



Service, Compensation and Conflict Disclosure

This document summarizes important information concerning the scope and terms of the brokerage services we offer and details the material conflicts of interest that arise through our delivery of brokerage services to you. We encourage you to review this information carefully, along with any applicable account agreement(s) and disclosure documentation you may receive from us.

As you review this information, we would like to remind you that we are registered with the U.S. Securities and Exchange Commission (SEC) as a broker dealer and an investment adviser. We are a member of the Financial Industry Regulatory Authority ("FINRA"), the Securities Investor Protection Corporation ("SIPC") and the Municipal Securities Rulemaking Board ("MSRB"). Brokerage services offered through our firm are not FDIC Insured, have No Bank Guarantee, and May Lose Value.

Our financial professionals provide brokerage services, investment advisory services, or both, depending on their licenses. The primary focus of this document will be our brokerage services. For more information on our investment advisory services, please review our [ADV Brochures](#) and our [Form CRS](#) at <https://securities.bokfinancial.com/legal-and-privacy/legal-disclosures>. Our Form CRS contains important information about the types of services we offer along with general information related to compensation, conflicts of interest, disciplinary action, and other reportable legal information.

Please carefully review and consider the information in each section below.

Brokerage services

When you establish a brokerage account with us, you have the ability to buy, sell and hold investments within your account. The primary service we provide is our trading capability. We execute purchases and sales on your behalf, and as directed by you. In a brokerage services relationship, we can trade with you for our own account, for an affiliate or for another client, and we can earn a profit on those trades. The capacity in which we act is disclosed on your trade confirmation. However, we are not required to communicate it in advance, obtain your consent, or inform you of any profit earned on trades.

Brokerage Account Types and Best Interest Standard

We offer many different brokerage account types including individual and joint accounts, custodial accounts, Delivery Versus Payment (DVP) accounts, estate and trust accounts, partnership accounts, individual retirement accounts and other types of retirement accounts as outlined in our account agreement(s). You should refer to our account agreement(s) for more information concerning available account types or speak with a financial professional.

It is important for you to understand that when our financial professionals make a brokerage recommendation to you, we are obligated to ensure the recommendation is in your best interest, considering reasonably available alternatives, and based on your stated investment objective, risk tolerance, liquidity needs, time horizon, financial needs, tax status, and other financial information you provide us. You may accept or reject any recommendation. When we act in a brokerage capacity, we do not agree to enter into a fiduciary relationship with you.

Incidental Brokerage Services, Recommendations, and Account Monitoring

Within your brokerage account, we may also provide other incidental services such as education, research reports, and recommendations to buy, sell, or hold assets. When we make a securities recommendation or investment strategy recommendation for your brokerage account, the recommendation is made in our capacity as a broker-dealer unless otherwise stated at the time of the recommendation. Any such statement will be made orally to you.

It is your responsibility to monitor the investments in your brokerage account, and we encourage you to do so regularly. While you will have regular access to our financial professionals and we will deliver account statements to you each quarter at a minimum we do not commit to provide on-going monitoring of your brokerage account. If you prefer on-going monitoring of your account or investments, you should speak with a financial advisor about whether an advisory services relationship is more appropriate for you.

From time to time we may provide you with additional information and resources to assist you with managing your brokerage account. This may include but is not limited to educational resources, sales and marketing materials, performance reports, asset allocation guidance, and/or periodic brokerage account reviews. When we offer these services and information, we do so as a courtesy to you. These activities are not designed to monitor specific investment holdings in your brokerage account, they do not contain specific investment advice about investment holdings, and you should not consider them a recommendation to trade or hold any particular securities in your brokerage account. Upon your request, we will review such information and reports with you and may provide you with investment recommendations, but we are not under a specific obligation to do so.

Clearing Services

We have entered into an agreement with Pershing LLC, a wholly owned subsidiary of The Bank of New York Mellon Corporation (also referred to herein as "Clearing Agent") to carry your account and provide certain back office functions. In most instances, Pershing LLC will custody your assets and will provide confirmations of all securities transactions executed through it. Pershing will also provide regular statements, which you should review carefully and notify us if you have any questions. If you enter into an agreement with an issuer (such as an annuity carrier) or open certain types of accounts (such as a 401K), that provider may have custody and provide additional back office functions. We and Pershing LLC share responsibilities with respect to your account.

