



BENJAMIN F. EDWARDS® & CO.
INVESTMENTS *for* GENERATIONS®

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ADV Part 2A Appendix 1

Wrap Fee Program Brochure

July 11, 2018

This wrap fee program brochure provides information about the qualifications and business practices of Benjamin F. Edwards & Co. (BFE or BFEC). If you have any questions about the contents of this brochure, please contact us at 855-825-6885 or e-mail to: ADV@benjaminfedwards.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Benjamin F. Edwards & Co. also is available on the SEC's website at www.adviserinfo.sec.gov.

ADV Part 2A Appendix 1 Wrap Fee Program Brochure Material Changes to Wrap Fee Program Brochure

The following change to Benjamin F. Edwards & Company's (BFE) wrap fee program disclosure document was made since the annual update dated March 29, 2018:

- **Consolidated and clarified disclosures regarding product-related client fees and expenses in BFE advisory programs and related BFE compensation were made. Disclosures related to other elements of BFE's wrap fee programs were also consolidated and clarified. The updated disclosures can be found in the section "Services, Fees and Compensation" under the subsections "Disclosure of Additional Fees and Compensation" and "Additional Disclosures About BFE Wrap Fee Programs," beginning on page 13.**

A complete copy of the updated ADV Part 2A (disclosure brochure) and Appendix 1 (wrap fee brochure) is available on our website www.benjaminfedwards.com. To access online, click on "Important Disclosures" at the bottom of the page, and then select "Investment Advisory Program Disclosures." Alternatively, clients may obtain a complimentary copy by contacting their financial advisor, calling BFE's home office at (855) 825-6885, or by requesting one by e-mail to ADV@benjaminfedwards.com. Additional information about Benjamin F. Edwards & Co. is available on the SEC's website at www.adviserinfo.sec.gov.

ADV Part 2A Appendix 1 Wrap Fee Program Brochure

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Section headings are keyed to SEC form ADV 2A Appendix 1. If particular sections of the form are not applicable, this document will so state.

ADV Part 2A Appendix 1 Wrap Fee Program Brochure

Services, Fees and Compensation

BFE offers investment advisory services through the following wrap fee based advisory programs:

- Benjamin F. Edwards Mutual Fund Portfolios
- Russell Model Strategies
- Benjamin F. Edwards Active Passive Portfolios
- Benjamin F. Edwards Exchange Traded Fund Portfolios
- Benjamin F. Edwards Custom Mutual Fund Portfolios
- Benjamin F. Edwards Client Portfolios
- Benjamin F. Edwards Private Portfolios
- Benjamin F. Edwards Separately Managed Portfolios (Covered and Non-Covered)
- Benjamin F. Edwards Unified Managed Account
- Lockwood Asset Allocation Portfolios
- Lockwood Investment Strategies
- Investment Management Consulting (with Execution)*

Services and Fees

BFE's wrap fee investment advisory accounts are not the same as transaction-oriented brokerage accounts.

In a brokerage account, the relationship between the client and the financial advisor is centered on transactions. Therefore, a client pays a separate commission for each transaction that covers the cost of executing the transaction, and certain related services and incidental advice. For example, if a client desires that a financial advisor make recommendations in connection with a brokerage account, the financial advisor will document, usually at account opening, certain suitability characteristics based on questions contained in the firm's new account form. Based on that information, the financial advisor, from time to time, provides incidental recommendations or advice. Transaction commissions also compensate the firm for some non-transaction-related services such as delivery of account statements and required documents such as prospectuses and proxy mailings; and, if desired, custody services for securities owned by the client.

In an investment advisory account, on the other hand, the relationship between the client and the financial advisor is centered on advice. Therefore, in a wrap-fee based advisory account, a client pays a single fee based on the value of assets in the account, which compensates the firm for more comprehensive initial client assessment, ongoing investment advice, ongoing monitoring of the account, the cost of any transactions that may be affected, and for certain responsibilities and risks that BFE assumes in connection with being a statutory fiduciary that is subject to a different regulatory scheme. For example, to better align the firm's interests with those of the client, the investment advisory regulatory scheme prevents BFE from engaging in some of the same types of transactions that it could if the account were a brokerage account, such as certain transactions where BFE is a counterparty to the transaction without the client's consent (as opposed to acting solely as agent for the client).

In addition, BFE will serve as a fiduciary as defined by the Department of Labor for certain qualified retirement accounts.

With that background, services provided as part of the wrap fee for wrap fee based advisory accounts include:

- Access to a BFE advisor for personal service and financial advice
- Review of suitability based on information provided in advisory agreement, new account form and client interview*
- Portfolio management services*
- Monthly account statements
- Performance reporting *

- Fee billing*
- Execution of transactions
- Custody and clearance of securities*
- Delivery of required documents, such as mutual fund prospectuses and proxy mailings
- Administration of requests for reasonable restrictions on the management of accounts

** These services may or may not be provided in the Investment Management Consulting (with Execution) program depending on the services negotiated and agreed upon. See the Investment Management Consulting (with Execution) section that follows for further detail.*

Additional services may be provided based on the advisory program selected. In addition, some of the services above will vary in situations where any assets are held with the issuer or a custodian other than Pershing, LLC, as described further below. Fees and additional services for each program, including additional information about the fees applicable to investment advisory accounts, are as follows:

Benjamin F. Edwards Mutual Fund Portfolios

Benjamin F. Edwards Mutual Fund Portfolios is a discretionary, mutual-fund-only portfolio advisory program. The asset allocation models include a variety of asset types that, together, offer appropriate style diversification (i.e. diversification among large-, mid- and small-cap funds, as well as value vs. growth strategies as well as models with exposure to alternative investments) to accommodate each investment objective. Additionally, models containing only alternative investments are available. Clients will work with their financial advisor to determine the asset allocation model most appropriate for their needs. The models developed and used by BFE are strategic in nature. Changes may occur from time to time to style (sub-category) allocations, but adjustments to the asset allocation (equity vs. fixed income) are expected to be infrequent. The models are designed to provide the investor with broad style diversification. Where appropriate, multiple funds are selected for a style to provide additional diversification.

The annual fee for this advisory service is as follows:

- First \$250,000 in assets = 1.50%
- Next \$250,000 in assets = 1.25%
- Next \$500,000 in assets = 1.00%
- Amounts greater than \$1,000,000 = 0.75%

Additional Services:

- BFE shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research on the mutual funds offered in the Benjamin F. Edwards Mutual Fund Portfolios
- Maintenance and trade implementation of the mutual fund models
- Rebalancing of the funds to conform to the investment allocations per the frequency selected and as needed for deposits/withdrawals

Russell Model Strategies

Russell Model Strategies is a discretionary advisory program. Russell offers three sets of models: mutual fund only, tax managed mutual fund only, and hybrid models that utilize exchange traded products and mutual funds. In these models, the mutual funds are Russell Investment's funds and the exchange trade products are not Russell product. Russell provides the models and the funds to use within each model. These models allow for well-balanced and diversified portfolios. Clients will work with their financial advisor to determine the asset allocation model most appropriate for their needs.

The annual fee for this advisory service is as follows:

First \$250,000 in assets = 1.50%
Next \$250,000 in assets = 1.25%
Next \$500,000 in assets = 1.00%
Amounts greater than \$1,000,000 = 0.75%

Additional Services:

- BFE shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research by BFE on the Russell Model Strategies
- Ongoing monitoring, due diligence and research by Russell Investments on the funds and allocations
- Maintenance and trade implementation of the mutual fund models on BFE's platform
- Rebalancing of the funds to conform to the investment allocations per the frequency selected and as needed for deposits/withdrawals

Benjamin F. Edwards Active Passive Portfolios

Benjamin F. Edwards Active Passive Portfolios is a discretionary portfolio advisory program that combines actively managed mutual funds with passive exchange traded funds offered in a suite of models. The asset allocation models include a variety of asset types that, together, offer appropriate style diversification (i.e. diversification among large-, mid- and small-cap funds, as well as value vs. growth strategies as well as models with exposure to alternative investments) to accommodate each investment objective. Clients will work with their financial advisor to determine the asset allocation model most appropriate for their needs. The models developed and used by BFE are strategic in nature. Changes may occur from time to time to style (sub-category) allocations, but adjustments to the asset allocation (equity vs. fixed income) are expected to be infrequent. The models are designed to provide the investor with broad style diversification. Where appropriate, multiple funds are selected for a style to provide additional diversification.

The annual fee for this advisory service is as follows:

First \$250,000 in assets = 1.50%
Next \$250,000 in assets = 1.25%
Next \$500,000 in assets = 1.00%
Amounts greater than \$1,000,000 = 0.75%

Additional Services:

- BFE shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research on the mutual funds and ETFs offered in the Benjamin F. Edwards Active Passive Portfolios
- Maintenance and trade implementation of the models
- Rebalancing of the securities to conform to the investment allocations per the frequency selected and as needed for deposits/withdrawals

Benjamin F. Edwards Exchange Traded Fund Portfolios

Benjamin F. Edwards Exchange Traded Fund Portfolios is a discretionary advisory program that utilizes Exchange Traded Funds (ETF) or Exchange Traded Notes (ETN) as the portfolio's investment vehicles. BFE, Confluence Investment Management LLC, Laffer Investments, and Morningstar Investment Services, will serve as the model providers for this program, and supply the models and recommendations for specific investments within each model. BFE may modify those recommendations when implementing the program. The Confluence models are style-diversified and cyclical in nature. Laffer provides a global equity strategy model and a U.S. inflation model. BFE and Morningstar Strategic Ibbotson models are style-diversified and strategic in nature. We continue to support the Morningstar Contrarian models for existing clients that follow a contrarian strategy, but they are no longer open for new clients to purchase. Clients will work with their financial advisor to determine the asset allocation model most appropriate for their needs.

The annual fee for this advisory service using the Confluence and Laffer, models is as follows:

First \$250,000 in assets = 2.25%
Next \$250,000 in assets = 1.75%
Next \$500,000 in assets = 1.50%
Amounts greater than \$1,000,000 = 1.25%

The annual fee for this advisory service using the Morningstar Strategic Ibbotson models is as follows:

First \$250,000 in assets = 1.75%
Next \$250,000 in assets = 1.50%
Next \$500,000 in assets = 1.25%
Amounts greater than \$1,000,000 = 1.00%

The annual fee for this advisory service using the BFE models is as follows:

First \$100,000 in assets* = 1.25%
Next \$250,000 in assets = 1.00%
Amounts Greater than \$350,000 = 0.75%

** For these models, there is a minimum fee of \$125 per year.*

Additional Services

- BFE shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research by BFE on Confluence Investment Management LLC, Laffer Investments and Morningstar Investment Services
- Ongoing monitoring, due diligence and research by BFE, Confluence Investment Management LLC, Laffer Investments and Morningstar Investment in connection with securities and allocations that they recommend
- Maintenance and trade implementation of the models
- Rebalancing of the securities to conform to the investment allocations and as needed for deposits/withdrawals

Benjamin F. Edwards Custom Mutual Fund Portfolios

Benjamin F. Edwards Custom Mutual Fund Portfolios is a mutual-fund-only advisory program with limited discretion. The financial advisor and client will work together to identify an appropriate investment model. The client retains final decision making authority with respect to the mutual funds used and the percentage allocated to each fund in the model. Limited discretion is granted to the financial advisor to:

- Rebalance the account per the selected rebalancing frequency
- Invest cash deposits
- Sell and reinvest deposits of securities
- Sell funds for fees and requested withdrawals

The financial advisor will monitor the account to ensure it remains consistent with the strategy and make recommendations for changes as needed.

The annual fee for this advisory service is as follows:

First \$250,000 in assets = 1.50%
Next \$250,000 in assets = 1.25%
Next \$500,000 in assets = 1.00%
Amounts greater than \$1,000,000 = 0.75%

Additional Services:

- Recommendation of customized asset allocation
- Maintenance and trade implementation of the mutual fund model
- Rebalancing of the funds to conform to the investment allocations per the frequency selected and as needed for deposits/withdrawals
- Recommendations by the financial advisor to invest, reinvest, sell or retain mutual funds, if appropriate
- Ongoing monitoring of the account by the financial advisor

Benjamin F. Edwards Client Portfolios

Benjamin F. Edwards Client Portfolios is an advisory program where portfolio management services are provided to the client on a non-discretionary basis for a wrap fee based on the value of the account. As a non-discretionary account, the client retains final decision-making authority with respect to all transactions. The financial advisor and client will work together to identify an appropriate investment strategy. The financial advisor will monitor the account to ensure it remains consistent with the strategy and make recommendations as needed.

