form 401(K) Plan Design Questionnaire Qualified Plan Designation of Beneficiary Form, if employee level PCS Retirement Plan Certification of Authority Application Addendum for ERISA 408(b)(2) Employee Data Worksheet (For each additional participant in the plan)
<b>*Money Purchase Pension Plan</b>	PCS Customer Account Form Money Purchase Pension Plan Design Questionnaire Qualified Plan Designation of Beneficiary Form, if employee level PCS Retirement Plan Certification of Authority Application Addendum for ERISA 408(b)(2) Employee Data Worksheet (For each additional participant in the plan)
<b>*Profit Sharing Plan</b>	PCS Customer Account Form Profit Sharing Plan Design Questionnaire Qualified Plan Designation of Beneficiary Form, if employee level PCS Retirement Plan Certification of Authority Application Addendum for ERISA 408(b)(2) Employee Data Worksheet (For each additional participant in the plan)

#### Additional Notes:

\* Pershing has partnered with Ascensus, who will prepare a custom plan establishment kit for 401(k), MPP, and PSPs. QRP plan sponsor clients will complete a new business plan design questionnaire to identify custom plan provisions. Once completed, the questionnaire is faxed or mailed directly to Ascensus, who will prepare a custom plan establishment kit. In addition to completing the signature ready documents from Ascensus, the PCS Customer Account Form, and QRP Designation of Beneficiary Form will need to be completed for each participant. All signed documents should be forwarded to the Operations team for processing.

#### Direct Business Processing

Direct Business is defined as any account held directly with the mutual fund company, 529 plan, annuity carrier, and alternative investment sponsor.

#### **Direct Broker Dealer Change Requests**

One PCS Customer Account Form per registration and fund company combination is required. For Direct Business, we also need one accompanying PCS Change of Broker Dealer Form and first page of the statement or registration page (dated within preceding 6 months). Supplemental forms may be required

based on registration type, in addition to the CAF and B/D Change form. The vendor may also require additional information or their own forms to be completed in order to process the B/D change.

A Mutual Fund Share Class Disclosure Form is not required on a B/D change.

### ***Initial or Additional Purchases Funded by Check or Transfer***

Please refer to the [Forms and Transaction Checklist](#) located in the Forms section within Advisor Resource Center on the PCS website for detailed documentation requirements by registration type. Be sure to review the Direct Business Details tab, as certain account registrations require additional documentation in addition to the PCS Customer Account Form and transaction related forms.

A Mutual Fund Share Class Disclosure Form is required when (a) certain new purchases are being made or (b) if there is an additional deposit into a 529 or mutual fund account containing C shares and the account value will exceed \$25k.

If the account value of the C shares, purchased at another B/D, is already at or above \$25k, this disclosure is not required as the purchases did not happen under PCS. If there will be an additional deposit into the account that will cause the C shares to grow in value, the form and FINRA expense analyzer is required.

- FINRA Mutual Fund Expense Analyzer link: [https://tools.finra.org/fund\\_analyzer/](https://tools.finra.org/fund_analyzer/)
- FINRA 529 Plan Expense Analyzer link: [https://tools.finra.org/529\\_calculator/main](https://tools.finra.org/529_calculator/main)

## **Office Ranges**

All account numbers are established with a 3-digit alphanumeric prefix, known as the Office Range, which defines program or account types as summarized below.

Non-Advisory		
Brokerage Accounts	<input type="checkbox"/> RKF or TKF – Retail Accounts	<input type="checkbox"/> JSM or JSN - Retirement Accounts
	<input type="checkbox"/> RKF or TKF - 9 (Retail Employee Affiliated Accounts)	<input type="checkbox"/> JSM or JSN - 9 (Retirement Employee Affiliated Accounts)
Shell/Direct Accounts		
All Direct Accounts	JRZ - 0 through 4 - Retail Accounts	
	JRZ - 5 through 8 - Retirement Accounts	
	JRZ - 9 - Employee Affiliated Accounts	
Advisory Programs		
Legacy AAA Program	<input type="checkbox"/> JPU - Retail Accounts	<input type="checkbox"/> JSQ - Retirement Accounts
	<input type="checkbox"/> JPU – 9 (Retail Employee Affiliated Accounts)	<input type="checkbox"/> JSQ - 9 (Retirement Employee Affiliated Accounts)
AAA Program	<input type="checkbox"/> RM1 - Retail Accounts	<input type="checkbox"/> RM2 - Retirement Accounts
	<input type="checkbox"/> RM1 – 9 (Retail Employee Affiliated Accounts)	<input type="checkbox"/> RM2 - 9 (Retirement Employee Affiliated Accounts)
Plus Program	<input type="checkbox"/> RM3 - Retail Accounts	<input type="checkbox"/> RM4 - Retirement Accounts
	<input type="checkbox"/> RM3 - 9 (Retail Employee Affiliated Accounts)	<input type="checkbox"/> RM4 – 9 (Retirement Employee Affiliated Accounts)

## **Finding a Client's Account Number**

After the Home Office has established the account, numbers for new accounts are obtained on-line via Pershing's NetX360 platform. To obtain your client's new account number, follow the steps below:

- Log into NetX360
- Click on the **Advanced Search** link within the gray banner on top of the screen.

- You may narrow your search by typing the Office# and IP# in the Search Criteria.
  - Office# or OFF# represents the account number prefix
  - IP# represents the Pershing 3-digit rep code
- You can search by Short Name (Client's last name), Social Security Number, or Tax ID Number.
- Enter at least one criterion and click **Search**. This will return results with all accounts associated with that information.

**Search Criteria :**

Office# : ALL IP# : ALL

**Enter at least one criterion below**

☒ Short Name : SMITH
 ☐ Tax ID # : 
 ☐ Account Mnemonic :

☐ SEC Compliant Short Name : 
 ☐ SSN : 
 ☐ Master Mnemonic :

Search

**Please note:** In order to search for accounts, your NetX360 ID must have access to the Representative Number for the account(s) you wish to search. If you need additional Representative Numbers added to your User ID, please contact the Operations Team at [Operations@pcsbd.net](mailto:Operations@pcsbd.net).

## Updating Account Information

Please reference the below chart for procedures on various account information updates. If a new account is being established, all account features will need to be repapered (Corestone, ACH, e-delivery, etc.).

Type of Update	Procedure
Change of Address	<ul style="list-style-type: none"> <li>Subsequent address changes to an existing account(s) do not require the Representative to obtain the customer(s) signature.</li> <li>The update must be verbally received by the Representative from the client and submitted on the Change of Address Form OR by completing and signing an updated PCS Customer Account Form.</li> <li>Verify if the client has check writing on the account. If so, request PCS to have the address updated on the checks. PCS will not reorder checks unless specifically asked (as there is a cost to reorders).</li> </ul>
	<p><b><u>If changing state of residence:</u></b></p> <ul style="list-style-type: none"> <li>The Representative must be licensed in the new state prior to soliciting transactions with the client. If the Representative is not licensed in the new state of the client, the Representative will need to work with Licensing/Registration.</li> <li>If you are changing the address on an IRA account that is set up with a systematic IRA distribution, please be sure to verify that the state code on the account's legal address matches the state code listed for state-tax withholding purposes on the IRA Distribution Form. Changing the legal address on an IRA account does not automatically change the state-tax withholding instructions on the systematic IRA distribution. An updated IRA Distribution Request Form is required to update any state-tax withholding instruction.</li> </ul>
	<ul style="list-style-type: none"> <li>Updated PCS Customer Account Form with new Custodian's signature</li> <li>Letter from the resigning custodian</li> <li>Letter from the accepting custodian (must include relationship)</li> </ul>

Type of Update	Procedure
<b>Voluntary Change of Custodian</b>	<ul style="list-style-type: none"> <li>• Court documents (if minor is under 14 and a parent is not taking custodianship or parent is incapable of acting)</li> <li>• Letter from the child naming the new custodian (if the minor is over 14 and a parent is not taking custodianship)</li> <li>• Proof of minor's age (birth certificate, passport, driver's license)</li> </ul>
<b>Change of Custodian due to Death</b>	<ul style="list-style-type: none"> <li>• Updated PCS Customer Account Form with new Custodian's signature</li> <li>• Copy of Death Certificate</li> <li>• Letter from the accepting custodian (must include relationship)</li> <li>• Court documents (if minor is under 14 and a parent is not taking custodianship or parent is incapable of acting)</li> <li>• Letter from the child naming the new custodian (if the minor is over 14 and a parent is not taking custodianship)</li> <li>• Proof of minor's age (birth certificate, passport, driver's license)</li> </ul>
<b>Change of Registration due to minor coming of age</b>	<ul style="list-style-type: none"> <li>• Updated PCS Customer Account Form (reflecting as an individual registration for the former minor)</li> <li>• A letter from the custodian, authorizing or directing the registration change from Custodial to Individual due to the age of the once minor child (i.e. "Please remove myself as custodian as Jack is of legal age.")</li> </ul>
<b>Change of Trustee due to Death/Resignation</b>	<p><b><u>SSN/TIN is Changing for Trust Update</u></b></p> <ul style="list-style-type: none"> <li>• If the grantor passes and the account is listed under the grantor's social security number, the trust would need to open a new account under a TIN.</li> <li>• Document Requirements:</li> <li>• PCS Customer Account Form</li> <li>• Trustee Certification Form</li> <li>• Full Trust Document and any amendments</li> <li>• Copy of Death Certificate of deceased trustee or Letter of Resignation signed by resigning trustee</li> <li>• Journal Request Form, requesting the movement of assets to the new trust account signed by the successor trustee(s)</li> </ul> <p><b><u>SSN/TIN is not changing for Trust Update</u></b></p> <ul style="list-style-type: none"> <li>• Account number stays the same</li> <li>• Document Requirements: <ul style="list-style-type: none"> <li>○ Updated PCS Customer Account Form</li> <li>○ Updated Trustee Certification of Investment Powers</li> <li>○ Full Trust Documents and any amendments</li> <li>○ Copy of Death Certificate of deceased trustee or Letter of Resignation signed by resigning trustee</li> </ul> </li> </ul>
<b>Individual Account to a Joint Account or Joint Account to an Individual Account</b>	<p><b><u>Individual Account to Joint Account</u></b></p> <ul style="list-style-type: none"> <li>• A new account will need to be established</li> <li>• Document Requirements: <ul style="list-style-type: none"> <li>○ PCS Customer Account Form</li> <li>○ Journal Request Form – requesting the movement of assets from the individual account to the new joint account signed by all parties on the delivering account</li> </ul> </li> </ul> <p><b><u>Joint to Individual Account</u></b></p> <ul style="list-style-type: none"> <li>• A new account will need to be established</li> <li>• Document Requirements: <ul style="list-style-type: none"> <li>○ PCS Customer Account Form</li> <li>○ Journal Request Form – requesting the movement of assets from the joint account to the new individual account signed by all parties on the delivering account</li> </ul> </li> </ul>

Type of Update	Procedure
	<ul style="list-style-type: none"> <li>○ A copy of a Death Certificate if this update is due to the death of a previous account owner</li> </ul>
<b>Individual Account/Joint Account – adding or removing Transfer on Death Agreement (TOD)</b>	<p><b><u>Adding TOD to an account</u></b></p> <ul style="list-style-type: none"> <li>• Upon receipt of the signed Individual or Joint Pershing TOD agreement, the account registration will be updated to reflect TOD and the dated date of the agreement.</li> </ul> <p><b><u>Removing TOD from an account</u></b></p> <ul style="list-style-type: none"> <li>• Upon receipt of a blank TOD agreement signed by the client(s) or a signed letter of instruction we will be able to update the registration to Individual or Joint, thus removing the TOD designation.</li> </ul>
<b>Name Change Due to Marriage</b>	<ul style="list-style-type: none"> <li>• Updated PCS Customer Account Form</li> <li>• Copy of the marriage certificate with current and new last name</li> <li>• If the account is an IRA, the corresponding IRA Adoption Agreement is also required. <ul style="list-style-type: none"> <li>○ This will update the marital status, name, and relationship of beneficiaries</li> <li>○ This is important especially for spousal states (AZ, CA, ID, LA, NV, NM, TX, WA, and WI).</li> <li>○ If the client is living in a spousal state and is not married, they can name children, other individuals, and entities as their 100% primary beneficiary.</li> <li>○ When the client gets married, the marital status changes who they can name and whether it requires spousal consent.</li> <li>○ Spousal consent is required when a client is naming a beneficiary that is not 100% the spouse.</li> </ul> </li> </ul>
<b>Name Change Due to Divorce</b>	<ul style="list-style-type: none"> <li>• Updated PCS Customer Account Form</li> <li>• Copy of the divorce decree containing: <ul style="list-style-type: none"> <li>○ Signatures</li> <li>○ Statement that the client may resume maiden or former name</li> </ul> </li> <li>• If the account is an IRA, the corresponding IRA Adoption Agreement is required</li> <li>• This will update the marital status, name, and the relationship of beneficiaries</li> </ul>
<b>Phone Number Update</b>	<ul style="list-style-type: none"> <li>• An email from the Representative is acceptable</li> </ul>
<b>Representative Number Change</b>	<ul style="list-style-type: none"> <li>• The Representative completes and submits the Representative Change Request Form</li> </ul>
<b>Social Security Number Update (minor update when a discrepancy is found)</b>	<ul style="list-style-type: none"> <li>• Updated PCS Customer Account Form or W-9 Form</li> <li>• Updated corresponding Adoption Agreement (if applicable)</li> </ul>
<b>Individual Account to Collateral Account</b>	<ul style="list-style-type: none"> <li>• A new account is created</li> <li>• PCS Customer Account Form signed by the client and a representative from the Bank</li> <li>• Copy of the Bank's corporate resolution</li> <li>• PCS Certification of Beneficial Owners</li> <li>• Copy of the Collateral Agreement signed between the client and the Bank (neither PCS nor the Representative sign into this agreement)</li> <li>• Journal Request Form signed by the client requesting the movement of assets between the Individual account and the new Collateral account</li> </ul>

## Closing Accounts

- To close a Pershing brokerage account, a Representative must email the Operations team at [Operation@pcsb.net](mailto:Operation@pcsb.net).
  - NOTE: Annuity-only brokerage accounts MUST be closed at Pershing prior the close at the annuity company, otherwise the account will be subject to brokerage fees.
- Representatives should work directly with the vendor to close Direct accounts. Once the account at the vendor has been closed, an email to the Operations team should be sent to close the corresponding JRZ account number.

## Reopening a Closed Account

Most closed Pershing accounts can be reopened if they have been closed for under one year.

To view Account Status, within NetX360, pull up the client workbook, access the client's Profile tab, then click on Dates & Docs.

<b>View:</b> <a href="#">General</a>   <a href="#">Participants/Beneficiaries</a>   <a href="#">Acct Settings</a>   <a href="#">Cash Mgmt</a>   <a href="#">Tax Details</a>   <a href="#">Standing Instructions</a>   <a href="#">Periodic Instructions</a>   <a href="#">Optional Dividend SI</a>   <a href="#">Dates &amp; Docs</a>   <a href="#">Relationships</a>   <a href="#">Statement Settings</a>   <a href="#">Equifax Reports</a>   <a href="#">Online Access &amp; eDelivery</a>   <a href="#">Abandoned Property Profile</a>	
Account Status	
Event	▲ Event Date
Account Opened	05/11/2010
Account Closed	01/23/2020
Last Updated	01/24/2020

- If the account has been closed for over one year, a new account will need to be established and new paperwork received.
- Ancillary services such as Standing Instructions, Periodic Instructions, etc. will need to be reestablished with new documentation.
- Managed Accounts and Pershing Qualified Retirement Plans (401k, MPP, PSP, Individual/Solo K) can not be reopened.
- If a non-managed account was closed via a full outgoing transfer request within the last six months, a rescind letter will be required to be completed by the client to ensure the residual sweep is turned off.

To reopen an account, please email the Operations Department at [Operations@pcsb.net](mailto:Operations@pcsb.net).

## SECTION 2

# Account Features and Client Services

*This section details the various optional features and services available for brokerage accounts.*

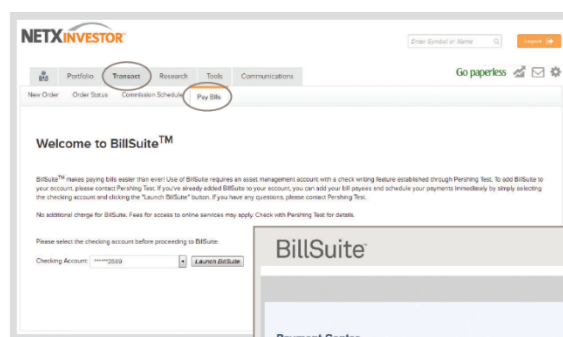
## BillSuite

BillSuite, Pershing's online bill payment tool is available to any client using Pershing's Corestone program. There is no additional fee for the BillSuite program. BillSuite is accessed via NetXInvestor. This service will enable your clients to view, pay, and manage their bills online 24/7.

### Features:

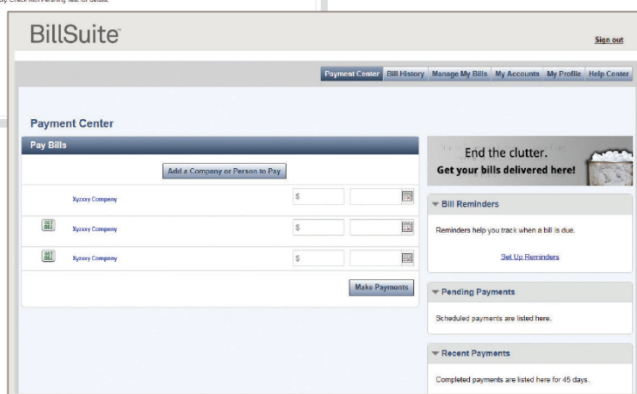
- Intuitive dashboard interface
- Email notifications for upcoming and past due bills
- Automatic payment set-up
- Historical payment reports based on payee, category, payment date or amount paid
- Secured, online storage of bills
- 24/7 client support available **(1-800-547-7008)**

### Launching BillSuite is Easy



Pay Bills page.  
Within NetXInvestor, navigate to the "Transact" tab and select Pay Bills.

Main BillSuite page.  
The intuitive dashboard provides the flexibility to make one-time or set up recurring payments.





## Portfolio Evaluation Service (PES)

Pershing has developed a cost basis tracking system called Portfolio Evaluation Service (PES). PES provides complete tax lot accounting for all currently held positions designed to enable you to manage your accounts more effectively. With PES, tax lot information is presented in a way that makes it easy for you to identify profit and loss situations, while assisting clients in tracking their current and potential liabilities.

Basic PES cost basis tracking is currently turned on for all accounts regardless of registration. There is no cost for this service.

### Enter Cost Basis

You can enter cost basis information for positions that are missing information (unallocated or partially allocated).

- 1) In **NetX360**, load the client account and navigate to the **Holdings** tab to display **Positions**.
- 2) Click **Gains/Losses**.
- 3) Click the magnifying glass icon below **Holdings**. Available filters for the page display.
- 4) In the **View** field, select **Cost Basis Maintenance** and click **Display**. The **Cost Basis Maintenance** page displays.

VALUE IN UNIT COST/PRICE COLUMN	DESCRIPTION
<b>Provide (link)</b>	No cost basis information has been provided. The Unalloc Quantity column indicates the number of shares for which cost basis information is needed. Click the Provide link to enter cost basis information.
<b>Partial (link)</b>	Partial cost basis information has been provided. The Alloc Quantity column indicates the number of shares for which cost basis information has been provided, and the Unalloc Quantity column indicates the numbers of shares for which cost basis information is needed. Click the Partial link to enter the additional cost basis information.
<b>Unit cost (link)</b>	Complete cost basis information has been provided. Click the unit cost link to modify cost basis information.

- 5) Click the Provide or Partial link for the desired position. The Cost Basis Allocations page displays.
- 6) Enter or modify values in the fields on this page as follows:

FIELD	ENTER OR SELECT
<b>Purchase Date</b>	Date when the security was purchased, in mm/dd/yyyy format
<b>Quantity</b>	Purchase quantity
<b>Cost</b>	Total cost to purchase this tax lot, including fees and commissions

- 7) Repeat Step 6 as needed for additional tax lot. You can enter information for up to 50 tax lots on this page. If you need to enter information for more than 50 tax lots, click Add More Allocations.
- 8) When finished entering information. Click Save.

NOTE: Cost basis information for covered tax lots is not available for updates.

## Margin

### Suitability Requirements for Margin Capabilities

- Accounts must meet the following suitability parameters in order to qualify for margin capabilities for Pershing LLC brokerage accounts. The following parameters also apply to any Corestone account that would like to have margin privileges.



- The Annual Income of the account holder must be at \$50,000 or more.
- The Liquid Net Worth of the account holder must be at \$50,000 or more.
- The Primary Investment Objective for the account must be either Growth or Aggressive Growth.
- The Risk Tolerance for the account must be Moderate or higher.
- The account holder must have at least three years of Investment Experience.

### Establishing Margin Privileges

- Submit a completed Margin Agreement to the Operations team for processing. Please be advised of the following when submitting Margin Agreements:
  - All account holders are required to sign.
  - An IRA or other qualified plan account may not be placed on margin.
  - Mutual Fund shares must be held for more than 30 days prior to being moved to margin.
- Representatives are required to present each margin client with a copy of the Margin Disclosure Statement at the time the Margin Agreement is signed.

### Canceling Margin Capabilities

- Submit a signed letter of instruction to the Operations team. Processing time is 24-48 hours to cancel the Agreement. Clients are responsible for covering any remaining debit balances when closing margin accounts. If, at a later date, the client wishes to reestablish Margin capabilities, a new Margin Agreement form is required.

### Moving Securities between Margin and Cash

- Once the signed Margin Agreement has been received and approved by the Home Office, the Representative may go into the account and move positions between Cash and Margin.
- Within the Balances screen in NetX360, choose the **Move Assets Within an Account** button.

**Move Assets Between Accounts** **Move Assets Within an Account** **Fed Fund Request**

\* Annuity values may fluctuate between 4AM (ET) and 8AM (ET) while data sources make updates. Additionally, display  
 \* Negative Balance indicates a Debit Balance to the customer and Positive Balance indicates a Credit Balance to the cu  
 \* Positions are priced as of the last trade. If an equity security has not traded today, the price information is based on 1

Enter Symbols/Security IDs to Move:

Enter up to 5 Symbols/Security IDs separated by comma; enter 'funds' or 'cash' for moving Cash Mgmt/cash  
 - OR - Select Cash/Positions From Holdings listed below

Select up to 30 assets & specify move quantities/amounts

Description	Symbol/ Security ID	Holding Qty	Move Qty Available	Move Qty/Amt	Prev Close Price	Memo	Delivering Acct Type	Receiving Acct Type
<input type="checkbox"/> Funds	----	----	----	\$ <input type="text"/>	----			
<b>Holdings</b>								
BP MIDSTREAM PARTNERS LP								

Dropdown menu options: CASH TO MARGIN, **MARGIN TO CASH**, CASH TO SHORT

- The holdings and quantities should be chosen.
- Click Review Before Sending
- Click Submit

### Transferring in Margin Accounts

- For accounts requesting margin capabilities that are transferring into PCS with a debit balance, a signed Margin Agreement must be on file prior to the transfer being received. Any account transferring with a debit balance that does not have a Margin Agreement on file will be rejected automatically. The PCS Operations team will notify Representatives of any rejected transfers and request that the transfer be resubmitted to PCS upon the receipt and approval of the signed Margin Agreement. A margin account transferring into PCS will need to meet the suitability requirements in order to be approved for margin capabilities.

## **Options**

### **Establishing Option Trading**

- For a Representative to be authorized to trade options for client accounts, he/she would first need to complete the PCS Representative Options Trading Request Form. The form would be forwarded to the Home Office and would be reviewed and approved by the Firm's Options Principal.
- The Representative would then need to complete either a Basic Option CE module, or an Advanced Option CE module, depending on the level of option trading for which they want approval. A CE module will need to be completed annually thereafter.
- Once approved, a Pershing Option Agreement would need to be completed for each client account that is requesting Option trading. Signatures of all account holders and Representatives are required.
- PCS follow's Pershing's protocol for option approval levels:
  - Covered Calls Only
  - Covered Calls and Married Puts
  - Long Contracts
  - Spread Orders (exception basis only)
- Certain restrictions include:
  - IRA and UTMA/UGMA accounts limited to covered Calls and Married Puts
  - Only equity and index contracts are permitted
  - The number of long contracts is restricted based on rep and client experience and account value.

### **Transferring in Options**

For option accounts and positions that are transferring in via ACAT, a new Option Agreement must be received within 10 business days. Option accounts without an option agreement on file will only be allowed to place closing transactions.

## **IRA Resource Checking**

IRA Resource Checking is Pershing's Cash Management service for qualified accounts. IRA Resource Checking may be established under these guidelines:

- The client must be at least 59 ½ years of age at the time the application is submitted to PCS
- No taxes are withheld from the check
- Client cannot write a check to close the account
- Minimum Account Balance is \$500.00

### **Establishing IRA Resource Checking**

- Complete and submit the Pershing IRA Resource Checking Application.
- The completed application can be emailed to the Operations team for further processing.
- Checks are sent via U.S. mail. If you would like checks to be sent overnight, please indicate this on the application and your client's account will be charged the overnight fee.

- Processing Time: 7-10 Business Days

*Please note: The client may not write any checks against funds that have just been deposited into the account (until the deposited check clears, showing sufficient funds). There is a five-business day hold, not including the day of deposit on checks and ACH transactions received into a client's account.*

## Corestone

- Corestone features include check writing, Visa debit cards, online bill pay and a reward-suite program for retail brokerage accounts.
- There are no initial fees to set up these services, however there will be annual fees assessed on the anniversary of the Corestone account opening. There are four different tiers that a client can choose from. To find these options, the client should refer to the Corestone Advisor Brochure and the Financial Terms Fee Schedule to make their selections on the Account Application.
  - The Corestone Silver annual fee will be waived for accounts that have \$25,000 or more in average month-end closing cash sweep balances.

## Establishing Corestone

- To establish Corestone on a Pershing account, the client must complete the Corestone Account Application.
- All account owners must sign the application.
- Submit the completed application to the Operations team for continued processing.
- Checks are sent out via regular U.S. Mail. If you would like checks to be sent via Federal Express, please indicate this on the application. The client's Pershing account will be charged the overnight fee.
- Checks or debit cards requested to be sent to an alternate address must go by overnight courier. Also, a signature is required from the recipient. The account would be subject to the overnight delivery fee.
- Reward Suite is available on Gold and Platinum card accounts only. There is no fee for this feature.
- Processing time: It will take approximately 7-10 days for the client to receive the checks and debit card.