Understanding Risk

It is important for you to understand that all investment recommendations and activities involve risk, including the risk that you may lose your entire principal amount invested. Further, some investments involve more risk than other investments. Higher-risk investments may have the potential for higher returns but also for greater losses. Asset allocation, diversification, and rebalancing do not ensure a profit or protect against loss in declining markets. Investing involves risks, including possible loss of principal

The higher your "risk tolerance," meaning the amount of risk or loss you are willing and able to accept in order to achieve your investment goals, the more you may decide to invest in higher-risk investments offering the potential for greater returns. We align risk tolerances with investment needs to offer you different investment objectives from which to choose. You should select the investment objective and

risk tolerance best aligned with your brokerage account goals and needs. No investment strategy is guaranteed to be successful or profitable. Stated goals and objectives are not guaranteed and may not be achieved. Past performance does not guarantee future results. We encourage you to carefully consider your investment objective and risk tolerance before investing.

Cash Sweep Program Feature

Our brokerage services include a Cash Sweep Program feature. This program permits you to earn a return on uninvested cash balances in your brokerage account by allowing cash balances to be automatically “swept” into a “Cash Sweep Vehicle,” until such balances are otherwise required to satisfy obligations arising in your account. The default sweep option is a Cavanal Hill money market fund. We, and certain of our affiliates receive fees for providing services to the Cavanal Hill Funds and the money market sweep funds pay a percentage (in basis points) to us and our financial professionals, which presents conflicts of interest. Other Cash Sweep Vehicle options include interest-bearing deposit accounts and other money market mutual funds, some of which also pay a percentage (in basis points) to us and our financial professionals, which presents conflicts of interest.

Account Minimums and Activity Requirements

There is no minimum initial account balance required to open a brokerage account with us. However, if you either fail to fund your account or do not return account opening documents as required, your account will be closed. In addition, some types of brokerage accounts have minimum account activity requirements that, if not met, will subject your account to an inactivity fee. These requirements are detailed in the account agreement(s) you receive when you open your brokerage account.

You should also understand that our financial professionals may establish their own minimum account balance requirements for the brokerage accounts they service. For example, a dedicated financial professional may choose to service only those brokerage account clients who satisfy account-specific or total household asset conditions. Minimum asset requirements are disclosed to you orally by your financial professional.

Cash Brokerage and Margin Brokerage Accounts

We provide brokerage services through either a cash brokerage account or margin brokerage account, based on your eligibility and selection. In a cash brokerage account, you must pay for your purchases in full at the time of purchase. In a margin brokerage account, you must eventually pay for your purchases in full, but you may borrow part of the purchase price from our clearing firm, Pershing LLC. This is generally referred to as a “margin loan.” The portion of the purchase price that is loaned you is secured by securities in your account, also referred to as “collateral.” You will incur interest costs as a result of your margin activity. While many securities are eligible to be used as collateral for a margin loan, some assets are not available for margin collateral purposes.

Given that a margin-enabled brokerage account has specific eligibility requirements, unique costs, and governing regulatory requirements, our default brokerage option is our cash brokerage account. You must execute a separate margin agreement before engaging in margin brokerage activity. Included with your margin agreement is a copy of the Margin Disclosure Statement. This statement contains important information you should understand and consider before establishing a margin brokerage relationship with us. For more information on our margin brokerage services, contact a financial professional or refer to our Margin Disclosure Statement.

Our brokerage fees and our compensation

It is important to consider that while a brokerage relationship can be a cost-effective way of investing your assets, it is not for everyone given the fees and costs involved. In a brokerage account, your total costs generally increase or decrease as a result of the frequency of transactions in the account and the type of securities you purchase.