The fee schedule is as follows:

First \$250,000 = 2.00%
 Next \$250,000 = 1.50%
 Next \$500,000 = 1.25%
 Next \$1,500,000 = 1.00%
 Next \$2,500,000 = 0.75%
 Amounts greater than \$5,000,000 = 0.65%

Additional Services:

- Recommendation of customized asset allocation
- Recommendations by the financial advisor to invest, reinvest, sell or retain assets, if appropriate
- Ongoing monitoring of the account by the financial advisor
- Advice by the financial advisor on the client's proposed unsolicited transactions

Benjamin F. Edwards Private Portfolios

Benjamin F. Edwards Private Portfolios is an advisory program where portfolio management services are provided to the client on a discretionary basis for a wrap fee based on the value of the account. As a discretionary account, the financial advisor is not required to contact the client prior to each transaction. The financial advisor and client will work together to develop an investment strategy. The financial advisor will monitor the account to ensure it remains consistent with the investment strategy and that the strategy remains appropriate.

The fee schedule is as follows:

First \$250,000 = 2.25%
 Next \$250,000 = 1.75%
 Next \$500,000 = 1.50%
 Next \$1,500,000 = 1.25%
 Next \$2,500,000 = 0.85%
 Amounts greater than \$5,000,000 = 0.75%

Additional Services:

- Investing, reinvesting, selling or retaining assets at the financial advisor's sole discretion, based on client suitability profile
- Ongoing monitoring and security selection by the financial advisor

- Development of customized asset allocation
- Rebalancing of the securities as needed to conform to the investment allocations and/or for deposits/ withdrawals
- Advice by the financial advisor on the client’s proposed unsolicited transactions

Benjamin F. Edwards Separately Managed Portfolios (Covered)

The Benjamin F. Edwards Separately Managed Portfolios (Covered) advisory program provides the client with an opportunity to access select strategies of third-party money managers that are covered by BFE (“Covered Managers”), meaning that BFE conducts initial and on-going research and due diligence on these managers. To be a Covered Manager, certain information must be readily available to support BFE’s initial and ongoing due diligence of the money manager, the manager must meet BFE’s qualitative due diligence requirements, and there must be sufficient economic efficiencies including the amount of fees charged by the money manager or the level of interest in the money manager on the part of BFE clients. BFE is the sponsor of the program with the money manager serving as the sub-advisor. Strategies may be implemented by the Covered Manager directly or by the Covered Manager providing models to Lockwood Advisors, Inc. (Lockwood), an affiliate of Pershing LLC and a Registered Investment Adviser, who will manage the account per the model provided. Where a Covered Manager is implementing the model directly, the Covered Manager will manage the account in its discretion. Where a Covered Manager is providing models to Lockwood, Lockwood, and not the Covered Manager, will manage the account in its discretion based on the model provided.

The client pays one wrap fee that includes the money manager fee. Periodic information regarding the manager and its strategy will be available to BFE’s financial advisors to provide to clients upon request.

The annual fee for this advisory service varies based on the type of securities managed and is as follows:

	Equity / Balanced	Fixed Income
First \$500,000 in assets	2.75%	1.25%
Next \$500,000 in assets	2.25%	1.15%
Next \$1,500,000 in assets	1.75%	1.00%
Amounts greater than \$2,500,000		

Additional Services:

- The Covered Manager or Lockwood, as applicable, shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring and due diligence by BFE on the Covered Managers
- Ongoing monitoring, due diligence and research by the Covered Manager on the securities selected
- Proxy voting by the Covered Manager or Lockwood, as applicable, depending on election made on the client advisory agreement. If client elects the manager to vote the proxies, clients may contact their financial advisor to request information regarding how the proxies were voted.

Benjamin F. Edwards Separately Managed Portfolios (Non-Covered)

The Benjamin F. Edwards Separately Managed Portfolios (Non-Covered) advisory program provides the client with an opportunity to utilize strategies of third-party money managers that are available on the platform but are not covered by BFE (“Non-Covered Managers”), meaning that BFE performs only minimal ongoing research and due diligence on these managers. A Non-Covered Manager may not be covered for a variety of reasons including: not meeting the due diligence standards required by BFE’s Covered Program; lack of ready availability or access to information necessary for BFE to perform required diligence; or for economic inefficiencies including the amount of fees charged by the money manager; or the level of interest in the money manager on the part of BFE clients. BFE is the sponsor of the program with the money manager serving as the sub-advisor. Strategies maybe implemented by the Non-Covered Manager directly or by the Non-Covered Manager providing models to Lockwood Advisors, Inc. (Lockwood), an affiliate of Pershing LLC and a Registered Investment Adviser, who will manage the account per the model provided. Where a Non-Covered

Manager is implementing the models directly, the Non-Covered Manager will manage the account in its discretion. Where a Non-Covered Manager is providing models to Lockwood, Lockwood, and not the Non-Covered Manager, will manage the account in its discretion based on the model provided.

The client pays a wrap fee that excludes the fee charged by Non-Covered Manager, which is paid separately by the client. The total fee may be more or less than the wrap fee charged by BFE on Covered Managers depending on the fee charged by the third-party money manager. However, the advisory fee charged by BFEC is less due to the lower degree of due diligence performed. Unlike the Covered Program, periodic information regarding the manager and its strategy will only be provided if the information is readily available and accessible to BFE.

The annual fee for this advisory service, excluding the separate money manager's fee which differs among managers, varies based on the type of securities managed and is as follows:

	Equity / Balanced	Fixed Income
First \$500,000 in assets	2.00%	0.75%
Next \$500,000 in assets	1.50%	0.65%
Next \$1,500,000 in assets	1.00%	0.60%
Amounts greater than \$2,500,000	0.75%	0.60%

Additional Services:

- The Non-Covered Manager or Lockwood, as applicable, shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Limited ongoing monitoring and due diligence by BFEC on the Non-Covered Managers
- Ongoing monitoring, due diligence and research by Non-Covered Managers on the securities selected
- Proxy voting by the Non-Covered Manager or Lockwood, as applicable, depending on election made on the client advisory agreement. If client elects the manager to vote the proxies, clients may contact their financial advisor to request information regarding how the proxies were voted.

Benjamin F. Edwards Unified Managed Account (UMA)

UMA is a discretionary, multi-discipline managed account product housed in a single account.

There are six diversified core models that span the firm's nine strategic allocation models. BFE is the sponsor, and Lockwood Advisors, Inc. (Lockwood), an affiliate of Pershing LLC., serves as the overlay manager. BFE and Lockwood work together to determine the default asset allocation percentages and allowable bands for each model. Lockwood and BFE select the investments to be used for each style allocation, also known as each sleeve, of the core models. Additionally, Lockwood's investment committee and BFE approve each investment vehicle available in the UMA. A sleeve can contain a third-party money manager's equity model, an exchange traded fund, a mutual fund or a combination of all three. Additionally, a mutual fund model or ETF model provided by BFE or a 3rd party strategist may be used within the UMA.

The BFE UMA is a flexible UMA in that once the client has selected a model, the Advisor has discretion to follow the core model as determined by BFE and Lockwood or to adjust asset allocation/style percentages within the allowable bands in addition to substituting in other approved investment vehicles. This customization and flexibility allows the Advisor to work with the client and tailor the UMA to their needs, objectives, preferences and circumstances.

The annual advisory fee for this advisory service, excludes (i) the separate money manager's fee if a third party money manager's model (ranging from 0.00%-0.50%) is utilized (ii) the internal expenses of any of the mutual funds or ETFs used and (iii) the 0.10% sponsor fee (paid to BFE to cover the cost of running the program).

The annual advisory fee schedule is as follows:

First \$500,000 in assets = 2.25%

Next \$500,000 in assets = 1.75%

Next \$1,500,000 in assets = 1.25%

Amounts greater than \$2,500,000 in assets = 1.00%

Plus sponsor fee of 0.10% and cost of any manager from 0.00% - 0.50%

Additional Services:

- Lockwood shall invest, reinvest, sell or retain assets in its sole discretion for this account per the model selected
- Ongoing monitoring, due diligence and research by BFE and/or Lockwood on the securities, managers and strategists available in the UMA
- Maintenance and implementation of the models
- Rebalancing of the securities to conform to the model allocations. There is no periodic rebalance schedule set but accounts will be monitored and when they drift from target allocations they will be rebalanced back to target. A drift review will occur at the sleeve level bi-weekly. A rebalance will occur if sleeve allocation is a relative 20% from the target allocation. Weekly High/Low cash review will also be performed. Ad hoc rebalancing may occur as deemed appropriate by Lockwood in co-ordination with BFE.
- Proxy voting by Lockwood depending on election made on the client advisory agreement. If client elects for Lockwood to vote the proxies, clients may contact their financial advisor to request information regarding how the proxies were voted.

Lockwood Asset Allocation Portfolios (LAAP)

LAAP is a discretionary, multi-discipline managed portfolio product. BFEC is the sponsor of LAAP, and Lockwood Advisors, Inc. (Lockwood), an affiliate of Pershing LLC., serves as the portfolio manager. As portfolio manager, Lockwood determines the asset allocation strategy and selects investment vehicles for each investment style component of LAAP based on proprietary models. These models may consist of open- and closed-end mutual funds, exchange traded funds and other securities as determined by Lockwood at its sole discretion. We continue to support LAAP for existing clients, but the program is no longer open for new clients to purchase.

The annual fee for this advisory service is as follows:

First \$500,000 in assets = 1.50%

Next \$500,000 in assets = 1.25%

Next \$1,500,000 in assets = 1.00%

Amounts greater than \$2,500,000 = 0.75%

Additional Services:

- Lockwood shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research by BFE on Lockwood
- Ongoing monitoring, due diligence and research by Lockwood on the securities and allocations
- Maintenance and trade implementation of the models
- As needed, rebalancing of the securities to conform to the investment allocations and for deposits/withdrawals
- Proxy voting by portfolio manager, depending on election made on the client advisory agreement. If client elects the manager to vote the proxies, clients may contact their financial advisor to request information regarding how the proxies were voted.

Lockwood Investment Strategies (LIS)

LIS is a discretionary, multi-discipline managed account product housed in a single account with five core models. The five (5) core models span the risk/return spectrum from a current income model to a growth model within the context of a diversified portfolio. If appropriate, a client may also choose from four (4) additional models which include exposure to non-traditional asset classes. BFE is the sponsor of LIS, and Lockwood Advisors, Inc. (Lockwood), an affiliate of Pershing LLC., serves as the portfolio manager. As portfolio manager, Lockwood determines the asset allocation strategy and selects both sub-managers and specific investment vehicles for each investment style component of LIS based on proprietary modeling strategies, as well as its macroeconomic outlook and investment discipline. These models may consist of stocks, bonds, open- and closed-end mutual funds, exchange traded funds and other securities as determined by Lockwood at its sole discretion. We continue to support LIS for existing clients, but the program is no longer open for new clients to purchase.

The annual fee for this advisory service is as follows:

First \$500,000 in assets = 2.50%
Next \$500,000 in assets = 2.00%
Next \$1,500,000 in assets = 1.50%
Next \$2,500,000 in assets = 1.00%
Amounts greater than \$5,000,000 = 0.75%

Additional Services:

- Lockwood shall invest, reinvest, sell or retain assets in its sole discretion for this account
- Ongoing monitoring, due diligence and research by BFE on Lockwood
- Ongoing monitoring, due diligence and research by Lockwood on the securities and allocations
- Maintenance and implementation of the models
- As needed, rebalancing of the securities to conform to the investment allocations and for deposits/withdrawals
- Proxy voting by third-party manager depending on election made on the client advisory agreement. If client elects the manager to vote the proxies, clients may contact their financial advisor to request information regarding how the proxies were voted.

Investment Management Consulting (with Execution)

The Investment Management Consulting (with Execution) Program is a service whereby BFE may, based on a negotiated scope of services, consult with clients with respect to any or all of the services below, either on an adhoc or ongoing basis. BFE will not actually manage client assets as part of the Investment Management Consulting Wrap Program. As a wrap program, the cost of execution of transactions will be included in the advisory fee.

The advisory fee for this service will be a negotiated fixed or asset based amount based on negotiated services to be provided.

Additional Services may include:

- Investment Policy Statement (IPS) Preparation
- Investment Policy Statement (IPS) Review
- Investment Policy Statement Monitoring
- Search and evaluation of investment alternatives
- Ongoing monitoring and due diligence by BFE of investment manager(s)
- Ongoing performance monitoring

- Past performance review
- Fee Billing
- Execution of transactions
- Custody of assets
- Performance Monitoring Reports
- Participate in Periodic Meetings

BFE offers multiple wrap programs with differing costs to BFE. As a result, the compensation received by your Financial Advisor varies between the wrap programs. The ability to offer multiple wrap programs can raise concerns that some programs would be favored over others. BFE manages these types of potential conflicts between programs through its policies and procedures, which include, internal trading review processes and trading oversight.

Legal and Tax Advice

BFE Financial Advisors do not provide legal or tax advice. It is recommended that clients discuss their personal situation with a tax or legal advisor.

