

BB&T Securities, LLC ("Firm")

Brokerage Clients - Scope of Relationship

In addition to this document describing items related to recommendations made to you in your brokerage account, you should read the Form CRS. If you have an advisory account with the Firm, you should read the Form CRS and the Firm's Form ADV. These documents describe the Firm's obligations and product offerings for these kind of accounts.¹

Your Brokerage Relationship with the Firm

The Firm offers brokerage services through several separate lines of business including BB&T Scott & Stringfellow ("Scott & Stringfellow") and BB&T Investments (BB&TI). Scott & Stringfellow offers only "Full Service" brokerage relationships to its customers while BB&TI provides access to both Full Service and "Self-Directed" brokerage services. Full Service brokerage relationship services include investment recommendation made by the Firm and your Financial Advisor ("FA"). Investment recommendations are not offered to Self-Directed brokerage clients. (Please see "Additional Information: Brokerage Relationships" below)

In acting as your broker-dealer the Firm and its FAs are acting as your agent. Under applicable laws, rules and regulations, when making investment recommendations to retail customers² the Firm and other securities brokers have a duty to act in your best interest.

Acting in your best interest, however, is not the equivalent of acting in a traditional fiduciary relationship and when acting in their capacities as your securities and insurance broker, the Firm and its FAs have conflicts of interest with respect to their investment recommendations and other relationships with you and the many insurance companies, mutual fund and other investment providers we also represent.

All recommendations regarding purchases or sales in your brokerage account will be made by the Firm's FAs in a broker-dealer capacity only. Brokerage accounts are different from advisory accounts.

Your brokerage relationship with the Firm is a transactional relationship and, unless all parties expressly agree otherwise in writing:

- (i) the Firm and its account representatives shall have no discretionary authority to buy, sell or otherwise transact with regard to investments or other assets held in your brokerage account (or otherwise directly with an investment provider); and
- (ii) After each transaction in your brokerage account (or directly with an investment provider) made by you (or any investment advisor, other agent or person authorized to transact in your account) is completed, the Firm shall not have any continuing or ongoing obligation to review or make recommendations for the investment of securities, cash, annuities, insurance policies, guaranteed investment contracts or any other form of investment held in or through your brokerage account (or otherwise).

You will compensate the Firm and/or your FA for services the Firm provides to you in your brokerage account through sales commissions and payments the Firm receives from third parties. Based on the nature of your investments, the Firm receives direct or indirect compensation in connection with the services the Firm provides to you as described below. Please see the materials which follow as well as the additional material referenced herein for additional information or ask your FA to answer any questions you may have concerning our obligation to make investment recommendations in your best interest and/or our conflicts of interest in making such recommendations.

¹ A copy of this document along with other important disclosures can also be viewed at www.bbtsecurities.com/Disclosures

² The term "retail customers" refers to natural persons and the individual legal representatives of such natural persons. This term does not apply to institutional accounts (including corporations, partnerships, institutional trust accounts, etc.) and other accounts which are not subject to laws rules and regulations applicable only to retail customers. Accounts other than retail customer accounts, however, remain subject to all other applicable laws, rules and regulations.



Our Platform

Securities and other investments available to the Firm brokerage account clients (our “Platform”) include all securities listed on U.S. securities exchanges. Mutual funds, annuities, unit investment trusts, 529 Plans and certain other unlisted investments available to the Firm brokerage account clients are limited to investments which the Firm makes available to clients in its capacity as a clearing broker and other investments whose sponsors or affiliates have contracted directly with the Firm to provide selling agency and other distribution services.

The fact that an investment is available on our Platform is not any form of investment recommendation. All investments are subject to market risks and fluctuate in value, so that an investor’s shares, when redeemed may be worth more or less than their original cost. The Firm’s Platform does not include all possible investments.

Commission rates, mutual funds, mutual fund share classes, cash sweep program feature eligibility and other investments available to your brokerage account through our Platform will vary in accordance with (i) your type of brokerage account relationship with the Firm (Self-Directed or Full Service), (ii) your account type (i.e. IRA or taxable) and (iii) your investment advisory relationship (if any) with the Firm.

In determining customer and account relationships, the Firm and its affiliates reserve the right, in their sole discretion, to aggregate (“household”) customer relationship by family or business affiliations and discount services or make other special accommodations for employee accounts.