How We Are Compensated

We receive direct and indirect compensation in connection with your accounts. Direct compensation is taken directly from the account. Indirect compensation is compensation paid in ways other than directly from the account and may affect the value of the associated investments in your account. The sections below describe the compensation that we receive, including compensation received from third parties and affiliates in connection with various investment products that may be available to you. In many cases, the descriptions that follow refer to a prospectus or offering documents, which you should review carefully prior to investing.

Transaction-Based Fees

Transaction-based fees generally apply to trades you decide to enter into, such as buying and selling stocks, bonds, exchange traded products, mutual funds, annuity contracts, exercising options and other investment purchases and sales. These transaction-based fees are generally referred to as a “commission,” “mark up,” “sales load,” or a “sales charge.” The amount and applicability of transaction-based fees are based on a host of factors, including, but not limited to:

- Underlying product selection and mix of products
- Your brokerage service model and account type
- Size of your transaction and/or overall value of your account
- Frequency of your trade activity
- Available discounts and/or fee waivers

Account and Service Fees

You will pay fees for various operational services provided to you through your brokerage account. These fees are set at least annually and communicated to you through information included in your account statement and other notifications. These fees do not apply to all account types and may be waived under certain conditions. We retain a portion of the fee as compensation for the operational services provided to you while the remainder of the fee is paid to our Clearing Agent.

You should understand that based on the brokerage service model you choose, the same or similar products, accounts and services may vary in the fees and costs charged to you. Similar products and services may be available elsewhere at costs that may be less, or more.

For more information regarding account fees for brokerage services, please see your brokerage account agreement.

Product Specific Information

Mutual Funds

Mutual funds are professionally managed portfolios of securities that pool assets to invest toward a common objective, such as current income or long-term growth. All mutual funds are offered for sale through a prospectus, which you should read prior to investing in a fund. The prospectus describes the sales charges and expenses applicable to the fund and it describes the fund's investment objective.

We offer hundreds of mutual funds that have passed our internal screening processes, varying in share class structure and investment style. Mutual funds charge investment management fees and ongoing expenses for operating the fund. If you invest in mutual funds, you pay a pro-rata share of the fund's fees and expenses which vary by the share class purchased. We may receive direct and indirect compensation in connection with such mutual fund investments, as described below.

- **12b-1/Shareholder Service Fees**
Annual 12b-1 fees, also known as trails, are paid by the fund to us out of fund assets under a distribution and servicing arrangement to cover distribution expenses and sometimes shareholder service expenses that we may provide on the fund's behalf. Shareholder servicing fees are paid by the fund to us to respond to investor inquiries and provide investors with information about their investments. These fees are asset-based fees charged by the fund family and range from 0.00% to 1.00%, but the majority of these fees are below 0.85%. These fees that are paid to us may in turn be passed on to your financial professional as a commission. Please note that 12b-1 and similar compensation associated with funds are not received, or are rebated, on assets held in our advisory accounts.
- **Revenue Sharing**
We have arrangements with some mutual funds where an advisor, sponsor or other party related to the mutual fund company pays us a fee that may be fixed or based on the number of client sales or assets invested in the mutual fund. This charge normally ranges from 0.00% to 0.30%. The actual amounts received will vary from one mutual fund company to another and may have minimum eligibility requirements. In all cases, revenue sharing payments are not paid from client funds or assets; they are paid out of the related party's assets. These fees that are paid to us may in turn be passed on to your financial professional.
- **Front-end Sales Charge Fees (A shares)**
For class A share mutual funds, you typically pay a front-end sales charge, called a sales load. Front-end sales charge fees may be charged and paid to us, including your financial professional, when you purchase a fund. The front-end sales charge is deducted from the initial investment. This charge normally ranges from 0.00% to 5.75%. Some purchases may qualify for a reduced front-end sales charge due to breakpoint discounts based on the amount of transaction and rights of accumulation. In addition, some purchases may qualify for a sales charge waiver based on the type of account, and/or certain qualifications within the account. You should contact your financial professional if you believe you are eligible for sales charge waivers. Annual operating expenses for class A shares are generally lower than for class C shares. Please refer to the prospectus for the specific sales charges and expenses.