Disclosure of Additional Fees and Compensation

Certain investment products or services available in BFE's investment advisory programs (collectively referred to as "products") provide additional compensation to BFE and its financial advisors beyond the wrap fees applicable to the advisory programs discussed above. When BFE or a financial advisor receives any of the additional compensation described, they have an incentive to recommend or sell those products over products that do not provide such compensation, or which provide less compensation, rather than making recommendations based solely on clients' needs. In addition, different products have specific conflicts as described below.

BFE addresses this conflict of interest by disclosing the existence of the compensation both in its various investment advisory disclosure documents and on its public website (www.benjaminfedwards.com, see "Important Disclosures"), as well as by virtue of the firm's policy that its financial advisors do not directly or indirectly receive the compensation in connection with transactions or holdings in investment advisory accounts, other than to the extent that such compensation contributes to the overall revenues of the firm. Further, this conflict of interest is addressed because the amount of such compensation BFE receives must be tempered by BFE's need to offer products whose costs compete reasonably with those of other investment services providers.

Compensation Associated With Internal Product Expenses

In addition to wrap fees, there are additional internal expenses charged by products such as investment company securities (e.g., mutual funds, exchange-traded funds, unit investment trusts) or other products. All such expenses have the effect of reducing the overall performance of the investment. Some internal expenses, such as investment management fees, are retained by product issuers or their affiliates. Some of these fees, such as fees related to distribution expenses of the products (sometimes referred to as "Rule 12b-1 fees"), service fees related to personal services for clients and/or the maintenance of shareholder accounts, and other shareholder servicing fees are shared with Pershing and/or BFE. Such expenses and fees are typically charged as a percentage of the asset value under management. Please refer to the product's prospectus for applicable fees and expenses. BFE receives relatively more compensation for larger aggregate client holdings in those products than in other products that do not charge such fees, or that charge lower fees.

BFE receives payments related to the shared fees described above either directly from mutual fund companies, product vendors or related parties; or indirectly from multi-product platforms that receive payments directly from fund companies, product vendors or related parties. Currently, BFE receives this type of indirect payment through participation in the FundVest® platform of its clearing firm, Pershing LLC. The availability of supplemental research and product support from certain products on the FundVest® platform

make it more desirable for BFE or its financial advisors to employ those products in investment advisory or non-advisory programs.

It is important to note, however, that BFE does not treat the universe of funds on the FundVest® platform as constituting a “preferred list” or “recommended list” in the sense that products carried on that platform are necessarily “better” than other products that might be available off-platform. As such, BFE permits the use of FundVest or non-FundVest mutual funds in BFE investment advisory accounts.

Products offered by investment company issuers, particularly mutual funds, frequently have multiple “share classes.” Share classes are differentiated primarily based on their fee and compensation structures. Some share classes, such as Class A shares, require payment of an up-front sales charge; others, such as Class C shares, impose a deferred sales charge if the product is sold within varying periods of time relative to the purchase date (e.g., one year). Share classes can be further differentiated based on whether there is a charge, or how much is charged, in the way of internal expenses such as management fees, 12b-1 fees, service fees, shareholder servicing fees, or any other similar fee or expense that a particular fund charges. Some investment company securities also have specialized share classes that are eligible for use in investment advisory accounts, and that do not impose an up-front or deferred sales charge, and can have significantly reduced internal expenses. Details for individual products are outlined in the applicable prospectus.

BFE uses a variety of share classes on its investment advisory product platform, including share classes other than those designed specifically for investment advisory accounts. BFE also uses more than one share class of the same mutual fund in different investment advisory accounts. BFE will arrange with the product sponsor, distributor or other applicable party to waive up-front sales charges, and will request a waiver of deferred sales charges, when such sales charges apply to a selected share class. If a deferred sales charge is not waived, the sales charge will be paid by the client. Even when sales charges are waived, however, at least some internal expenses will always apply.

BFE financial advisors select investment products and share classes, commensurate with the objectives and goals of clients. BFE and financial advisors will not always select, and clients will not always receive, a product’s lowest-cost share class, even if a lower-cost share class is available, a similar product with a lower cost is available from another issuer, or lower-cost share classes are sold to other clients.

Compensation Associated With Product-Related Marketing Support Payments

BFE also receives marketing support payments (sometimes known as revenue sharing or by similar terms) from a fund’s investment adviser or other fund affiliate, as well as from insurance company product vendors, third-party money managers, and other product-, platform- or service-providers. Such payments are sought for the purpose of compensating BFE for its marketing and educational efforts associated with sales of the product, or to offset operational costs of the firm. Such payments are paid as a percentage of the product’s assets under management and/or as a percentage of the amount of purchases with BFE, or they are paid to BFE in lump sum amounts in the form of reimbursement for expenses associated with particular events such as motivational, training or education symposia for financial advisors or clients, as well as other events presented by BFE.

BFE does not receive such payments in connection with all funds, products, or providers. Although BFE receives cash payments from some funds, products or providers, BFE’s financial advisors do not receive any of the cash payments described above from vendors. On the other hand, BFE’s financial advisors attend educational events paid for by vendors, and vendors reimburse financial advisors for the cost to travel to educational events as well as for the cost of meals and lodging at such events. Financial advisors have an incentive to recommend the products of vendors that provide and pay for educational events the financial advisors attend, even if the products of other vendors are less expensive or otherwise better meet their clients’ needs.

Compensation Associated With Bank Deposit Program

BFE offers an FDIC-insured bank deposit program, a cash-sweep option that is intended for the investment of available cash balances into interest bearing bank deposit accounts. Clients earn interest on the assets

invested in the deposit program; and BFE, Pershing, and the deposit program sponsor earn fees, and share in interest payments made by the participating banks. The portion of payments that BFE receives varies based on the amount individual clients deposit in the program.

BFE has the ability to select, within parameters established by the program sponsor, the class of deposit program in which client funds are invested. The differences between deposit program classes reflect the difference in the amount of compensation received by BFE. Thus, BFE has an incentive to choose a deposit program class that pays BFE more than other available classes. BFE also earns more if clients participate in the deposit program as opposed to investing in other products or asset classes that offer clients the potential for higher returns at given points in time.

Additional information on the deposit program is provided in a disclosure brochure that is delivered to all clients at or prior to the time they begin participating in the program. Additional copies can be obtained from a BFE financial advisor upon request.

Compensation on Asset-Based Loans Available From Pershing

BFE receives cash compensation when clients choose to obtain an asset-based loan from Pershing LLC (i.e., a loan that is secured by assets in the client's account). Clients may obtain a "non-purpose" loan (the proceeds of which may be used for any purpose other than purchasing securities) or a "margin" loan (the proceeds of which can be used to purchase securities). Obtaining a non-purpose loan requires the opening of a Loan Advance Account, which is a brokerage account. Clients can use the assets in either existing BFE brokerage or advisory accounts as collateral for such loans.

Clients who decide to enter into an asset-based loan arrangement with Pershing should carefully consider the following:

- Clients are borrowing money that will have to be repaid to Pershing.
- Pledge arrangements are only available for non-qualified accounts.
- The client, as the borrower, is using cash and securities in the BFE account(s) as collateral.
- The client will be charged an interest rate that is subject to change.
- Pershing or BFE can force the sale of securities or other assets in the pledged account at any time and without notice to cover any deficiency in the value of the securities pledged for the loan. Pershing, or the portfolio manager, in the case of an advisory account, can decide which securities to sell without consulting the client.
- BFE has a conflict of interest when a client obtains a loan from Pershing. This conflict occurs because BFE will receive a portion of the interest charged on the loan. BFE reduces this conflict by reviewing the borrower's accounts to determine whether the loan is appropriate and in line with the borrower's goals and objectives.
- Pershing is responsible for reviewing the loan application and any other documents that Pershing requires to obtain the loan. Pershing, in its sole discretion, will determine the credit worthiness of the applicant, including the amount of the loan.
- Prior to establishing a loan with Pershing, clients should carefully review applicable program-specific disclosure documents provided by Pershing and BFE, and any other forms required in order to process the loan.

Compensation Associated With Ancillary Services

The wrap fee does not include, and the client will be charged separately for, fees for ancillary services such as, without limitation, fees relating to: specific types of product or asset transfers, processing, maintenance or safekeeping; checking or debit card services; and account termination or transfer. The complete ancillary fee schedule is available on BFE's public website (www.benjaminfedwards.com) in the Important Disclosures section entitled "Client Fees", and is incorporated by reference; a hardcopy is available upon request from any BFE financial advisor. Most of these fees are passed directly to Pershing; however, BFE retains a portion of selected fees, which creates a conflict of interest as BFE has an incentive to recommend the additional services.

Payments BFE Receives From Its Clearing Firm

As is the case with all of the firm's service providers, BFE pays its clearing firm, Pershing, LLC, for the various services it provides, including but not limited to execution, clearing, custody and other services based on a negotiated fee schedule. Pershing reimburses BFE for some of the infrastructure and operational expenses associated with growing its brokerage and investment advisory asset base. The current arrangement is anticipated to continue at least through December 2022, although the agreement can be periodically revisited in the intervening time based on mutual agreement of the parties. Pershing also typically reimburses BFE for certain documented account transfer fees if BFE credits a client account for fees charged by a client's prior firm at the time the account transferred to BFE. These arrangements create an incentive for BFE to endorse Pershing, and to place clients in brokerage or investment advisory programs or to engage in other activity that, by operation of the negotiated fee schedule, could be more profitable to the firm.

With respect to the Lockwood Investment Strategies and Lockwood Asset Allocation Portfolios programs, Lockwood will pay BFE a sponsor fee from the amounts charged to the client for participation in such programs. Financial advisors do not receive payments in connection with such sponsor fee.

With respect to Benjamin F. Edwards Separately Managed Portfolios (Covered), the client will pay a single wrap fee that covers all charges including but not limited to trading, clearing & custody, reporting, advice and the costs of a third-party money manager. If the cost of administering the program decreases, this will not automatically reduce the fee paid by the client. Some third-party money managers cost less than others for similar strategies, which creates a conflict whereby an advisor is incentivized to choose a lower-cost manager.

Additional Product and Service Charges

Certain mutual funds offered on Pershing's platform charge internal expenses known as sub-transfer-agent (sub-TA) fees. Sub-TA fees are paid to BFE's clearing firm, Pershing LLC, to compensate Pershing for the administrative and bookkeeping costs of maintaining those fund positions on its platform; BFE receives no portion of the sub-TA fee Pershing receives. When clients purchase mutual funds that do not pay Pershing a sub-TA fee, Pershing applies a \$10 surcharge on each buy or sell order the client transacts in the funds. However, rather than require its clients to pay the surcharge, BFE absorbs the expense and pays the surcharge to Pershing. Because BFE pays the surcharge for these mutual funds, it has an incentive to recommend other funds that have similar investment profiles but cost clients more.

Some mutual funds impose a short-term redemption charge that is paid by the client if the product is sold within varying periods of time relative to the purchase date (e.g., 90 days). BFE receives no portion of individual funds' redemption charges.

The wrap fee does not include separate external fees charged by a product sponsor or trustee, such as would be the case if the assets of a donor advised fund are managed within an advisory account, or if an advisory account is owned by a trust with a corporate trustee or other party who receives separate compensation from account assets. Such additional external fees would typically be charged separately by the donor advised fund or the trustee and paid by BFE from the account assets.

Non-Cash Compensation

Finally, some product vendors, money managers, or service providers make nominal gifts or provide business entertainment, such as meals, or tickets to theatrical, sporting or other events, to BFE or its financial advisors. Such gifts or entertainment provide an incentive for BFE and its financial advisors to recommend the products of vendors who provide such compensation over the products of other vendors, even if the other vendors' products are less expensive or otherwise better meet advisory clients' needs.

Additional Disclosures About BFE Wrap Fee Programs

BFE's wrap free programs have several other characteristics with which clients should be familiar. Although these characteristics do not typically result in additional compensation received by BFE, in some cases they result in additional expenses for clients, which could negatively impact the performance of their accounts.

Negotiability of Wrap Fees

Wrap fees are negotiable and BFE will consider reducing the wrap fees described above under appropriate circumstances. For example, BFE will consider fees paid by the client to a competitor for a similar investment advisory program; whether the totality of the client relationship, including both advisory, non-advisory or other business warrants a reduced fee; whether there is a realistic likelihood of significant future business, etc. See the “Compensation” section below for information regarding compensation to portfolio managers/financial advisors.

Clients have the option to purchase investment products that BFE recommends through other brokers or agents that are not affiliated with BFE. Participating in wrap fee programs or other advisory programs would cost the client more or less than if the client were to implement his or her selected program separately from BFE, such as by using a different program sponsor, pursuing the strategy through a brokerage account, or investing directly with the mutual fund family. Some factors that might impact the total cost to a client who implements a program separately from BFE include the frequency of trading activity; whether a client might be successful in negotiating a lower fee with a sub-advisor; rate of commissions, markups or other transaction-related compensation; or whether account fees, transaction fees or similar charges would be incurred.