*Note: **Margin option** – if your client does not want Margin trading capabilities on his/her account, this must be indicated by checking the box in section 6 of the Account Application. If the client does want Margin added to the account, they will need to complete the Margin Agreement and accompany it with the Corestone Account Application.*

## How to Handle Account Registration Updates for Corestone Accounts

- Any time the registration of an account is changing, a new Corestone Application (IRA Resource Checking application, when applicable) must be received.
  - Name Change (i.e. marriage, divorce) – Pershing requires an updated Corestone Application to be completed by the client. When submitting the application to the Operations Department for processing, please write "Update" on the top of the document. Once the documents have been completed by the client, please submit your request to the Operations Department. Please include in your request if you would like new checks to be issued to the client.
  - Add an authorized signer for check writing privileges (but not an account owner) – Pershing requires an updated Corestone Application to be completed by the client and the authorized signer(s). Please keep in mind that additional signatories can only be added on individual or joint accounts. Once completed, please write "update" on the top of the application and forward to the Operations Department for processing.

## NSF for IRA Resource Checking and Corestone

- The Operations Team will make every effort to place a courtesy call to you if there are insufficient funds to cover your client's check. Please review the following cut-off times and procedures:
  - IRA Resource Checking and Corestone Accounts:
    - Cut-off time: Please contact the Operations team with a resolution by 7:30 AM PT / 8:30 AM CT / 9:30 AM ET to keep your client's check from bouncing.
- Checks will be covered if one of the following occurs, Operations is notified of the activity by the representative office and is processed through our intra-day activity screen prior to the cut-off time:
  - A trade is placed. (For IRA accounts, trades must be same day or next day settlement.)
  - Cash is journaled to cover the check.
  - Fed Fund Wire is received into the account prior to the cut-off time.
  - Securities in the account are margined. (This option is available only if the account has a margin agreement on file and if the position is marginable.)
- Refer to the IRA Resource Checking and Corestone Fee Schedules, available within Resources in NetX360, for the returned check fee amount that is automatically charged to the client's account

## **Pershing Statements**

Pershing statements are generated on the last business day of each month for each account where qualifying activity has occurred. For accounts with no qualifying activity, but the account has a securities position, money balance or transaction, statements are generated on a quarterly basis. Qualifying activity is defined as any account with short positions, equity security positions priced less than \$5 per share, options transactions or positions, open orders, Corestone Accounts, accounts established to print statements monthly regardless of activity (see PCS Client Fee Schedule for pricing), fully paid lending transactions or positions, settled brokerage transactions, including purchases, sales, systematic investments, systematic withdrawals, money/security deposits, money/security withdrawals, exchanges, stock splits/reverse stock splits, fees, commissions, other charges, matured securities, spin-offs, mandatory and voluntary reorganizations and called securities. Accounts with bank deposit sweep vehicles that have income reinvestment activity will continue to generate a monthly statement.

Representative copies of Pershing statements, tax statements, and trade confirmations are accessed electronically through E-Document Suite within NetX360.

"A Guide to Understanding Your Brokerage Account Statement" is a client facing brochure containing detailed information about the Pershing Statement. This may be downloaded within the Resources tab of NetX360.

## **Pershing Paper Surcharges**

Pershing offers electronic delivery (e-delivery) of several account communications for all registration types. Paper brokerage account statement and trade confirmation surcharges are imposed when a client chooses paper delivery.

**The specific Pershing brokerage account, registration and plan types subject to the paper surcharge are as follows:**

Account Type	Registration Type	Plan Type
<b>Retail</b>	Individual	N/A
	Joint	
	Transfer on Death Individual	
	Transfer on Death Joint	
<b>Retirement</b>	N/A	IRA Account
		SEP IRA

		SAR SEP
		403(b)(7) Non-ERISA
		Prototype SEP
		Simple IRA
		Roth IRA
		Education Savings Account
		Roth Conversion Account

- PCS absorbs paper surcharges for AAA and Portfolio Plus accounts.
- PCS absorbs paper surcharges for primary account owners age 75 and older.
- Third-party custodian accounts for which Pershing is not the servicing agent will not be subject to the paper surcharge.
- All other registration types, including Employee Retirement Income Security Act (ERISA) accounts, are not subject to the paper surcharge.
- For trade confirmations, the paper surcharge will be applied to all trade types, except non-U.S. dollar trades and FundVest® mutual fund trades, for accounts subject to the paper surcharge.
- Statement paper surcharges are accrued monthly and debited quarterly on approximately the 10th during the last month of the quarter. Trade confirmation paper surcharges are charged on each settlement date and are deducted from trade proceeds or added to trade costs.
- Please refer to the *PCS Client Fee Schedule* for the current Statement and Confirm Paper Surcharges.

### SelectLink

SelectLink is Pershing's combined mailing service that combines all statements for accounts sharing the same mailing address into a single envelope. Included in this free service is a Consolidated Account Summary page that combines the net worth of the total assets for all included accounts.

To enroll in SelectLink, complete the SelectLink Combined Mail Application and forward to the PCS Operations Team.

To cancel SelectLink, a signed letter of authorization from the client(s) should be forwarded to the PCS Operations Team.

### Money Market Funds

By signing the PCS Customer Account Form when opening a brokerage account, the client is consenting to cash balances in their brokerage account being swept into the default money market sweep fund or the sweep fund of their choice or an FDIC insured sweep account. Money Market Sweep defaults and available products are subject to change. It is important for clients and advisors to understand the various money market sweep funds and cash management alternatives available, each of which have their own investment characteristics, risks, and possible returns.

The Money Market Sweep Program utilized for a free credit balance automatically defaults to **Federated Cash Reserves (FCR)** for non-advisory, non-qualified accounts and **Pershing Government Account (PGR)** for non-advisory qualified accounts. For all advisory accounts, the default is the **Liquid Insured Deposit (RFIM)**.

- **FCR** and **PGR** are offered by Federated Investments. For detailed information about **FCR** and **PGR**, visit <http://federatedinvestors.com>
- **The Liquid Insured Deposits** are bank deposit sweep programs that provide FDIC insurance on cash balances up to \$2.5 million per client through a multi-bank investment approach. Balances in these programs that are over \$2.5 million are not covered by FDIC insurance. Client assets are swept daily and deposited among multiple banking institutions. To ensure that a client's balance, in addition to accrued interest, receives full coverage, the principal amount of a client's assets is held at each bank up to \$245,000 as determined by the client's available cash balance, providing aggregated FDIC insurance coverage. **Liquid Insured Deposits are not considered securities and are not protected by SIPC or Excess SIPC coverage.** For additional information, visit <http://www.liquidinsureddeposits.com/>

Current rates and yield for all sweep options are available on the **RateBoard** within the **Markets and Research** section of NetX360.

**To change the money market sweep default on an existing account, the client must sign and date a letter of authorization which includes the brokerage account number and symbol of the new money market fund. Please email the letter of authorization to PCS Operations at [Operations@pcsb.net](mailto:Operations@pcsb.net) for processing.**

While a money market fund investment is intended to provide relative safety through protection of principal, liquidity, and reasonable rate of return, an investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency, and it is possible that the principal value of a money market fund may decline. A money market fund has the right to limit purchases and redemptions. For additional information on any money market fund, including investment objectives, risks, charges and expenses, please consult the money market fund's prospectus. More information on the FDIC can be obtained by visiting [www.fdic.gov](http://www.fdic.gov)

### **SIPC Coverage**

PCS and Pershing are members of the Securities Investor Protection Corporation (SIPC). As a result, your client's assets are protected by SIPC, up to \$500,000 in value, including \$250,000 in cash awaiting reinvestment. SIPC provides protection for eligible client assets held in custody by a SIPC member brokerage firm should the SIPC member firm fail financially and become unable to meet the obligations to its clients. SIPC coverage does not protect against market fluctuation. For more information about the protection of your client's account assets, please visit [www.sipc.org](http://www.sipc.org)

In addition to SIPC coverage, Pershing also provides protection in excess of SIPC. For more information relating to the terms of the excess coverage as well as Pershing's financial strength, please visit [http://www.pershing.com/strength\\_stability.html](http://www.pershing.com/strength_stability.html)

### **NetXInvestor – [www.netxinvestor.com](http://www.netxinvestor.com)**

NetXInvestor is a service offered by Pershing that provides clients online access to view their brokerage account activity, holdings and balances as well as subscribe to electronic delivery of account related documents including statements and trade confirmations at no cost.

To enroll in NetXInvestor, please have the client complete the Online Access and Electronic Delivery Form. For clients who already have a NetXInvestor ID and simply want to add accounts to their existing ID, please have them complete the Online Access and Electronic Delivery Form. Please email this form to PCS Operations at [operations@pcsb.net](mailto:operations@pcsb.net) for processing, with "Update" or "Additions" written at the top.

After the ID has been created, the client will receive an email notification from PCS Operations with instructions on how to log into their account. Under no circumstances do we include the client's actual User ID or password information via email.

For password resets, the client must call PCS Operations and speak with a PCS Operations Associate. After verifying the client's identity, we will reset their password. The client will be prompted to create a new password upon logging in with the temporary password. If a representative contacts the firm requesting a NetXInvestor password reset for their client, a PCS Operations Associate must contact the client via phone. After verifying the client's identity, we will inform them that their password has been reset.

## **My Client View**

My Client View enables you to see exactly what your client sees on NetXInvestor. This feature is useful for assisting clients with questions about the NetXInvestor website. It is view only access, and you are unable to make changes on behalf of your client using this site.

### **Access My Client View**

- 1) From **NetX360**, click **Tools > My Client View** under Other Applications
- 2) In the **View** field, select how you want to search for the client account, and enter your search criteria in the adjacent field:
  - a) Subscriber ID – Client's full NetXInvestor ID
  - b) Account Number – Client's full account number
  - c) Client Name – Client's last name
- 3) Click **Display**. A list of accounts that match your search criteria displays.
- 4) In the **Site Description** column, select the NetXInvestor site you want to view. NetXInvestor opens in a pop-up, with the selected account displayed.





# Account Transfers

*This section includes information on the transferring of assets in and out of brokerage accounts.*

## Accounts Transferring with Debit Balances

The following rules and procedures apply to accounts transferring with debit balances:

- Any incoming transfer that is in violation of Pershing's credit policy (I.e. cash debit, margin debit) will be brought to the attention of the PCS Home Office for approval.
- The cash debits and margin debit balances are accepted if the equity in the account is 50% or greater; however, margin debits are only accepted if the equity is 50% or greater **and** a margin agreement is booked to the client's account.
- If overall debit is greater than 50%, the transfer will be rejected, and a notification will be emailed to the representative of record explaining why the transfer was rejected.

*Note: Representatives are ultimately responsible for all debit balances in their clients' accounts. Balances not secured by cash or securities, may be written off against the Representative at any time.*

## Internal Transfers/Broker-Dealer Change – Full and Partial

A Broker-Dealer change is a transfer from one Pershing correspondent to another. Please note that existing instructions do not transfer over with the account. Therefore, you must submit all new applications and/or paperwork for ACH, distributions, systematic investments, etc. The only feature that will transfer between accounts is Corestone check writing. *Note: Corestone will transfer only if the two account registrations are **identical**.*

### When Submitting an Internal Transfer/Broker-Dealer Change

- A Pershing Account Transfer form must be completed by the client.
- A recent statement is not required.
- If account registrations do not match, it is suggested that a Letter of Instruction authorizing the transfer, and any additional supporting documents, be attached to the transfer form.
- Any liquidations must be done prior to initiating the transfer, or after the transfer settles. You cannot liquidate using the ACAT transfer form.
- Pershing to Pershing transfers take 24 – 48 hours.



### Submitting Full Internal Transfer/Broker Dealer Changes

- Complete the Pershing Account Transfer Form
- Within Step 2, the Clearing Number (DTC number) will always be 0443. This is Pershing's DTC number.
- Within Step 3 Transfer Type, Full and Transfer all assets in kind, must be chosen.

**STEP 3. TRANSFER TYPE**

Choose only one.

**Account Transfer**

☒ **Full** (check one below)

☒ Transfer all assets in kind (skip to Step 7).

☐ Liquidate all assets listed in Step 4 (liquidations are not for brokerage accounts).

☐ Transfer all assets in kind except for the assets listed in Step 4, which require liquidation.

- Email the completed paperwork to the Operations team for continued processing.

### Submitting Partial Internal Transfer/Broker-Dealer Changes

- Complete the Pershing Account Transfer Form
- Within Step 2, the Clearing Number (DTC number) will always be 0443. This is Pershing's DTC number.
- Within Step 3 Transfer Type, the Partial box should be marked.
- Within Step 4, list the assets to be transferred.

**STEP 3. TRANSFER TYPE**

Choose only one.

**Account Transfer**

☐ **Full** (check one below)

☐ Transfer all assets in kind (skip to Step 7).

☐ Liquidate all assets listed in Step 4 (liquidations are not for brokerage accounts).

☐ Transfer all assets in kind except for the assets listed in Step 4, which require liquidation.

☒ **Partial** (complete Step 4)

- Email the completed paperwork to the Operations team for continued processing.

### ACAT Transfer – Full and Partial ACAT

An ACAT Transfer is a transfer from another ACAT eligible firm. Please note that existing instructions do not transfer with the account. Therefore, you must submit all new applications and/or paperwork for ACH, distributions, check writing, etc.

#### When Submitting ACAT Transfers:

- A copy of the most recent statement (must be dated within one year) must accompany all ACAT and Partial ACAT transfers.
- Proprietary funds must be liquidated prior to transfer.
- ACAT firms do not accept instructions to liquidate and transfer as cash. All trades must be done prior to initiating the transfer, or after the assets arrive at Pershing.
- If account registrations do not match, it is suggested that a Letter of Instruction authorizing the transfer, and any additional supporting documents, be attached to the transfer form.
- Please allow approximately 5-7 business days for the transfer to complete.

### Submitting Full ACAT Transfers

- Complete the Pershing Account Transfer Form
- Within Step 2, the Clearing Number (DTC number) should be completed with the Delivering Firm's DTC number.
- Within Step 3 Transfer Type, Full and Transfer all assets in kind, must be chosen.
- Email the completed paperwork, and a copy of the client's statement, to the Operations team for continued processing.

### Submitting Partial ACAT Transfers

- Complete the Pershing Account Transfer Form
- Within Step 2, the Clearing Number (DTC number) should be completed with the Delivering Firm's DTC number.
- Within Step 3 Transfer Type, the Partial box should be marked.
- Within Step 4, list the assets to be transferred.
- Email the completed paperwork, and a copy of the client's statement, to the Operations team for continued processing.

### Non-ACAT Transfer – Full and Partial Non-ACAT Transfer

A Non-ACAT transfer is a transfer from an institution that does not participate in the ACAT system (i.e. Insurance Company, Company 401(k) plan, and Bank). Since existing instructions do not transfer over with the account, please note that you must submit all new applications and/or paperwork for ACH, distributions, check writing, systematics, etc.

### When Submitting Non-ACAT Transfers:

- A copy of the most recent statement (dated within one year) must accompany the Pershing Account Transfer Form.
- Liquidations involving Bank CDs, checking accounts, or savings accounts can only be processed from Retirement Accounts. If you are requesting a transfer at maturity, the form must be submitted two to three weeks before maturity date.
- If your client has a Retail Account in one of these categories, they would request a check directly from the institution and would present it to Pershing for deposit. These retail deposits would be done outside of the transfer system.
- Please allow approximately 6-8 weeks for the transfer to complete.

### Submitting Full Non-ACAT Transfers

- Complete the Pershing Account Transfer Form.
- Within Step 2, the Delivering Firm Contact Information is mandatory.
- Within Step 3 Transfer Type, if Liquidate is chosen, the client must fill out Step 4 completely.
- Email the completed paperwork, and a copy of the client's statement, to the Operations team for continued processing.

### Submitting Partial Non-ACAT Transfers

- Complete the Pershing Account Transfer Form.
- Within Step 2, the Delivering Firm Contact Information is mandatory.
- Within Step 3 Transfer Type, the Partial box should be marked.
- Within Step 4, list the assets to be transferred.
- Email the completed paperwork, and a copy of the client's statement, to the Operations team for continued processing.

## **DRS/DRIP Transfers**

Direct Registration System transfers occur when transferring book entry shares directly from a transfer agent. The transfer agent will electronically send full shares to Pershing. Fractional shares can be redeemed, but not transferred electronically.

### **When submitting DRS/DRIP transfers:**

- A copy of the most recent statement (must be dated within one year) must accompany all DRS transfers.
- If account registrations do not match, it is suggested that you contact the transfer agent directly to confirm if they will allow the transfer of assets between unlike registrations. If is allowed, a Letter of Instruction authorizing the transfer, and any additional supporting documents, should be attached to the transfer form.
- Please allow approximately 5-7 business days for the transfer to complete.

### **Submitting Full DRS/DRIP Transfers**

- Complete the Pershing Account Transfer Form.
- Within Step 2, the Delivering Firm Contact Information (mandatory when clearing number is not provided) section must be completed.
- Within Step 3 Transfer Type, the Full box would be marked under DRS/DRIP.
- One sub-box must also be chosen; Sell fractions and close account or Transfer all full shares only.

### **Submitting Partial DRS/DRIP Transfers**

- Complete the Pershing Account Transfer Form.
- Within Step 2, the Delivering Firm Contact Information (mandatory when clearing number is not provided) section must be completed.
- Within Step 3 Transfer Type, the Partial box would be marked under DRS/DRIP.
- Complete each section with Step 4 with the asset information.

## **Mutual Fund Transfers**

A Mutual Fund Transfer is the transferring of shares in-kind, directly from the mutual fund company. Please note that existing instructions do not transfer over with the account. Therefore, you must submit all new applications and/or paperwork for ACH, distributions, check writing, systematics, etc.

### **Submitting Mutual Fund Transfers**

- Complete the Pershing Account Transfer Form.
- Within Step 3 Transfer Type, mark the Direct Mutual Fund box.
- Complete each section with Step 4 with the fund information.
- Attach a copy of the client's most recent statement, dated within one year.
- Please note that separate transfer forms and statements are required for each fund family.
- Email the completed paperwork to the Operations team for continued processing.

## **DTC Transfer**

A DTC (Depository Trust Company) transfer occurs when stocks or bonds that are held in a brokerage account are transferred electronically to another brokerage account. DTC provides automated custody of securities therefore eliminating the need for physical delivery of certificates or transit time.

- There is no charge for this service.
- Stocks and bonds can be transferred via DTC.

### Outgoing DTC Instructions

Requests for outgoing DTC requests should be emailed to the Operations Department for processing.

All authorized signors named on the Pershing account must sign and date a Letter of Authorization (LOA) or DTC Request Form and it must reference the following information:

- Pershing account number
- Name of the firm receiving the shares
- Receiving firm's DTC number
- Registration of the receiving account
- New Tax ID (to whom it needs to be registered)
- Account number receiving the shares
- Name of the security
- CUSIP/Symbol
- Number of shares (Dollar amounts are not accepted)
- Tax Lot Method (Default method of the account is used if none is selected)
- Transfer Reason

The Operations team will confirm that all legal documents, if any, are included with the LOA (for example, Corporate Resolution).

### Incoming DTC Instructions

All incoming DTC requests must be submitted through the delivering firm.

### DWAC Transfer

A DWAC (Deposit/Withdrawal At Custodian) is generally used for receiving/delivering securities via DTC (Depository Trust Company) electronically.

- A DWAC deposit (receive) accommodates a request to have shares sent to DTC for further credit to a broker participant.
- A DWAC withdrawal (deliver) accommodates a request to remove shares from the share balance held at DTC and sends them to the transfer agent to have a certificate issued or to have shares credited to a shareholder account maintained by the transfer agent.

In order to receive shares via DWAC into a brokerage account, the Representative should provide the following information to the Operations Department via email:

- Pershing Account Number
- Quantity
- Security ID (i.e. Symbol/CUSIP)
- Account Type (Cash or Margin)
- Control/Transaction Number or client name
- Settlement Date
- Account title/registration on the contra side

Note: Cross titles or registrations are not allowed. (e.g.: Individual to IRA.)

### Transfer Reject Notifications

When a transfer is rejected, a notification indicating the reason for rejection will be emailed to the Representative. If the issue can be resolved, the transfer will be resubmitted upon the Representative's request.

## Transfer Timeline

The following is a guideline with the approximate time it takes for a transfer to occur. Please take into consideration that this is only if all paperwork is in good order at the time of submission.

Type of Transfer	Approximate Transfer Time
Pershing to Pershing	24 to 48 hours
ACAT and DRS/DRIP Transfers	5 – 7 business days
Non-ACAT Transfers	6 – 8 weeks
Mutual Fund Transfers	2 – 3 weeks
DTC Delivery/Receive	24-48 hours

## Initiate or Take Action on a Journal Request

A journal allows the movement of cash and/or securities between Pershing brokerage accounts.

### **Required Documentation – submitted within 30 days of client signature**

**Distribution Form:** Required for retirement accounts and available via NetX360 Marketing Center.

**Journal Request (LOA):** Form letter required for a journal request between two non-retirement accounts that indicates the delivering and receiving account instructions. Exception: If the journals are between retail accounts of the exact same registration, an LOA is not required but recommended.

**Roth Conversion/Recharacterization Request:** Form required to request a conversion of assets from Traditional IRAs, SEP IRAs, and SIMPLE IRAs to Roth IRAs, or for a recharacterization of assets between a Roth IRA and a Traditional IRA, SEP IRA, or SIMPLE IRA.

**Asset Movement Authorization Form:** Use this form to request that assets be moved between retail accounts and certain retirement accounts (IRAs, SIMPLEs, and SEPs), as well as between two retirement accounts due to death or divorce. Additional documentation is required (i.e. death certificate and/or divorce decree).

**Note:** To combine retirement accounts of the same registration, use the Account Transfer Form and initiate as an ACAT.

### **Cutoff Times**

Cutoff times for asset movements vary depending on whether the money being distributed is invested in a money market account, and the associated money market cutoff time. Money market cut off times can be viewed via the Rate Board in NetX360 under the **Markets & Research > Other** menu.

### **Standing Instructions**

The status of the standing instruction must be Active.

If Pershing is the custodian for the retirement account, a distribution form is required (Exception: A distribution form is not required if you are using an approved tax withholding W4P standing instruction.)

### **Total Disbursement and Close Account**

You can submit a request to disburse all funds and close the account. When you get to the appropriate step below (see procedure below), select **Yes** in the **Total Disbursement and Close Account** field. This request deletes all periodic order instructions existing for the account and the status of the account moves to **Pending Close** status.

A daily residual process begins five business days after a total and close disbursement and continues for the earlier of six months or when the account status changes to **Closed**.

### Initiate a Journal Request Between Accounts

1. From the NetX360 menu select **Service & Operations > Asset Movement**. The Asset Movement page displays.
2. From the **Category** list, select **Journals**.

If a Journal Standing Instruction is used:

- a. From the Transaction list, select Standing Instructions and click Continue. The Asset Movement page displays.
- b. In the Account # field, type the account number and click Continue. All standing instructions for the selected account display.
- c. In the Action column, from the Action Links list, select Initiate Request for the desired standing instruction. The Asset Movement – Journals page displays.
- d. In the page, provide the required information. Refer to the table below for field information.

OR

If a Journal Standing Instruction is not used:

- a. From the **Transaction** list, select one of the options listed below and click **Continue**.
  - b. Between Accounts:** Select this option to request a movement of cash and/or assets between brokerage accounts.
  - c. Within Accounts:** Select this option to move assets within an account between margin and cash.
  - d. In the **Delivering Account #** field, type the delivering account number.
  - e. In the **Receiving Account #** field, type the receiving account number.
  - f. Click **Continue**. The Asset Movement – Journals page displays.
3. Provide the information for the journal request as required and applicable. Refer to the table below for field information.
    - a. For retirement distribution journals, provide tax withholding and fee information, click **Next Step**. Provide information in the Fee Information and Amount & Tax Withholding Information sections.
    - b. If shares are being disposed of in a different manner (other than the account default disposition method), or by a specific tax lot or lots, this information can be reviewed by clicking on the View Tax Lot hyperlink. Click Close to return to the Asset Movement Journals Review screen
  4. Click **Review Before Sending**. The Review Request page displays.
  5. Click **Send Request**. Your request is validated by Pershing's asset movement request rules.
  6. If the request violates any rules, a list of violations displays. To override violations that are not severe, enter a comment that acknowledges the violation and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.
  7. Click **OK**.
  8. Upload the supporting documentation to Pershing.

### Asset Movement – Journal Request Fields

Required fields are marked with an asterisk (\*)

FIELD	ENTER OR SELECT
<b>Request Reason</b>	Select the appropriate journal type.  <b>Note:</b> For retirement accounts, if <b>Removal of Excess Current Year</b> or <b>Removal of Excess Prior Year</b> is selected, <b>Over Contribution (Excess) Instructions</b> are required on the next page.