As a result of our relationship service offerings business model, the same or similar products and services offered to specific clients will vary in price, fees, mutual fund share class, cash sweep program investment eligibility and investment eligibility and availability.

A copy of this document along with other important disclosures can also be viewed at www.bbtsecurities.com/Disclosures

Fees and Charges Imposed on You and Your Account

Brokerage Services

Trades in Stocks, Exchange Traded Funds (ETFs) and Closed-End Fund (CEF) products

Maximum commission applied of the greater of \$75 or 3% of the amount transacted.

\$70 Base Trade Fee
+First \$5,000 @ 2.20%
+Next \$5,000 @ 1.90%
+Next \$10,000 @ 1.85%
+Next \$10,000 @ 1.70%
+Next \$20,000 @ 1.50%
+Next \$50,000 @ 1.00%
+Above \$100,000 @ 0.90%

Although the Firm does not accept “payment for order flow”, the exchanges we post on do pass-through liquidity rebates and fees. The exchange listing is as follows:

- NYSE
- NASDAQ
- Interactive Brokers
- Virtu Algorithms
- Clearpool Algorithms
- UBS Algorithms

While the Firm does collect fees we also pay exchanges certain charges for routing orders through their venue. The majority of the time we are a net payer and not a net receiver.

Option Trades

\$75 Base Trade Fee Plus \$0.75/contract

Fixed Income Trades

Minimum: \$75 Per Ticket

Maximum: 3% of Principal

Mutual Fund Trades

Mutual Fund are offered in different shares classes through each fund's prospectus. The share classes available to you are dependent on how you wish to purchase shares, the account type (i.e. IRA or Non-IRA) in which the shares will be held, and the nature of your brokerage relationship with us (Full Service or Self Directed). Sales charges and expenses can vary by fund family, fund strategy and share class. (Please see "Additional Information: "Mutual Fund Shares Classes and Conflicts of Interest" below)

Several things should be taken into account when considering a particular fund and share class. These include, but are not limited to:

- Length of ownership
- Investment amount
- Total expenses of the fund
- If you qualify for a reduction

For a more detailed description of the amount and payment frequency of all the fees and expenses charged by a specific fund, please review the fund's prospectus, which can be obtained from your Financial Advisor.

529 Plans

529 Plans are state-sponsored programs created for clients to invest for education. Most plans offer investment portfolios consisting of mutual funds and/or exchange-traded fund portfolios. A plan may offer more than one share class to investors and each class has different fees and expenses. Distributions that are used for qualified education expenses are not taxed at the federal level. If you withdraw money for something other than qualified education expenses, you will owe federal income tax on earnings and may face a 10% federal tax penalty as well. 529 Plans offered by each state differ both in features and benefits. Some states offer residents an incentive in their state-sponsored 529 college savings plans by offering state tax benefits. State-tax treatment of college savings plan contributions, earnings, and withdrawals vary from one state to another.

By investing in a 529 Plan outside your state of residence, you may lose any state tax benefits. 529 Plans are subject to enrollment, maintenance, administration, and management fees and expenses. Investors should consider each Plan's investments, risks, expenses and tax implications prior to investing. This and other important information about 529 Plans are contained in the Plan's disclosure document and prospectus. Read these and the Participant Agreement carefully before you invest. You can contact your Financial Advisor for a copy of a specific Plan's prospectus.

The sales charges of our 529 Plan offerings range from 0% - 5.75%. The range of the 12b-1 fees (shareholder servicing fees) ranges from 0% - 1%.

Some 529 Plan sponsors pay the Firm and your FA higher compensation than other sponsors for sales of 529 Plans. This creates an incentive for your FA to sell certain 529 Plans because the recommendation of a particular 529 Plan will result in a higher compensation amount to your FA than the recommendation of another similar 529 Plan. The Firm mitigates this conflict of interest by disclosing it to its clients and by supervising your FA's 529 Plan recommendations. However, the Firm cannot eliminate this conflict of interest as it is inherent in the business model of a typical 529 Plan. Feel free to ask your FA how he or she will be compensated for any 529 Plan transaction.

Unit Investment Trust (UIT)

Each trust will have a specific compensation schedule which will be described within the prospectus. Sales concessions and our compensation will vary with each trust. The sales charge on a 2-year term UIT is 2.75% and for a 1-year term UIT it is 1.85%. Your FA is paid a portion of this fee, not to exceed set percentages. Longer duration UITs generally have higher sales charges.