Suitability of Brokerage Versus Advisory

Because the wrap fee and other incidental fees that a client pays for maintaining an investment advisory account could cost more (or less) than the transaction based commissions that would be paid for simply engaging in transactions in a brokerage account, a client should keep in mind the totality of what he or she is paying for, and his or her desire for those services.

Asset-based wrap fees are designed to better align a financial advisor’s interests with those of his or her client. Thus, if the market value of the advisory account’s assets increases, so will the financial advisor’s asset-based compensation. Conversely, if the market value of the advisory account’s assets decreases, so will the financial advisor’s asset-based compensation. In addition, asset-based fees also can reduce or eliminate the financial incentive that a financial advisor might have in a commission-based brokerage account to recommend transactions solely or primarily for the purpose of generating commissions for the financial advisor’s own benefit. Instead, the wrap fee is a way for a client who wishes to receive the benefits of ongoing portfolio monitoring and advice to compensate his or her financial advisor who believes that less frequent, or even no, trading is appropriate for an extended period of time.

But there are situations where a client must recognize that a brokerage account might be economically advantageous, as long as the client is willing to forego the ongoing benefits of an advisory relationship. For example, if a client is solely interested in obtaining low-cost transactions, and anticipates engaging in comparatively fewer transactions (e.g., buy and hold strategies); or anticipates engaging primarily in unsolicited (i.e., self-initiated) transactions; or anticipates holding positions in assets that a client might not wish to sell for an extended period of time (such as positions that are maintained primarily for sentimental value; assets that have limited liquidity; or substantial positions in cash, money market funds or bank deposit products that are not expected to be invested for an extended time) then it could be in the client’s financial interest to maintain those assets in a brokerage account instead, and forego the ongoing advice and monitoring that is available in an advisory account. Clients should assess for themselves the value of services obtained in a wrap fee advisory account versus the more limited relationship and services provided with a brokerage account.

Factors to Consider When Funding Advisory Accounts

Portfolio managers generally require that accounts be initially funded with cash or eligible securities (i.e., securities that are permitted by the portfolio manager to be held in the particular account or program). In the event a client deposits securities to initially fund an advisory account that are ineligible, the securities will be promptly sold or, at the client’s direction, will be held in a brokerage account so an advisory fee will not be charged for the position. While prompt liquidation of ineligible securities is required in order to immediately begin participating in the advisory program, clients should understand that, in the case of securities that are relatively less liquid (including most fixed income positions and certain equity positions), prompt liquidation

will not necessarily generate the greatest possible proceeds contrasted with actively managing the sale over time. Clients who do not wish to make this trade-off should consider funding their advisory account with only eligible securities or cash.

Clients can leave eligible securities that they do not wish to sell, or that are not readily liquid, in an advisory account in order to receive comprehensive portfolio-based advice. Because a fee is charged on the market value of all assets held in an advisory account, including cash, money market funds and bank deposit products, clients should take this into consideration and discuss the client's personal situation with the financial advisor when making such a decision. Clients should keep in mind that holding substantial positions in assets such as cash, money market funds and bank deposit products that are not intended to have substantial price fluctuations, or that offer only limited return potential, might well be part of a financial advisor's portfolio-based investment strategy as a technique to cushion the effect of a downward market or to have assets available while waiting for investment opportunities in times of volatile or uncertain markets or governmental economic behavior.

Transactions Executed Away From Pershing

Implementation and execution of transactions in advisory programs are conducted by BFE as an introducing firm on a fully disclosed basis through its clearing firm, Pershing, LLC. However, money managers associated with four investment advisory programs (Benjamin F. Edwards Separately Managed Portfolios (Covered); Benjamin F. Edwards Separately Managed Portfolios (Non-Covered); Lockwood Investment Strategies); and Benjamin F. Edwards Unified Managed Account have the option of executing transactions away from Pershing if they believe it is in the client's best interests to do so. In some cases, the unaffiliated broker-dealer imposes a commission or mark-up or mark-down for executing the trade. In such cases, the costs associated with execution of the transactions will be included within the net price paid or received by the customer for the securities that are purchased or sold. As a result, these trades could be more costly than trades that execute with Pershing and could negatively affect the performance of the account. BFE does not receive additional fees when money managers execute transactions away from Pershing.

Client Fee Processing in Advisory Wrap Accounts

The annual fee for advisory wrap accounts, with the exception of Investment Management Consulting (with Execution) accounts, is charged quarterly in advance (at the rate of one-fourth of the annual fee detailed above). The fee is calculated based upon the market value of all assets under management in the account, including all balances in cash, money market funds, and bank deposit programs, (excluding any margin debit balances, if applicable) at the close of business on the last business day of the previous quarter as determined by the Managed Investments division of Pershing ("Managed Investments"), an affiliate of the custodian and a service provider to BFE with respect to a variety of back office services in support of BFE's advisory programs. The fee will be deducted from the client's advisory account(s) (or a designated Benjamin F. Edwards brokerage account of the client) with the permission from the client. Adjustments to fees are made quarterly (for the prior quarter) for net flows of \$2500 or more. The adjustment will be prorated based on the dates the contribution(s) and/or withdrawal(s) occur.

Under certain circumstances, BFE permits advisory program assets to be held with a custodian other than Pershing, LLC. This would occur, for example, in connection with positions in alternative investments that must be held with the issuer of the securities. In such situations, BFE will invoice the client separately on a quarterly basis for the appropriate amount of the advisory fee attributable to the position. The amount of the fee will be determined by BFE based on information reasonably believed to reflect the value of the asset where it is held. The client will be asked to sign a Letter of Authorization to permit BFE to deduct the fee from the client's account separately from the fee that is deducted by Managed Investments. At the time the fee is deducted from the account, BFE will send a separate notification to the client reflecting the amount of the fee. The client should verify the fee using information the client receives from the party that holds the asset and, if there are questions, present them to his or her financial advisor.

Clients who join the program mid-quarter will be assessed a prorated fee for the quarter in which they joined. New accounts will be billed from the date the account is opened through the end of the current quarter. The initial fee will be charged at the account opening, paying fees in advance thru the end of the quarter.

In the event the account is terminated mid-quarter, BFE will refund the prorated portion of the client's prepaid fees upon termination of the client advisory agreement; however, if an advisory wrap account is terminated within the first 12 months, BFE reserves the right to refund the client's prepaid fees to BFE less any reasonable expenses associated with opening, positioning, maintaining and terminating the account.

Miscellaneous Disclosures

BFE does not sell insurance products as part of its advisory wrap account programs.

With respect to the Benjamin F. Edwards Unified Managed Account program, by initiating this program Lockwood modestly reduced the fees charged to BFE. This cost savings is not contingent upon the growth of assets under management in the program nor additional account openings in the program.

In some cases, BFE has a separate brokerage relationship with persons who are also investment advisory clients of BFE. As an investment adviser, BFE owes a heightened standard of fiduciary care when providing investment advice to the client than when acting as a broker-dealer. During the course of a brokerage relationship, the broker-dealer acts either as principal or agent when effecting transactions with clients and typically receives compensation in connection with such transactions. Brokerage and investment advisory accounts are not commingled; transactions in both brokerage and advisory accounts are disclosed or reported to the client.

A conflict of interest arises where BFE would receive both commissions and fees in situations where brokerage and advisory services are provided. It is BFE's policy, subject to certain exceptions, to refund commissions on transactions executed within a brokerage account that would have been more appropriately completed in an advisory account where no commission would be charged. In the case of securities sold by prospectus, BFE will reduce the amount of the advisory fee to account for the sales charge previously paid.

BFE employees, including access persons, are permitted to participate in any of the advisory programs offered by BFE and thus will own the same securities owned by advisory clients. In addition, BFE employees, including financial advisors who are advising clients in the Benjamin F. Edwards Client Portfolios Program and the Benjamin F. Edwards Private Portfolios Program, are permitted to engage in transactions alongside clients, including purchasing securities that they are advising clients to sell, and selling securities that they are advising clients to purchase. In most cases, such "contrary" transactions are limited to special circumstances, such as to pay for educational, medical or unanticipated significant expenses; however, the firm permits such transactions in certain other situations.

Compensation

The following details the portion of the fee that is paid to the portfolio manager of each program:

Benjamin F. Edwards Mutual Fund Portfolios Portfolio manager is not paid a portion of the advisory fee, but instead are salaried employees of BFE.

Russell Model Strategies Russell Investments does not receive a portion of the advisory fees, but instead is compensated via the internal expenses of the mutual funds held.

Benjamin F. Edwards Active Passive Portfolios Portfolio manager is not paid a portion of the advisory fee, but instead are salaried employees of BFE.

Benjamin F. Edwards Exchange Traded Fund Portfolios Confluence Investment Management is paid 0.25% of assets managed (built into the advisory fee) Laffer is paid 0.30%, Morningstar is paid 0.25% for their Contrarian models and 0.20% for the Strategic Ibbotson. For the BFEC ETF Portfolios, the portfolio manager is not paid a portion of the advisory fee, but instead are salaried employees of BFEC.

Benjamin F. Edwards Custom Mutual Fund Portfolios The financial advisor is paid as described in following the paragraph.

Benjamin F. Edwards Client Portfolios The financial advisor is paid as described in the following paragraph.

Benjamin F. Edwards Private Portfolios The financial advisor is paid as described in the following paragraph.

Benjamin F. Edwards Separately Managed Portfolios (Covered) Manager fees vary, but range from 0.25% to 0.65% of assets managed (built into the advisory fee).

Benjamin F. Edwards Separately Managed Portfolios (Non-Covered) Manager fees vary, but range from 0.14% to 1.25% of assets under management and are paid in addition to the advisory fee.

Benjamin F. Edwards Unified Managed Account Manager fees vary but range from 0.00% - 0.50% of assets under management and are paid in addition to the advisory fee. Lockwood is paid 20bps as the overlay manager (built into sponsor fee and advisory fee).

Lockwood Asset Allocation Portfolios Lockwood is paid a percentage of assets under management per the following fee schedule (built into the advisory fee):

First \$500,000.....	0.40%
Next \$500,000	0.35%
Next \$4,000,000	0.30%
Next \$5,000,000	0.25%
Over \$10,000,000.....	0.20%

Lockwood Investment Strategies Lockwood is paid a percentage of assets under management per the following fee schedule (built into the advisory fee):

First \$500,000.....	0.75%
Next \$500,000	0.55%
Next \$4,000,000	0.40%
Next \$5,000,000	0.35%
Over \$10,000,000.....	0.30%

In most cases, financial advisors of BFE will receive a maximum of 50% of the wrap fees paid by advisory clients to compensate them for services which may include solicitation, shareholder support, advice, order placement and execution, and other services. However, some new financial advisors who transfer to BFE from another securities firm may temporarily receive a higher payout percentage, typically 80% but, in isolated cases, potentially up to 100%, to compensate them for income disruptions that they may experience following their transition to BFE. Financial advisors may be eligible for cash and non-cash compensation including bonuses, recognition trips, and other benefits. Some of these programs may be financed in whole or in part by unaffiliated third parties, including representatives of mutual funds or distributors, which may influence some financial advisors and portfolio managers to favor those funds. The compensation received for a particular advisory portfolio program may be more than what the financial advisor would receive if the client participated in other BFE advisory portfolio programs or paid separately for investment advice, brokerage, and other services, and hence, may influence the recommendation of a particular advisory portfolio program over other programs or services.

ADV Part 2A Appendix 1 Wrap Fee Program Brochure Account Requirements and Types of Clients

Account Requirements The minimum account size for each wrap fee program is as follows:

Benjamin F. Edwards Mutual Fund Portfolios \$50,000

Russell Model Strategies \$50,000

Benjamin F. Edwards Active Passive Portfolios \$50,000

Benjamin F. Edwards Exchange Traded Fund Portfolios \$50,000 for Confluence, Laffer and Morningstar models. \$5,000 for BFE models.

Benjamin F. Edwards Custom Mutual Fund Portfolios \$50,000

Benjamin F. Edwards Client Portfolios \$50,000

Benjamin F. Edwards Private Portfolios \$50,000

Benjamin F. Edwards Separately Managed Portfolios (Covered and Non-Covered) Varies by manager but most commonly is \$100,000

Benjamin F. Edwards Unified Managed Account \$200,000

Please note that with respect to “minimum account size” BFE may, under appropriate circumstances, consider permitting accounts having asset values lower than the indicated minimum account size to participate in the programs. Such circumstances might include, but are not limited to, whether the account is a transfer account, the totality of the relationship with other client accounts, effects of market activity, and anticipated future business.