FIELD	ENTER OR SELECT
	For Fee, Check Adjustment or Fee Adjustment, contact the Home Office.
<b>Cost Basis Transfer Reason</b>  Note: This field only appears if the journal is from a retail account	Select the appropriate reason.  If the request is <b>Inheritance</b> , a <b>Date of Death</b> is required.  For <b>Receiving Beneficiary</b> field, select <b>Member of Family</b> or <b>Out of Family</b> .  The <b>Receiving Beneficiary</b> field will be displayed for 529 brokerage accounts only if the beneficiary Social Security Numbers from the delivering account and the receiving account are different.
<b>Total Distribution and Close Account</b>	Select <b>Yes</b> or <b>No</b> .  <b>Note:</b> If Yes is selected, the account will be put into Pending Close status and other features on the account will be closed (such as Periodic Order instructions).  The <b>Enter Symbols/Security IDs to Move</b> field will be unavailable for selection and the <b>Funds</b> field will be automatically selected and populated with the funds available to withdraw.  A future date cannot be selected for <b>Release Date</b> .
<b>Release Date</b>	Type a date or select a date by clicking on the <b>Calendar</b> icon.  Note: A future date can be selected for <b>Release Date</b> . The future-dated journal request can be initiated up to 30 days in advance of the release date; however, this is applicable only for the current-year.
<b>Release Date Comments</b>	Type the required comments. This field is for Home Office use only and will not affect transaction processing.
<b>Is this disbursement related to a redemption order?</b>	Select <b>Yes</b> or <b>No</b> .  Note: This field only appears if the delivering account is a <b>529 Plan Account</b> .
<b>Does the disbursement reflect the same recipient information as the redemption order?</b>	Select <b>Yes</b> or <b>No</b> .  Note: This field only appears if the delivering account is a <b>529 Plan Account</b> .
Cash/Positions from Holdings Table	
<b>Check Box</b>	Select the check box to the left of the desired cash or position.
<b>Move Qty/Amt</b>	Type the desired quantity/amount to move (if different than the default quantity/amount). The move quantity/amount currently available is displayed as the default value once the item is selected.  <b>Note:</b> If you wish to transfer a specific lot for any security(s), check off the <b>Edit Tax Lot</b> box under the <b>Move Qty/Amount</b> field. You will see an <b>Edit Tax Lot</b>



FIELD	ENTER OR SELECT
	<p>hyperlink under each equity, mutual fund and fixed income security.</p> <p>If only transferring a partial number of shares for any security selected, type the number of shares you wish to transfer in this field, for each security. The <b>Edit Tax Lot</b> hyperlink under each security will be enabled once you tab out of the field if a partial quantity is chosen. The functionality is not available for full position movements. If you choose to dispose of shares in a different manner (other than the account default disposition method), or by a specific tax lot or lots, click the <b>Edit Tax Lot</b> hyperlink. The <b>Edit Tax Lot</b> window displays.</p> <p>To change the disposition method, select the appropriate method from the <b>Select Lots by Method</b> drop-down. If you choose to use the selected method for all securities, click the <b>Use for All Selected Positions</b> box.</p> <p>Click <b>Submit</b>. A message displays indicating the tax lot disposal method you have chosen will assign lots to this activity when the transaction is processed during the nightly batch - the unrealized lots at the time of processing may be different than the unrealized tax lots currently available. Would you like to proceed? Click <b>Yes</b> to proceed or <b>No</b> to return to the <b>Edit Tax Lot</b> screen.</p> <p>OR</p> <p>To choose a specific lot or lots for each security, select the <b>Select Lots by Date &amp; Quantity</b> box. All available lots for that security will display.</p> <p>Select the tax lot or lots you wish to dispose by clicking on the box to the left of the lot(s) or by entering the quantity to dispose for the applicable lot. The number of shares available for each lot selected will appear in the <b>Quantity to Dispose</b> field if the check box is used. If you need to change the quantity based on the order, click in the <b>Quantity to Dispose</b> field and type the number of shares.</p> <p>Click <b>Submit</b>.</p> <p><b>Note:</b> Lots nor a method can be chosen if multiple lots are not available for a position. Only a method can be chosen if a reconciliation break exists for a position.</p>
<b>Delivering Acct Type</b>	Select the appropriate option, if applicable.
<b>Receiving Acct Type</b>	Select the appropriate option, if applicable.
<b>Distribution Amount</b>  <b>Note: This field appears only if the request is initiated from a retirement account.</b>	<p>Enter the dollar amount of the journal request.</p> <p>Select <b>Gross</b> (if the amount of the journal is before tax withholding) or <b>Net</b> (if the amount of the journal is after tax withholding.)</p> <p><b>Note:</b> If you selected <b>Yes</b> for <b>Total Distribution and Close Account</b> field, the system automatically populates this field and the Gross and Net options are unavailable.</p>
<b>Release Date*</b>	Enter or select a future date (up to 30 days from today's date) by clicking the calendar icon.



FIELD	ENTER OR SELECT
<b>Release Date Comments</b>	This field is for IBD use only and will not affect transaction processing.
Amount & Tax Withholding Information Section Note: <b>This section appears only if the request is initiated from a retirement account.</b>	
<b>Use Tax Withholding W4P SI:*</b>	<p>If the client has an approved <b>Tax Withholding W4P</b> standing instruction and wishes to use this instruction, select <b>Yes</b>. The screen will automatically populate the Tax Withholding information.</p> <p><b>Note:</b> To use the approved Tax Withholding W4P standing instruction, the request reason for the withdrawal must be one of the following eligible request reasons: <b>Death, Disability, Normal, Premature, Roth Early Withdrawal, Simple Early Withdrawal, or Substantially Equal Series 72(T)</b>.</p>
<b>Federal Tax</b>	<p>Select <b>Yes</b> and enter the percentage of federal taxes to be withheld in the % field or enter a specific amount in the \$ field. The default is 10% and is also the minimum a client can withhold.</p> <p>Or</p> <p>Select <b>No</b> if the client does not wish to withhold federal tax.</p>
<b>State of Withholding</b>	<p>Select the state of withholding from the list.</p> <p><b>Note:</b> This field defaults to the account's legal state of residence. Some states require withholding if federal tax is withheld.</p>
<b>State Tax</b>	<p>Select <b>Yes</b> and enter the percentage of state taxes to be withheld in the % field or enter a specific amount in the \$ field.</p> <p>Or</p> <p>Select <b>No</b> if the client does not wish to withhold state tax.</p>
<b>Calculate Tax</b>	Click to calculate the taxes. This button is unavailable if using the default tax percentage.
Fee Information Section	
<b>Charge Fees To</b>	<p>Click on the link to open the list of applicable fees. For the fee types that appear for which changes are allowed, select the appropriate option from the list.</p> <p><b>Notes:</b>            Select <b>Customer</b> to charge fees to the client account.            Select <b>IP</b> to charge fees to the Financial Advisor.</p>

### Upload a Document to Imaged Documents

After initiating a journal request, upload supporting documentation to Pershing via NetX360. A copy of the documents should be saved to your computer, and document types should be saved separately (e.g. IRA Distribution Request form and Power of Attorney documents, etc.).

- In the NetX360 search field, enter the account number or short name of the desired account. Matching search results display.

- In the **Accounts** section of the search results, select the account. The account workbook summary page displays.
- In the **Documents** tile, click **Upload a Document**. The **Imaged Documents** page displays.
- Click **Upload Documents** in the upper right.
- Under **Step 1: Browse & Select Documents**, select the file you want to upload.
- Click **Select for Upload**. A preview of the selected document, if available, displays in the **Preview** section.
- Under **Step 2: Indexing**, select the document type from the **Document Type** field. Index information fields for the selected document type display below.
- Populate index information fields for the document. Required fields are marked with an asterisk (\*).
- Under **Step 3: Upload**, click **Upload**. The **Upload Status** window informs you of the upload progress. When the upload is complete, a confirmation message displays.
- Click **OK**.
- Upload another document or click the **X** button in the upper right to close the window.

### Monitor the Status of Your Request

Click **Accounts > Single Account > Activity > Work Items – Recent** or **Work Items – All**.

### Cancel or Replace a Journal Request

You can cancel or replace a journal request. The request status must be in **Pending Review** or **Hold** status.

- Click **Service & Operations > Work Items > Work Status**.
- Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **Journal Request**
  - b. Initiated By: **Me**
  - c. Request Status: **Pending Review** or **Hold**
- Double-click on the request and the work status details page displays the **Cancel & Replace** and **Cancel** buttons.
- To cancel and replace the journal request, click **Cancel & Replace**. A confirmation message displays. Click **Cancel & Continue**. The **Asset Movement - Journals** page displays so you can enter a replacement journal request.

Or

- To cancel the journal request without replacing it, click **Cancel Transaction**. A confirmation message displays. Click **Cancel Request**.



# Deposits and Contributions

*This section includes information on depositing cash and securities into Direct and Brokerage accounts on an ad hoc basis.*

## Check Deposit Policy and Guidelines

Directly Held Account – check should be made payable to the product provider

- Send directly to product provider (must be logged on check blotter)
- Clients can send directly to product provider
- Write account number or account registration on Memo line
- Consult with product provider for acceptable and unacceptable check parameters

Pershing Brokerage Account – check should be made payable to Pershing LLC

- Deposit via the NetX360 Mobile app – limit of \$200,000.00 per check per day
- Clients can log in to the NetXInvestor mobile app and remotely deposit their checks up to \$50,000.00 OR can be sent directly to Pershing
- Send directly to Pershing (must be logged on check blotter)
- Must include account number on the face of each check
- If Qualified, include contribution type; contributions that do not indicate the contribution year will be processed as current year contributions

Brokerage Non-Qualified Deposits	Brokerage Qualified Deposits
Pershing LLC Attn: Money Desk One Pershing Plaza Jersey City, NJ 07399	Pershing LLC Attn: Retirement Account Processing One Pershing Plaza Jersey City, NJ 07399

If overnighting a check, the phone number for the air bill is 800-635-9881.

## Acceptable Brokerage Check Deposits

The following are acceptable check deposits for accounts:

- Personal checks drawn on domestic banks, payable to **Pershing LLC**.
- The account title and the check maker's title must match.

- Checks drawn on joint checking accounts – this type of check may be deposited into a brokerage account held by either joint account holder.
- Checks drawn on bank accounts of any other party made payable to the client, or payable to Pershing for the benefit of the client, that are deposited into the client's brokerage account. The relationship between the other party and the brokerage account owner must be provided.
- Bank, cashier's, or official checks greater than \$10,000 for non-qualified (retail) accounts.
- Bank, cashier's, or official checks and less than \$10,000 are only accepted for qualified (retirement) accounts.

### Unacceptable Brokerage Check Deposits

The following are unacceptable check deposits for accounts:

- Checks with double endorsements (third-party checks).
- Cash, money orders and travelers' checks.
- Checks made payable to cash.
- Bank, cashier's, or official checks under \$10,000 for non-qualified (retail) accounts.
- Checks without a preprinted registration; counter or teller checks.
- Checks drawn on non-U.S. banks.
- Check drawn in a currency other than U.S. dollars.
- Checks made payable to Pershing, where the maker of the check is not identical to the owner of the brokerage account, and the beneficiary is either not specified on the payee line, or if specified, does not match the title on the account. Refer to SEC Rule 15c3-1 for more information.
- Checks drawn against lines of credit (such as Discover®, Visa®, or home equity loans).
- Checks previously returned due to insufficient funds.

### Availability of Brokerage Funds

Funds deposited into accounts are held for 5 business days, not including the day of deposit, before any withdrawals can occur. During this holding period, both the amount of the funds and the equity fields (equity, liquidation equity and net worth, which are updated by the amount of the deposit, as well as by the amounts in the balance fields) will be displayed in the Balances page in NetX360. The funds can be used for purchases or will be swept automatically into a money market fund or FDIC-insured bank deposit program and will be reflected in the trade settlement balances.

### Brokerage Holding Period

A holding period ensures that client deposits will clear the bank before any withdrawals can occur. Although most checks clear, there is no guarantee that all checks will clear within a specified timeframe. Some checks may take longer to clear due to normal delays in the bank clearing process, or may be returned due to insufficient funds, fraudulent activity, or other reasons.

## Initiate or Take Action on an Ad Hoc ACH Deposit Request

Initiate an ACH (Automated Clearing House) deposit to transfer funds electronically from the client's bank account to their brokerage account. Standing ACH instructions must already be established.

### **Required Documentation – Submitted within 30 days of client signature**

**Contribution Form:** Not required, but recommended, to initiate and properly code a retirement deposit if Pershing is the custodian and available via NetX360 Marketing Center.

### **Cutoff Times**

To ensure same day processing, Adhoc requests must be entered by 2:00 PM ET.

ACH Deposits are limited to \$50,000 per account, per day, due to recission risk. All ACH Deposits are subject to the same holding period as checks, which is 5 business days, not including the day of deposit, before any withdrawals can occur.

#### Request an Ad Hoc ACH Deposit

1. Click **Service & Operations > Asset Movement**. The Asset Movement page displays.
2. From the **Category** list, select **Deposits**.
3. From the **Transaction** list, select **ACH Request** and click **Continue**.
4. In the **Account #** field, type the account number and click **Continue**.
5. In the **Standing Instructions** section, from the **Action** list for the ACH standing instruction to be used, select **Initiate Deposit Request**.
  - a. Note: If you are submitting the request past the cutoff time, a message displays: **It is past the cutoff time for today. Would you like to submit a request for tomorrow?** To submit the request, click **Continue**.
6. In the page, provide the required information. Refer to the table below for field information.
7. After providing the required information, click **Review Before Sending**. The Review Request screen displays.
8. Review the information and click **Send ACH Request**. All requests are validated against Pershing's Rules Engine.
  - a. If any of the request violates any rules, all violations display, and you may be required to type a comment and click **Acknowledge & Send Request**.
  - b. If the request does not violate any rules, a message displays stating the request has been sent for approval.
9. Click **OK** (to return to the main page of Asset Movement) or **New ACH Request** (to enter another ACH request).

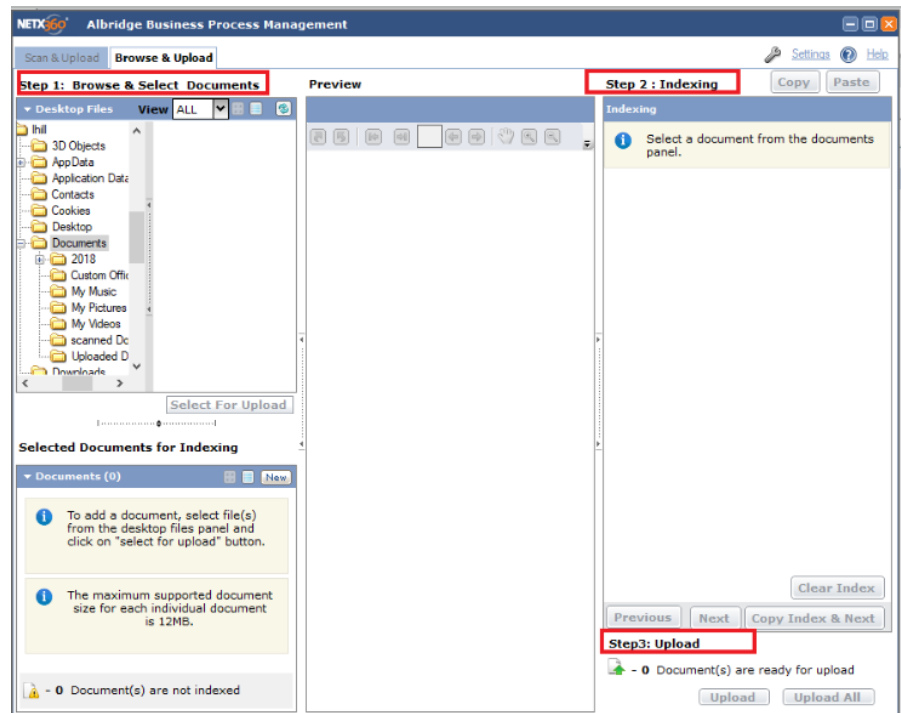
#### Asset Movement – ACH Deposit Fields

<b>FIELD</b>	<b>ENTER OR SELECT</b>
<b>Contribution Amount*</b> Note: <b>This field appears only if the ACH is initiated from a retirement account</b>	Enter the amount of the ACH request.
<b>Amount*</b> Note: <b>This field appears only if the ACH is initiated from a retail account.</b>	Enter the amount of the ACH request.
<b>Request Reason</b> Note: <b>This field appears only if the ACH is initiated from a retirement account.</b>	Select the appropriate option from the list.
<b>Release Date*</b>	Enter or select a future date (up to 30 days from today's date) by clicking the calendar icon.

#### Upload a Document to Imaged Documents

After creating a standing or periodic ACH instruction, upload supporting documentation to Pershing via NetX360. A copy of the documents should be saved to your computer, and document types should be saved separately (e.g. IRA Distribution Request form and Power of Attorney documents, etc.).

1. In the NetX360 search field, enter the account number or short name of the desired account. Matching search results display.
2. In the **Accounts** section of the search results, select the account. The account workbook summary page displays.
3. In the **Documents** tile, click **Upload a Document**. The **Imaged Documents** page displays.
4. Click **Upload Documents** in the upper right.
5. Under **Step 1: Browse & Select Documents**, select the file you want to upload.
6. Click **Select for Upload**. A preview of the selected document, if available, displays in the **Preview** section.
7. Under **Step 2: Indexing**, select the document type from the **Document Type** field. Index information fields for the selected document type display below.
8. Populate index information fields for the document. Required fields are marked with an asterisk (\*).
9. Under **Step 3: Upload**, click **Upload**. The **Upload Status** window informs you of the upload progress. When the upload is complete, a confirmation message displays.
10. Click **OK**.
11. Upload another document or click the **X** button in the upper right to close the window.



### Monitor the Status of Your Request

Click **Accounts > Single Account > Activity > Work Items – Recent** or **Work Items – All**.

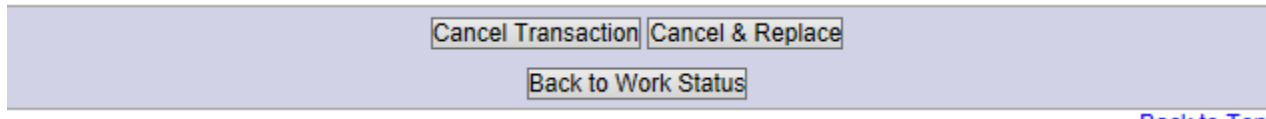
### Cancel or Replace an Ad Hoc ACH Request

Cancel or replace an ACH request before the ACH is sent for processing. The ACH request must be in **Pending Review** status.

1. Click **Service & Operations > Work Items > Work Status**.
2. Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **ACH Deposit Request or ACH Deposit Next Day Request**
  - b. Initiated By: **Me**

c. Request Status: **Pending Review**

3. Click the link in the **Request Description** column for the ACH request to be canceled. The page refreshes to display the request details.
4. To cancel and replace the ACH request, click **Cancel & Replace**. A confirmation message displays.



5. Click **Cancel & Continue**. The **Asset Movement - Deposits - ACH Request** page displays so you can enter a replacement ACH request.
6. To cancel the ACH request without replacing it, click **Cancel Transaction**. A confirmation message displays.
7. Click **Cancel Request**.

## Stock Certificates

Physical stock certificates should generally be sent directly to Pershing for deposit. Pershing account registrations and the registration of the stock certificate should match, and clients should complete the Irrevocable Stock or Bond Power to assign the certificate to Pershing LLC. Alternatively, the client may sign the back of the certificate and assign the certificate to Pershing LLC, however, due to risk of error, the form is recommended. The account number must be written on the stock certificate and all pages of supporting documentation being forwarded to Pershing.

Certificates with a registration that is not identical to the Pershing account may require additional documentation. Certificates going from an individual registration to a joint account and vice-versa require a letter of instruction to deposit signed by all clients. Additional guidance should be sought from Operations in unique circumstances. Missing requirements will result in the certificates going into Pending Papers.

Certificates must be sent promptly via overnight to:

Pershing LLC  
Attn: Securities Received  
One Pershing Plaza  
Jersey City, NJ 07399

Accounts may be subject to additional charges associated with the clearance and custody of a client's security positions, which have been passed along by the depository institution or issuer of the securities.

## Physical Securities Pending Documentation

Physical securities received that require documentation for negotiability are receiving into Pending Papers at Pershing. Items usually fall into Pending Papers when:

- The paperwork endorsements do not exactly match the registration on the certificate.
- Supporting documentation necessary for good delivery is missing.

### View Physical Securities Pending Documentation Items for Attention (IFA)

1. From the account workbook, click Items for Attention in the left navigation bar.
2. Select Physical Securities Pending Documentation from the Select list at the top of the page.
3. To view detail, click on the Account # hyperlink.

Please note that each CUSIP number requires its own set of original documents, as different company certificates will go to different transfer agents.

Mail via a trackable method (if originals are required) or email requested documentation to the PCS Operations Department. All supporting document pages must have the account number written on them. The following is a list of most common documents for which originals are required:

- Court Appointment (dated within 60 days with court seal)
- Power of Attorney Release (signature guaranteed)
- Stock Power
- Tax Waiver
- Affidavit of Domicile (notarized or copy with an original notarization)
- Small Estate Affidavit

Retain copies of all documentation and tracking information. Pershing will only hold Pending Paper items for 30 business days. Items awaiting documentation held for greater than 30 days will be returned to the client's address of record. Pending Paper requests may change depending on the transfer agent's request. Transfer agents may, at times, request additional documentation after the certificate has been sent. This occurs at the discretion of each transfer agent. A legal transfer fee is incurred when any type of legal document needs to be reviewed; refer to the PCS Brokerage Fee Schedule.

### **Restricted Stock**

Certificates that have a restrictive legend on the certificate can be deposited into a Pershing account but require specific documentation and careful coordination to remove the restriction and clear them into good order. Document requirements vary based on the restriction type. Appropriate due diligence must take place by the representative and the home office prior to sale of the restricted stock to ensure the certificates are valid. Refer to the Restricted and Control Stock Sales Toolkit under the Resources tab in NetX360 for requirements based on restriction type.

### **Incoming Federal Fund Wire Instructions**

Please use the following instructions to wire cash into a Pershing account:

- Bank: The Bank of New York
- ABA Number: 021000018
- Beneficiary: Pershing LLC
- Beneficiary Account Number: 890-051238-5
- Ultimate Beneficiary: Client's Brokerage Account Name
- Ultimate Beneficiary Account Number: Client's Brokerage Account Number (for instance, 123-456789-1)

If any of the above information is missing, there may be a delay in crediting the account or the funds may be returned to the sender.



## Direct Deposit

Clients may elect to have payroll, social security, or other funds from designated government agencies deposited directly into their Pershing LLC brokerage account.

### Establishing Direct Deposit

- Provide your client with a copy of the Direct Deposit Authorization Form.
- Have the client complete and forward the Direct Deposit Authorization Form to his or her employer's Payroll Department or the appropriate government agency to process the direct deposit request. **Pershing LLC cannot establish this service for you.**
- If the payer requires the use of a specific form to establish direct deposit, provide the following information on that form:
  - Transit-routing number – 021000018
  - Account Number – 12500000 + the 9-digit Pershing LLC brokerage account number for which the funds are to be deposited into. (Note: All 17 numbers must be included)

### Updating/Canceling Direct Deposit

- Please refer to your employer or designated government agency to update or cancel direct deposit. Note: changes in Pershing account numbers will have to be reported to the employer. PCS and Pershing will not be held responsible for failure to address these changes with your employer or designated government agency.



# Distributions and Withdrawals

*This section includes information on distributing cash and securities from retail and retirement brokerage accounts.*

## Important Reminders for Distribution of Funds

- Please keep in mind the following guidelines when requesting a distribution of funds or proceeds which requires a Letter of Authorization (LOA) or Distribution Request Form (e.g. IRA Distribution Requests, Federal Funds Wire Requests, Third Party Check Requests, etc.):
  - Obtain a unique Distribution Request Form or LOA for each new transaction. Under no circumstances may forms and LOAs be reused for subsequent requests by amending dates, amounts, or other information on the Form.
  - Distribution Request Forms and LOAs must be completed prior to obtaining client signatures and submitted within (30) thirty days of obtaining the signatures. It is never permissible to have a client sign a form, and then amend the document later by inserting amounts, account numbers, or other pertinent information prior to submission and without the client's written and dated acknowledgement of the amendments.
- Retirement distributions requesting 100% Tax Withholding cannot be initiated in NetX360. Please email the distribution form to Operations at [operations@pcsbd.net](mailto:operations@pcsbd.net).

## Initiate or Take Action on a Check Request

Step-by-step instructions on how to submit requests to issue checks from clients' accounts via NetX360 Asset Movement, as well as void, cancel, replace, place stop payments and monitor the status of requests.

### **Required Documentation – submitted within 30 days of client signature**

**Distribution Form:** Required for retirement accounts and available via NetX360 Marketing Center.

**Third Party Check Request (LOA):** Form letter required for a Third-Party request that indicates the payee, delivery instructions, amount and source of funds, if applicable (principal or income) and available via the Forms section of the PCS website, [www.pcsbd.net](http://www.pcsbd.net).

### **Cutoff Times**

Cutoff times for asset movements vary depending on whether the money being distributed is invested in a money market account, and the associated money market cutoff time. Money market cut off times can be viewed via the Rate Board in NetX360 under the Markets & Research > Other menu.

Mail Drop cutoff times:

For overnight mail: 2:30 p.m. (ET)

For regular mail: 3:00 p.m. (ET)

### Third Party Checks and Standing Instructions

If the payee or delivery address for your check request is a different from the name or address on record for the account, the check is considered a third-party check and requires the Third Party Check Request form or a Letter of Authorization (LOA) signed by all account owners/authorized signers on the account.

Standing instructions for check requests are available for third-party checks only when using a standing instruction.

The status of the standing instruction must be Active.

If Pershing is the custodian for the retirement account, a distribution form is required (Exception: A distribution form is not required if you are using an approved tax withholding W4P standing instruction.)

### Total Disbursement and Close Account

You can request a total and close check disbursement, where all funds in the account are disbursed and the account is closed. Follow the procedure below to Request a Check. When you get to Check Instructions, select Yes in the Total Disbursement and Close Account field.

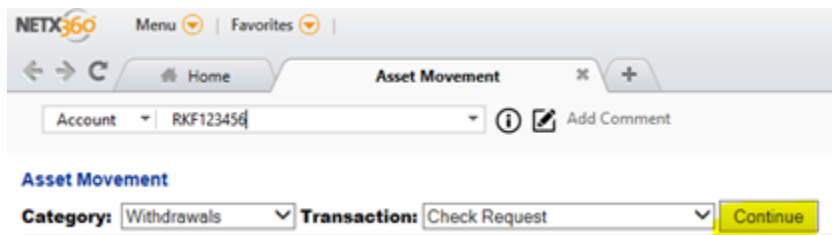
When a total and close disbursement takes place, all periodic order instructions for the account are deleted and the account moves to Pending Close status.

A daily residual process begins five business days after a total and close disbursement and continues for the earlier of six months or when the account status changes to Closed. All cash residuals with a minimum of \$1.00 are sent to the payee of the check request.

Residual cash disbursements can be viewed in work Status. Select Check Disbursement Requests in the Request Type field. The audit trail will indicate Residual from the Total Close and Disbursement.

### Request a Check

1. From the NetX360 menu select **Service & Operations > Asset Movement**.
2. From the **Category** list, select **Withdrawals**.
3. From the **Transaction** list, select one of the options listed below and click **Continue**.
  - a. **Check Request:** Select this option to request a first-party or third-party check without a standing instruction.
  - b. **Standing Instructions:** Select this option to request a third-party check using a standing instruction.



4. In the **Account #** field, type the account number and click **Continue**.

### Asset Movement - Withdrawals - Check Request

Category: Withdrawals

Transaction: Check Request

[Change](#)

Account #:

[Redacted]



[Continue](#)

5. If you selected **Standing Instructions**, all standing instructions for the account display. Locate the standing instruction you want to use and select **Initiate Request** from the **Action** list.
6. First, ensure the requested dollar amount is available for withdrawal.

Real-Time Funds Available			
Cash Available (Cash):	\$ 0.00	Cash Mgmt Available:	\$ 0.46
Cash Available (Margin):	\$ 0.00	Pending Withdrawals:	(\$ 0.00)
Overall Cash Available:	\$ 0.00	Funds Available To Withdraw :	\$ 0.46

- a. There could be several reasons that funds are not available:
  - i. Deposited check or ACH has not cleared the hold period.
  - ii. Trades may need to be placed or have not yet settled or the Cutoff time has passed.
7. Provide information for the check request as required and applicable.