- **Contingent Deferred Sales Charges (CDSC) (C shares)**

For class C share mutual funds, you are normally not charged a front-end sales charge but will pay a CDSC if you sell the shares within a short period of time, usually one year. It is sometimes referred to as the back-end load. CDSC charges range from 0.00% to 5.50%. CDSCs are not charged when you purchase a fund. A CDSC is not passed on to your financial professional.

The operating expenses for class C shares are usually higher than those of class A shares. Class C shares do not offer breakpoint discounts. Class C shares typically are more appropriate for investors with a shorter investment time frame. You can find a description of the amount and payment frequency of all fees and expenses charged and paid by the fund in the fund's prospectus. Fees and expenses disclosed in the fund's prospectus are charged against the investment values of the fund.

- **FUNDVEST Revenue**

We participate in Pershing LLC's FUNDVEST no-transaction fee program, which offers no-load mutual funds with no ticket charges for use with our clients in brokerage accounts. Mutual fund companies that make their funds available in this program pay a fee to Pershing LLC for their participation. Pershing LLC pays us a portion of the service fees it receives from participating mutual fund companies. We do not share this revenue with the financial professional. Our receipt of this compensation creates a conflict in that we have an incentive to recommend funds for which we receive this revenue. We manage this conflict by disclosing it to you, by not sharing the compensation with the financial professional, and by not requiring financial professionals to sell FUNDVEST funds.

Exchange Traded Funds (ETFs)

An ETF is an exchange-traded security combining attributes of conventional stocks with mutual funds. ETFs are pooled investment funds that offer investors an interest in a professionally managed portfolio of securities that track an index, a commodity or a basket of assets. ETFs may be actively managed or passively-managed and they trade on stock exchanges where they may experience price changes throughout the day as they are bought and sold.

You pay a commission based on the amount of the ETF transaction, which we share with your financial professional. ETFs also carry built-in operating expenses that affect the ETF's return. For more information, please refer to the applicable offering document.

Annuities

Annuities are contracts issued by insurance companies where, in exchange for an investment, the investor receives a regular stream of payments, beginning immediately or at some future date. We offer fixed, indexed, and variable annuities. Fixed annuities guarantee a fixed interest rate for specified period of time. Indexed annuity value is based on a specific market index. Variable annuities are allocated to investment options comprised of stocks, bonds or other investments.

We, including your financial professional, receive commissions from the insurance companies for the sale of annuities, as well as trail commissions, and they are considered indirect compensation. Commissions and trails paid to us typically range from 3% to 5% but vary by product type, the terms and share class of the annuity, and may vary by insurance carrier.

Because annuities possess insurance features, they have fees and expenses that are not found in other investment products, which vary depending on the terms and share class of the annuity purchased. Some of the more common fees include: surrender charges, mortality and expense risk charges, administrative fees, contract maintenance fees, optional rider costs.

For additional information, please see the prospectus and other documents associated with the particular annuity product.

Market-Linked Investment Fees

We offer market-linked investments such as Market-Linked CDs and Structured Products. These market-linked products are issued by both affiliated and non-affiliated third parties. We receive commissions from the issuing companies for the sale of market-linked products. The commissions are considered indirect compensation and vary by product type and by issuer.

Alternative Investments Information

Alternative Investments include, but are not limited to, Hedge Funds, Non-Traded REITs (Real Estate Investment Trusts), Oil and Gas Partnerships, Business Development Corporations (BDCs), Private Equity Offerings, Delaware Statutory Trusts, 1031 Exchange Programs, and Qualified Opportunity Zones (QOZs). Alternative investments are generally illiquid long-term investments and typically contain fees and expenses that are higher than other investment types, ranging to as much as 12-15% of your investment.

We are compensated in varying ways depending on the terms of the offering. Commissions generally range from 3.5% to 7%. In addition, the firm may receive a dealer re-allowance fee between 0-2% from the Managing Broker-Dealer of the selling group. For further information, please refer to the prospectus, private placement memorandum and other documents associated with the particular alternative investment.