Types of Clients

BFE provides advice to a wide variety of clients including but not limited to:

- Individuals
- Pension and profit sharing plans
- Trusts, estates and charitable organizations
- Corporations and other business entities
- Public entities and other governmental organizations
- Educational institutions
- Investment clubs
- Foundations and other charitable or fraternal organizations

ADV Part 2A Appendix 1 Wrap Fee Program Brochure Portfolio Manager Selection and Evaluation

BFE’s primary advisory service is investment programs that bundle or “wrap” services (investment advice, reporting, trade execution, custody, etc.) together and charges a single fee based on the value of assets under management. All of these programs are outlined in the prior “Services, Fees and Compensation” section.

As Chief Investment Officer and Manager of Advisory Services, Joanne Welker oversees and is responsible for the advisory programs offered at BFE, and acts as the lead portfolio manager for Mutual Fund Portfolios and BFE’s ETF Portfolios. She also acts as lead portfolio manager for the ETF Portfolios and Russell Model Strategies programs implementing models provided by Confluence Investment Management, Laffer Associates, Morningstar Investment Services, and Russell Investments. BFE selected Ms. Welker for this position based on her educational and work experience in the investment field. Her bio is detailed below. As CIO she is responsible for determining which advisory programs are appropriate for BFE to offer and recommend to its clients.

With respect to the Russell Model Strategies, ETF Portfolios, Lockwood Asset Allocation Portfolios and Lockwood Investment Strategies programs, Ms. Welker initially reviewed, and her team continues to monitor on a quarterly basis, the investment strategies of Russell Investments, Confluence Investment Management, Laffer Associates, Morningstar Investment Services, and Lockwood Advisors, to validate that these remain quality programs for BFE to recommend to clients.

With regard to the Mutual Fund Portfolios program, and the BFE ETF Portfolios, Ms. Welker and her team are responsible for the selection of funds to use and the allocations of the funds within each of the models in these programs.

For the Separately Managed Portfolio programs, Ms. Welker's team performs the due diligence on the managers to determine which money managers and which of their strategies will be offered on the BFE platform. The manager selection process for Separately Managed Portfolios is further detailed below.

BFE also offers three programs where the financial advisor acts as portfolio manager. BFE generally requires that the financial advisors meet the following standards in order to initially participate in these programs:

- Series 7 and State-required licenses (unless state exemption is available)
- CFP or another recognized designation or training program with emphasis in Portfolio Management or related topics (as determined by Investment Policy Committee)
- Not more than three sales practice-related complaints in the past five years and no forgery, misappropriation, unauthorized trading, or similar settled or otherwise finalized actions in the last 10 years.
- Work experience of one year (as a financial advisor or equivalent experience directly related to management of client assets) for the Benjamin F. Edwards Client Portfolios and Benjamin F. Edwards Custom Mutual Funds Portfolios programs and five years for the Benjamin F. Edwards Private Portfolios program.

BFE may make exceptions to the policy above, or may decide to allow a financial advisor to continue to act as a portfolio manager if he or she no longer meets the initial eligibility criteria, if the firm believes there are extenuating circumstances or considerations.

Employees of BFE are not subject to the same selection and review process as described herein for non-affiliated portfolio managers. Once an employee is approved as a portfolio manager, BFE will normally allow them to continue participating in that capacity. For all the advisory programs, BFE clients select the financial advisor they want to work with in order to determine which program and model/strategy within the program best meets their needs.

In evaluating the programs, Ms. Welker and her team rely on performance data from the investment firms, from third-party sources (such as Morningstar and PSN Informa Solutions), as well as the performance of BFE accounts currently invested in these programs.

Performance reporting for all advisory accounts is conducted by the Managed Investments division of Pershing ("Managed Investments"). Performance is reported in accordance with Modified Dietz standards. A sample of the performance data is reviewed for accuracy by Pershing, or their affiliate, prior to being made available to clients. The evaluation entails reviewing all accounts with returns greater than 2% standard deviation for the periods Month to Date, Quarter to Date and Year to Date. As part of the evaluation, securities are reviewed for missing or stale prices, the market values between the portfolio accounting system and the custodian are compared and the benchmarks are reviewed for accuracy.

BIO

Joanne M. Welker b. 1971

Missouri State University, B.S., Finance, 1992

Boston University, M.S., Banking and Financial Services, 2006 Chartered Financial Analyst (CFA), 1999

Benjamin Edwards, Inc. (and affiliates), Manager Advisory Services, 2008-present; Wachovia Bank N.A., Lead Portfolio Manager, 2007-2008

A.G. Edwards Trust Company, Assistant Manager-Trust Investments, Supervisor of Managed Portfolios, Portfolio Manager, Assistant Portfolio Manager, 1995-2007

Selection of Managers For Separately Managed Portfolios

In order to provide our clients with a broad range of investment strategies from familiar major asset management firms, as well as some smaller boutique firms, BFE initially considered a large universe of hundreds of managers and performed a subjective qualitative evaluation that resulted in an initial subset of managers from which more detailed evaluation was performed.

The subset of managers described above were classified by capitalization (e.g., small-, mid-, large-cap) and investment style (e.g., fixed income, balanced, growth, value, core). Within each classification, their performance relative to their peers was screened as the primary factor for inclusion in the Benjamin F. Edwards Separately Managed Portfolios Covered program. We believe this focus on the managers that had results in the top two-thirds relative to their peers over the past 3-year, 5-year and 10-year periods indicates the strength of the manager and their investment philosophy for that strategy.

Managers who meet and continue to meet the screening criteria described above will generally be permitted to be included in our Covered Manager program.

In some cases, a manager's performance might rank in the lower third relative to peers, but nevertheless they will be allowed into, or to remain in, the program. This may occur if we make a qualitative determination that the manager, strategy and processes are sound notwithstanding the fact that their performance lagged their peers. Managers may be given a status of "Under Review" or "Watch List" to note this situation.

Managers may also be placed in "Under Review" status if other situations occur that give us reason to reassess whether they still meet our qualitative and objective standards. These might include, for example, the departure or loss of key personnel; substantial decrease in assets under management; change in ownership; significant departure from a manager's stated investment style or strategy; or other situations.

Upon review, if a situation warrants continued monitoring, a manager may be placed on a program "Watch List" where the manager's performance, strategy and process will be observed for a period of time and then a determination will be made to return the manager to good standing in the Covered Program or to remove the manager from the program.

The client's financial advisor will be advised of any change in the manager's status. The financial advisor will determine whether the client should also be notified.

Quarterly, the third-party money managers in the Benjamin F. Edwards Separately Managed Portfolios program will be reviewed by BFE's Manager of Advisory Services or delegate to ensure continued adherence to BFE's qualitative and performance standards. Both Covered and Non Covered Managers will be reviewed; however, a higher level of on-going research and due diligence is applied to the Covered Managers.

In addition, a review will be conducted as needed by BFE's Manager of Advisory Services or delegate based on potentially significant developments that may affect the operations or management of the portfolios (e.g., change of portfolio manager, corporate reorganizations, etc.).

Adjustments will be made to the managers' status in the program as needed and individual accounts will be addressed accordingly based on the outcomes of the reviews.

Conflict of Interest

Conflict of interests can arise with respect to a variety of business and other relationships in almost any investment advisory program. Please refer to the "Other Financial Industry Activities and Affiliations" section under the "Additional Information" heading below for discussion of conflicts of interest relating to relationships and product-specific compensation that is received by BFE.

Tailoring of Advisory Programs and Reasonable Restrictions

For all wrap advisory programs, the BFE clients select the financial advisor with whom they wish to work. The financial advisor will assess the client's prior investment experience, financial goals, time horizon, risk tolerance, and investment objectives in order to determine the appropriate program for the client.

Clients may request reasonable restrictions on the management of their discretionary accounts. Such restrictions may include imposition of limitations or preferences concerning transactions in certain securities, frequency of rebalancing, tax-loss selling, frequency of distributions and similar matters.

With respect to security-specific restrictions in the Benjamin F. Edwards Private Portfolios program, such restrictions are individually negotiated between the client and financial advisor. With respect to all other

programs involving transactions in individual equity securities, clients may request security-specific restrictions on those equities or restrictions based on the following categories: Alcohol, Cosmetic, Defense/Military/ Weapons, Entertainment, Foreign Securities, Gambling, Finance, Trucking, Meat Products, Nuclear Power, Oil Stocks, Textiles, Drugs, Tobacco, Public Utilities, Paper/Forest Products, and Healthcare/Medical Industries.

With respect to model based mutual fund and ETF wrap programs, BFE will consider requests for reasonable restrictions on the management of the account. Such restrictions may be placed on particular mutual funds or ETFs from the model selected, but cannot restrict the individual securities held within the mutual funds or ETFs. If such investment restrictions are implemented, the client will experience a different investment return than what will be realized by the model itself. Such performance may be better or worse than the model. For these reasons,

if a client wishes to make a request concerning restrictions based on specific securities, it may be more appropriate for the client to participate in other BFE advisory programs that are not so uniquely positioned. It should be noted, any standardized reports of model performance will not reflect the performance of the model with restrictions applied. (Quarterly performance reports of the client's account will accurately reflect the client's actual account performance with restrictions).

BFE does not currently provide portfolio management services other than in connection with its wrap fee programs. BFE retains a portion of the wrap fee as compensation for its services; the remainder is used to compensate third parties, such as Pershing LLC, Lockwood Advisors and non-affiliated money managers or model providers for wrap services they provide.

Performance-Based Fees and Side-By-Side Management Methods of Analysis, Investment Strategies and Risk of Loss

Not applicable; none of BFE's supervised persons accept performance based fees.

A variety of methods of analysis and investment strategies are utilized by affiliated and non-affiliated portfolio managers in the BFE sponsored advisory programs. BFE's advisory programs employ several methods of analysis, including but not limited to charting, fundamental analysis of a company's financials and technical analysis of market activity. Within each method of analysis, portfolio managers may employ a variety of time-horizon outlooks, including long-term strategic, intermediate cyclical or short-term tactical.

Regardless of the method of analysis and investment strategy, the investment advisory programs involve investing in securities which contain a risk of loss of principal that the client should be prepared to bear. All securities are subject to risk, and there is no assurance that any investment program or strategy will be successful.

In addition to the risks associated with investing in securities, no method of analysis will always yield positive results. For example, while fundamental analysis might indicate that a particular company is "fairly valued," market sentiment may nevertheless result in unexpected investment performance. Similarly, while technical analysis or charting might suggest that a particular company presents a good buying opportunity, its financial performance might cause investors to view the security differently. Depending on the portfolio manager, adherents to each method of analysis may look only to the information relevant to his or her method of analysis, to the exclusion of other information.

Investment strategies that employ diversified models may involve investing in multiple market sectors or asset classes. This diversified approach to investing has the potential to take advantage of the fact that different sectors or asset classes often perform in different ways at different times. This characteristic may yield either positive or negative results, depending on particular market conditions, or the overall breadth of the market's impact on multiple asset classes or sectors.

In addition, some particular investment styles focus on particular market sectors or classes of securities and carry additional risks. Even models that are more broadly diversified in their exposure to particular market sectors or asset classes are exposed to the underlying risks associated with those sectors or classes. For example, investors should be aware of the following:

- Equity strategies, including investing in individual companies, equity mutual funds or ETFs, involve investments in common stocks and are subject to the volatility and individual risks associated with those stocks;
- Real estate investment trusts or funds are subject to risks of the specific commercial or housing market in which the assets are invested, as well as interest rate risk;
- Small Cap and Emerging Market securities tend to be more volatile relative to the overall market;
- Bonds may “guarantee” return of principal if held to maturity, but any guarantee remains subject to the creditworthiness of the guarantor and, prior to maturity, the bond remains subject to interest rate, inflation and credit risks;
- Bond funds of all types are subject to the various risks of the underlying fixed income instruments in the fund, and there is no fixed maturity date;
- High Yield bonds expose the investor to investments in lower credit quality securities and hence risk of default and higher volatility;
- Tax-Exempt bonds may or may not provide returns higher than the after-tax returns of taxable bonds, so investors should consider their tax bracket and state of residence;
- International/Global/Foreign securities expose the investor to currency risk and political, social and economic risks of the countries in which the securities are domiciled, in addition to the equity or debt nature of the securities involved.
- Options strategies introduce additional elements of complexity regarding timing of market decisions and liquidity of positions. Investors considering programs that involve the use of options should carefully review and understand the Options Disclosure Document (“Characteristics and Risks of Standardized Options”) prepared by the Chicago Board Options Exchange (CBOE), which will be provided by BFE.
- The alternative investment asset class broadly includes vehicles such as derivatives, hedge funds, currencies, managed futures, commodities, private equity, multi-strategy funds, and strategies that seek to take advantage of interest rate movements, currency carry, merger arbitrage, convertible arbitrage, short-sales, use of leverage, and other techniques. Alternative investment vehicles and strategies may be used by certain investment company portfolio managers (including open- and closed-end funds, ETFs, and UITs). Those vehicles and strategies vary widely and can directly or indirectly subject investors to a variety of risks including, but not limited to, market risk, interest rate risk, credit and counterparty risk, liquidity risk, and foreign-currency exchange-rate risk among others, depending on the investment.
- Exchange Traded Funds and Notes (ETF/Ns) are typically designed to track the performance (and sometimes the inverse) of a benchmark index or commodity, sometimes with leverage. ETF/Ns are subject to tracking error risk (meaning performance that varies in amount and possibly direction from the target benchmark index or commodity) and liquidity risk, in addition to the risks associated with the benchmarked products.