Check Instructions	
Total Disbursement and Close Account: <input type="radio"/> Yes <input checked="" type="radio"/> No	
Amount:	\$ <input type="text"/>
Account Type:	<input type="text" value="Cash"/>
Release Date:	<input type="text" value="08/02/2018"/> (mm/dd/yyyy)
Release Date Comments:	<input type="text"/> <small>For IBID use only.</small>
Payee Name & Delivery Address: <input checked="" type="radio"/> US Address <input type="radio"/> Foreign Address	
<input type="checkbox"/> Add Legal Address Please take all necessary efforts to avoid adding personally identifiable information unless absolutely necessary.	
Do you want the name and/or address on the envelope to be different than above? <input type="radio"/> Yes <input checked="" type="radio"/> No	
Letter Of Authorization on File: <input type="radio"/> Yes <input type="radio"/> No	
Request Reason:	<input type="text" value="AS PER YOUR REQUEST"/>
Memo on Check Stub:	<input type="text" value="AS PER YOUR REQUEST"/>
Print Location:	<input type="text" value="New Jersey"/>
Mode of Delivery:	<input type="text" value="Mail"/>
Additional Comments: (Will be printed on check receipt ONLY)	
<input type="button" value="Cancel"/> <input type="button" value="Clear All"/> <input type="button" value="Review Before Sending"/> <input type="button" value="Next Step &gt;"/>	

- a. Refer to the table below for field information.
8. If you want to provide tax withholding, fee and delivery address information, click **Next Step**. Provide information in the **Fee Information** and **Delivery Address** sections. Refer to the table below for field information.
9. When done, click **Review Before Sending**.
10. Click **Send Check Request**. Your request is validated by Pershing's asset movement request rules.
  - a. If the request does not violate any rules, the system displays a message indicated the check request has been sent for OFAC scanning.
  - b. If the request violates any rules, a list of violations displays. To override violations that are not severe, enter a comment that acknowledges the violation and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.

## Asset Movement – Withdrawals – Check Request Fields

Required fields are marked with an asterisk (\*)

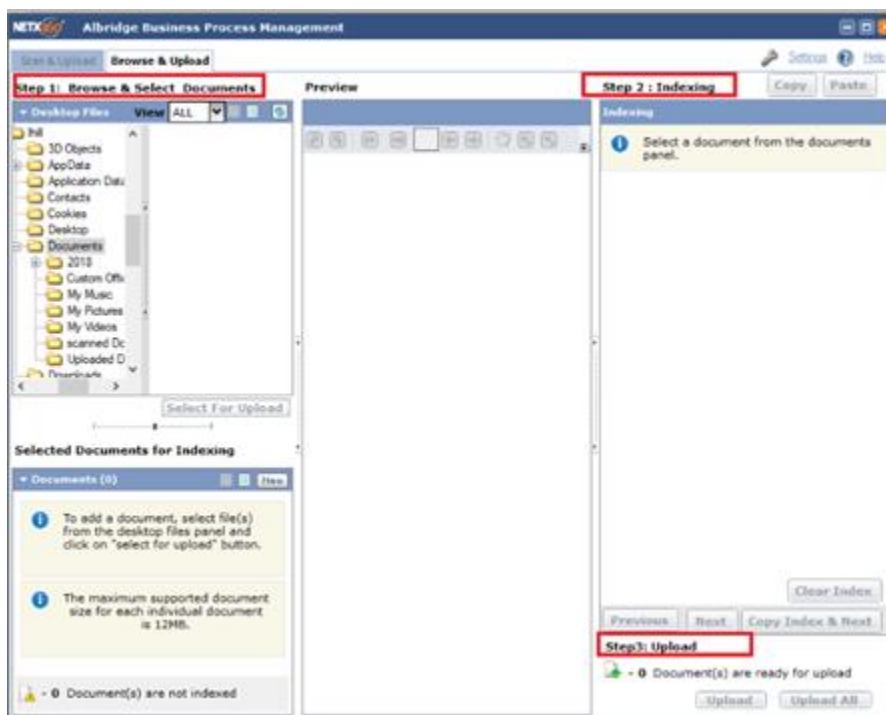
FIELD	ENTER OR SELECT
<b>Total Disbursement and Close Account</b>	Select <b>Yes</b> to disburse all the funds and close the account.
<b>Distribution Amount*</b> Note: <b>This field appears only if the check is initiated from a retirement account</b>	Enter the amount of the check request. Select <b>Gross</b> (if the amount of the check is before tax withholding) or <b>Net</b> (if the amount of the check is after tax withholding.) <b>Note:</b> If you selected <b>Yes</b> for <b>Total Distribution and Close Account</b> field, the system automatically populates this field and the <b>Gross</b> and <b>Net</b> options are unavailable.
<b>Amount*</b> Note: <b>This field appears only if the check is initiated from a retail account.</b>	Enter the amount of the check request.
<b>Account Type</b> Note: <b>This field appears only if the check is initiated from a retail account.</b>	Select the appropriate option from the list.
<b>Release Date*</b>	Enter or select a future date (up to 30 days from today's date) by clicking the calendar icon.
<b>Payee Name &amp; Delivery Address*</b>	The account holder's name and address in the U.S. are automatically populated. To send the check to a foreign address, select <b>Foreign Address</b> . Select the <b>Add Legal Address</b> check box, if desired.
<b>Do you want the name and/or address on the envelope to be different than above?</b>	To send the check to the address on record, select <b>No</b> . To send the check to a different name and address, select <b>Yes</b> .
<b>Is this disbursement related to a redemption order?</b> Note: <b>This field appears only if the check is initiated from a 529 Plan account.</b>	Select <b>Yes</b> or <b>No</b> .
<b>Is this disbursement related to a rollover redemption?</b> Note: <b>This field appears only if the check is initiated from a 529 Plan account.</b>	Select <b>Yes</b> and enter the appropriate information in the <b>Basis</b> and <b>Earnings</b> fields or select <b>No</b> .
<b>Does the disbursement reflect the same recipient information as the redemption order?</b> Note: <b>This field appears only if the check is initiated from a 529 Plan account.</b>	Select <b>Yes</b> or <b>No</b> .
<b>Letter of Authorization on File?*</b> Note: <b>This field appears only if the check is initiated from a retail account.</b>	Select <b>Yes</b> or <b>No</b> . <b>Note:</b> A third-party check request (LOA) is required for third-party check requests.
<b>Request Reason</b>	Select the appropriate reason from the list.
<b>Memo on Check Stub*</b>	Enter the memo you want to display on the check stub (if different from the text displayed).
<b>Print Location</b>	Select the location from the list.
<b>Mode of Delivery</b>	Select one of the following from the list: <b>Mail</b> <b>Overnight</b> – Fee information must be provided on the next page.

FIELD	ENTER OR SELECT
<b>Certified Check</b>	Select <b>Yes</b> or <b>No</b> . This option is available prior to 11 AM ET. NOTE: This adds a "certified" stamp to the check, it does not indicate certified delivery.
<b>Additional Comments</b>	Enter any additional comments. This box may be optional, required or unavailable depending on your selection in the <b>Mode of Delivery</b> field.
Amount & Tax Withholding Information Section Note: <b>This section appears only if the request is initiated from a retirement account.</b>	
<b>Distribution Amount*</b>	Modify the distribution amount, if required. This field is available only if <b>Gross</b> is selected.
<b>Wire Amount</b>	Modify the wire amount, if required. This field is available only if <b>Net</b> is selected.
<b>Use Tax Withholding W4P SI:*</b>	If the client has an approved <b>Tax Withholding W4P</b> standing instruction and wishes to use this instruction, select <b>Yes</b> . The screen will automatically populate the Tax Withholding information. <b>Note:</b> To use the approved Tax Withholding W4P standing instruction, the request reason for the withdrawal must be one of the following eligible request reasons: <b>Death, Disability, Normal, Premature, Roth Early Withdrawal, Simple Early Withdrawal, or Substantially Equal Series 72(T)</b> .
<b>Federal Tax</b>	Select <b>Yes</b> and enter the percentage of federal taxes to be withheld in the % field or enter a specific amount in the \$ field. The default is 10% and is also the minimum a client can withhold. Or Select <b>No</b> if the client does not wish to withhold federal tax.
<b>State of Withholding</b>	Select the state of withholding from the list. <b>Note:</b> This field defaults to the account's legal state of residence. Some states require withholding if federal tax is withheld.
<b>State Tax</b>	Select <b>Yes</b> and enter the percentage of state taxes to be withheld in the % field or enter a specific amount in the \$ field. Or Select <b>No</b> if the client does not wish to withhold state tax.
<b>Calculate Tax</b>	Click to calculate the taxes. This button is unavailable if using the default tax percentage.
Fee Information Section	
<b>Charge Fees To</b>	Click on the link to open the list of applicable fees. For the fee types that appear for which changes are allowed, select the appropriate option from the list. <b>Notes:</b> Select <b>Customer</b> to charge fees to the client account. Select <b>IP</b> to charge fees to the Financial Advisor.

### Upload a Document to Imaged Documents

After initiating a third-party or retirement check request, upload supporting documentation to Pershing via NetX360. A copy of the documents should be saved to your computer, and document types should be saved separately (e.g. IRA Distribution Request form and Power of Attorney documents, etc.).

1. In the NetX360 search field, enter the account number or short name of the desired account. Matching search results display.
2. In the **Accounts** section of the search results, select the account. The account workbook summary page displays.
3. In the **Documents** tile, click **Upload a Document**. The **Imaged Documents** page displays.
4. Click **Upload Documents** in the upper right.
5. Under **Step 1: Browse & Select Documents**, select the file you want to upload.
6. Click **Select for Upload**. A preview of the selected document, if available, displays in the **Preview** section.



7. Under **Step 2: Indexing**, select the document type from the **Document Type** field. Index information fields for the selected document type display below.
8. Populate index information fields for the document. Required fields are marked with an asterisk (\*).
9. Under **Step 3: Upload**, click **Upload**. The **Upload Status** window informs you of the upload progress. When the upload is complete, a confirmation message displays.
10. Click **OK**.
11. Upload another document or click the **X** button in the upper right to close the window.

### Monitor the Status of Your Request

Click **Accounts > Single Account > Activity > Work Items – Recent** or **Work Items – All**.

### Void or Reissue a Check Request

You can void a check on the same day you initiated the check request. You have the option to reissue the check before 2 PM ET. After this time, the void request is converted to a stop payment.

1. Click **Service & Operations > Work Items > Work Status**.
2. Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **Check Disbursement Request**
  - b. Initiated By: **Me**
  - c. Time Period: **Today**
3. Click the link in the **Status** column for the check request to be voided. The page refreshes to display the request details.
4. To void and reissue the check request, click **Void & Reissue Request**. Enter comments, click **Confirm Void & Reissue Request**, then click **OK**.
  - a. The **Asset Movement – Withdrawals – Check Request** page displays so you can enter a replacement check request.
5. To void the check without issuing a new check, click **Void Request**. Select the appropriate reason and click **Confirm Void Request**, then click **OK**.

### Cancel or Replace a Check Request

Cancel or replace a check request before the check is printed. The check request must be in **Pending Review, Hold** or **Pending Processing - In Print Queue** status.

If the check has already been printed, see Request a Stop Payment on a Check.

1. Click **Service & Operations > Work Items > Work Status**.
2. Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **Check Disbursement Request**
  - b. Initiated By: **Me**
  - c. Request Status: **Pending Review, Hold** or **Pending Processing - In Print Queue**
3. Click the link in the **Status** column for the check request to be canceled. The page refreshes to display the request details.
4. To cancel and replace the check request, click **Cancel & Replace**. A confirmation message displays.
5. Click **Cancel & Continue**. The **Asset Movement - Withdrawals - Check Request** page displays so you can enter a replacement check request.
6. To cancel the check request without replacing it, click **Cancel Transaction**. A confirmation message displays.
7. Click **Cancel Request**.

### Request a Stop Payment on a Check

Request a stop payment on a check that was issued 1 to 180 days prior to today's date.

1. Click **Service & Operations > Work Items > Work Status**.
2. Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **Check Disbursement Request**
  - b. Initiated By: **Me**
  - c. Request Status: **Processed**
3. Click the link in the **Status** column for the check to be stopped. The page refreshes to display the request details.



4. Click **Stop Request**. Select the appropriate reason and click **Confirm Stop Request**.
5. The system displays a confirmation message. Click **OK**.

## Initiate or Take Action on an Adhoc ACH Withdrawal Request

Initiate an ACH (Automated Clearing House) withdrawal to transfer funds electronically from the client's brokerage account to their bank account. Standing ACH instructions must already be established.

### **Required Documentation – Submitted within 30 days of client signature**

**Distribution Form:** Required to initiate a retirement withdrawal if Pershing is the custodian and available via NetX360 Marketing Center. (Exception: A distribution form is not required if using an approved tax withholding W4P standing instruction.)

### **Approved Tax Withholding W4P Standing Instruction**

If the client has an approved Tax Withholding W4P standing instruction and uses this instruction, it eliminates the need to fax or upload a distribution form to Pershing for review and approval, thereby increasing straight-through processing.

### **Cutoff Times**

Cutoff times for asset movements vary depending on whether the money being distributed is invested in a money market account, and the associated money market cutoff time. Money market cut off times can be viewed via the Rate Board in NetX360 under the Markets & Research > Other menu.

To ensure same day processing, Adhoc requests must be entered by 2:00 PM ET.

### **Total Disbursement and Close Account**

You can request a total and close ACH disbursement, where all funds in the account are disbursed and the account is closed. Follow the procedure below to Request an Adhoc ACH Withdrawal. When you get to ACH Instruction, select Yes in the Total Disbursement and Close Account field.

When a total and close disbursement takes place, all periodic order instructions for the account are deleted and the account moves to Pending Close status.

### Request an Adhoc ACH Withdrawal

10. Click **Service & Operations > Asset Movement**. The Asset Movement page displays.
11. From the **Category** list, select **Withdrawals**.
12. From the **Transaction** list, select **ACH Request** and click **Continue**.
13. In the **Account #** field, type the account number and click **Continue**.
14. In the **Standing Instructions** section, from the **Action** list for the ACH standing instruction to be used, select **Initiate Withdrawal Request**.
  - a. Note: If you are submitting the request past the cutoff time, a message displays: **It is past the cutoff time for today. Would you like to submit a request for tomorrow?** To submit the request, click **Continue**.
15. In the page, provide the required information. Refer to the table below for field information.
16. After providing the required information, click **Review Before Sending**. The Review Request screen displays.

17. Review the information and click **Send ACH Request**. All requests are validated against Pershing's Rules Engine.
- If any of the request violates any rules, all violations display and you may be required to type a comment and click **Acknowledge & Send Request**.
  - If the request does not violate any rules, a message displays stating the request has been sent for approval.
18. Click **OK** (to return to the main page of Asset Movement) or **New ACH Request** (to enter another ACH request).

Asset Movement – ACH Withdrawal - Field Information

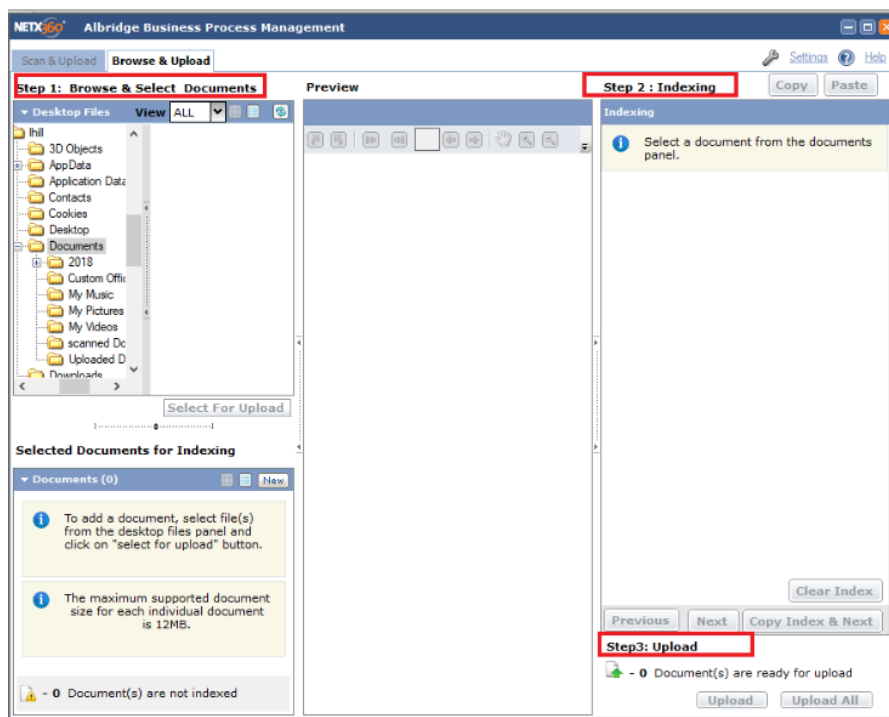
FIELD	ENTER OR SELECT
<b>Total Disbursement and Close Account</b>	Select <b>Yes</b> to disburse all of the funds and close the account.
<b>Distribution Amount*</b> Note: <b>This field appears only if the ACH is initiated from a retirement account</b>	Enter the amount of the ACH request. Select <b>Gross</b> (if the amount of the check is before tax withholding) or <b>Net</b> (if the amount of the check is after tax withholding.) <b>Note:</b> If you selected <b>Yes</b> for <b>Total Distribution and Close Account</b> field, the system automatically populates this field and the <b>Gross</b> and <b>Net</b> options are unavailable.
<b>Amount*</b> Note: <b>This field appears only if the ACH is initiated from a retail account.</b>	Enter the amount of the ACH request.
<b>Account Type</b> Note: <b>This field appears only if the ACH is initiated from a retail account.</b>	Select the appropriate option from the list.
<b>Release Date*</b>	Enter or select a future date (up to 30 days from today's date) by clicking the calendar icon.
Amount & Tax Withholding Information Section Note: <b>This section appears only if the request is initiated from a retirement account.</b>	
<b>Distribution Amount*</b>	Modify the distribution amount, if required. This field is available only if <b>Gross</b> is selected.
<b>ACH Amount</b>	Modify the wire amount, if required. This field is available only if <b>Net</b> is selected.
<b>Use Tax Withholding W4P SI:*</b>	If the client has an approved <b>Tax Withholding W4P</b> standing instruction and wishes to use this instruction, select <b>Yes</b> . The screen will automatically populate the Tax Withholding information. <b>Note:</b> To use the approved Tax Withholding W4P standing instruction, the request reason for the withdrawal must be one of the following eligible request reasons: <b>Death, Disability, Normal, Premature, Roth Early Withdrawal, Simple Early Withdrawal, or Substantially Equal Series 72(T)</b> .
<b>Federal Tax*</b>	Select <b>Yes</b> and type the percentage of federal taxes to be withheld in the <b>%</b> field, or type a specific amount in the <b>\$</b> field. The default is 10% and is also the minimum a client can withhold. Or Select <b>No</b> if client does NOT wish to have federal tax withheld.
<b>State of Withholding</b>	Select the appropriate state of withholding. <b>Note:</b> The <b>State of Withholding</b> defaults to the account's legal state of residence. Some states require state withholding if Federal Tax is withheld.

<b>State Tax*</b>	Select <b>Yes</b> and type the percentage of state taxes to be withheld in the <b>%</b> field, or type a specific amount in the <b>\$</b> field. Or Select <b>No</b> if client does not wish to have state tax withheld.
<b>Calculate Tax</b>	Click this button to calculate the tax. Note: This is not necessary if using the default tax percentage.

### Upload a Document to Imaged Documents

After creating a standing or periodic ACH instruction, upload supporting documentation to Pershing via NetX360. A copy of the documents should be saved to your computer, and document types should be saved separately (e.g. IRA Distribution Request form and Power of Attorney documents, etc.).

12. In the NetX360 search field, enter the account number or short name of the desired account.  
Matching search results display.
13. In the **Accounts** section of the search results, select the account. The account workbook summary page displays.
14. In the **Documents** tile, click **Upload a Document**. The **Imaged Documents** page displays.
15. Click **Upload Documents** in the upper right.
16. Under **Step 1: Browse & Select Documents**, select the file you want to upload.
17. Click **Select for Upload**. A preview of the selected document, if available, displays in the **Preview** section.
18. Under **Step 2: Indexing**, select the document type from the **Document Type** field. Index information fields for the selected document type display below.
19. Populate index information fields for the document. Required fields are marked with an asterisk (\*).
20. Under **Step 3: Upload**, click **Upload**. The **Upload Status** window informs you of the upload progress. When the upload is complete, a confirmation message displays.
21. Click **OK**.
22. Upload another document or click the **X** button in the upper right to close the window.



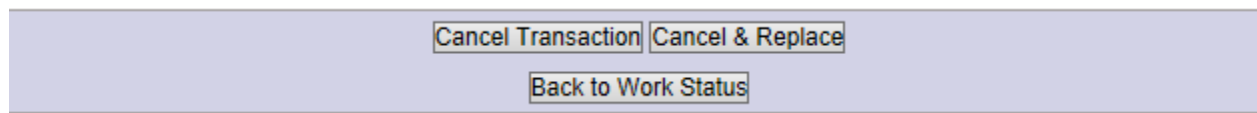
### Monitor the Status of Your Request

Click **Accounts > Single Account > Activity > Work Items – Recent** or **Work Items – All**.

### Cancel or Replace an Adhoc ACH Request

Cancel or replace an ACH request before the ACH is sent for processing. The ACH request must be in **Pending Review** status.

8. Click **Service & Operations > Work Items > Work Status**.
9. Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **ACH Withdrawal Request or ACH Withdrawal Next Day Request**
  - b. Initiated By: **Me**
  - c. Request Status: **Pending Review**
10. Click the link in the **Request Description** column for the ACH request to be canceled. The page refreshes to display the request details.
11. To cancel and replace the ACH request, click **Cancel & Replace**. A confirmation message displays.



12. Click **Cancel & Continue**. The **Asset Movement - Withdrawals - ACH Request** page displays so you can enter a replacement ACH request.
13. To cancel the ACH request without replacing it, click **Cancel Transaction**. A confirmation message displays.
14. Click **Cancel Request**.

## **Initiate or Take Action on a Federal Funds Wire Request**

Submit requests to send funds from a client's brokerage account to the client's bank account via NetX360 Asset Movement.

### **Required Documentation – submitted within 30 days of client signature**

**Distribution Form:** Required for retirement accounts and available via NetX360 Marketing Center.

**Federal Fund Wire Request (LOA):** Form letter required for a Fed Fund Wire request that indicates the delivery instructions, amount and source of funds, if applicable (principal or income).

### **Cutoff Times**

Cutoff times for asset movements vary depending on whether the money being distributed is invested in a money market account, and the associated money market cutoff time. Money market cut off times can be viewed via the Rate Board in NetX360 under the Markets & Research > Other menu.

Wire request processing is available Monday through Friday, 7:00 AM to 6:00 PM ET.

Same day review is only applicable if the request requires Pershing approval and is received in good order by 4:00 PM ET. Requests received after 4:00 PM ET are reviewed the next business day.

### **Third-Party Wires, International Wires and Standing Instructions**

A request is considered third-party if the beneficiary of the wire request is different from the name on record for the account. Clients who initiate international "remittance transfers" receive disclosures about fees and currency exchange rates charged by the financial organization involved in the remittance transfer. Third-party and international wires will be processed on an exception basis. Please contact the PCS Operations department at the Home Office to process these types of transactions.

When using a standing instruction:

- The status of the standing instruction must be Active.

- If Pershing is the custodian for the retirement account, a distribution form is required (Exception: A distribution form is not required if you are using an approved tax withholding W4P standing instruction.)

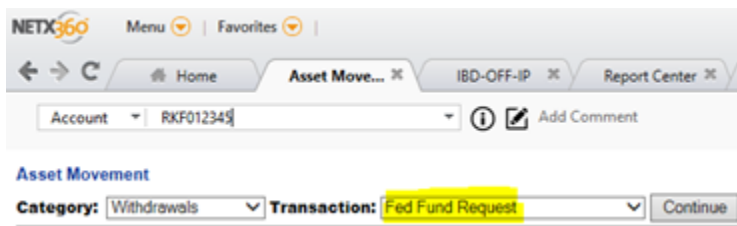
## Total Disbursement and Close Account

You can submit a request to disburse all funds and close the account. When you get to the appropriate step (see procedure below), select **Yes** in the **Total Disbursement and Close Account** field. This request deletes all periodic order instructions existing for the account and the status of the account moves to **Pending Close** status.

A daily residual process begins five business days after a total and close disbursement and continues for the earlier of six months or when the account status changes to **Closed**.

### Initiate a Wire Request

1. From the NetX360 menu select **Service & Operations > Asset Movement**.
2. From the **Category** list, select **Withdrawals**.
3. From the **Transaction** list, select one of the options listed below and click **Continue**.
  - a. Fed Fund Request:** Select this option to request a first-party wire to the beneficiary of the account of record without a standing instruction.



The screenshot shows the NetX360 web interface. At the top, there's a navigation bar with 'Menu' and 'Favorites' dropdowns. Below that, a breadcrumb trail shows 'Home' > 'Asset Move...' > 'IBD-OFF-IP' > 'Report Center'. A search bar contains 'Account' and 'RKF012345'. Below the search bar, the 'Asset Movement' section is active. It features two dropdown menus: 'Category' set to 'Withdrawals' and 'Transaction' set to 'Fed Fund Request'. A 'Continue' button is located to the right of the 'Transaction' dropdown.

- b. Standing Instructions:** Select this option to request a first-party wire using a standing instruction.
4. In the **Account #** field, type the account number and click **Continue**.
  5. If **Standing Instructions** was selected, all standing instructions for the account display. Locate the standing instruction you want to use and select **Initiate Request** from the **Action** list.
  6. Provide information for the wire request as required and applicable. Refer to the table below for field information.
  7. For retirement wires, to provide tax withholding and fee information, click **Next Step**. Provide information in the Fee Information and Amount & Tax Withholding Information sections.

8. Click **Review Before Sending**.

The Review Request page displays.

- a. Click **Send Fed Fund Request**. Your request is validated by Pershing's asset movement request rules.
- b. If the request violates any rules, a list of violations displays. To override violations that are not severe, enter a comment that acknowledges the violation and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.