UIT sponsors pay the Firm additional sales concessions based on the overall volume of UIT sales. UIT sponsors set the sales volume eligibility amounts. This "volume concession" ranges from 0 – 0.175%, is defined in the Trust's prospectus, and is not passed on to your FA.

Some UIT sponsors pay the Firm and your FA higher compensation than other sponsors for sales of UITs. This creates an incentive for your FA to sell certain UITs because the recommendation of a particular UIT will result in a higher compensation amount to your FA than the recommendation of another similar UIT. The Firm mitigates this conflict of interest by disclosing it to its clients and by supervising your FA's UIT recommendations. However, the Firm cannot eliminate this conflict of interest as it is inherent in the business model of a typical UIT broker. Feel free to ask your FA how he or she will be compensated for any UIT transaction.

Annuities

Upon the sale of an annuity, we receive a direct commission from the annuity company. Some annuities also provide trail commissions to compensate the FA for ongoing servicing. Annuity commissions are determined by the type of annuity product and the amount the corresponding insurance carrier decides to offer. For the Firm, such commission amounts range from 1.00% to 5%, and trail commissions range from 0.25% to 1%. Typically, higher paying commission options often offer low trail commissions. Conversely, lower paying commission options often offer higher trail commission amounts.

When considering an annuity, several items must be reviewed. Below is a list of such items, and understand additional considerations not listed sometimes need to be taken into account:

- Liquidity needs
- Time horizon when proceeds may be needed
- Total expenses of an annuity contract
- Risk tolerance
- Total return expectations

Annuity contracts typically charge certain explicit fees for administrative purposes, certain benefits, or asset management functions in the case of variable annuities. A full description of these fees can be found in an annuity contracts offering documents or prospectus in the case of variable annuities. It should be noted that not all annuity contracts charge direct fees.

Annuity contracts typically also include certain fees or charges for contract owners if contracts are liquidated prior to the end of a specific term or amount of time from the date a contract is placed in force. Such liquidations can be partial or full liquidations of contracts. These charges are called contingent deferred sales charges, or CDSCs, and can impact a contract owner's liquidity needs.

CDSCs are used to allow insurance carriers to recuperate certain upfront costs, incurred when issuing contracts that are accounted for over a set contract term. CDSC amounts are usually reduced on an annual basis as contracts remain in force and can range from as high as 8 - 9% in year 1 of a contract to 0% once the initial contract term is completed. It should also be noted that CDSCs apply to the establishment of new contracts as well as the addition of new monies to existing contracts.

Lastly, certain annuity contracts offer multiple share class options which can impact pricing and availability of certain insurance benefits. For example, the Firm offers class B-share variable annuities, as well as certain advisory-based share classes. Other variable annuity share classes exist, such as class L and Class C-share variable annuities, but these are not offered by the Firm.

Some insurance companies pay the Firm and your FA higher compensation than other companies for sales of annuities. This creates an incentive for the Firm representatives to sell certain annuities because the recommendation of a particular annuity will result in a higher compensation amount to your FA than the recommendation of another similar annuity type. The Firm mitigates this conflict of interest by disclosing it to its clients and by supervising your FA's annuity recommendations. However, the Firm cannot eliminate this conflict of interest as it is inherent in the business model of a typical insurance broker to be compensated in connection with its annuity brokerage services. Effective June 30, 2020, insurance companies are required to adhere to a levelized commission structure based on the type of annuity product offered by the Firm. Feel free to ask your FA how he or she will be compensated for any annuity transaction.

Structured Products Including Market-Linked Investments

Structure products are securities derived from or based on a single security, a basket of securities, an index, a commodity a debt issuance and/or a foreign currency. The Firm offers both FDIC Insured Market-Linked CDs and Market-Linked Bank Notes. CDs are insured up to \$250,000 per bank/per investor, and the Notes are only backed by the issuing institution and are not FDIC insured. The following risks are associated with the purchase of structures products- Credit Risk, Liquidity Risk, Price Risk, Call Risk, Coupon risk and Tax Considerations. A detailed explanation of these risks can be found in the Firm's Structured Products Client Disclosure, which is posted on the Firm's website www.bbtsecurities.com/Disclosures. Fees range from 1-4% depending on the maturity of the product. All fees and costs associated with primary offerings are disclosed within the product's preliminary and final prospectuses. To request a preliminary prospectus, contact your Financial Advisor. To the extent Structured products are (i) issued or originated by Truist Bank or an affiliate, or (ii) provide differing levels of compensation to the Firm and your FA, such recommendations by the Firm and/or its FAs create conflicts of interest. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you and supervises your FA's recommendations with respect to Structured Products. Additional information is provided in the Firm's Structured Products Client Disclosure.