It is not possible to enumerate all possible risks associated with each of the asset classes and market sectors listed above. Clients should feel free to ask their financial advisor to discuss any of these in more detail. In addition, clients should refer to the investment advisory disclosure brochure prepared by specific third-party money managers under consideration for a detailed explanation of the nature and risks of the program being evaluated, including the use of any of the asset classes and market sectors above.

Some models are based on use of mutual funds and/or Exchange Traded Funds (ETFs). These financial instruments are securities that are sold by prospectus. While particular funds in the advisory programs may be selected by the portfolio manager, investors should read the prospectus, and summary prospectus if available, carefully to fully understand the various risks, investment objectives, charges/expenses and other information about the fund company associated with the investment.

Participants in BFE’s wrap-fee advisory programs do not pay additional charges based on the frequency of trading in their account. However, it should be understood that higher-frequency trading strategies may

increase the likelihood that tax consequences may be short-term in nature, and result in a higher tax cost, and hence, lower net performance.

Voting Client Securities For most advisory programs, BFE will not normally vote on matters requiring shareholder voting in connection with the securities held in a client's account, or with respect to certain legal actions involving securities including, for example, voting of proxies, mergers, bankruptcies or restructuring, class actions, or similar matters. See specific advisory program descriptions above, as some outside managers will vote proxies on behalf of clients. Clients will receive proxy notices from the firm's custodian, Pershing LLC. In the limited circumstances where a client may hold securities directly with an issuer or an alternative custodian, proxy notices will be sent by the issuer or the alternative custodian.

Notwithstanding the foregoing, upon request of the client, BFE may be able to provide limited advice regarding proxy voting, mergers, bankruptcies or restructuring, class actions, or similar matters, except under the following circumstances:

- No advice will be given if it is on behalf of any person soliciting proxies or on behalf of a participant in a matter relating to the election or removal of directors;
- No advice will be given if the firm holds, including in nominee name, 5% or more of the securities that are the subject of a proxy vote;
- No advice will be given with respect to matters involving foreign private issuers, including American Depository Receipts (ADRs);
- No advice will be given if BFE does not have the resources upon which to form a reasonable basis for the advice to be given;
- No advice will be given if prohibited by law or regulation; and
- No advice will be given if BFE believes that a conflict of interest may exist that might materially affect the judgment required to properly render such advice, or if BFE believes in its judgment that other factors are present which do not make the rendering of such advice to be prudent.

With respect to Benjamin F. Edwards Separately Managed Portfolios (Covered and Non-Covered), Lockwood Asset Allocation Portfolios, and Lockwood Investment Strategies, clients may contact their financial advisor to request information regarding how managers in those programs voted their proxies.

ADV Part 2A Appendix 1 Wrap Fee Program Brochure Client Information Provided to Portfolio Managers

Information Provided to Affiliated Portfolio Managers

BFE employees who serve as portfolio managers have access to all client information obtained by BFE with respect to the particular client accounts they manage.

Information Provided to Non-affiliated Portfolio Managers

Non-affiliated portfolio managers have access to potentially all client information with respect to clients whose accounts they manage through a "distributor workstation" that is used to monitor and manage client activity. Such information includes client identifying information such as name, address and tax ID; investment profile information such as investment objective and risk tolerance; and administrative information such as disbursement requests, statements, confirmations and other documents prepared by the custodian, Pershing LLC. In addition, individual managers sometimes request additional information such as copies of client account agreements, other account related agreements, such as IRA adoption forms and beneficiary designations, and IRS form W-9. To the extent BFE believes such requests are reasonably related and necessary to the services being provided by the third- party managers, BFE generally honors those requests.

**Updating of
Information**

Information that is provided to affiliated portfolio managers, as well as information provided to non-affiliated portfolio managers, via the “distributor workstation” is kept updated in approximately “real time.” Information provided pursuant to specific requests by portfolio managers typically relates to documentation obtained at the time the account is opened, which is not normally updated.

ADV Part 2A Appendix 1 Wrap Fee Program Brochure Client Contact with Portfolio Managers

The primary point of contact for clients with respect to all BFE-sponsored advisory programs is the client’s financial advisor, including programs where the financial advisor acts as portfolio manager, as well as for programs using a different affiliated or non-affiliated portfolio manager. There are no restrictions on a client’s access to his or her financial advisor. Non-affiliated portfolio managers typically service clients of multiple firms, and direct client access to those portfolio managers is, therefore, not routine. In most cases, BFE clients rely on the firm to monitor the performance and appropriateness of non-affiliated portfolio managers and to manage the relationship. Nevertheless, BFE is not aware of any prohibition against the client communicating directly with non-affiliated portfolio managers in appropriate situations, and BFE believes it is able to arrange such communications as needed.

ADV Part 2A Appendix 1 Wrap Fee Program Brochure Additional Information

**Disciplinary
Information**

BFE does not have any legal or disciplinary events to report.

**Other Financial
Industry Activities
and Affiliations**

In addition to being a Registered Investment Adviser, BFE is engaged in a variety of investment-related business activities. BFE is registered as a broker-dealer and its management persons are registered representatives of the broker-dealer. In addition, BFE is also a member of the National Futures Association as a Guaranteed Introducing Broker (GIB) and some of its management personnel are associated persons of the GIB. BFE is also licensed as an insurance agency and sells a wide variety of insurance products. BFE also operates an equity and fixed income trading desk. Transactions facilitated by the trading desk that involve investment advisory clients will generally only be done on an agency basis. In limited circumstances, BFE is permitted to engage in transactions involving an investment advisory account on a principal basis; however, any such transaction would require the client’s prior express consent. Transactions facilitated by the trading desk that involve brokerage clients may be done on an agency, principal or “riskless principal” basis. BFE also provides “mergers and acquisition” (M&A) advice to businesses. Such advice is not typically provided as part of the firm’s investment advisory services, and would typically involve separately-negotiated compensation.

A sales representative of Anchor Capital Advisors, one of the third-party money managers that is available for clients to select in the Separately Managed Portfolios (Covered) program, has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE. This individual is not an employee of, and will have no managerial or decision-making role with, BFE or its affiliates. As part of her professional responsibilities, however, it is anticipated that she will meet with employees of BFE to promote the services and benefits available by placing investment assets under the management of Anchor Capital Advisors. This individual receives compensation from Anchor Capital Advisors that is based, at least in part, on money management fees paid to Anchor Capital Advisors arising from investments that occur within her sales region through firms such as BFE. Because of this individual’s ownership interest in, and her professional duties involving sales services to, BFE, a conflict of interest could potentially arise particularly if both firms were to negotiate asset management fees payable to Anchor Capital Advisors that are more favorable than what might otherwise be paid by firms similarly situated with BFE, or if BFE were to determine to include or

retain Anchor Capital Advisors on the firm's Separately Managed Portfolios (Covered) program under circumstances wherein other money management firms would not be permitted to be included or to remain.

This individual will have no role in negotiating asset management fees payable by BFE to Anchor Capital Advisors. Further, BFE and its representatives will not receive any additional or different sales compensation in connection with recommendations to clients concerning Anchor Capital Advisors versus any other money manager under comparable circumstances. In addition, Anchor Capital Advisors and its sales representative will not receive any additional or different compensation in connection with client investments placed with Anchor Capital Advisors through BFE versus those of any other investment firm similarly situated.

An individual who is the Chief Executive Officer and Chief Investment Officer for Confluence Investment Management LLC, who offers various investment company products that can be purchased through BFE, is one of the third-party money managers that is available for clients to select in the Separately Managed Portfolios (Covered & Non-Covered) program and a model provider for the Exchange Traded Fund Portfolios program, is a member of the board of directors and has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE.

This individual is not an employee of, and will have no day to day managerial or decision-making role with BFE or its affiliates; however, as a member of the board of directors, he will be involved in the development of strategy, policy and other important matters affecting Benjamin Edwards, Inc., including its affiliates. As part of his professional responsibilities with Confluence Investment Management LLC, he is involved in making investment decisions concerning portfolios of individual clients. BFE and its representatives do not receive any additional or different sales compensation in connection with recommendations to clients concerning Confluence Investment Management LLC versus any other money manager under comparable circumstances. In addition, Confluence Investment Management LLC and its CEO/CIO do not receive any additional or different compensation in connection with client investments placed with Confluence Investment Management LLC through BFE versus those of any other investment firm similarly situated. However, the CEO/CIO is compensated for his service as a board member of Benjamin Edwards, Inc. on the same terms as other board members.

In addition, a portfolio manager for Confluence Investment Management LLC is a beneficial owner of a trust that owns equity securities of Benjamin Edwards, Inc., the holding company of BFE. This individual is not an employee of, and will have no managerial or decision-making role with, BFE or its affiliates. As part of his professional responsibilities, however, he is involved in making investment decisions concerning portfolios of individual clients.

BFE and its representatives do not receive any additional or different sales compensation in connection with recommendations to clients concerning Confluence Investment Management LLC versus any other money manager under comparable circumstances. In addition, Confluence Investment Management LLC and its portfolio manager do not receive any additional or different compensation in connection with client investments placed with Confluence Investment Management LLC through BFE versus those of any other investment firm similarly situated.

A portfolio manager at Franklin Templeton, one of the mutual fund families utilized in the Mutual Funds Portfolios program, and one of the third-party money managers that is available for clients to select in the Separately Managed Portfolios (Covered) program, has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE. This individual is not an employee of, and will have no managerial or decision-making role with, BFE or its affiliates. As part of his professional responsibilities, however, he is involved in making investment decisions within a mutual fund that is available to and may be held by advisory clients.

This individual is a trustee and the chairman of a number of Franklin Templeton funds in which participants in certain BFE advisory programs invest from time to time. He will have no role in negotiating asset management fees payable by BFE to Franklin Templeton, and has no direct sales responsibilities with respect to BFE or its affiliates. Further, BFE and its representatives will not receive any additional or different sales compensation in

connection with recommendations to clients concerning Franklin Templeton versus any other fund company or money manager under comparable circumstances. It should be noted however that BFE will receive marketing support payments based on a percentage of assets under management see above for more information concerning such payments.

Any potential conflict regarding Franklin Templeton's status on the Separately Managed Portfolios (Covered) program or in the Mutual Fund Portfolios will be resolved by following the same evaluation, criteria and investment committee process used to evaluate other mutual funds and money managers.

A Regional Director of Russell Investments, the mutual fund family utilized in the Russell Model Strategies program and an investment that is available in other BFE advisory programs, has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE. This individual is not an employee of, and will have no managerial or decision-making role with, BFE or its affiliates. As part of his professional responsibilities, however, it is anticipated that he will meet with employees of BFE to promote the services and benefits available by investing in Russell Investments' funds. This individual receives compensation from Russell Investments that is based, at least in part, on money management fees paid to Russell Investments arising from investments that occur within his sales region through firms such as BFE.

Because of this individual's ownership interest in, and his professional duties involving sales services to, BFE, a conflict of interest could potentially arise particularly if his investment were to influence the negotiation or payment of revenue sharing or similar compensation arrangements between Russell Investments and BFE, or if BFE were to determine to retain the Russell Model Strategies program under circumstances when it might otherwise not be permitted to continue.

This individual has had no role in negotiating revenue sharing or similar compensation arrangements nor had any substantive role in BFE's decision to develop and continue the Russell Model Strategies program. Further, BFE and its representatives will not receive any additional or different sales compensation in connection with programs that engage in transactions in Russell funds versus programs that do not. In addition, Russell Investments and its sales representative will not receive any additional or different compensation in connection with client investments placed through BFE versus those of any other investment firm similarly situated.

The Manager of Advisory Services receives compensation as Investment Adviser Representatives for some clients.

The Chief Executive Officer and Chief Investment Officer (CEO/CIO) of ACR Alpine Capital Research, LLC ("ACR"), and one of the third-party money managers that is available for clients to select in the Separately Managed Portfolios (Covered) program, controls Alpine Partners Management, LLC, the General Partner of a pooled investment fund which has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE. The fund that invested in the securities is not currently offered to BFE's clients. Additionally, ACR offers open end mutual funds which may be utilized in some of our advisory programs.

The CEO/CIO is not an employee of, and will have no managerial or decision-making role with, BFE or its affiliates. As part of his professional responsibilities, however, it is anticipated that he will meet with employees of BFE to promote the services and benefits available by placing investment assets under the management of ACR through the Benjamin F. Edwards Separately Managed Portfolios (Covered) program.