Unit Investment Trusts (UITs)

A UIT is an SEC-registered investment company that invests in a fixed, diversified group of professionally selected securities according to a specific investment strategy. The securities within the UITs portfolio generally are not actively traded. UIT Investors own a portion of the securities in the trust. UITs have a set termination date where the portfolio securities are sold and the proceeds are paid to investors. Prior to the UIT's termination, redemptions are for current value, which may be less than the original amount invested.

Our UITs consist of Equity and Fixed-Income UITs. We, along with your financial professionals, are compensated in ways that vary depending on the type and terms of the UIT portfolio selected. The types of fees received by us are disclosed via the prospectus issued by the UIT provider, which you should review prior to investing. The UIT provider deducts fees as compensation from the proceeds available for investments for marketing and distribution expenses, which may include compensating us as described in each UIT prospectus.

Primary Offerings/New Issues

The firm from time-to-time may receive allocations of new issues from various sources. Those sources are finite and may not be made available to all clients. For example, Initial Public Offerings of securities (IPOs) require client certification prior to being eligible for such securities. For new issues, clients pay the

initial offering price disclosed in the applicable offering document and not a commission. The offering price includes underwriting discounts paid to underwriters and distributors.

Training and Education

We work closely with many product and service providers who provide training and education compensation to offset or reimburse us for costs incurred in conducting comprehensive training and educational meetings for our financial professionals. These meetings or events are held to educate financial professionals on product characteristics, business building ideas, successful sales techniques, suitability, as well as various other topics. In addition, certain vendors provide free or discounted research or other vendor products and services, which can assist our financial professionals with providing services to the plan.

Likewise, from time to time, product providers will reimburse us for expenses incurred by individual branch offices in connection with conducting training and educational meetings, conferences, or seminars for financial professionals and participants. Also, financial professionals may receive promotional items, meals or entertainment, or other non-cash compensation from product providers. We require all such product providers to submit a request to invite our financial professionals to such events for approval by the firm to confirm that such compensation and non-cash compensation is reasonable and to mitigate conflicts of interest.

Although training and education compensation is not related to individual transactions or assets held in client accounts, it is important to understand that, due to the total number of product providers whose products are offered by us, it is not possible for all companies to participate in a single meeting or event. Consequently, those product providers that do participate in training or educational meetings, seminars, or other events gain an opportunity to build relationships with financial professionals; these relationships could lead to sales of that particular company's products.

Compensation for Termination of Services

Other than any contingent deferred sales charge for a fund (as described under the Mutual Funds section above, if applicable), IRA termination fees (when applicable), and account transfer fees, the firm would not receive any additional compensation in connection with the termination of its services. If you have questions, contact your financial professional.

Brokerage – Excluded Advisory Assets

As described above, our brokerage services differ from our advisory services. However, in some instances we may allow an advisory client to trade what are referred to as "excluded assets" within their advisory services account. Excluded assets are not subject to our advisory program fees. Instead of our advisory fees, these excluded assets are subject to our standard brokerage charges when traded.

Conflicts of interest

Conflicts of interest exist when we provide brokerage services to you. A conflict of interest is a situation in which we engage in a transaction or activity where our interest is adverse to your interest. The mere presence of a conflict of interest does not imply that harm to your interests will occur, but it is important that we acknowledge the presence of conflicts. Our regulatory obligations require that we establish,

maintain, and enforce written policies and procedures reasonably designed to address conflicts of interest associated with our recommendations to you.

BOKFA endeavors at all times to place your interests ahead of its own and to take into account your personal investment objectives, goals, risk tolerance, and other important financial information before recommending one or more products or services. Ultimately, the choice of whether to enter into a transaction is your decision. We are committed to taking appropriate steps to identify, eliminate, or disclose and mitigate conflicts of interest to ensure we act in your best interest when providing brokerage recommendations to you.