Asset Movement - Withdrawals			
Category:	Withdrawals	Transaction:	Fed Fund Request
Account #:			Account Category: FINL
Review Request			
<b>Real Time-Funds Available</b>			
Cash Available (Cash):	\$ 0.00	Cash Mgmt Available:	\$ 0.00
Cash Available (Margin):	\$ 0.00	Pending Withdrawals:	(\$ 0.00)
Overall Cash Available:	\$ 0.00	Funds Available to Withdraw:	\$ 0.00
<b>Wire Instructions</b>			
Total Disbursement and Close Account:	NO		
Amount:	\$ 10,000.00		
Account Type:	Cash		
Letter Of Authorization on File:	Yes		
Release Date:	08/06/2018		
Release Date Comments:			
For IBD use only.			
<b>Bank Information</b>			
ABA #:			
Bank Name:			
City and State:			
<b>Ultimate Beneficiary Information</b>			
Beneficiary Name:	JOE CLIENT		
Second Beneficiary Name:			
Account #:	123456		
Additional Instruction:			
<b>Fee Information</b>			
	<b>Fee Type</b>	<b>Total Fees</b>	
Total Fees To Be Charged To Customer		\$ 25.00	
< Back to Transaction		Cancel	Send Fed Fund Request

Asset Movement – Withdrawals – Fed Fund Request Fields

Required fields are marked with an asterisk (\*)

FIELD	ENTER OR SELECT
<b>Total Disbursement and Close Account</b>	Select <b>Yes</b> to disburse all the funds and close the account.
<b>Distribution Amount*</b> Note: <b>This field appears only if the check is initiated from a retirement account</b>	Enter the amount of the wire request. Select <b>Gross</b> (if the amount of the check is before tax withholding) or <b>Net</b> (if the amount of the check is after tax withholding.) Note: If you selected <b>Yes</b> for <b>Total Distribution and Close Account</b> field, the system automatically populates this field and the Gross and Net options are unavailable.
<b>Amount*</b> Note: <b>This field appears only if the request is initiated from a retail account.</b>	Enter the amount of the wire request.
<b>Account Type</b> Note: <b>This field appears only if the request is initiated from a retail account</b>	Select the appropriate option from the list.
<b>Letter of Authorization on File<sup>8</sup></b> Note: <b>This field appears only if the request is initiated from a retail account.</b>	Select <b>Yes</b> if there is a Federal Fund Wire Request form (LOA) that will be uploaded to the account. Otherwise, select No. <b>Note:</b> If <b>No</b> is selected, a message You have entered invalid data. Field(s) in Red indicate missing or incorrect information displays and you cannot proceed with your request.
<b>Release Date*</b>	Enter or select a future date (up to 30 days from today's date) by clicking the calendar icon.
<b>Release Date Comments</b>	Enter applicable comments, if required.
Bank Information Section	

FIELD	ENTER OR SELECT
<b>ABA #*</b>	Enter the client's bank ABA routing number and click Display Info. Note: If the ABA number is on file, the Bank Name, City and State information display. If the ABA number is not on file, you are prompted to enter this information.
<b>Branch Name</b>	Enter the bank branch name.
<b>City and State</b>	Enter the bank branch city and select the state.
<b>Second Bank Information – Domestic</b>	If a second bank is involved in the request, click the Second Bank Info- Domestic link and enter the appropriate information.
<b>Further Credit To Account#</b>	Enter the account number of the non-banking/financial institution that is acting as an agent for the request.
<b>Name</b>	Enter the name of the non-banking/financial institution (if it acts as an agent for the request).
Ultimate Beneficiary Information Section	
<b>Beneficiary Name*</b>	Enter the appropriate beneficiary name (if it differs from the one displayed). <b>Note:</b> The beneficiary is the final recipient of the funds. The Beneficiary Name defaults to the name of the account holder. If this information is altered in any way, the request is considered a third-party request and routes to PCS and Pershing for review.
<b>Second Beneficiary Name</b>	Enter the appropriate beneficiary name (if it differs from the one displayed). <b>Note:</b> If this information is altered in any way, the request will be considered a third-party request and routes to PCS and Pershing for review.
<b>Account #*</b>	Enter the beneficiary's account number with the financial institution.
<b>Additional Instruction</b>	Entered any additional banking instructions (if they are not captured elsewhere).
<b>Add Legal Address</b>	Click <b>Add Legal Address</b> to display the legal address in the <b>Additional Instruction</b> field. For accounts that have a mailing address that contains a P.O. field or "Care of" information, the legal address must be added to the <b>Additional Instruction</b> field.
Amount & Tax Withholding Information Section Note: <b>This section appears only if the request is initiated from a retirement account.</b>	
<b>Distribution Amount*</b>	Modify the distribution amount, if required. This field is available only if <b>Gross</b> is selected.
<b>Wire Amount</b>	Modify the wire amount, if required. This field is available only if <b>Net</b> is selected.
<b>Federal Tax</b>	Select <b>Yes</b> and enter the percentage of federal taxes to be withheld in the % field or enter a specific amount in the \$ field. The default is 10% and is also the minimum a client can withhold. Or Select <b>No</b> if the client does not wish to withhold federal tax.
<b>State of Withholding</b>	Select the state of withholding from the list.

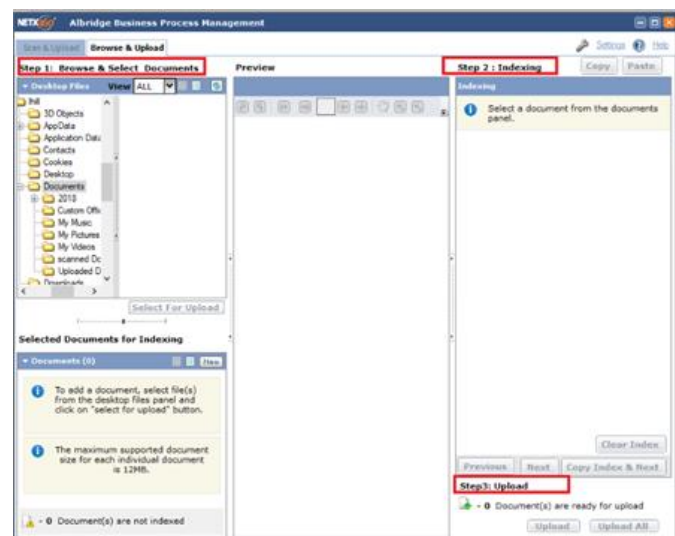


FIELD	ENTER OR SELECT
	<b>Note:</b> This field defaults to the account's legal state of residence. Some states require withholding if federal tax is withheld.
<b>State Tax</b>	Select <b>Yes</b> and enter the percentage of state taxes to be withheld in the % field or enter a specific amount in the \$ field. Or Select <b>No</b> if the client does not wish to withhold state tax.
<b>Calculate Tax</b>	Click to calculate the taxes. This button is unavailable if using the default tax percentage.
Fee Information Section	
<b>Charge Fees To</b>	Click on the link to open the list of applicable fees. For the fee types that appear for which changes are allowed, select the appropriate option from the list. <b>Notes:</b> Select <b>Customer</b> to charge fees to the client account. Select <b>IP</b> to charge fees to the Financial Advisor.

### Upload a Document to Imaged Documents

After initiating a fed fund request, upload supporting documentation to Pershing via NetX360. A copy of the documents should be saved to your computer, and document types should be saved separately (e.g. IRA Distribution Request form and Power of Attorney documents, etc.).

1. In the NetX360 search field, enter the account number or short name of the desired account. Matching search results display.
2. In the **Accounts** section of the search results, select the account. The account workbook summary page displays.
3. In the **Documents** tile, click **Upload a Document**. The **Imaged Documents** page displays.
4. Click **Upload Documents** in the upper right.
5. Under **Step 1: Browse & Select Documents**, select the file you want to upload.
6. Click **Select for Upload**. A preview of the selected document, if available, displays in the **Preview** section.
7. Under **Step 2: Indexing**, select the document type from the **Document Type** field. Index information fields for the selected document type display below.
8. Populate index information fields for the document. Required fields are marked with an asterisk (\*).
9. Under **Step 3: Upload**, click **Upload**. The **Upload Status** window informs you of the upload progress. When the upload is complete, a confirmation message displays.
10. Click **OK**.
11. Upload another document or click the **X** button in the upper right to close the window.





### Monitor the Status of Your Request

Click **Accounts > Single Account > Activity > Work Items – Recent** or **Work Items – All**.

### Cancel or Replace a Wire Request

You can cancel or replace a wire request. The request status must be in **Pending Review** or **Hold** status.

1. Click **Service & Operations > Work Items > Work Status**.
2. Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **Fed Fund Request**
  - b. Initiated By: **Me**
  - c. Request Status: **Pending Review** or **Hold**
3. Double-click on the request and the work status details page displays the **Cancel & Replace** and **Cancel** buttons.
4. To cancel and replace the wire request, click **Cancel & Replace**. A confirmation message displays. Click **Cancel & Continue**. The **Asset Movement - Withdrawals** page displays so you can enter a replacement wire request.

Or

5. To cancel the wire request without replacing it, click **Cancel Transaction**. A confirmation message displays. Click **Cancel Request**.



# Standing and Periodic Instructions

*This section includes information on how to create and update standing and/or periodic asset movement instructions for ACH and Federal Fund Wires, including retirement tax withholding and Pay Principal or Pay Income Distributions.*

## Create Standing Instructions for Retirement Tax Withholding

The Tax Withholding (W4P) Standing Instruction enables creation of one retirement tax withholding election for an account that can be used for future distribution. This process enables straight-through processing by eliminating the need to upload the distribution forms to Pershing for review and approval.

This type of standing instruction can be used with the following one-time/ad hoc distributions:

- First-party checks
- ACH transactions
- Journal to individual and joint accounts, where the Social Security Number of the retirement account owner is listed on the receiving account.
- Third-party checks and fed fund wires (approved standing instructions must be on file with the third-party check and fed fund wire delivery instructions.)

## **Eligible Retirement Account Types**

The standing instruction can be created for the following retirement account plan types:

Traditional IRAs, SEP IRAs, Simple IRAs, and Roth IRAs. All other plan types are ineligible.

## **Required Documentation – Submitted within 30 days of client signature**

**IRA Distribution Form:** Required to establish standing tax withholding (W4P) instructions if Pershing is the custodian and available via NetX360 Marketing Center. Confirm the appropriate section has been completed.

## Expiration of Tax Withholding (W4P) Standing Instructions

Standing instructions for Tax Withholding (W4P) requests expire 36 months after last use.

### Browse Standing Instructions

- Click **Service & Operations > Standing Instructions** or **Periodic Instructions** to view all approved standing or periodic instructions on file. Use additional filters to narrow your search.

### Cutoff Times

Standing instruction: 48-hour turnaround time for approval

### Create a Tax Withholding W4P SI (Standing Instruction)

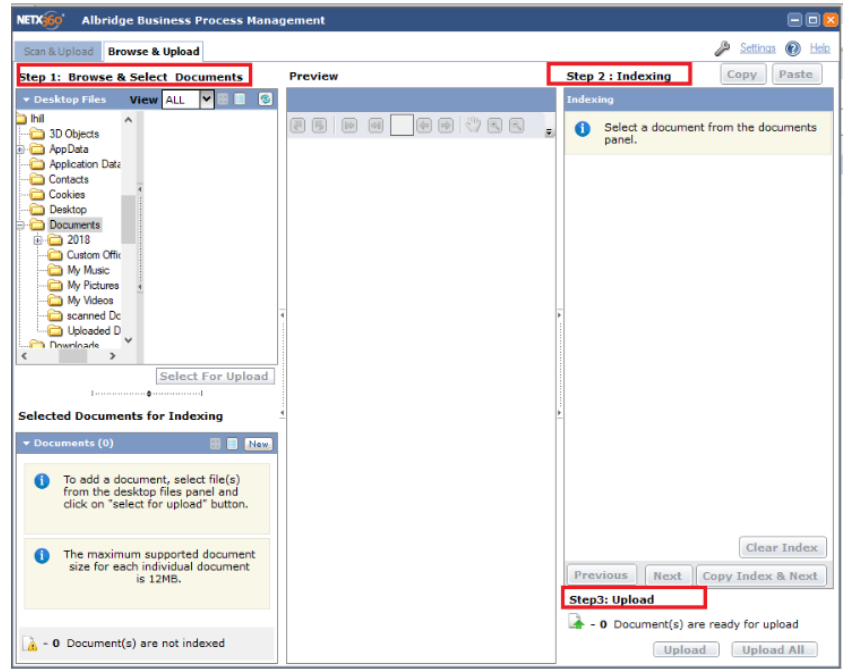
- Click **Service & Operations > Standing Instructions**.
- Click **Create New Standing Instruction**. The **Standing Instructions - Create New** page displays.
- Enter the account number.
- From the **Transaction Type** list, select **Tax Withholding (W4P) Standing Instruction** and click **Continue**.
- In the **Description** field, enter a description for the Tax Withholding (W4P) Standing Instruction (up to 35 characters).
- For **Federal Tax**, select one of the following:
  - To withhold federal taxes from the distribution, select **Yes** and enter the percentage of federal taxes to withhold in the % box. The default and minimum is 10%.
  - If the investor does not want to withhold federal tax, select **No**.
- From the **State of Withholding** list, select the appropriate state of withholding.
  - Note: State of Withholding defaults to the account's legal state of residence. Some states require state withholding if federal tax is withheld.
- Click **Review Before Sending**. The **Review Request** page displays.
- Click **Send Standing Instruction Request**.
  - If the request does not violate any approval rules, the system displays the following message: The standing instruction request "nnnn" has been sent for approval.
  - If the request violates any approval rules, a list of violations displays. To override violations that are not severe, enter a comment and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.
    - The system displays the following message: The standing instruction Request "nnnn" has been sent for approval. Please fax the necessary paperwork for review. The transaction number is represented by "nnnn."

### Upload a Document to Imaged Documents

After creating a standing instruction, upload supporting documentation to Pershing via NetX360. A copy of the documents should be saved to your computer, and document types should be saved separately (e.g. IRA Distribution Request form and Power of Attorney documents, etc.).

- In the NetX360 search field, enter the account number or short name of the desired account. Matching search results display.
- In the **Accounts** section of the search results, select the account. The account workbook summary page displays.

3. In the **Documents** tile, click **Upload a Document**. The **Imaged Documents** page displays.
4. Click **Upload Documents** in the upper right.
5. Under **Step 1: Browse & Select Documents**, select the file you want to upload.
6. Click **Select for Upload**. A preview of the selected document, if available, displays in the **Preview** section.
7. Under **Step 2: Indexing**, select the document type from the **Document Type** field. Index information fields for the selected document type display below.
8. Populate index information fields for the document. Required fields are marked with an asterisk (\*).
9. Under **Step 3: Upload**, click **Upload**. The **Upload Status** window informs you of the upload progress. When the upload is complete, a confirmation message displays.
10. Click **OK**.
11. Upload another document or click the **X** button in the upper right to close the window.



### Monitor the Status of Your Request

Click **Accounts > Single Account > Activity > Work Items – Recent** or **Work Items – All**.

## Create Standing or Periodic Instructions for ACH

Create ACH (Automated Clearing House) standing and periodic instructions to transfer funds electronically between brokerage and bank accounts.

### **Required Documentation – Submitted within 30 days of client signature**

**Distribution Form:** Required to establish retirement account periodic withdrawals if Pershing is the custodian and available via NetX360 Marketing Center. The client can establish a Standing Instruction without a Distribution Form but will be required to provide a form for future Adhoc withdrawals. (Exception: A distribution form is not required if you are using an approved tax withholding W4P standing instruction.)

**ACH Authorization Agreement:** For ACH approval, an original Pershing ACH authorization form signed by all account holders (both brokerage and bank) is required. The form must be accompanied by an original voided check and any necessary supporting documentation.

If the bank account is a savings account or the client does not have an original voided check, one of the following supporting documentation is required to verify the bank data.

### **Supporting Documentation**

- Pre-printed, MICR-encoded deposit slip.
- Copy of the client's bank statement.
- Letter from the bank, on bank letterhead, stating the client's name and bank information signed by a bank employee with his or her name and position at bank printed below.
- Printed, not handwritten, direct deposit form containing the full account name and number.
- Additional supporting documentation may be required for verifying signing authority on the bank side. Examples of this may be a trust agreement when the trustees are not clearly noted in the bank account title, a bank letter that specifies who has asset movement authority, a copy of the bank's signature card in conjunction with a check in an entity name (a Pershing resolution can only be used when the account on the Pershing side is like titled with the bank account), death certificates for joint account holders, etc.

### **Unacceptable Documentation**

- Starter checks (with check number under 100) are not acceptable documentation.
- Counter checks are not acceptable documentation.
- Bill pay checks are not acceptable documentation.

### **Cutoff Times**

Cutoff times for asset movements vary depending on whether the money being distributed is invested in a money market account, and the associated money market cutoff time. Money market cut off times can be viewed via the Rate Board in NetX360 under the Markets & Research > Other menu.

Periodic ACH instruction: Before 4:00 p.m. (ET) if the request is reviewed and submitted for approval to Pershing

Standing ACH instruction: 48-hour turnaround time for approval

### **ACH Transaction Types**

Four standard types of systematic ACH transactions are available:

- **Pay principal** - The systematic payment of a specified dollar amount at a determined frequency and date. Brokerage accounts may have unlimited pay principal instructions.
- **Pay income** - The systematic payment of all interest/dividends paying cash to the brokerage account at a determined frequency and date. Brokerage accounts may only have one pay income instruction.
- **ACH deposit** - The process of electronically depositing funds directly into a bank account.
- **Systematic Reinvestment (SRS)** - The automatic retrieval of funds from the bank account, on the day before settlement, to pay for a mutual fund purchase made via the periodic order system. There is no need to set up a periodic deposit to pay for these trades when SRS is marked as **Yes** for an ACH standing instruction.

### **Set Up Standing and Periodic Instructions**

ACH instructions are entered at the account level using standing instructions or periodic instructions. The instructions must be set up prior to sending any ACH paperwork to Pershing.

### **Account Holder Names**

Account Holder names are important when setting up standing or periodic instructions. The name you enter must match the bank account title exactly. The instructions go through OFAC (The Office of Foreign Assets Control) review.

The NetX360 system assumes a true first party link and automatically populates the **Account Holder's Name(s)** field with the Pershing account information. Adjustments are required to this field when accounts are not identically titled.

Sometimes client names are represented differently between the two accounts, i.e., John Doe on the Pershing records and John Doe Jr. on the bank account or Elizabeth Smith and Beth Smith. To address this situation, ensure the **Account Holder's Name(s)** field matches the bank account title and provide a comment confirming the same in the audit trail or comments section.

Third party ACH requests will be reviewed by PCS prior to approval.

- ACH contributions only are allowed from a custodian bank account into a minor's UTMA/UGMA account. Distributions must be for the exclusive benefit of the minor. An asset movement hold will be placed on the account and each transaction will require additional review.
- Trust Accounts may be linked to a third party that has claim to or responsibility over assets in the trust, such as a trustee, grantor or beneficiary.
  - If the bank account is not in trust registration, the name(s) of the trustee(s) and/or grantor(s) names should be listed on the bank account registration. If the names are not on the registration, the trust agreement or a bank letter is needed to confirm trusteeship.
  - If the bank and brokerage account link is not between like-titled trusts or a trust linked to trustees, making the relationship between the two accounts not immediately obvious, then the non-trust account should be in the name of a beneficiary of the trust.
- Other scenarios may include, but are not limited to, links between family members. A letter of confirmation signed by the clients confirming the relationship may be required.
  - Husband to wife or brother to sister links where the last name is different would require a comment in the audit trail by the initiator stating the relationship and that the relationship has been confirmed.
- Certain types of links that Pershing discourages and would not be approved are 401k plans linked to participants, and "neighbors" or "friends" as a third party justification/statement of relationship.

## Bank Information

When you enter the bank information in a periodic instruction setup, the system generates active standing instructions using that information. There is no need to enter periodic instructions with the bank information and standing instructions with the same bank information. The **Start Date** drives the automatic payments, so this can be set up to avoid double entries and the creation of duplicate standing instructions. The **Description** fields above each section are free form so you can enter separate

descriptions for each part of the instruction. The system automatically populates the description of the bank details section to match the transaction description, but you can edit this information, if required.

### **Activate Standing Instructions**

You do not need to enter the bank information for subsequent periodic instructions. Select **Use Existing** to add this information to the required field. This avoids creating duplicate standing ACH instructions and bypasses the ACH paperwork requirement in the Rules Engine.

### **Edit Periodic Instruction**

You can edit sections of periodic instructions without creating a new work item. These edits do not require Pershing approval and the instructions remain active.

For retail accounts, **Frequency of Payment** is also an editable field. For retirement accounts where Pershing is the custodian, an updated distribution form is required if any change is made to the instruction.

### **View Standing or Periodic Instructions**

- Click **Service & Operations > Standing Instructions** or **Periodic Instructions** to view all approved standing or periodic instructions on file. Use additional filters to narrow your search.

#### *Create a Standing Instruction*

1. Click **Service & Operations > Standing Instructions**.
2. Click **Create New Standing Instruction**. The **Standing Instructions - Create New** page displays.
3. Enter the account number.
4. From the **Transaction Type** list, select **ACH Standing Instruction** and click **Continue**.
5. Provide information for the standing instruction as required and applicable. Refer to the standing instructions fields in the table below for field information.
6. Click **Review Before Sending**. The **Review Request** page displays.
7. Click **Send Standing Instruction Request**.
  - a. If the request does not violate any approval rules, the system displays the following message: The standing instruction request "nnnn" has been sent for approval.
  - b. If the request violates any approval rules, a list of violations displays. To override violations that are not severe, enter a comment and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.
    - i. The system displays the following message: The standing instruction Request "nnnn" has been sent for approval. Please fax the necessary paperwork for review. The transaction number is represented by "nnnn."

#### *Create a Periodic Instruction*

1. Click **Service & Operations > Periodic Instructions**.
2. Click **Create New Periodic Asset Movement Instruction**.

3. Enter the account number and click **Continue**.
4. Populate the following fields and click **Continue**.
5. **Periodic Instruction Type** - select the required option.
  - a. **Deposit (ACH)** – Deposit money to the brokerage account and withdraw from the bank account.
  - b. **Pay Income** – Withdraw dividends and/or interest paying cash from the brokerage account and deposit to the bank account.
  - c. **Pay Principal** – Withdraw a fixed dollar amount from the brokerage account and deposit to the bank account.
6. **Periodic Instruction Method** - select **ACH**.
7. **Standing Instruction** - select one of the following:
  - a. **Use Existing** - Use an existing standing instruction.
  - b. **Create New** - create a new standing instruction. Complete standing instruction fields after providing information for the periodic instructions.
8. Provide information for the periodic instruction as required and applicable. Refer to the periodic instruction's fields in the table below for field information.
9. Click **Review Before Sending**. The **Review Request** page displays.
10. Click **Send Periodic Instruction Request**.
  - a. If the request does not violate any approval rules, the system displays the following message: The periodic instruction request "nnnn" has been sent for approval.
  - b. If the request violates any approval rules, a list of violations displays. To override violations that are not severe, enter a comment and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.
    - i. The system displays the following message: The periodic instruction request "nnnn" has been sent for approval. Please fax the necessary paperwork for review. The transaction number is represented by "nnnn."

#### Cancel or Replace a Standing or Periodic Instruction

You can cancel or replace a standing or periodic instruction request. The request status must be in **Pending Review** or **Hold** status.

1. Click **Service & Operations > Work Items > Work Status**.
2. Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **Standing Instruction - ACH** or **Periodic Instruction - ACH**
  - b. Initiated By: **Me**
  - c. Request Status: **Pending Review** or **Hold**
3. Double click on the request and the **Work Status** details page displays the **Cancel and Replace** and **Cancel Transaction** buttons.



- To cancel and replace the request, click **Cancel & Replace**. A confirmation message displays. Click **Cancel & Continue**.

Or

- To cancel the request without replacing it, click **Cancel Transaction**. A confirmation message displays. Click **Cancel Request**.

### Standing Instruction and Periodic Instruction Fields

Required fields are marked with an asterisk (\*).

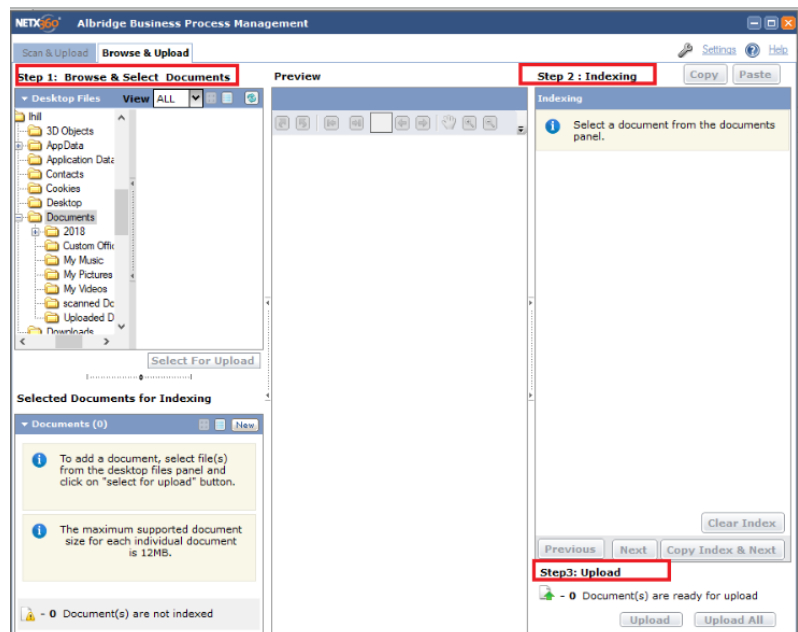
FIELD	ENTER OR SELECT
<b>Standing Instruction Fields</b>	
<b>Description*</b>	Enter a description for the instruction.
<b>Account Holder's Name(s)</b>	Populated automatically with the Pershing account information. Modify the displayed information, if required. See Account Holder Names above for more information.
<b>ABA Number*</b>	Enter the ABA number and click Display Information. Note: if the ABA number is on file, the Bank Name, City and State information displays. If the ABA number is NOT on file, enter the required information.
<b>Bank Name</b> Note: <b>This field appears only if ABA number is not on file.</b>	Enter the bank name.
<b>City and State</b> Note: <b>This field appears only if ABA Number is not on file.</b>	Enter the city and select the state from the list.
<b>Bank Account Number (DDA)*</b>	Enter your client's bank account number.
<b>Bank Account Type*</b>	Select <b>Checking</b> or <b>Savings</b> .
<b>Use This Instruction for SRS*</b>	Select <b>Yes</b> or <b>No</b> .
<b>Periodic Instruction Fields</b>	
<b>Request Reason</b> Note: <b>This field appears only if Periodic Instruction Type is</b> Required Minimum Distribution.	Displays <b>Normal</b> or <b>Death</b> . The field remains unavailable for edits.
<b>RMD Amount for Current Year</b> Note: <b>This field appears only if Periodic Instruction Type is</b> Required Minimum Distribution.	Displays the required RMD amount of the account for the current year. The field remains unavailable for edits.
<b>RMD Amount Remaining for Periodic Payments</b> Note: <b>This field appears only if</b> Periodic Instruction Type is Required Minimum Distribution	Displays the remaining amount required for distribution (based on monies already paid out for the current year). The field remains unavailable for edits.
<b>Amount*</b>	Enter the amount.
<b>Frequency of Payment*</b>	Select the appropriate option from the list.
<b>Periodic Payment Start Date*</b>	Enter or select the start date by clicking the calendar icon. The date must be later than the current date.