The CEO/CIO receives compensation from ACR that is based, at least in part, on money management fees, which he helps to negotiate and that are paid to ACR arising from investments through firms such as BFE. Because of his indirect interest in, and because his professional duties involving the management of assets in which BFE's clients invest, a conflict of interest could potentially arise particularly if both firms were to negotiate asset management fees payable to ACR that are more favorable than what might otherwise be paid by firms similarly situated with BFE, or if BFE were to determine to include or retain ACR on the firm's

Separately Managed Portfolios (Covered) program under circumstances wherein other money management firms would not be permitted to be included or to remain.

BFE and its representatives will not receive any additional or different sales compensation in connection with recommendations to clients concerning ACR versus any other money manager under comparable circumstances. In addition, ACR and the investment fund manager will not receive any additional or different compensation in connection with client investments placed with ACR through BFE versus those of any other investment firm similarly situated.

A Sr. Regional Marketing Director of Putnam Investments, a mutual fund family utilized in the Mutual Fund Portfolios program and an investment that is available in other BFE advisory programs, has made a private investment in the equity securities of Benjamin Edwards, Inc., the holding company of BFE. This individual is not an employee of, and will have no managerial or decision-making role with, BFE or its affiliates. As part of his professional responsibilities, however, it is anticipated that he will meet with employees of BFE to promote the services and benefits available by investing in Putnam Investments' funds. This individual receives compensation from Putnam Investments that is based, at least in part, on money management fees paid to Putnam Investments arising from investments that occur within his sales region through firms such as BFE.

Because of this individual's ownership interest in, and his professional duties involving sales services to, BFE, a conflict of interest could potentially arise particularly if his investment were to influence the negotiation or payment of revenue sharing or similar compensation arrangements between Putnam Investments and BFE, or if BFE were to determine to retain the Putnam funds in the Mutual Fund Portfolios program under circumstances when it might otherwise not be permitted to continue.

This individual has had no role in negotiating revenue sharing or similar compensation arrangements nor had any substantive role in BFE's decision to utilize Putnam funds in the Mutual Fund Portfolios program. Further, BFE and its representatives will not receive any additional or different sales compensation in connection with programs that engage in transactions in Putnam funds versus programs that do not. In addition, Putnam Investments and its sales representative will not receive any additional or different compensation in connection with client investments placed through BFE versus those of any other investment firm similarly situated.

***Code of Ethics,
Participation or
Interesting Client
Transactions and
Personal Trading***

Code of Ethics BFE has adopted an ethics policy that applies to all supervised persons of BFE with the exception of items specifically identified as being applicable only to access persons. All employees, officers and directors of BFE (or any person performing similar functions) are subject to BFE's supervision and control and are considered Supervised Persons. This includes registered and non-registered persons, but does not include independent contractors. Certain categories of associated persons are considered under the policy to be "access persons" within the meaning of Rule 204A-1 of the Investment Adviser's Act of 1940.

The policy requires all supervised persons of BFE to conduct themselves according to the highest ethical standards, in accordance with the firm's culture and in accordance with the standard of care that we owe to our clients. The policy further requires all supervised persons of the firm to adhere to applicable securities laws, regulations and rules. The policy further requires all supervised persons to be vigilant with respect to any actual or potential conflict of interest that could affect one's judgment or decision-making.

All supervised persons are required to maintain their securities accounts at BFE, unless an exception is specifically approved in writing. In addition, no access person is permitted to invest in any private placement or initial public offering (IPO) unless an exception is specifically approved in writing in advance. Access persons also are required to periodically disclose all securities accounts and holdings other than with respect to accounts held at BFE. Access persons are further required to periodically disclose all securities transactions other than with respect to accounts held at BFE. Access persons are further required to provide a consolidated annual holdings report of all securities accounts, including those held at BFE. Supervised persons are permitted to participate in the same advisory programs that are offered to public clients on the same terms.

It should be noted that access persons servicing clients who are participating in the Benjamin F. Edwards Client Portfolios program or the Benjamin F. Edwards Private Portfolios program may engage in equity or fixed income transactions contrary to those of their clients on the same trading day (e.g., may sell a stock that is being purchased for clients). In such situations, a conflict of interest could arise if a financial advisor engages in transactions on behalf of clients that would benefit the financial advisor, such as when he or she might purchase a large quantity of securities for clients, potentially causing the price of those securities to increase, and then sells his or her own securities. BFE addresses this situation by limiting such transactions to situations involving unanticipated extraordinary expenses, transactions necessary to fund large purchases (such as a car or home), or purchase transactions contrary to unsolicited client sell orders. In appropriate circumstances, the firm may approve other contrary transactions upon individual review.

In addition, a financial advisor servicing clients who are participating in the Benjamin F. Edwards Client Portfolios program or the Benjamin F. Edwards Private Portfolios program may engage in equity or fixed income transactions that they simultaneously or subsequently recommend to clients (i.e., may purchase or sell a stock at the same time a client is purchasing or selling). In such situations, the larger quantity of securities being purchased or sold could impact on the price clients receive. Depending on market conditions, this could have either a positive or negative impact. BFE addresses this situation by generally requiring a financial advisor to not receive a better price than any solicited client trades on the same trading day. In appropriate circumstances, BFE may approve exceptions upon individual review.

Review and Oversight of Securities Holdings and Transactions Accounts holdings and transactions are required to be supervised by the access persons' immediate supervisory principal. Oversight of such reviews is to be conducted by Compliance.

Requirement to Report Violations of Ethics Policy All supervised persons are required to report violations of the ethics policy to their immediate supervisor or the Compliance Department. If a report is made to an immediate supervisor or Compliance Department personnel other than the Chief Compliance Officer, the person receiving the report must ensure the violation is brought to the attention of the Chief Compliance Officer.

Provision of Policy to Access Persons; Requirement to Certify Receipt of Ethics Policy The ethics policy, as well as any amendments or updates, must be provided to all supervised persons, who must attest having received it. Periodic re-certification may be required by the Compliance Department with respect to receiving any amendments of the policy.

A copy of BFE's Code of Ethics will be provided to the client or prospective client upon request.

Review of Accounts

At account opening, client documents are reviewed for consistency, suitability criteria and model selection. Supported by the Home Office, approval of account openings are performed by the Branch Office Manager or an appropriately designated sales principal.

At least annually, the Branch Office Manager, or the Branch Manager Review Administrator in the case where the Branch Manager is the financial advisor, will ensure that the financial advisor conducts a review of the client's overall progress with respect to the account. During these reviews, the client's general financial circumstances and desire for any reasonable investment restrictions will be assessed, and recommendations as to adjustments to the client's investment strategy will be made as necessary.

The frequency and depth of additional reviews depend upon the program; details for each program are as follows:

Benjamin F. Edwards Mutual Fund Portfolios Rebalancing will be implemented by Managed Investments in accordance with a servicing agreement with BFE. The account will be rebalanced to more closely align with the model's target asset and fund allocation percentages on a periodic basis selected by the client in the advisory agreement. The default will be semi-annually, but annually is also an option. In addition, the account will be

rebalanced when deposits and withdrawals occur. Trades will be done if the trade amount of the security is not less than five basis points times the size of the account.

Quarterly, the performance of the mutual funds used in the models will be reviewed by BFE's Manager of Advisory Services or delegate to ensure continued adherence to BFE's qualitative standards. In addition, a review will be conducted as needed by BFE based on potentially significant developments that may affect the operations or management of the fund (e.g., change of fund manager, corporate reorganizations, etc.). Adjustments will be made as needed to individual accounts based on the outcomes of the reviews.

Russell Model Strategies Rebalancing will be implemented by Managed Investments in accordance with a servicing agreement with BFE. The account will be rebalanced to more closely align with the model's target asset and fund allocation percentages on a periodic basis selected by the client in the advisory agreement. The default will be semi-annually, but annually is also an option. In addition, the account will be rebalanced when deposits and withdrawals occur. Trades will be done if the trade amount of the security is not less than five basis points times the size of the account.

The models for the Russell Model Strategies are implemented per the recommendations of Russell Investments. Quarterly, the performance of the Russell Model Strategies will be reviewed by BFE's Manager of Advisory Services or delegate to ensure continued adherence to BFE's qualitative standards.

Russell will monitor the allocations and funds used in the models. BFE will be notified of any changes to the model strategies. Adjustments will be made as needed to individual accounts based on the changes to the models.

Benjamin F. Edwards Active Passive Portfolios Rebalancing will be implemented by the Managed Investments division of Pershing ("Managed Investments") in accordance with a servicing agreement with BFE. The account will be rebalanced to more closely align with the model's target asset and fund allocation percentages on a periodic basis selected by the client in the advisory agreement. The default will be semi-annually, but annually is also an option. In addition, the account will be rebalanced when deposits and withdrawals occur. Trades will be done if the trade amount of the security is not less than five basis points times the size of the account.

Quarterly, the performance of the mutual funds and ETFs used in the models will be reviewed by BFE's Manager of Advisory Services or delegate to ensure continued adherence to BFE's qualitative standards. In addition, a review will be conducted as needed by BFE based on potentially significant developments that may affect the operations or management of the fund (e.g., change of fund manager, corporate reorganizations, etc.). Adjustments will be made as needed to individual accounts based on the outcomes of the reviews.

Benjamin F. Edwards Exchange Traded Fund Portfolios The BFE ETF Portfolios are managed internally by BFE employees. An annual review of the strategic asset allocation and the securities used in the models will be performed. The accounts will be rebalanced annually in accordance with this review. The other models in this program are provided by Laffer Investments, Confluence Investment Management LLC, and Morningstar Investment Services, Inc. Quarterly, the performance of Laffer, Confluence, and Morningstar will be reviewed by BFE's Manager of Advisory Services or delegate to ensure continued adherence to BFE's qualitative standards.

Confluence will review the allocations and ETFs used in their models on a quarterly basis. Laffer reviews the allocations and ETFs used in their models on an ongoing basis. Morningstar will review the allocations and ETFs used in the Strategic Ibbotson and Contrarian models on an annual basis. BFE will be notified of any changes to the model strategies. Rebalancing may occur as needed to individual accounts based on the changes to and the strategy for the models, taking into account advice received from the model providers. Rebalancing will be implemented by Managed Investments in accordance with a servicing agreement with BFE. In addition, the account will automatically be rebalanced when deposits and withdrawals occur. Trades will be done if the trade amount of the security is not less than five basis points times the size of the account.

Confluence, Laffer and Morningstar are engaged in a business in which they provide models to firms such as BFE, as well as manage accounts independently of BFE on a fiduciary basis.

With respect to the ETF models provided by Confluence, Confluence will not provide BFE with changes to its models until after such changes are first implemented in its own clients' accounts. As a result, changes to Confluence's models that are implemented in BFE client accounts will take place after the changes in Confluence's accounts, and the performance in BFE's accounts will differ from those managed directly by Confluence. It is possible that Confluence's prior transactions could increase the price of ETFs that BFE's clients might have to pay for purchases, or reduce the proceeds that might be obtained in connection with sales.

With respect to the ETF models provided by Laffer, Laffer will provide BFE with changes to its models before implementing the changes in their own clients' accounts. As a result, changes to BFE accounts may take place prior to, after or simultaneously with the changes in Laffer's accounts. As a result, the performance results of the BFE accounts will differ from those managed by Laffer.

With respect to the ETF models provided by Morningstar, they will provide BFE with changes to its models along with a date the changes should be implemented. The suggested implementation date will be the same day that Morningstar will trade their discretionary accounts.

Benjamin F. Edwards Custom Mutual Fund Portfolios Rebalancing will be implemented by BFE. The account will be rebalanced to more closely align with the account's target asset and fund allocation percentages on a periodic basis selected by the client. The default will be semi-annually, but annually is also an option. It is possible that other rebalancing options may be approved after consultation between the client and BFE. In addition, the account will be rebalanced when deposits and withdrawals occur unless, in the judgment of BFE, the amount involved would not have a meaningful impact on the strategy.

During the life of the account, the Branch Office Manager and Home Office Principals will monitor accounts to ensure activity is suitable and that the account is properly administered. Various reviews will be performed on a daily, monthly, quarterly or annual basis. In addition, ad hoc reviews will be performed as needed.

Benjamin F. Edwards Private Portfolios During the life of the account, the Branch Office Manager and Home Office Principals will monitor accounts to ensure activity is suitable and that the account is properly administered. Various reviews will be performed on a daily, monthly, quarterly or annual basis. In addition, ad hoc reviews will be performed as needed.

Benjamin F. Edwards Separately Managed Portfolios Quarterly, the third-party money managers in the Benjamin F. Edwards Separately Managed Portfolios program will be reviewed by BFE's Manager of Advisory Services or delegate to ensure continued adherence to BFE's qualitative and performance standards. Both covered and non-covered managers will be reviewed; however, a higher level of ongoing research and due diligence is applied to the covered managers.