We address conflicts of interest by maintaining policies and procedures regarding the sale, supervision, and monitoring of the products and services we offer to you, and by disclosing our practices to ensure that you are able to make a fully informed decision. Financial professional activity is subject to our Code of Ethics, which is designed to assure that the personal securities transactions, activities and interest of our employees will not interfere with (i) making decisions in the best interest of clients, and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our conflicts of interest are typically the result of compensation structures and other financial arrangements between us, our financial professionals, our affiliates, our clients, and third parties. We offer a broad range of investment services and products and we, or our affiliates, receive various forms of compensation from our clients, affiliated and non-affiliated product providers and money managers, and other third parties as described above. Securities rules allow for us, our financial professionals, and our affiliates to earn compensation when we provide brokerage services to you. However, the compensation that we and our financial professionals receive from your transactions, directly or indirectly, varies based upon the product or service you purchase, which creates a financial incentive to recommend investment products and services that generate greater compensation to us.

Below you will find additional information related to our conflicts of interest. This information is not intended to be an all-inclusive list of our conflicts, but generally describes those conflicts that are material to your brokerage relationship. In addition to this disclosure, conflicts of interest are disclosed to you in your account agreement(s) and disclosure documents, our product guides, and other information we make available to you.

Compensation We Receive From Clients

Transaction-based conflicts

In your brokerage account you pay certain fees (commissions and sales charges) in connection with the buying and selling of each investment product, including mutual funds, unit investment trusts, variable annuities, alternative investments, exchange traded funds, equity securities, market-linked investments, and bonds. Where these fees apply, the more transactions you enter into, the more compensation that we and your financial professional receive. This compensation creates an incentive for us to recommend that you buy and sell, rather than hold, these investments. We also have an incentive to recommend that you purchase investment products that carry higher fees, instead of products that carry lower fees or no fees at all.

Markups and markdowns for principal transactions

When you buy or sell securities in a brokerage account, and in accordance with industry regulations, we may impose a markup (increase) or markdown (decrease) in the price of transactions we execute on a principal basis. We are compensated based upon the difference (markup) between the price you pay for securities purchased from us and the price we sell such securities to you over the prevailing market price, or the difference (markdown) between the price you sell securities to us and the price we purchase such securities from you over the prevailing market price.

Account maintenance and other administrative fees

For the services we provide or make available to you with respect to your brokerage account, we charge certain account maintenance and other administrative fees, including transfer, wire, or other miscellaneous fees, as described in the fee schedule provided to you with your account agreement. The higher the fees we charge, the more we are compensated.

Compensation We Receive from Third Parties

Third-party payments we receive may be based on new sales of investment products, creating an incentive for us to recommend you buy and sell, rather than hold, investments. In other cases, these payments are made on an ongoing basis as a percentage of invested assets, creating an incentive for us to recommend that you buy and hold investments (or continue to invest through a third-party manager or adviser).

The total amount of payments we receive varies from product to product, and varies with respect to the third-party investment management products we recommend. It also varies from the compensation we receive in connection with other products and services we may make available to you, including advisory services. We have an incentive to recommend investment products and services that generate greater payments to us. This compensation generally represents an expense embedded in the investment products and services that is borne by investors, even where it is not paid directly from the investment product or other fees you pay. The typical third-party compensation we receive is described above.

Additional Compensation from Product Sponsors and Other Third Parties

We and our financial professionals, associates, employees, and agents receive additional compensation from Product Sponsors and other third parties including:

- Gifts and awards, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings or marketing or advertising initiatives, including services for identifying prospective clients.
- Payment or reimbursement for the costs associated with education or training events that are attended by our employees, agents, and financial professionals, and for conferences and events that we sponsor.

Note: The amount of these payments is not dependent or related to the level of assets you or any other of our clients invest in or with the Product Sponsor.

Product Share Classes

Some products offer multiple structures of the same product (e.g., mutual fund share classes) with each option having a unique expense structure, and some having lower costs to you as compared to others.

We have an incentive to make available those share classes or other product structures that will generate the highest compensation to us.

Investment Limitations

The universe of possible investment options is vast. Our investment recommendations are limited to those that pass our internal screening process. While that represents a robust offering, the scope of products and services we offer may be more limited than what is available through other financial service firms.

Products and services may also be limited by a financial professional's ability to offer certain products based on his or her licensing. You should ask your financial professional about the investment products or services he or she is licensed or qualified to sell.