FIELD	ENTER OR SELECT
<b>Periodic Payment End Date</b>	Enter or select the end date by clicking the calendar icon. The date must be later than the current date and the start date. If left blank, payments will continue until canceled.
<b>Exclusion Date</b>	Enter or select the start and end dates by clicking the calendar icon. This is the time period for which you want to suspend the instruction.
Amount & Tax Withholding Information Section Note: <b>This section appears only if the instruction is created from a retirement account.</b>	
<b>Federal Tax</b>	Select <b>Yes</b> and enter the percentage of federal taxes to be withheld in the % field or enter a specific amount in the \$ field. The default is 10% and is also the minimum a client can withhold. Or Select <b>No</b> if the client does not wish to withhold federal tax.
<b>State of Withholding</b>	Select the state of withholding from the list. <b>Note:</b> This field defaults to the account's legal state of residence. Some states require withholding if federal tax is withheld.
<b>State Tax</b>	Select <b>Yes</b> and enter the percentage of state taxes to be withheld in the % field or enter a specific amount in the \$ field. Or Select <b>No</b> if the client does not wish to withhold state tax.
<b>Calculate Tax</b>	Click to calculate the taxes. This button is unavailable if using the default tax percentage.

### Upload a Document to Imaged Documents

After creating a standing or periodic ACH instruction, upload supporting documentation to Pershing via NetX360. A copy of the documents should be saved to your computer, and document types should be saved separately (e.g. ACH Authorization Agreement, IRA Distribution Request form and Power of Attorney documents, etc.).

1. In the NetX360 search field, enter the account number or short name of the desired account. Matching search results display.
2. In the **Accounts** section of the search results, select the account. The account workbook summary page displays.
3. In the **Documents** tile, click **Upload a Document**. The **Imaged Documents** page displays.
4. Click **Upload Documents** in the upper right.
5. Under **Step 1: Browse & Select Documents**, select the file you want to upload.
6. Click **Select for Upload**. A preview of the selected document, if available, displays in the **Preview** section.
7. Under **Step 2: Indexing**, select the document type from the **Document Type** field. Index information fields for the selected document type display below.



8. Populate index information fields for the document. Required fields are marked with an asterisk (\*).
9. Under **Step 3: Upload**, click **Upload**. The **Upload Status** window informs you of the upload progress. When the upload is complete, a confirmation message displays.
10. Click **OK**.
11. Upload another document or click the **X** button in the upper right to close the window.

### Monitor the Status of Your Request

Click **Accounts > Single Account > Activity > Work Items – Recent** or **Work Items – All**.

### Cancel or Replace a Standing or Periodic ACH Request

Cancel or replace a standing or periodic ACH request before the ACH is sent for prenoting. The ACH request must be in **Pending Review** status.

15. Click **Service & Operations > Work Items > Work Status**.
16. Select the filters listed below, plus any other desired filters, and click **Display**.
  - a. Request Type: **Standing Instruction – ACH or Periodic Instruction - ACH**
  - b. Initiated By: **Me**
  - c. Request Status: **Pending Review**
17. Click the link in the **Request Description** column for the ACH request to be canceled. The page refreshes to display the request details.
18. To cancel and replace the ACH request, click **Cancel & Replace**. A confirmation message displays.
19. Click **Cancel & Continue**. The **Asset Movement - Withdrawals - ACH Request** page displays so you can enter a replacement ACH request.
20. To cancel the ACH request without replacing it, click **Cancel Transaction**. A confirmation message displays.
21. Click **Cancel Request**.

## Create Standing Instructions for Federal Fund Wires

### **Prerequisites**

A request from a client to establish a standing instruction for outgoing fed fund requests requires that a Fed Fund Wire Request Form or Letter of Authorization (LOA), along with any other necessary supporting documentation.

LOAs must be dated within 60 days of the first asset movement setup. The letter should be generic enough in nature to support future payment requests. For example, the letter should not list any dollar amounts or payment frequency. Once the request is approved, an outgoing fed fund wire request can be initiated via the approved standing instruction.

The LOA and any necessary supporting documentation must be imaged to Pershing for every Fed Fund standing instruction request.

For a retirement account, a distribution form is required if Pershing is the custodian. (Exception: A distribution form is not required if using an approved tax withholding W4P standing instruction.)

## Browse Standing Instructions

- Click **Service & Operations > Standing Instructions** to view all approved standing instructions on file. Use additional filters to narrow your search.

## Cutoff Times

Standing instruction: 48-hour turnaround time for approval

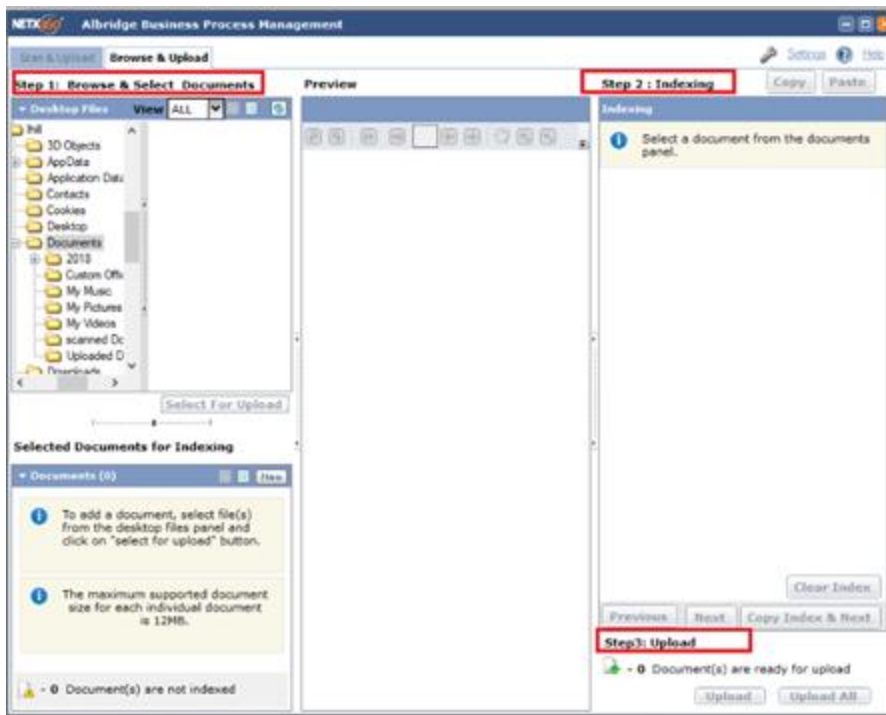
### Create a Standing Instruction

- Click **Service & Operations > Standing Instructions**.
- Click **Create New Standing Instruction**. The **Standing Instructions - Create New** page displays.
- Enter the account number.
- From the **Transaction Type** list, select **Fed Fund Standing Instruction** and click **Continue**.
- In the **Description** field, enter a description for the Standing Instruction (up to 35 characters).
- For **Federal Tax**, select one of the following:
  - To withhold federal taxes from the distribution, select **Yes** and enter the percentage of federal taxes to withhold in the % box. The default and minimum is 10%.
  - If the investor does not want to withhold federal tax, select **No**.
- From the **State of Withholding** list, select the appropriate state of withholding.
  - Note: State of Withholding defaults to the account's legal state of residence. Some states require state withholding if federal tax is withheld.
- Click **Review Before Sending**. The **Review Request** page displays.
- Click **Send Standing Instruction Request**.
  - If the request does not violate any approval rules, the system displays the following message: The standing instruction request "nnnn" has been sent for approval.
  - If the request violates any approval rules, a list of violations displays. To override violations that are not severe, enter a comment and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.
    - The system displays the following message: The standing instruction Request "nnnn" has been sent for approval. Please fax the necessary paperwork for review. The transaction number is represented by "nnnn."

### Upload a Document to Imaged Documents

After creating a standing instruction, upload supporting documentation to Pershing via NetX360. A copy of the documents should be saved to your computer, and document types should be saved separately (e.g. IRA Distribution Request form and Power of Attorney documents, etc.).

- In the NetX360 search field, enter the account number or short name of the desired account. Matching search results display.
- In the **Accounts** section of the search results, select the account. The account workbook summary page displays.
- In the **Documents** tile, click **Upload a Document**. The **Imaged Documents** page displays.
- Click **Upload Documents** in the upper right.
- Under **Step 1: Browse & Select Documents**, select the file you want to upload.
- Click **Select for Upload**. A preview of the selected document, if available, displays in the **Preview** section.



7. Under **Step 2: Indexing**, select the document type from the **Document Type** field. Index information fields for the selected document type display below.
8. Populate index information fields for the document. Required fields are marked with an asterisk (\*).
9. Under **Step 3: Upload**, click **Upload**. The **Upload Status** window informs you of the upload progress. When the upload is complete, a confirmation message displays.
10. Click **OK**.
11. Upload another document or click the **X** button in the upper right to close the window.

### Monitor the Status of Your Request

Click **Accounts > Single Account > Activity > Work Items – Recent** or **Work Items – All**.

SECTION  
7

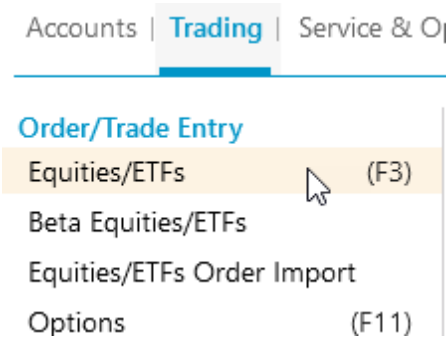
# Trading

*This section includes information on how to trade stocks, bonds, mutual funds, and options as well as various specialized transactions and systems. All trade-related questions can be directed to the PCS Trading Desk at (502) 992-1644.*

## Trading Basics – Placing a Trade via NetX360

### Equity/ETF Trading via NetX360

- 1) Click **Trading** > **Equities/ETFs**.



- 2) In the **Account** field, enter the account number into which the order will be placed, and press enter.

A screenshot of the 'Account' field in the NetX360 interface. It shows a text input box with the label 'Account' on the left. Inside the box, the text 'RKF' is visible, followed by a blacked-out area. A small downward arrow is on the right side of the box.

**Note:** You can also select an account from the **Account** list or perform an account search using **Account Search**.

- 3) From the **Transaction** drop-down list, select the appropriate action.

Order Details									
Transaction:	Quantity:	Symbol:		Order Type:	Limit Price:	Stop Price:			
BUY				Market					
BUY BUY TO COVER SELL FROM POSITION SELL SHORT SELL NOT IN ACCOUNT SHRT EX DEEM TO OWN		Acct Type:	Solicited:	P/A Ind:	Additional Order Data:				
		Cash	Yes	A	<input type="checkbox"/> All or None <input type="checkbox"/> Not Held <input type="checkbox"/> Do Not Reduce Price <input type="checkbox"/> Do Not Increase Shares		Discretion Exercised:		
							No		
Commissions and Fees									
Split IP1:	%	Split IP2:	%	Commission:					
					Calculate				

## Buy

**Buy to Cover** – select the position from the Select a Position pop-up.

**Sell from Position** – select the position from the Select a Position pop-up.

**Sell not in Account** - Requires Locate information.

## Short Ex Deem to Own

- 4) In the **Quantity** field, enter the number of shares for the order.
- 5) In the **Symbol** field, enter the symbol of the equity for the order.
- 6) From the **Order Type** drop-down list, select the appropriate action:

**Market** (the default)

**Limit** – enter the desired price in the respective field

**Stop** – enter the desired price in the respective field

**Stop-Limit** – enter the desired prices in the **Limit Price** and **Stop Price** fields.

**Execute at Close**

**Or Better**

**With or Without Sale**

**Limit on Close**

**Trailing Stop-Limit \$, Trailing Stop-Limit %, Trailing Stop \$, or Trailing Stop %** - enter information in the **Trailing Amt, Limit Offset,** and **Trailing based on** fields.

- 7) From the **Duration** drop-down list, select the appropriate action:

**Day** (the default) – Good for the current day only

**GTC** – Good-till-canceled

**GTD** – Good-till-date

**GTM** – Good-till-month, the order is good up to 30 calendar days from the order date

**FOK** – Fill or Kill, either fill the entire order or cancel the order

**OPG** – At the Market Open only

**IOC** – Immediate or Cancel, fill all or part of the order immediately and cancel the unfilled portion

8) From the **Account Type** drop-down list, select the appropriate action: Cash (default) or Margin.

9) Indicate Yes or No in the **Solicited** field and **Discretion Exercised** field.

The screenshot shows a section of the order entry form. It includes a 'Solicited' dropdown menu with 'No' selected. Next to it is a 'P/A Ind' dropdown menu with 'A' selected. To the right is an 'Additional Order Data' section with four checkboxes: 'All or None' (checked), 'Not Held', 'Do Not Reduce Price', and 'Do Not Increase Shares'. Further right is a 'Discretion Exercised' dropdown menu with 'No' selected.

10) From the **Commission** drop-down list, select the appropriate type:

**COM** – Flat dollar amount

**MLT** – Percent of standard commission schedule. For example, a 30% discount would be entered as MLT 70.

**RTE** – Cents per share

**PFM** – Percent of first money or percent of principal

The screenshot shows three sections of the order entry form. The 'Commissions and Fees' section includes fields for 'Split IP1', 'Split IP2', and 'Commission', with a 'Calculate' button. The 'Activity/Trailer/Comment' section includes a 'Trailers / Comments on Confirm' field, an 'Original Input Source' dropdown menu with 'NetExchange' selected, and a 'Pre-Defined IBD Memos' button. The 'Regulatory Information' section includes fields for 'IBD Order Receipt', 'Date', 'Time', 'Time Zone', and 'From', with a 'DT Stamp' button and an 'Enter Notes' field.

a) All commissions charged are subject to the Firm's excessive commission policy. Refer to the PCS Commission Grid for acceptable commission amounts.

11) Enter **IBD Order Receipt** information or click **DT Stamp** to populate current date and time.

The screenshot shows the 'Regulatory Information' section of the order entry form. It includes fields for 'IBD Order Receipt', 'Date' (05/07/2019), 'Time' (16:50:43), 'Time Zone' (NYT), and 'From'.

12) Click **Review Before Sending**. The **Equity Order Review** window displays.

13) Review the order details and, if they are correct, click **Send Order**.

- It is the Representative's responsibility to ensure that duplicate orders are not placed. This can be checked through the Order Status function.
- If there is any question whether or not a trade was executed or received, please promptly contact the PCS Trading Desk at (502) 992-1644.
- Any error message received while placing a trade should be verified with the Trading team.
- If you'd like to request a change or cancellation of an order that was placed during non-market hours, please contact the Trading team prior to the market open. Changes submitted via email or voicemail will not be accepted. In addition, the Cancel/Replace function cannot be utilized for market orders.
- Sell not in Account – The Representative is ultimately responsible for determining the location and the delivery of securities for their clients. These responses may only be used if they describe the situation of your client. All sale orders that require locate information cannot be placed until the



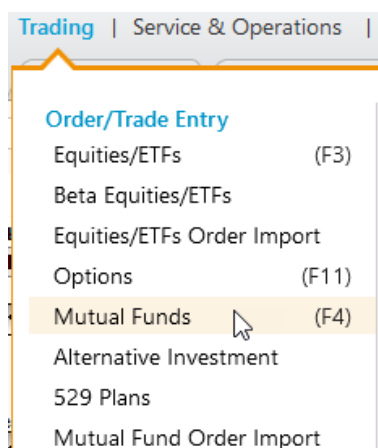
locate field is populated. Below is a list of Compliance approved responses that may be used in the locate field.

- Certificates in hand
- Client mailing from home
- Safe Deposit Box
- DWAC from XXXXXXXX
- Restricted Stock (Rule 144)
- Delivery from another firm
- Pending paper item
- COD account
- Cashless stock option
- Reorg, rights, or warrants
- Unsettled buy-cash to cover
- Please contact the Trading team if you have any questions.

### Mutual Fund Trading via NetX360

#### **REDEMPTIONS**

- 1) Click **Trading > Mutual Funds**. The Mutual Funds trading screen displays.



- 2) In the **Account** field, enter the account number into which the order will be placed, and press enter.

A screenshot of the 'Account' field in the trading interface. The text 'RKF' is entered into the field, followed by a blacked-out portion of the account number. A dropdown arrow is visible on the right side of the field.

**Note:** You can also select an account from the **Account** list or perform an account search using **Account Search**.

- 3) From the **Transaction** drop-down list, select **Redeem**. The **Select a Fund to Redeem** pop-up page displays.

A screenshot of the 'Funds Available to Trade' pop-up window. The 'Order Details' section is visible. The 'Transaction' dropdown menu is open, showing options: Buy, Buy, Redeem (highlighted), and Exchange. Other fields include 'Sec.ID Value', 'Amount', 'Currency', 'Initial Purchase' (No), 'Share Class Reviewed' (No), 'Solicited' (No), 'Reinvest' (Yes), 'Dividend/Income' (Yes), 'Capital Gains' (Yes), 'Source of Funds', 'Buy at NAV' (No), 'Discretion Exercised' (No), and 'Comments'. There is also a 'Fund Details' section with 'Details' and 'Quotes' tabs.

- 4) In the **Sec.ID Value** field, either:
- Enter the security identifier

**OR**

- Click the Security ID of a fund, and then click **Select** to populate the **Order Details** with information pertaining to that mutual fund.

**NETX360 Select a Fund to Redeem**

Account#: RKF [REDACTED]

Enter Sec.ID Value:

-OR-Select a fund to redeem from the following table

Sec. ID	Security	Acct. Type	Quantity	Price	Value
ABALX	AMERICAN...	Cash	2,277.85...	27.18000...	61,912.13
AMRMX	AMERICAN...	Cash	424.6280	41.32000...	17,545.63
TISHX	DWS COM...	Cash	508.1270	24.36000...	12,377.97
FDRXX	FIDELITY C...	Cash	3,441.55...	1.000000...	3,441.55
FRSTX	FRANKLIN...	Cash	1,668.28...	9.610000...	16,032.17
AMECX	THE INCOM...	Cash	1,886.46...	22.39000...	42,237.91
AIBAX	INTERMEDI...	Cash	971.8760	13.37000...	12,993.98
ANEFX	THE NEW E...	Cash	383.5500	45.99000...	17,639.46

**ABALX (AMERICAN BALANCED FUND CLASS A)**

NAV	Fund Load	Short Settle
27.18	Front-End Load Fund (5.75%)	Not Eligible

☐ Do not display this popup in future

- 5) In the **Amount** list, select what is to be redeemed (NOTE: check the Full box to sell all shares):
- Amount** - Select **Currency** and enter a numeric value in the **Amount** field.
  - OR
  - Number of shares** - Select **Shares** and enter the number of shares in the **Amount** field.

Amount:   OR ☐ Full (2,277.8560 shares / 61,912.13 USD)

- 6) Indicate if Yes or No in the **Solicited** field and Discretion **Exercised** field.

Solicited:  Short Settle:  Discretion Exercised:

- 7) Commission Override can be populated with \$6.00 for most mutual fund redemptions to cover the ticket charge.

**Additional Order Information**

Comm Override:  Branch Override:  IP Override:

Gross/Net:  CDSC Waiver:  Redemption Fee Waiver:  IP Name:  Orig. Input Source:

**Regulatory Information**

IBD Order Receipt:  Date:  Time:  Time Zone:

Mutual fund prices and balances reflect previous day's market close.

- 8) Enter the **CDSC Waiver** reason if applicable.

- 9) Enter **IBD Order Receipt** information or click **DT Stamp** to populate current date and time.

Regulatory Information				
IBD Order Receipt:	<b>DT Stamp</b>	Date: 05/07/2019	Time: 16:50:43	Time Zone: NYT
		From:		

- 10) Click **Review Before Sending**. The **Mutual Fund Order Review** page displays.

**Mutual Fund Order Review**

You have entered the following order. Click on 'Send Order' if it is correct

## REDEEM

Account: TKF

**Order Details**

Fund Name:	CAPITAL WORLD GROWTH & INCOME FUND CLASS A
Transaction:	Redeem
Quantity:	41.9111 Shares (USD 2,000.00)
Cusip:	140543109
Sec. ID Value:	CWGIX
Solicited:	No
Discretion Exercised:	No
Account Type:	CASH
Short Settle:	No

**Additional Order Details**

Comm Override:	Branch Override:
IP Override:	Gross/Net:
Split IP1:	%:
Split IP2:	%:
IP Name:	CDSC Waiver:
Original Input Source:	Redemption Fee:

Original Input Source: NX via Home Office Redemption Fee: No

**Activity / Comments**

Comment:	Entered By:
IBD Ord. Receipt: 08/20/2019 16:45:05 NYT	PRKFKVAN
IBD Order From:	
Pershing Ord. Rec...:	
Pershing Order Fr...:	

Buttons: Back To Transaction, Cancel, Send Order

- 11) Review the order and click **Back To Transaction** to correct, **Cancel** to cancel the order entry or **Send Order** to Process.

## EXCHANGES

- 1) Click **Trading > Mutual Funds**. The Mutual Funds trading screen displays.

Trading | Service & Operations |


- Order/Trade Entry
- Equities/ETFs (F3)
- Beta Equities/ETFs
- Equities/ETFs Order Import
- Options (F11)
- Mutual Funds (F4)**
- Alternative Investment
- 529 Plans
- Mutual Fund Order Import

- 2) In the **Account** field, enter the account number into which the order will be placed, and press enter.







Account	RKF
---------	-----




**Note:** You can also select an account from the **Account** list or perform an account search using **Account Search**.




- 3) From the **Transaction** drop-down list, select **Exchange**.

**Funds Available to Trade** 


**Order Details**

Transaction: **Buy**  Sec.ID Value:   Amount:  Currency: **No**  Initial Purchase: **No**  Share Class Reviewed: **No**  Solicited: **No** 

**Buy**   
**Redeem**   
**Exchange** 


Reinvest: **Yes**  Reinvest: **Yes**  Source of Funds:  Buy at NAV: **No** 

Dividend/Income:  Capital Gains:

Discretion Exercised: **No**  Comments:  Fund Details:

**Details** **Quotes**

- 4) The **Select a Fund to Exchange** pop-up page displays.
- 5) In the upper section of the **Select a Fund to Exchange** popup window, select the security ID of the mutual fund to be exchanged. The security ID string of the selected mutual fund then populates the **Enter Sec.ID Value** field.
- 6) In the lower section of the **Select a Fund to Exchange** popup window, select the security ID of the mutual fund to be purchased. (Click **More Fund** to view additional mutual funds in the listing). The security ID string of the selected mutual fund then populates the **Enter Sec.ID Value** field.
- 7) Click **Select** to populate the **From** and **To** fields in the **Order Details** section.

**NETX360** **Select a Fund to Exchange** 

Enter Sec.ID Value:

-OR- Select a fund to Exchange from the following table

Sec. ID	Security	Acct. Type	Quantity	Price	Value
VCOBX	VANGUARD COR...	Cash	785.5170	19.710...	15,482....

Enter Sec.ID Value:

-OR- Select a fund to Purchase from the following table

Symbol	Cusip	Security

**Select** **Cancel** **More Fund**

- 8) In the **Amount** list, select what is to be exchanged. (NOTE: check the Full box to exchange all shares):
- a) **Amount** - Select Currency and enter a numeric value in the Amount field.

OR

- b) **Number of shares** - Select Shares and enter the number of shares in the Amount field.

Amount:	<input type="text"/>	Currency <input type="button" value="v"/>	OR <input type="checkbox"/> Full (2,277.8560 shares / 61,912.13 USD)
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- 9) Indicate if Yes or No in the **Solicited** field and Discretion **Exercised** field.

Solicited:	Short Settle:	Discretion Exercised:
No <input type="button" value="v"/>	No <input type="button" value="v"/>	No <input type="button" value="v"/>

- 10) Enter the **CDSC Waiver** reason if applicable.

- 11) Enter **IBD Order Receipt** information or click **DT Stamp** to populate current date and time.

<b>Regulatory Information</b>									
IBD Order Receipt:	<input type="button" value="DT Stamp"/>	Date:	05/07/2019 <input type="button" value="v"/>	Time:	16:50:43	Time Zone:	NYT <input type="button" value="v"/>	From:	<input type="text"/>

- 12) Click **Review Before Sending**. The **Mutual Fund Order Review** page displays.

NETX660

Mutual Fund Order Review

You have entered the following order. Click on 'Send Order' if it is correct

EXCHANGE

Account TKF [REDACTED]

Order Details

From Fund Name: CAPITAL WORLD GROWTH & INCOME FUND CLASS A  
To Fund Name: AMCAP FUND CLASS A  
Transaction: Exchange  
Quantity: 41.9111 Shares (USD 2,000.00)  
Cusip: 023375108  
Discretion Exercised: No  
Sec. ID Value (Fro... CWGIX  
Reinvestment Div ... Yes  
From Account Type: CASH

To: AMCPX  
Reinvestment Cap... Yes  
Solicited: No

Additional Order Details

Comm Override:  
Branch Override:  
Split IP1: N/A  
Split IP2: N/A  
IP Name:

To Comm Override:  
IP Override:  
%: 0  
%: 0

Activity / Comments

Original Input Sou... NX via Home Office Entered By: PRKFKVAN  
Comment:  
IBD Ord. Receipt: 08/20/2019 16:49:00 NYT  
IBD Order From:  
Pershing Ord. Rec...  
Pershing Order Fr...

Back To Transaction

Cancel

Send Order

- 13) Review the order and click **Back To Transaction** to correct, **Cancel** to cancel the order entry or **Send Order** to Process.

## **PURCHASES**

- 1) Click **Trading > Mutual Funds**. The Mutual Funds trading screen displays.

Trading | Service & Operations |

**Order/Trade Entry**

- Equities/ETFs (F3)
- Beta Equities/ETFs
- Equities/ETFs Order Import
- Options (F11)
- Mutual Funds (F4)**
- Alternative Investment
- 529 Plans
- Mutual Fund Order Import

- 2) In the **Account** field, enter the account number into which the order will be placed, and press enter.

Account | RKF [REDACTED]

a) **Note:** You can also select an account from the **Account** list or perform an account search using **Account Search**.

- 3) From the **Transaction** drop-down list, select **Buy**.