In addition, a review will be conducted as needed by BFE's Manager of Advisory Services or delegate based on potentially significant developments that may affect the operations or management of the portfolios (e.g., change of Portfolio Manager, corporate reorganizations, etc.).

Adjustments will be made to the managers' status in the program as needed, and individual accounts will be addressed accordingly based on the outcomes of the reviews.

Benjamin F. Edwards Unified Managed Account The accounts will be rebalanced by Lockwood if they drift a relative 20% away from the target allocations of the selected model. Lockwood and BFE will periodically, no less than annually, review the allocations and the bands for each model in this program. Ongoing monitoring of the available investments within the program will be performed by Lockwood and/or BFE.

Lockwood Investment Strategies and Lockwood Asset Allocation Portfolios The accounts are rebalanced periodically to reflect market changes and to maintain compliance with Lockwood's strategy-specific

guidelines. This may occur as a result of deposits, withdrawals or market movement. Rebalancing will be implemented by Lockwood.

The strategies for the Lockwood Investment Strategies and Lockwood Asset Allocation Portfolios are managed by Lockwood. Quarterly, the performance of Lockwood will be reviewed by BFE's Manager of Advisory Services or delegate to ensure continued adherence to BFE's qualitative standards.

Lockwood will review the allocations and securities used in their models on an ongoing basis. Adjustments will be made as needed to individual accounts based on the changes to the models.

Investment Management Consulting (with Execution) The services to be provided to the client, including delivery of any oral or written investment performance and other reports (to the extent required by the individual contract) will be performed by the financial advisor. The services to be provided under each agreement are tailored to the specific needs of the client. The advisory services agreement will outline any specific reports, meetings or other deliverables to be provided by BFE. A tailored supervisory plan will be developed but, in general, will feature review by the Branch Office Manager, or an appropriately designated sales principal, of the key deliverables provided to the client.

Client Reports

Clients who participate in wrap fee advisory accounts, with the exception of Investment Management Consulting (with Execution), will receive the following reports:

- Written (or, if elected by the client, electronic) account statements will be provided to clients at least quarterly through the firm's asset custodian, Pershing, LLC, identifying the amount of funds of each security in the account at the end of the period and setting forth all transactions in the account during that period.
- Written (or, if elected by the client, electronic) performance reports will be provided to clients on a quarterly basis through Managed Investments identifying since inception, year-to-date, and current quarter values and returns, and benchmark returns. The initial report will be delivered once an account has been open for a complete calendar quarter.

Under certain circumstances, BFE permits advisory program assets to be held with a custodian other than Pershing, LLC. This may occur, for example, in connection with positions in alternative investments that must be held with the issuer of the securities. In some cases, information about such an asset is linked with our custodian, and the asset will be included in Pershing's account statements and Managed Investments' performance reports. If information is not linked, the asset will not be included on statements or performance reports. If clients have concerns about this issue, they should discuss it with their financial advisor prior to purchasing or holding a non-linked asset in an advisory account.

Clients who participate in BFE's Investment Management Consulting (with Execution) program generally negotiate a tailored scope of services. Depending on the services that are desired, written reports may be prepared, customized or developed for the client to address their particular needs.

Client Referrals and Other Compensation

Financial advisors of BFE will receive a percentage of the wrap fees paid by advisory clients to compensate them for solicitation, shareholder support, advice, order placement and execution, and other services. In addition, financial advisors may be eligible for cash and non-cash compensation including bonuses, recognition trips and other benefits. Some of these programs may be financed in whole or in part by unaffiliated third parties, including representatives of mutual funds or distributors, which may influence some representatives to favor those funds. See the prior sections entitled "Services and Fees" and "Other Financial Industry Activities and Affiliations" for more details regarding compensation and conflicts of interests. BFE does not currently compensate non-affiliated third parties for investment advisory client referrals.

Financial Information

BFE does not foresee any financial condition that would impair our ability to meet contractual commitments to clients.

ADV Part 2A Appendix 1 Wrap Fee Program Brochure **Requirements for State-Registered Advisers**

Not applicable; BFE is registered at the federal level with the SEC as an Investment Adviser, and has made appropriate notice filings to various states as required. Please note that references to BFE as being “registered” is not intended to reflect that the firm or its representatives have special skills or training; it is used only to reflect the status of the firm with respect to Section 203 of the Investment Advisers Act of 1940.



BENJAMIN F. EDWARDS & CO.

INVESTMENTS *for* GENERATIONS

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Benjamin F. Edwards & Co.'s ADV Part 2B Brochure Supplement

For

Joanne Welker

One North Brentwood Boulevard
Suite 850
Saint Louis, MO 63105

314-726-1600

March 29, 2018

This brochure supplement provides information about Joanne Welker that supplements the Benjamin F. Edwards & Co. brochure. You should have received a copy of that brochure. Please contact us at 314-726-1600 or e-mail to: ADV@benjaminfedwards.com if you did not receive Benjamin F. Edwards & Co.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Joanne Marie Welker is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

Name: Joanne Welker*

*Will be referred to as “financial advisor” throughout the remainder of this brochure.

Year of Birth: 1971

Formal Education After High School

COLLEGE/UNIVERSITY	DEGREE	DATE EARNED	BUSINESS-RELATED DEGREE
Boston University	M.S.	2007	Yes
Missouri State University	B.S.	1992	Yes

Business Background

NAME OF EMPLOYER	POSITION	TIME PERIOD
Benjamin F. Edwards & Co.	Manager, Advisory Services	Oct. 2008 - Present
Wachovia Trust	Team Lead Portfolio Manager	Jan. 2008 - Oct. 2008
A. G. Edwards Trust Company	Asst. Mgr./Supervisor, Mgd Portfolios	Aug. 2005 - Jan. 2008
	Asst. Manager - Trust Investments	Mar. 2002 - Aug. 2005
	Portfolio Manager	Mar. 1999 - Mar. 2002
	Assistant Portfolio Manager	Dec. 1995 - Mar. 1999

Professional Designations: CFA

As stated on the CFA Institute's website (www.cfainstitute.org):

To earn the CFA charter [one] must have four years of qualified investment work experience; [one] must become a member of CFA Institute (the global association of investment professionals that administers the CFA charter), pledging to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis; [one] must apply for membership to a local CFA member society; and [one] must complete the CFA Program. The CFA Program is a globally recognized, graduate-level curriculum that provides a strong foundation of the real-world investment analysis and portfolio management skills and practical knowledge [one] need in today's investment industry. It also emphasizes the highest ethical and professional standards. The Program is organized into three levels, each culminating in a six-hour exam. CFA Program candidates report dedicating in excess of 300 hours of study per level. Completing the entire Program is a significant challenge that takes most candidates between two and five years. To ensure that the Program maintains a focus on the global investment management profession from the standpoint of practitioners, practicing CFA charterholders from around the world are involved at every stage of curriculum development, exam development, exam grading, and even the setting of the minimum passing scores.

Disciplinary Information

There are no legal or disciplinary events to report for this financial advisor.

Other Business Activities

This financial advisor functions as a representative of both the investment adviser and broker-dealer. As an investment adviser representative, the financial advisor owes a heightened standard of fiduciary care when providing investment advice to the client rather than acting as a broker.

Financial Advisor's Compensation for Investment Advisory Services

As an investment adviser representative, the financial advisor receives a portion of the advisory fee paid by the client in the form of hourly, salary or direct compensation (See the Compensation section of the BFEC Wrap Fee Program Brochure for further detail).

Financial Advisor's Compensation for Brokerage Services

Your financial advisor also offers brokerage services separately from any investment advisory services. When providing brokerage services, your financial advisor is acting as a registered representative of the firm's broker-dealer and receives a portion of commissions or mark-ups involved in any transactions in the form of hourly, salary or direct compensation. Transaction based compensation creates a financial incentive for a financial advisor to recommend investment products based on the compensation received rather than on the client's needs. In addition, some product vendors such as mutual fund companies, insurance companies and others, pay BFEC fees related to marketing and distribution of the funds (sometimes referred to as "Rule 12b 1 fees"), service fees related to personal services for investors and/or the maintenance of shareholder accounts, and other shareholder servicing fees. Such fees are typically charged as a percentage of the asset value under management. BFEC receives payments related to the shared fees described above; the financial advisor receives a portion of this in connection with assets held in brokerage accounts or with respect to which BFEC is designated as the broker-dealer of record. To the extent a financial advisor receives any of the asset-based payments described above, there is a financial incentive to recommend those products over products with respect to which such payments are not received, or that pay less than other products, rather than based on client's needs.

Financial Advisor's Non-Cash Compensation for Investment Advisory and Brokerage Services

With respect to both investment advisory and brokerage services, financial advisors are also eligible to receive compensation from product vendors or their related parties other than cash, including but not limited to merchandise, gifts and prizes, travel expenses, meals and lodging. While such compensation is typically limited by BFEC policy, and is governed by industry rules, receipt of such compensation gives the financial advisor an incentive to recommend investment products based on the compensation received rather than the client's needs. BFEC will periodically offer recognition trips to financial advisors based on their production. This trip may be paid for in part or in full by BFEC and may be funded by product vendors or their related parties.

Additional Compensation

See the section entitled **Financial Advisor's Non-Cash Compensation for Investment Advisory and Brokerage Services** in the "Other Business Activities" section above. Otherwise, no additional compensation is currently received.

Supervision

Benjamin F. Edwards & Co. utilizes a Branch Office system with each branch having an assigned Branch Manager and in some cases a Co-Branch Manager or an Assistant Manager. The Branch Manager is supervised by either a Regional Manager or, if there is none, the Director of Branch Services. Most of the supervision of the financial advisor's activities occurs at the branch location with certain supplemental supervision and oversight being performed at the Home Office. The activities supervised include but are not limited to the following:

Supervision of Eligibility of the Financial Advisor to Participate in the

Advisory Program(s) Wrap programs where the financial advisor is not the portfolio manager are open to all appropriately registered financial advisors. In addition, BFEC offers wrap programs for which the financial advisor may act as portfolio manager. In order to ensure that a financial advisor has satisfied the eligibility criteria to participate in such programs, a preliminary review of the financial advisor's credentials is performed by the Branch Manager or an appropriately designated sales principal with final approval performed by the Manager, Client and Private Portfolio Supervision or Manager, Advisory Services. The specific eligibility criteria for such programs are outlined in detail in the firm's Wrap Fee Program Brochure.

Supervision of Account Acceptance

At account opening, client documents are reviewed for consistency, suitability criteria and model selection. Reviews are performed by an appropriately designated sales principal in the Home Office.

Supervision of Suitability of Transactions

Depending on the program, various order-entry and account-based trade rules have been designed either to allow, prevent or escalate transactions for further review by designated Home Office principals.

Additionally, for the wrap programs – with respect to which a financial advisor acts as portfolio manager – the Branch Office Manager and other Home Office principals will monitor trade activity in the accounts.

Daily supervision of client accounts is performed based on review of electronic alerts that evaluate activity in, and performance characteristics of, the account. In addition, ad hoc reviews of accounts or transactions will be performed as needed to supervise the suitability of transactions and overall account activity.

Supervision of Annual Review

For each discretionary advisory wrap account, as well as for any Benjamin F. Edwards Client Portfolios or Benjamin F. Edwards Custom Mutual Fund Portfolios account, the financial advisor will, on an annual basis, conduct an account review with the client. During these reviews, the client's general financial circumstances and desire for any reasonable investment restrictions will be assessed, and recommendations as to adjustments to the client's investment strategy will be made as necessary. The Branch Office Manager

or an appropriately designated sales principal will supervise the financial advisor's performance of these reviews.

Supervision of Communications with the Public

Communications with the public are supervised by an appropriate principal. The particular principal and type of supervision will vary depending on the type of communication. Retail communications are approved prior to use by designated principals in the Home Office. More limited communications, such as correspondence, are reviewed by the Branch Office Manager or designated Home Office principals. Electronic correspondence, such as e-mail, is supervised using post transmission, sample reviews.

Additional Supervision BFEC supervises a variety of other financial advisor activity, including but not limited to the following:

- personal and family investment activity
- outside activities
- potential conflicts of interests
- political contributions
- client complaints

Contact Information

Below is the name, title and telephone number of the primary person at Benjamin F. Edwards & Co. responsible for supervising the financial advisor's advisory activities. Clients should feel free to contact this individual with any questions.

Doug Rubenstein

Chief Operating Officer

314-480-1010

Requirements for State-Registered Advisers

Not applicable; BFEC is registered at the federal level with the SEC as an Investment Adviser, and has made appropriate notice filings to various states as required. Please note that references to BFEC as being "registered" is not intended to reflect that the firm or its representatives have special skills or training; it is used only to reflect the status of the firm with respect to Section 203 of the Investment Advisers Act of 1940.