Compensation Related to Affiliates and Proprietary Products

Brokerage recommendations can include a recommendation to invest in a product or service that is managed, issued, or sponsored by us or our affiliates. We and our affiliates will receive additional compensation or economic benefits from investments by you in such products. We have an incentive to recommend investments in proprietary/affiliated products. A listing of Financial Activities and Affiliations is included in our [Form ADV](https://securities.bokfinancial.com/legal-and-privacy/legal-disclosures) (<https://securities.bokfinancial.com/legal-and-privacy/legal-disclosures>).

Compensation Received by Financial Professionals

Financial professionals are compensated in a variety of ways based on the percentage of revenue generated from sales of products and services to clients, including brokerage account activity. This compensation may vary by the product or service associated with a brokerage recommendation. In addition to upfront-transaction based compensation, some products feature on-going residual or "trail" payments. Thus financial professionals are incentivized to recommend products that have higher fees as well as those with on-going payments.

In general, we pay our financial professionals cash compensation consisting of two components: a guaranteed monthly minimum draw required by applicable law and a production payout if it exceeds the monthly minimum draw. The production payout is a percentage (called a payout or grid rate) of the product-related revenue (called production) that each financial professional generates during that month with respect to the clients he or she serves, minus certain adjustments that are specified by our financial professional Compensation Plan. The payout rate or grid rate may vary based on the financial professional's agreement with the firm and attainment of production goals but generally ranges from 35% – 40%.

Because a financial professional's compensation is based on a percentage of revenue generated, financial professionals have an incentive to provide brokerage recommendations that result in selling more investment products and services, as well as investment products and services that carry higher fees. Financial professionals also have an incentive to provide brokerage recommendations to gather more assets under management and to increase brokerage trading activity, and to reduce the amount of discounts available to you.

Financial professionals have an incentive to recommend you rollover assets from a Qualified Retirement Plan (QRP) to a brokerage Individual Retirement Account (IRA) because of the compensation they could receive. Our policies and procedures prohibit rollover recommendations by our financial professionals.

Financial professionals may receive a fee for introducing you to other services offered by its affiliates and third parties. Fees may range from a nominal amount to a percentage of the anticipated revenue for the account over a set period of time. These payments are not added to your fees, but are deducted from the revenue received by the affiliate or third party. Referral payments create an incentive for financial professionals to recommend products that pay them.

Brokerage accounts, unlike advisory accounts, do not feature an on-going fee based on assets under management. Financial professionals are incentivized (if properly licensed) to recommend you transition your brokerage services account to an advisory account to generate on-going revenue where your brokerage account has minimal activity. Further, financial professionals are incentivized to recommend you transition your brokerage account to an advisory account after you have already placed purchases resulting in commissions and/or other transaction-based brokerage fees. Financial professionals also have an incentive to provide higher levels of service to those clients who generate the most fees.

Non-cash compensation is provided to financial professionals in the form of reimbursement of business expenses and certain titles. Financial professionals are also compensated in the form of education meetings and recognition trips. Portions of these programs are subsidized by external vendors and affiliates, such as mutual fund companies, insurance carriers, or money managers. Consequently, product providers that sponsor and/or participate in education meetings and recognition trips gain opportunities to build relations with financial professionals, which could lead to sales of such product provider's products. Financial professionals also receive promotional items, meals, entertainment, and other non-cash compensation from product providers.

Other Financial Professional Activities

Financial professionals may be motivated to place trades ahead of clients in order to receive more favorable prices than their clients.

Financial professionals pay a portion of their compensation to administrative sales support. Sales manager compensation is related, in part, to the production of the financial professionals managed. The compensation to the sales manager represents a conflict of interest because it could affect the sales manager's ability to provide objective oversight of the financial professional or to take disciplinary action.

Securities, insurance and advisory services offered through BOK Financial Securities, Inc., member FINRA/SIPC and a subsidiary of BOK Financial Corporation. Services may be offered under our trade name, BOK Financial Advisors. **NOT FDIC INSURED | NO BANK GUARANTEE | MAY LOSE VALUE**