Securities Backed Lending

Securities Backed Lending is the practice of making loans using securities as collateral. A securities based line of credit can be used for most purposes except to purchase securities and repay margin loans. The Firm does not receive any compensation from these loans; however, we will recommend these loans to clients in certain circumstances. If the loan is originated with Truist Bank will receive compensation related to the loan. This additional compensation creates a conflict of interest. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you and supervises your FA's recommendations with respect to Securities Backed Lending.

Forgivable Loans

Forgivable loans are sometimes used in the financial services industry as an incentive for employment—normally they are structured as an initial lump sum loan that is paid to the representative, with a portion of the loan accrued and forgiven each month until maturation. This repayment period typically covers several years. Some newly hired representatives, are also granted incentives based on their transferring a target percentage of their prior book of business to the Firm by a predetermined date—this target is not based on production, fees or commissions rather it is focused on the movement of client assets under management to the Firm. Under either of these two incentive programs, if the representative, leaves the Firm or is terminated for cause during the period specified in their written agreement, a portion of the money they received must be paid back to the Firm. A representative, who receives a forgivable loan based on movement of client assets from the rep's previous firm to our firm thus has a conflict of interest when asking a client to transfer the client's account. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you and provides customers solicited by newly hired representatives with additional disclosures in connection with such solicitations.

Alternative Investments

Each alternative investment is structured differently. The fees and commissions we earn on each sale are disclosed in the offering documents for the specific investment. Any ongoing fees or upfront commission paid to us will vary based on the particular interest or share class selected. Below is a listing of alternative investments that we actively sell and includes the placement fees and trails of each fund.

Fund	Trail	Placement Fee
Eaton Vance - Belgard Capital Fund LLC	25 bps	1% up to \$5 million; 0% above*
Eaton Vance - Clearisle Capital Fund LLC	25 bps	1% up to \$5 million; 0% above*
Goldman Sachs - Exchange Place LP	25 bps	1% up to \$5 million; 0% above*
ACAP Strategic Fund	75 bps	1%
AG Mortgage Value Partners	50 bps	N/A
Alkeon Growth Offshore Fund, Ltd.	50 bps	1%
Alkeon Growth Offshore Ltd. (Tax Exempt)	50 bps	1%
Alkeon Growth Partners	50 bps	1%
Black Diamond Arbitrage Partners	50 bps	N/A
CAIS DES Composite	75 bps	1%
Cais DES Oculus	75 bps	1%
CAIS Millennium (new share class)	75 bps	1%
CAIS Millennium (old share class)	75 bps	1%
CAIS OZMF	75 bps	1%
CAIS Third Point (new share class)	75 bps	1%
CAIS Third Point (old share class)	75 bps	1%
CAIS WorldQuant Millennium	75 bps	1%
Evanston Alternative Opportunities Fund	75 bps	1%
Ironwood Multi-Strategy Fund LLC	75 bps	1%
SkyBridge Multi-Advisor Hedge Fund Series G	75 bps	1%
Campbell Fund Trust	2.00%	N/A
Milburn Multi Markets Fund LP	2.00%	N/A
Altegris KKR Commitments Fund	85 bps	1%
CAIS ICG Strategic Equity III	75 bps	1%
CAIS ICG Strategic Equity III	75 bps	1%
CPG Carlyle Commitments Fund LLC	85 bps	1%
* EV and GS dictate that placement fee is 0% at \$5 million and above		

To the extent alternative investments provide differing levels of compensation to the Firm and your FA, such recommendations by the Firm and/or its FAs create conflicts of interest. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you and supervises your FA's recommendations with respect to alternative investments. Additional information is provided in each alternative investment's subscription documents or other offering materials.

Operational and Other Service Fees

Please refer to attached schedules.