**Funds Available to Trade** ⓘ

**Order Details**

Transaction:	Sec.ID Value:	Amount:	Initial Purchase:	Share Class Reviewed:	Solicited:
Buy	[REDACTED]	[REDACTED] Currency	No	No	No
Buy Redeem Exchange			Source of Funds:	Buy at NAV:	
	Reinvest: Yes	Reinvest: Yes		No	
Discretion Exercised:	Comments:	Fund Details:			
No	[REDACTED]	[REDACTED]			
		Details   Quotes			

- 4) In the **Sec.ID Value** field, enter the symbol or CUSIP of the mutual fund to purchase.
- 5) In the **Amount** field, enter a numeric value.

Amount: [REDACTED] Currency OR ☐ Full (2,277.8560 shares / 61,912.13 USD)

- 6) Indicate if Yes or No in the **Solicited** field and Discretion **Exercised** field.

Solicited:	Short Settle:	Discretion Exercised:
No	No	No

- 7) **Commission Override** cannot be used when placing a load mutual fund buy.

- 8) Enter **IBD Order Receipt** information or click **DT Stamp** to populate current date and time.

**Regulatory Information**

IBD Order Receipt: **DT Stamp** Date: 05/07/2019 Time: 16:50:43 Time Zone: NYT From: [REDACTED]

- 9) Click **Review Before Sending**. The **Mutual Fund Order Review** page displays.

**Mutual Fund Order Review**

You have entered the following order. Click on 'Send Order' if it is correct

**BUY**

Account TKF [REDACTED]

**Order Details**

Fund Name: VANGUARD ADMIRAL TREASURY MONEY MARKET FUND...

Transaction: Buy

Quantity: USD 10,000.00

Cusip: 921932109

Solicited: No Discretion Exercised: No

Sec. ID Value: VUSXX Initial Purchase: No

NAV Indicators: No Source of Funds:

Reinvestment Div ... Yes Reinvestment Cap... Yes

Short Settle: No Share Class Review... No

**Additional Order Details**

Comm Override: Branch Override:

IP Override: Over/Under:

Split IP1: N/A %: 0

Split IP2: N/A %: 0

LOT/ROA: LOT/ROA Value:

Deliver: Street IRA Indicator:

IP Name: Fund Account: New

**Activity / Comments**

Original Input Sou... NX via Home Office Entered By: PRKFKVAN

Comment:

IBD Ord. Receipt: 08/20/2019 16:3... IBD Order From:

Pershing Ord. Rec... Pershing Order Fr...

Back To Transaction Cancel Send Order

10) Review the order and click **Back To Transaction** to correct, **Cancel** to cancel the order entry or **Send Order** to Process.

### Mutual Fund Systematic Purchases and Redemptions

The Systematic Reinvestment feature is available in NetX360 and allows Representatives to input, change, and view systematic purchases, redemptions, and exchanges on mutual funds. Please be aware that it is up to each Representative to keep track of their client's systematic purchases, redemptions, and exchanges.

### **Setting Up Systematics**

- You can create periodic instructions to redeem, exchange or purchase funds on a regular schedule (monthly, bimonthly, quarterly, semi-annually or annually).
- For mutual fund purchases, money does need to be in the account.
- For systematic redemptions, the account must be long the position before setting up the redemption and a final trade will not take place on the ending date.
- When used in combination with ACH, initiate the systematic after the ACH instructions have been established and approved.
- Please be sure to verify your systematic instructions, as well as changes, the next day to ensure accuracy.
- All changes or deletions of the instructions must be done no later than one day prior to the next scheduled order date.
- To edit a periodic order instruction, the status of the instruction must be **Active**.

### **Create Periodic Redemption Order Instructions**

- Click **Service & Operations > Periodic Instructions**.
- Click **Create New Periodic Order Instruction**.
- Enter the account number and click **Continue**.
- Enter the account number and from the **Instruction Type** list, select **Redeem**.
- Provide the information for the periodic instruction as required and applicable. Refer to the table below for field information.

- 6) When you are done, click **Review before Sending**. The **Review Request** page displays. If any data is missing or invalid, the fields in error display in red and allow for edits to be made prior to sending the request.
- 7) Review the request information and click **Send Periodic Instruction Request**. Your request is validated against Pershing's Asset Movement Rules.
  - a) If the request does not violate any rules, the system displays a message indicating the request has been approved.
  - b) If the request violates any rules, a list of violations displays. To override violations that are not severe, enter a comment and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.

### **Edit Periodic Redemption Order Instructions**

- 1) Click **Service & Operations > Periodic Instructions**.
- 2) Select the filters listed below, plus any other desired filters, and click **Display**.
  - a) Periodic Instruction Type: **All Order Instructions**.
  - b) Periodic Instruction Method: **Redeem**.
  - c) Status: **Active**.
- 3) For the periodic instruction to be edited, select **Edit** from the **Action** list. The **Periodic Instructions - Edit** page displays.
- 4) In the page, update the fields available for edit. Refer to the table below for field information.
  - i) **Note:** To edit the unavailable fields, you must withdraw this request and replace it with a new request.
  - ii) request.
- 5) After providing the information, click **Save Changes**.

### **Create Periodic Purchase Order Instructions**

- 1) Click **Service & Operations > Periodic Instructions**.
- 2) Click **Create New Periodic Order Instructions**.
- 3) Enter the account number and click **Continue**.
- 4) Enter the account number and from the **Instruction Type** list, select **Purchase**.
- 5) Provide the information for the periodic instruction as required and applicable. Refer to the table below for field information.
- 6) When you are done, click **Review before Sending**. The **Review Request** page displays. If any data is missing or invalid, the fields in error display in red and allow for edits to be made prior to sending the request.
- 7) Review the request information and click **Send Periodic Instruction Request**. Your request is validated against Pershing's Asset Movement Rules.
  - a) If the request does not violate any rules, the system displays a message indicating the request has been approved.
  - b) If the request violates any rules, a list of violations displays. To override violations that are not severe, enter a comment and click **Acknowledge & Send Request**. A confirmation message displays. Severe rule violations cannot be overridden.

### **Edit Periodic Purchase Order Instructions**

- 1) Click **Service & Operations > Periodic Instructions**.
- 2) Select the filters listed below, plus any other desired filters, and click **Display**.
  - a) Periodic Instruction Type: **All Order Instructions**.
  - b) Periodic Instruction Method: **Purchase**.
  - c) Status: **Active**.
- 3) For the periodic instruction to be edited, select **Edit** from the **Action** list. **The Periodic Instructions - Edit** page displays.
- 4) In the page, update the fields available for edit. Refer to the table below for field information.
  - i) **Note:** To edit the unavailable fields, you must withdraw this request and replace it with a new



- ii) request.
- 5) After providing the information, click **Save Changes**.

### **Fees**

Any fees associated with mutual fund systematics are outlined in the PCS Ticket Charges document.

### Fixed Income Trading via NetX360

Fixed Income transactions are conducted through Pershing's Fixed Income Center within NetX360 and Bond Central.

Pershing's Fixed Income platform includes:

- Ginnie Maes
- Zero Coupon Bonds
- Agencies
- Corporate Bonds
- Collateralized Mortgage Obligations (CMOs)
- Commercial Paper
- Municipal Bonds
- U.S. Treasury Bonds
- CDs
- UITs

### **Placing Fixed Income Transactions**

- Assistance with Fixed Incoming Trading can be directed to Pershing's Fixed Income Sales Desk: 800-924-9696, Option 1

### Trading Basics – Trade Corrections

- Trade corrections are considered corrections to trades that have already executed. If you need to cancel the trade immediately after execution, call the PCS Trading Desk at (502) 992-1644.
- If an error occurred in an executed order, a request to have the trade cancelled or corrected must be called into the Trading Desk due to time sensitivity and potential market exposure.
- Representatives should generally follow up with an email to reiterate the details of the error.
- Trade Adjustment/Correction Form updates commissions, account number, solicited, or discretion on a trade. A phone call or email can be used to communicate commission adjustments.

*Please Note: PCS Reserves the right to execute a correction prior to receiving written confirmation of the trade correction due to market fluctuation.*

### Cashless Stock Options

#### Exercising a Cashless Stock Option

- If your client wishes to exercise an employee stock option and borrow the funds to do so, he/she should take the following steps:
  - The client must obtain the employer's Stock Option Agreement, indicating the number of options the client is entitled to.
  - The client should provide PCS with a contact person at the company whom Pershing LLC may call for verification of shares.
  - The client must complete the following forms:
    - Exercise and Sale Form
    - LOI – Cashless Stock Option – giving the employer written instructions to deliver the securities to Pershing LLC FBO the client's Pershing LLC account.

- Original Stock Power endorsed by the clients.
- Mail the Employer's Option Agreement or statement showing the grant of Options and the above documents to the PCS Trading desk.
- Once Pershing LLC has received the above materials, they will notify PCS within 24 hours (and no later than 48 hours) with its approval to sell. PCS will then contact the Representative by phone. Be advised that limit orders are only allowed for "day only" and a market order may be placed within 48 hours (2 business days) of when Pershing approval the option transaction Pershing will not enter the order.

#### Additional Information:

- A \$50.00 processing fee is charged for each transaction.
- Standard trading fees (to client) and ticket charges (to Representative) will apply on a cashless transaction.
- Interest is charged, if applicable, on debit balances or on the market value of a technical short.
- Cashless Stock Options may not be processed in a managed account or an IRA account.
- If your client elects to hold the shares in a margin account, a Margin Agreement is required. The amount of money that may be released by Pershing LLC under a "Cashless Option" arrangement is limited to the amount permitted by Regulation T, presently 50% of the current market value of the securities. The client will be responsible for any margin deficiency.
- Wired funds or a third-party check will be paid out to your client's account, payable to your client's employer.
- If your client's employer utilized DWAC (Delivery Withdrawal at Custodian) to settle the shares, Pershing LLC will require a copy of the employer's letter that was sent to the transfer agent before it will initiate acceptance of the shares via DWAC. DWAC instructions should include Pershing LLC's DTC number 0443, your client's account number and your client's name.
- If your client's employer intends to deliver physical certificates directly to Pershing LLC, please have the employer send the certificates to the following address:
  - Pershing LLC  
One Pershing Plaza  
Custody Department 7<sup>th</sup> Floor  
Jersey City, NJ 07399

### **Dividend Reinvestment**

Representatives can change dividend and capital gain (if applicable) options on both equities and mutual fund positions through NetX360. The Operations team will accept instructions via email; however, Representatives are encouraged to enter these instructions themselves via NetX360.

**Fees** - Refer to the Firm's Client Fee Schedule for the current equity dividend reinvestment fee that applies to each instance of a dividend reinvestment in non-qualified, non-advisory accounts.

**Record Date** - If a request is made to change the dividend option after the record date, the original instructions would still apply. Future payments will follow the changed instructions.

**Special/unusual dividends** may require action via Items for Attention (IFA) by the representative and do not follow standard dividend reinvestment options.

1. Go to **NetX360 Menu > Accounts > Single Account > Holdings**.
2. In the Account field, type the account number, and click enter. All securities held in the selected account will display.


 A screenshot of a web application interface showing a search field labeled "Account" with a dropdown arrow and a magnifying glass icon to its right.

3. Click on the row to highlight the security.

CUSIP	QUANTITY	SEC. DESCRIPTION	POSITION VAL.	SYMBOL
353496508	9.6120	FRANKLIN GROWTH FUND CLASS A	747.91	FKGRX

- Select **Dividend Reinvestment** located at the bottom of the screen. The Dividend Reinvestment Settings pop-up window displays.

#### Dividend Reinvestment

- In the Dividends and Capital Gains sections, make the selection for one of the following:
  - Reinvest –Dividends or Capital Gains will be used to repurchase the same security.
  - Cash –Dividends or Capital Gains will be forwarded to the account holder.

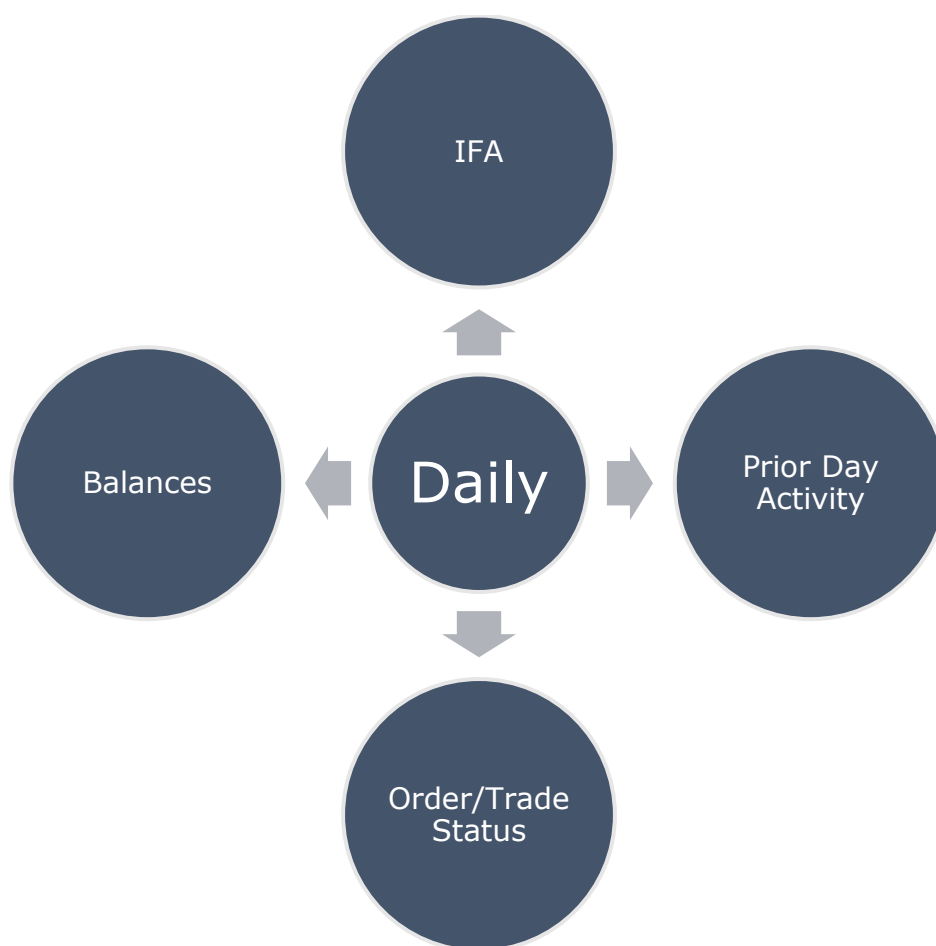
**Note:** Depending on the security, the above choices may not apply, such as stocks, which only have the option to change Dividends (Capital Gains are N/A).

Reinvestment Settings			
Security Description	Security ID	Dividends	Capital Gains
FRANKLIN GROWTH FUCCLASS A	353496508	<input checked="" type="radio"/> Reinvest <input type="radio"/> Cash	<input checked="" type="radio"/> Reinvest <input type="radio"/> Cash

- Click Submit to send the instructions. Click Cancel to cancel the instructions.
- Confirm changes the next business day by following steps 1 – 4. The Details screen at the bottom of the page will reflect the Dividend and Capital Gains instructions.

# Brokerage Best Practices

*Best Practices are used to monitor your client brokerage accounts easily and efficiently with just a few keystrokes or click of the mouse.*



## Items for Attention (IFA)

Items for Attention should be reviewed at the beginning of each business day, as well as throughout the day for updated or additional notices that may have been posted in NetX360.

IFA provides many features you can use to view open items and take action on them, allowing you to:

- View a summary of margin, account transfers, corporate actions, unallocated tax lot, options in the money, and other open items that affect your client's accounts.
- View open items only for a specific category.
- Access additional details for an open item, including real-time status on an account level.
- Respond to items that require immediate attention.
- Use filters to display a specific listing of accounts with open items.
- Sort information by specific criteria.

IFAs are grouped into two types: FYIs and Action Items. All IFAs are FYI type *except*:

- Margin Details
- Voluntary Corporate Actions

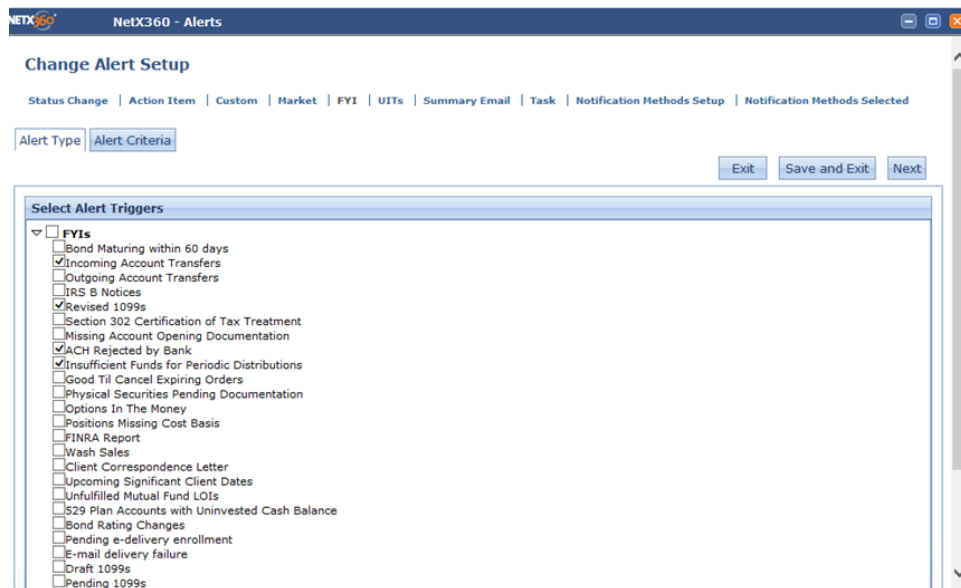
### View Items for Attention

- Go to your NetX360 home page by clicking the **Home** tab.
- On the **Items for Attention** tile, click the desired IFA type. A list of IFAs displays.

Select: IFA Summary	<input checked="" type="radio"/> View All Items	<input type="radio"/> IBD#: 52D	<input type="radio"/> OFF#: ALL	<input type="radio"/> IP#: ALL
Action Items	No. of Items	Pending Approval	As of Date*	
Margin Details	95	N/A	5/15/2018	
Voluntary Corporate Actions	4		5/15/2018	
FYIs	No. of Items		As of Date*	
529 Plan Accounts with Uninvested Cash Balance	9		5/14/2018	
Account Reopening	1		5/11/2018	
Block Order Trading Alert	48		5/15/2018	
Client Correspondence Letter	84		5/11/2018	
Custodial Accounts - Minors Turning Majority Age	3		5/15/2018	
E-mail Delivery Failure	2		5/15/2018	
Good Til Cancel Expiring Orders	2		5/15/2018	
IRA Participant Contributions	293		5/15/2018	
IRS B Notices	14		5/14/2018	
Incoming Account Transfers	686		5/15/2018	
Insufficient Funds for Periodic Distributions	6		5/14/2018	
Mandatory Offers	160		5/15/2018	
Missing Account Opening Documentation	2849		5/15/2018	
Mutual Fund Systematic Order Reject Notification	464		5/15/2018	
Options in the money	66		5/15/2018	
Outgoing Account Transfers	291		5/15/2018	
Positions Missing Cost Basis	179		5/15/2018	
Required Minimum Distribution	45		5/15/2018	
Returned Mail - Lost Security Holder	17		5/14/2018	
UIT Termination Notifications	15		5/14/2018	
Upcoming Significant Client Dates	956		5/14/2018	

\* Dates in red indicate that the data is not current.  
\*\*Trade Break information is only available at the Introducing Broker Dealer level.

You can set up email alerts for all entitled FYI type IFAs. IFA alerts provide a summary of all FYI IFA notifications within the selected time interval.



### **Email Delivery Failure**

- This IFA notifies you that an e-delivery enrollment email sent to an investor has failed.
  - The e-delivery enrollment email is sent when the Home Office enters enrollment information for the investor in NetX360 or the investor creates his or her user ID for NetXInvestor access.
- The Email Delivery Failure IFA alerts the advisor to contact the investor and correct the email address.

### **Good 'Til Cancel Expiring Orders**

- This IFA notifies you of pending orders in your clients' accounts that will be impacted by stock splits, other corporate actions, or have remained open for 365 calendar days.

### **Incoming Account Transfers**

- This IFA provides information on accounts you manage that are transferring into Pershing via Automated Customer Account Transfer (ACAT), non-ACAT, internal transfer or mutual fund transfer.

### **Insufficient Funds for Periodic Distributions**

- This IFA notifies you about future systematic and periodic distributions (pay principal) for retail and retirement accounts, as well as required minimum distributions for retirement accounts, that will not have enough funds to meet pre-set distribution amounts.

### **IRA Participant Contributions**

- This IFA provides information on accounts that have not maximized their IRA contributions for the current and prior tax years.
- The IRA Participant Contributions function enables you to:
  - View a list of retirement accounts that have not maximized IRA participant contributions for the current and prior tax years.
  - View plan types including IRA, Simplified Employee Pension Plan (SEP), Salary Reduction Simplified Employee Pension Plan (SARSEP), Prototype SEP, Roth IRA, Roth Conversion and Educational Savings Account (ESA).
  - Display a list of retirement accounts with the same primary account holder's Taxpayer Identification number (TIN).
  - Change the status of an account.

### Change the Status of an Account – IRA Contributions

- In the **Prior Year—Account Status** list, select one of the following:
  - **Client Deferred**-The client has determined not to make a contribution at this time.
  - **Externally Met**-The contribution was satisfied in a retirement account with another firm.
  - **Internally Met**-The contribution was satisfied in another Pershing retirement account.
  - **Not Met**-The contribution was not met.
- In the **Current Year - Account [number] Status** list, select one of the available options as described above.
  - Click **Submit Status Change(s)**. The system processes the change.
- **Tips:**
  - In the **Funds Available** column, click the **Get Funds Available** link to view available funds for an associated non-retirement account.
  - In the **Action** column, click **Journal Transfer From This Acct** to initiate a journal contribution for a non-retirement account. (You must have the appropriate entitlements to use this feature.)
  - Click **Close**.

### IRS B Notices

- This IFA notifies you about IRS B Notices that have been sent to your clients.
- A B Notice is an annual IRS notification to payers that IRS Forms 1099 have been filed with either missing or incorrect name/Tax Identification number (TIN) combinations.
- No real-time update.
- Retained until mismatch is resolved or replaced by subsequent notice.

### Mandatory Offers

- This IFA notifies you about mandatory reorganization offers that have been issued for your client accounts. This function displays all mandatory reorganization announcements for securities in which your clients have positions. However, in Mandatory Offers (unlike Voluntary Offers) you can only view announcements.
- If an event that may require action but is not considered a Voluntary Offer, it is posted in the Voluntary Offer IFAs under the offer type **Miscellaneous**. Click **Miscellaneous** for details on the offer.

## **Margin Details**

The Margin Details feature will display a consolidated list of all accounts that have received any of the following notifications:

Sell Out Notifications	Technical Shorts
House Calls	Excessive Liquidations
Fed Calls	Cash/Stock Due
Exchange Calls	Free Riding
Mailgrams	Day Trading
Non-Trade Debits	

### Sellouts

In the event the account Representative cannot be reached in a sellout situation, the sellout will be satisfied through liquidation executed by PCS, starting with the largest position in the account or the security with the biggest release. Information on calculating the release may be found below. If an account is due for sellout, the sellout must be satisfied by 12:00 pm PT the same day notification is received. If funds are being wired in to satisfy this notice, the Trading team must be notified of the action being taken. If the Trading team does not see any action being taken by 12:00 pm, PCS will execute trades in the client account at full commission overriding to house to satisfy the sellout amount.

When executing trades in a margin account to cover a sellout, please be reminded that the release received from a position on margin is as follows:

- Stocks that trade under \$3.00 per share –100% release
- Stocks that trade between \$3.00 - \$10.00 per share - \$3.00 per share release
- Stocks that trade above \$10.00 - 30% release on total sale

Please remember it is the Representative's responsibility to ensure that the full amount of the call is covered. If the amount of the call is not satisfied by the following business day, PCS will execute the necessary trades to cover the client's financial obligation.

### Filing Extensions

- If a customer requires an extension to be filed relating to a purchase or sale transaction, the Trading team must be notified prior to market close, 2 days after the normal settlement date for the security.
- If an extension is not filed and funds are not received in the client account, the trade will be cancelled. This will result in a 90-day restriction on the client account.
- Filing an extension verifies the validity of the trade. Any trade corrections done after an extension is filed will result in freeriding and a 90-day restriction.

### Mailgrams

A mailgram may be generated by Pershing and sent to the client for many reasons. Below are examples of various items may generate a notice to the client:

- Non-Sufficient Funds Check
- Trade Debits over \$100.00
- An extension has been filed and the trade is not paid for
- Maintenance and NYSE Calls
- Missing Margin Agreements

Mailgrams may not be suppressed from being sent to your client.

### 90 Day Restrictions

- Freeriding:
  - Occurs when a security is purchased and sold without providing funds for the purchase. Freeriding results in an automatic 90-day restriction unless payment is made within T+5.
- Excessive Liquidations:



- Occurs when the purchase of a security is paid for after trade date with the sale of another security. Three excessive liquidations within a 12 month rolling period results in a 90-day restriction.
- Trading:
  - When trading in a restricted account you may only purchase securities with settled money. After a sale, money is not available for the purchase of securities until settle date.
- Overbuying:
  - If a Representative purchases more than what is available in cash in a restricted account, then a trade correction will be processed. The excess purchase will be moved to the error account and any loss will be debited against the broker's commissions.

### Margin Calls

- Exchange Calls:
  - These occur when a margin account is below the NYSE requirement. Sellout is due the following business day. Please note that market appreciation cannot reduce nor remove the exchange call. Twenty-five percent minimum equity maintenance.
- House Calls:
  - Occurs when a margin account is below house requirement. Sellout is due in five business days. Market appreciation can remove a call if and only if the call is satisfied completely on sellout date. Thirty percent minimum maintenance or \$3.00 a share – whichever is greater.
- Fed Calls:
  - Fifty percent requirement for purchase of marginable securities.
- Interest on Mutual Fund Trades:
  - When using the proceeds from a loaded mutual fund sale (T+3 settlement) to purchase a no-load fund (T+1 settlement) on the same trade date, interest will be charged for the 2 days between settle dates.
- Extended Settle Dates of Fixed Income Products:
  - Money must be in an account within five business days of trade date to satisfy Regulation T requirements. This includes trades which may have extended settle dates. If money is not in account by Regulation T, then an extension must be filed, or sellout will occur.
  - Please note: Government backed products are exempt and no extension is necessary. No extension is necessary on a CD purchase – money is due on settle date.
- Restricted Accounts:
  - An account will be restricted for 90 days for free riding when a position is bought, sold and not paid for by settlement. If your client's account becomes restricted, you must have funds in the account prior to buying, and you must be long a security prior to selling. Any trade that is not fully paid for must be cancelled, and any loss incurred as a result of covering the position will be charged to the Representative.

### ***Mutual Fund Systematic Order Rejection Notifications***

- This IFA provides information about rejected mutual fund systematic orders. Your firm can monitor these notifications and take appropriate action to resolve the issue.
- Real-time update
- Retained for 30 business days

### ***Options in the Money***

- This IFA notifies you about accounts you manage that have option positions that are "in the money"—unexpired call positions where the price of the underlying security is greater than the strike price, or unexpired put positions where the underlying security is less than the strike price.

### ***Pending 1099***

- This IFA notifies you about accounts that have received a **Pending 1099** notice during the initial mail process, indicating that Pershing is awaiting final tax information to issue a Form 1099.
- Updated daily
- Retained in IFA until 12/31 of current year

### ***Physical Securities Pending Documentation***

- This IFA notifies you about physical securities received that require additional documentation for negotiability (Pending Papers). If the requested documentation is not received in 30 business days, the physical certificates pending documentation will be returned to the IBD or address of record for the account holder.

### ***Positions Missing Cost Basis***

- This IFA notifies you about accounts that have positions with missing tax lot information. This function identifies and displays all accounts that have positions that are unallocated or partially allocated. You can view the quantity that remains to be allocated for each position. The tax lot information displayed is current as of the close of the prior business day.
- Representative offices enter cost basis information for positions that are missing information via NetX360. See Enter Cost Basis earlier in this guide.

### ***Potential Specified Adult***

- An account holder who is unable to protect himself or herself from being exploited due to disability, age, or illness can be designated as a specified adult (formerly known as "vulnerable adult") account holder. All account holders aged 65 years or older are considered specified adults.
- If an account has one or more specified adult account holders, the representative must request contact information for at least one person who is designated as a trusted contact. The specified adult account holder can either provide the trusted contact information (phone number or email address) or decline to provide it.
- The notification displays in IFA:
  - If a trusted contact has not yet been created for the account holder 30 days before his or her 65<sup>th</sup> birthday, when he or she will automatically be designated as a specified adult.Or
  - For account holders under the age of 65, if a trusted contact has not been created for the account holder at the time the he or she is designated as a specified adult.

### ***Required Minimum Distributions***

- This IFA allows you to view and monitor required minimum distributions (RMDs) for retirement accounts. For more detailed information, see Required Minimum Distributions and Pershing Brokerage Accounts. This feature enables you to:
  - Access timely data
  - Monitor RMD status
  - Flag an account if a client has satisfied an RMD from another retirement account

### ***UIT Termination Notifications***

- This IFA notifies you of unit investment trusts (UITs) held in your client accounts that will terminate within 30 days. If you are entitled to UIT order entry, you can submit roll over orders via UIT Center.

### ***Unfulfilled Mutual Fund LOIs***

- This IFA notifies you when unfulfilled mutual fund Letters of Intent (LOI) for your accounts are due to expire, enabling you to take appropriate action prior to expiration.
- This IFA is a one-time notification that remains on the account until after the set LOI expiration date. The IFA data will remain unchanged for that period.

### ***Upcoming Significant Client Dates***

- This IFA notifies you of important dates for your accounts that are of professional or personal value to the investor, such as account holder birthdays and account anniversary dates.
- Account level data is provided for "Account Anniversary" events. Individual investor level data is provided for "Birthday" events.
- Daily load

- Retention Rolling 45 days, 30 days prior to event date and 15 days after

### Voluntary Offers

- This IFA notifies you about voluntary reorganization offers that have been issued for your client accounts.
- This function displays all voluntary reorganization announcements for securities in which your clients have positions.
- In addition to viewing an announcement, you can also submit a response to the offers based on your client's instructions. Entered instructions may go directly for processing or to your home office for approval.

### Voluntary Offer Guidelines

- Pershing's Corporate Actions Department has established guidelines for responding to corporate action items.
  - Representatives will be informed that Pershing will tender, convert, put, or exercise on its behalf only if Pershing has received timely instructions from the client to do so. Clients that decide not to tender, convert, put, or exercise in connection with a reorganization are encouraged to inform the Representative of that decision, so the Decline instruction can be entered into IFA.
  - Pershing will establish a cutoff date after which further instructions will not be able to be entered into IFA and will be considered as late instructions. Pershing will make a reasonable effort to execute any instructions received after the cutoff date and time.

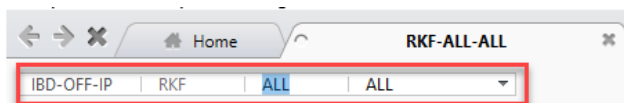
### Wash Sales

- This IFA notifies you that potential wash sales may occur in your clients' accounts.

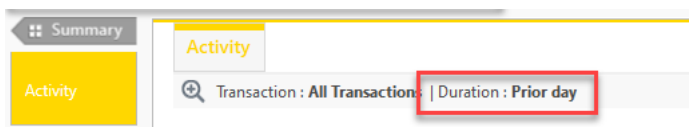
### Viewing Prior Day Activity

Reviewing prior day activity daily helps the representative identify red flags or to monitor client activity such as income payments deposits.

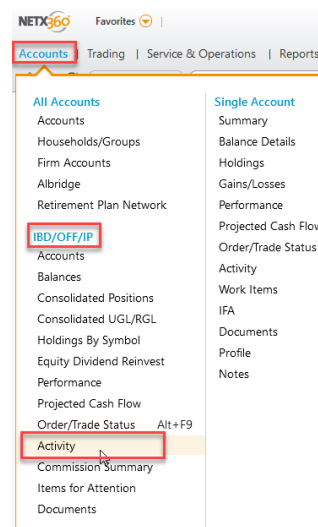
- Within the NetX360 **Accounts** menu, select **Activity IBD/OFF/IP** submenu.
- Verify the content pass through **IBD/OFF/IP** reads as



- Verify the duration of Activity is Prior Day



- Review the activity line items to confirm activity or to identify unusual activity.



office to identify or check

under the

follows:

## Monitoring Order/Trade Status

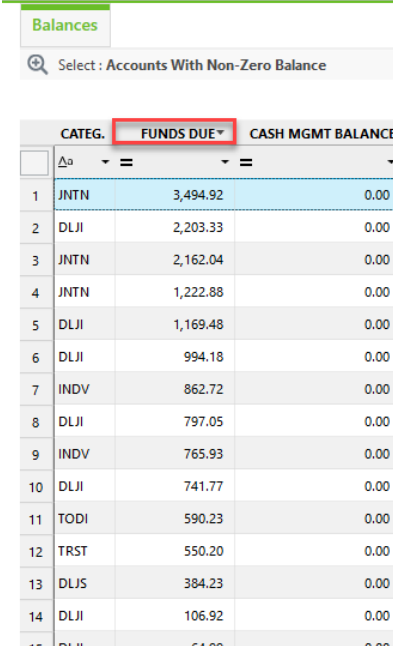
It is the representative's responsibility to monitor client trades and the status of those trades. By viewing Order/Trade Status, a representative can identify executed, pending, canceled, dropped or rejected trades.

- Within the NetX360 **Accounts** menu, select **Order/Trade Status** under the IBD/Off/IP submenu.
- Verify the content pass through IBD/OFF/IP reads RKF/ALL/ALL.
- Review the order/trade status line items.

## Analyzing Balances

By reviewing Balances, a representative can identify and clean up debit balances or review money market balances to uncover opportunities for investing. It is imperative that debit balances are resolved, as funds due related to client fees may be written off to the representative via commission deduction after 30 days.

- Within the NetX360 **Accounts** menu, select Balances under the IBD/Off/IP submenu.
- Verify the content pass through IBD/OFF/IP reads RKF/ALL/ALL.
- Locate the **Funds Due** column and click on the column header to sort in descending order.
  - You may double-click on a line item to navigate to the client workbook balances. From there, navigate to Activity to determine what is creating the debit.
    - See Resolving Debit Balances below for various solutions, depending on your client's situation.
  - Click the Back icon to navigate back to previous screens.
- Locate the **Cash Mgmt Balance** column and click on the column header to sort in descending order.
  - Review balances to determine if the cash should remain as-is, or if a client needs to be contacted.



	CATEG.	FUNDS DUE	CASH MGMT BALANCE
1	JNTN	3,494.92	0.00
2	DLJI	2,203.33	0.00
3	JNTN	2,162.04	0.00
4	JNTN	1,222.88	0.00
5	DLJI	1,169.48	0.00
6	DLJI	994.18	0.00
7	INDV	862.72	0.00
8	DLJI	797.05	0.00
9	INDV	765.93	0.00
10	DLJI	741.77	0.00
11	TODI	590.23	0.00
12	TRST	550.20	0.00
13	DLJS	384.23	0.00
14	DLJI	106.92	0.00
15	DLJI	64.99	0.00

## Brokerage Account Fees and Charges

The current PCS Client Fee Schedule and PCS Ticket Charges sheet are available via the Forms section within Advisor Resource Center on the PCS website.

- The PCS Client Fee Schedule outlines fees that may be assessed to client accounts depending on the type of account, as well as the type of activity that may occur within their account. The fee schedule must be provided to clients when opening a Pershing brokerage account. Contact Operations at operations@pcsbdb.net if you have any questions related to the client fee schedule.
- The PCS Ticket Charges sheet outlines fees that may be assessed to an advisor via commission deduction for various trades placed in client accounts. The representative may charge a commission or earn a sales credit, depending on the type of trade, to cover the cost associated with the trade. This document is for investment professional use only. Contact Trading at 502-992-1644 for trade-related fee questions.

## Resolving Debit Balances

The following tips may be useful in collecting debit balances from your clients' accounts:

- Contact clients to request a check to cover the debit balance.

- Call clients to discuss the liquidation of positions in their account(s) to cover debit balances and document the call.
- Discuss with the client setting dividend reinvestments to cash rather than reinvest.
- If you have made ample attempts to contact your clients, but are unsuccessful, you may still perform a liquidation in your clients' account(s). These trades must be called in to the PCS Trade Desk at 502-992-1644, and the attempts to contact the client must be documented in their file.

## **Annual Inactive Account Fee for Pershing Brokerage Accounts**

Each calendar year, Pershing identifies retail client accounts that are subject to a fee because they meet certain inactive account criteria. To assist your office with identifying accounts subject to the charge, being prepared to manage client inquiries, and even providing the opportunity for the registered representative to absorb inactive fees on behalf of clients, review the helpful information below.

### **Inactive Account Criteria**

An inactive account is defined as a retail account that meets the following parameters:

- The account has been open since January 1
- The account had no settled trades from January 1 through December 31
- The account had one or more security positions for the entire year, exclusive of fixed income book entry-only positions, with margin and/or credit interest of less than \$100 per year

### **Fee Amounts, Account Charge Date and Exemptions**

Refer to the PCS Client Fee Schedule located in PCS Forms within Advisor Resource Center on the PCS website for either a mutual fund only account or a mixed securities account, which is charged in late February for the previous calendar year. There are some inactive account fee exemptions, which are as follows:

- Accounts executing one trade that settles during the calendar year, regardless of the commission generated, which includes systematic trades and exchanges, but excludes dividend reinvestment trades
- Accounts with an average monthly balance of \$10,000 or greater in certain sweep money market funds or an aggregate FundVest position of \$10,000 or more
- 529 Plans and Cash On Delivery (COD) accounts
- AAA accounts in the advisory office range
- Asset management accounts, such as Corestone Accounts (except for Silver level Corestone Accounts)
- Individual retirement accounts (IRAs), simplified employee pension accounts (SEPs), and qualified retirement plans (QRPs) for which Pershing LLC acts as the custodian or servicing agent and collects service fees for tax reporting
- Accounts holding annuities only will not be charged an inactive account fee

### **Reports to Identify Preliminary Inactive Accounts**

To identify clients that are currently subject to an inactive account fee, based on account type, holdings and activity year to date, Pershing provides a preliminary inactive account report in NetX360, which is usually available the first week of each month. To access the report, follow the process below:

1. Log into **NetX360**
2. Under the **Menu**, click on **Reports & Documents**, then click on **Report Center**. The Report Center landing page displays.
3. Click on **All Reports**. The All Reports criteria page displays.
4. In the **Keyword(s)** field, type **GLB820M3** and click **Apply**. The Preliminary Inactive Account Detail Report By OFF/IP displays.

5. Click on the report name hyperlink. The report detail criteria page displays. Some fields may be prepopulated.
6. Delete any criteria in the **OFF** field. This will allow all accounts to display, regardless of the account office range prefix.
7. Delete any criteria in the **IP** field. This will allow all accounts to display for all rep codes to which you are entitled.
8. Leave the **Report Date** field as-is. They will prepopulate with a date range that will include the most recent monthly reports.
9. Click **Display**. Results will display or a notification that there are no results to display will appear.
  - a. More than one monthly report may display, depending on the date range and the date that the Pershing report was generated.
  - b. Multiple reports for different rep codes and different office ranges may also display.
10. Click on the **View** link to view the report. The report displays the rep code, account number, short name and asset type of MF for mutual fund only or MX for mixed.
  - a. If you would like to view multiple reports in one document, select the checkboxes to the left and click View Selected as one at the bottom of the screen.

### How Can My Client Avoid Inactive Fees?

You know your clients best, as well as their goals and objectives for the accounts they have with you, and many clients like to avoid inactive fees, if possible, so here are some questions to ask yourself while reviewing the inactive account report.

*Is a brokerage account still the best account type?* Review the report and client accounts to determine if a brokerage account is still suitable for the client. In some instances, clients no longer have equity or fixed income positions and will denetwork accounts back to the product sponsor if they hold only mutual funds.

*Will the client be placing trades prior to year-end?* Some clients have securities that are maturing within the next month, and they will be wanting to trade the proceeds soon. Maybe a client mentioned wanting to possibly trade idle cash or rebalance their account, and maybe it is time for a client review meeting.

*Does the client want to keep things as-is?* In other situations, clients are aware of the fee, as it is disclosed the PCS Client Fee Schedule, and they will let the fee be assessed to their account as an account expense. The only thing to consider here is that if a client does not have enough cash to cover the fee, and a debit balance sits in the client account too long or unsecured, Pershing will write the debit off, and it will be assessed to the representative of record.

*Do I want to pick up the fee for the client?* It is certainly understandable that you may want to absorb the fee on behalf of one or all clients. The final inactive account fee report will be available annually in early January via the Report Center in NetX360. After the final report has been posted and until **January 31**, you are able to submit requests to [operations@pcsb.net](mailto:operations@pcsb.net) to absorb fees on behalf of your clients. Any requests submitted prior to the final report posting cannot be processed. Provide the client name, account number, and indicate the registered rep is covering the inactive account fee. Please note that these fees cannot be set up to be absorbed on a perpetual basis, and this process will need to be completed each year.

Pershing reserves the right to charge the inactive account fee for clients that transfer out their securities prior to year-end to avoid this fee.

### Required Minimum Distributions (RMDs) for Pershing Brokerage Accounts

Clients can take RMDs early in the year, late in the year or in installments throughout the year, however, it is a good idea to be prepared and review clients that are required to take RMDs prior to year-end. Although it is ultimately a client's responsibility to ensure they've satisfied their RMD, Pershing has provided some tools to assist your office with supporting clients during this process.

## Items for Attention (IFA)

NetX360's IFA is a consolidated source for viewing open items that affect your clients' accounts, including RMDs and enables you to access timely data, monitor RMD status, view and manage data.

To view RMDs in IFA:

1. Go to your **NetX360** home page by clicking the **Home** tab.
2. Click on the **Items for Attention** tile header. The Items for Attention page displays.
3. Click on the **All IFAs** subtab. The All IFAs page displays in a table.
4. In the IFA Summary table, click the blue hyperlink next to Required Minimum Distribution. The RMD details table displays.

The details table will display the accounts subject to RMDs based on information that has been provided to Pershing and whether the client has met or not met their RMD for the current year for that account. If you click on the account number hyperlink, a detail dialog box will appear that will also show you if the client has a periodic distribution established on the account, and if you click on the status hyperlink, you can change the status as it appears in IFA.

- Current year RMD data via IFA is available in the current year only. This data is not available in the following year. Therefore, if you want a list of current year RMD items, save your list in Excel by December 31<sup>st</sup> of the current year.
- Following year RMD data is anticipated to be available by mid-January; however, this timeframe is subject to change. RMDs payable prior to the availability of following year data will be held and distributed on the business day following the data update.

## Periodic RMD Distributions

One way for clients to avoid forgetting to take an RMD is to establish periodic RMD distributions. If a client established current year RMD periodic instructions auto-calculated by Pershing from the prior year-end fair market value, the client agreed to a supplemental distribution (up to the available cash in his or her account) intended to ensure that the RMD amount is met by December 31. If the RMD is not met, Pershing will issue a supplemental distribution. A periodic RMD should not be established with a payout date of December 31 specifically for the supplemental payment feature, since the calculated RMD will be released on this date.

One-time, ad hoc distributions processed after the periodic RMD instructions were established do not reduce the periodic RMD payment schedule.

To obtain a list of accounts that have established periodic instructions for current year RMDs, access Periodic Instructions via the Service and Operations tab and select the Required Minimum Distribution option.

## Manual RMD Calculation

Clients are supposed to take their RMDs prior to transferring their accounts into the firm, but this does not always happen. Pershing is not able to auto-calculate the RMD since the account was not held at Pershing to calculate the Prior Year-End Fair Market Value.

There is an RMD Calculator available under **Tools > Retirement Center** in NetX360, which generates a professional report that can be saved in the client file.

## RMD Withdrawal Strategies

Many clients can build RMDs into their cash flow as an income source, but if a client's expenses are covered with social security or other retirement income, Pershing offers the ability to reinvest the cash in a taxable brokerage account with one distribution form and journaling the assets to the non-retirement account.

Another option would be to transfer assets in-kind, as RMDs do not have to be in cash. A client could move \$5,000 worth of shares to satisfy a \$5,000 RMD. It is important to carefully note the value of the shares on the transfer date to ensure they satisfy the RMD amount and that amount also serves as the cost basis in the receiving account.

Many clients have opted to take advantage of qualified charitable distributions (QCDs) or funding a grand child's 529. There are many options available, depending on your clients' situation.

### Tax Reporting

As the tax reporting agent, Pershing is obligated to report distributions that are processed after December 31st of the current year, as distributions reportable in the following year. In compliance with IRS and state requirements, tax amounts withheld this year will be reported for the current year and will not be eligible for reversal in the following year.

To facilitate year-end distribution request processing, submit following year distributions after January 1st of the following year.

We strongly suggest that the client verify his/her RMD amount with a tax professional, as there may be other pertinent information that could impact the RMD amount.

### Reading Notifications

While Pershing offers Alerts and other notifications via NetX360, PCS also sends information out via mass email or focused email, depending on the subject matter, impact to your office and clients affected. Items that are not of an urgent matter, but still may require action are published in the PCS Newsletter. Archived copies of the PCS Newsletter may be found under the News/Updates tab within the Advisor Resource Center on the PCS website.

It is extremely important that all notifications are reviewed in a timely fashion and any action is taken, as indicated in the communication.

### Tax Season Overview

To help you navigate through the tax season, annually Pershing provides various tools and communications regarding the specific year. The following table provides a broad overview of the resources and timetables available.

#### Advisor Tools

Resource	Details	Find It
<b>Mailing Schedules</b>	Pershing utilizes a four-phase mailing approach for IRS Form 1099 (B, DIV, INT, OID and MISC) tax statements.	Dates are provided each year and can be found within Resources of NetX360
	Tax documents will be posted in e-Document Suite and IFA via NetX360 as they become available. This includes Draft 1099s, Initial 1099s, Pending 1099 Notices and Revision Mailings. Note that Draft forms are not available to investors. They are not mailed or delivered electronically, and they are not viewable in NetXInvestor.	
	Courtesy 1099s will be posited to e-Document Suite during phases three and four of the 1099 mailing. Courtesy 1099s are available to foreign accounts, and	Posted to e-Document Suite; if enrolled in e-delivery, investors will receive notification that a



Resource	Details	Find It
	S and C corporations (excluding IRA and qualified plans). Note: The Courtesy 1099 statement is being provided for informational purposes only and will not be furnished to the IRS.	Courtesy 1099 is available. Courtesy 1099 statements will not be delivered by mail.
<b>Tax Reporting</b>	Provides the latest tax information and resources in one convenient location, including links to communications, tax materials, training information, webcasts and more.	<b>NetX360 &gt; Marketing Center &gt; Education Centers &gt; Tax Reporting</b>
<b>eAnalytics 1099 Download to Excel</b>	1099 Download to Microsoft Excel – Provides for download of three rolling tax years of 1099 data to Excel for reportable 1099 information by tax year (for 1099-B, DIV, INT, OID and MISC). This will allow users to view and filter aggregated 1099 data in various ways, including Office, IP, TIN, CUSIP and Household.	<b>NetX360 &gt; Reports and Documents &gt; Report Center &gt; All Reports &gt; Keyword(s): Tax Reports</b>
<b>Sample Tax and Year-end Statement (TYES)</b>	The TYES is an enhanced version of Pershing's standard Tax Information Statement, which contains a detailed summary of reportable and non-reportable transactions to assist with tax preparation for brokerage accounts. This enhanced statement includes both covered and non-covered transaction details from realized gains and losses.	Sample in <b>Education Centers &gt; Tax Reporting Tools and Resources</b> in <b>Marketing Center</b>  Can be viewed in e-Document Suite once available
<b>Revision Process</b>	The first revision mailing for Form 1099 is planned for mid-February. This batch of revisions will report changes to any tax statements mailed as part of Phase One.  Revisions will then occur by the end of February and mid-March to report corrections to tax statements mailed in any of the previous mailings. After mid-March, revisions will be sent weekly.  NOTE: If an income correction is made to a client account after issuing his or her tax statement and the correction is an increase or decrease of less than \$100 of income, Pershing may not send a revised tax statement. If the client would like to receive revisions that are less than \$100, contact PCS Operations.	Drafts of revised tax statements can be viewed within e-Document Suite by the Tuesday prior to their mailing.
<b>Tax Guide</b>	The Tax Guide has important information for you and your clients. It explains how to read various tax statements and provides pertinent tax reporting instructions and requirements to help clients prepare their tax returns.	<b>NetX360 &gt; Marketing Center &gt; Education Centers &gt; Tax Reporting</b>

## Investor Information

Resource	Details	Find It
<b>Mytaxhandbook.com</b>	Important tax information is available for your clients, including the Tax Guide, a sample Tax and Year-end Statement, royalty trust information and a supplemental information tool.	Mytaxhandbook.com
<b>Pending 1099 Notice</b>	This notice is used when Pershing has not received all information from issuers or they have not completed processing/review of all information to complete 2019 1099 reporting for a client's account prior to the cutoff for the mid-February mailing. Once the remaining information has been received and processed, Pershing will mail the client's form.	Pending 1099 Notices can be viewed on eligible client statements within e-Document Suite
<b>Statement Messages</b>	A statement message will be included in investors' November and December statements (for accounts eligible to receive a consolidated 1099) informing them of the 1099 tax statement mail dates. A separate message will be included in January (for eligible accounts).	Statement messages can be viewed on eligible client statements within e-Document Suite

## Phased Mailing Schedule

The table below provide anticipated mailing timeframes for Form 1099, which are generally driven by securities in an account. Holding only the types of securities listed below does not guarantee that your clients' tax statements will be mailed on the indicated date.

Mailing Phase	Scheduled Mailing End Date	Mailing Event
<b>1</b>	End of January	Form 1099 will be mailed for accounts with holdings and income that typically do not require reclassification or additional information from issuers. Generally, this includes accounts holding stocks, bonds and options.
<b>2</b>	Mid-February	<ul style="list-style-type: none"> <li>Form 1099 will be mailed for accounts holding mutual funds, certain unit investment trusts (UITs), real estate investment trusts (REITs) and certain equities, because the issuer provided their final tax information after the January 31 mailing is prepared.</li> <li>Pending 1099 Notices will be mailed for accounts where Pershing is awaiting data from issuers or in cases where Pershing has not completed processing and review of all information. The notice will list investments that are awaiting information from issuers or trustees or final review and will indicate the possible mail date of an investor's 1099.</li> <li>Revision mailing for Form 1099s sent in Phase One, as required.</li> </ul>
<b>3</b>	End of February	<ul style="list-style-type: none"> <li>Form 1099 mailing will occur for accounts for which Pershing can now include information that was previously pending income reclassifications from issuers of mutual funds, REITs and certain equities, because the issuer or trustee has provided Pershing with final tax information.</li> <li>Generally, this includes remaining mutual funds, REITs and certain equities.</li> <li>Revision mailing for Form 1099s sent in phases one and two, as required.</li> </ul>

Mailing Phase	Scheduled Mailing End Date	Mailing Event
4	Mid-March	<ul style="list-style-type: none"> <li>Form 1099 mailing will occur for all remaining accounts, regardless of whether pending income reclassifications for the account's income have been received from issuers.</li> <li>Generally, this includes accounts holding complex securities, such as real estate mortgage investment conduits (REMICs), widely held fixed investment trusts (WHFITs) and some UITs.</li> <li>Revision mailing for Form 1099s sent in all previous phases, as required.</li> </ul>

### Using NetX360

Your NetX360 access provides three versions of the application for viewing and working with accounts, however not all versions are created equal and do not have the same functionality.

NETX360.COM	NETX360.NET FOR WINDOWS	NETX360 MOBILE
<ul style="list-style-type: none"> <li>The NetX360.com version is easily accessible by logging into the NetX360 website.</li> <li>The .com experience does not have all the same functionalities as the Windows desktop version.</li> <li>For an optimal experience, it is recommended to use the latest Internet Explorer browser.</li> </ul>	<ul style="list-style-type: none"> <li>The .net version of NetX360 is accessible through a desktop application on any Windows based computer.</li> <li>Most offices use .net as the solution offers more features and functions than .com, providing a more seamless experience and better tools to support multi-tasking.</li> </ul>	<ul style="list-style-type: none"> <li>NetX360 Mobile is an intuitive app that offers a limited set of features that support professionals on the go.</li> <li>This app is used for Mobile Deposit.</li> <li>The NetX360 Mobile app is available to download from the app store on your mobile device.</li> </ul>

PCS supports the NetX360.net for Windows version of NetX360, and users may only be logged into one version at a time. To ensure you are benefitting from the ability to more easily manage accounts, trade and transact, easily multi-task with multiple windows and tabs, be sure to use the desktop version of NetX360.

Be sure to log into NetX360 at least every 30 days to avoid having your ID become inactive and purged.

### Utilizing Educational Resources

There are many training opportunities available to your office, whether it be a Pershing Task Reference or live, instructor-led training. Visit the Training tab within Advisor Resource Center on the PCS website to access the Course Catalog and Calendar of Events.