Conflicts of Interest and Additional Compensation

Truist Financial Corp Affiliates And Subsidiaries

The Firm, a wholly owned subsidiary of Truist Financial Corporation (TFC), maintains relationships with other affiliates within the Truist corporate family. TFC as an entity benefits when products and/or services offered by these affiliates are chosen from recommendations made by the Firm. Listings of the Firm's affiliates that create a benefit to TFC are listed below:

- (1) BB&T Institutional Investment Advisers Inc., an SEC registered investment adviser, is a wholly owned subsidiary of Truist Bank, a North Carolina Chartered Bank. Truist Bank is a wholly owned subsidiary of by Truist Financial Corporation, a banking and financial holding company.
- (2) Sterling Capital Management, LLC is an SEC registered investment adviser which is owned by Truist Financial Corporation, the 100% owner of the Firm.
- (3) McGriff Insurance Services is a subsidiary of BB&T Insurance Holdings, Inc. which is a wholly owned subsidiary of Truist Bank, P. J. Robb Variable Corporation, a FINRA member broker-dealer, is owned by Crump Life Insurance Services, Inc., a subsidiary of Truist Bank.
- (4) The Firm's affiliated advisers (Sterling Capital Management LLC, and BB&T Institutional Investment Advisers, Inc.) manage limited partnerships or other private funds. A complete list of partnerships managed by these companies can be obtained by viewing each respective adviser's ADV Part I, Schedule D, Section 7.B. The Firm's customers are not solicited to invest in any of the affiliated companies' limited partnerships. TD Ameritrade Institutional, Division of TD Ameritrade, Inc.; and Sterling Advisors

Sterling Capital Mutual Funds

The Firm or your FA can recommend the investment of monies into mutual funds advised by Sterling Capital Management, an affiliated Registered Investment Advisor. Sterling Capital Management receives a fee from these funds for the advisory services it provides that is separate from the sales charges and fees you pay when you purchase or sell a Sterling Capital mutual fund. The Firm and Sterling Capital Management are both subsidiaries of Truist Financial Corporation. When a client account invests in a fund managed by Sterling Capital Management, the Truist enterprise, as a whole, receives more revenue than where our client purchases a mutual fund managed by non-Truist affiliated fund managers. This creates a conflict of interest. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you, supervises your FA's recommendations of Sterling Capital mutual funds and does not provide additional financial incentives to your FA in connection with recommendations of Sterling Capital mutual funds.

ETFs

With respect to certain exchange traded funds, the manager of certain exchange traded funds ("ETF") uses the Firm in our capacity as a broker-dealer to transact with the ETF for the purchase and sale of securities that comprise the ETF. When these managers use our Firm to make these trades, we receive additional revenue with these transactions. There is no agreement or understanding that ETF managers direct a certain amount of business through the Firm in exchange for our clients' investments in the ETF. Nevertheless, since we receive additional revenue when these ETF managers place trades through our Firm, we have an economic incentive to recommend these ETFs to our clients. This creates a conflict of interest. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you and supervises your FA's ETF recommendations. Your FA does not share in any additional compensation the Firm receives from any ETF or its affiliates.

12b-1/Shareholder Service Fees

Shareholder servicing fees, commonly referred to as 12b-1 fees or trails, are paid by mutual funds to the Firm out of fund assets, under a distribution and servicing arrangement, to cover distribution expenses and shareholder service expenses that we provide on the fund's behalf. These fees are asset-based fees charged by the fund company that range from 0.00% to 1.00%. As these fees are received by the Firm, they will be passed on to your FA. Our receipt of this additional fee creates a conflict of interest. (Please see "Additional Information: "Mutual Fund Shares Classes and Conflicts of Interest" below)

Money Market Funds

The Firm entered into a “revenue sharing” arrangement with Federated Investors for the money market funds used for cash management (Sweep) services. Under this arrangement, the Firm receives a fixed percentage of all amounts deposited into the money market funds. The maximum aggregate payment that the Firm receives from money market funds (including an adviser or distributor thereof) ranges from 0.0% to 0.86% annually, depending on fund type and share class. The Firm’s receipt of this additional compensation from Federated Investors described above creates a conflict of interest on behalf of the Firm. The Firm addresses this conflict of interest by (i) disclosing it to its clients, (ii) supervising your FA’s recommendations and (iii) permitting its clients to select from a wide range of cash management and short term investment options. The Firm also discloses to its clients that its sweep program is a service and not an investment recommendation, and that clients may unilaterally eliminate this conflict of interest by withdrawing cash balances from their brokerage account and investing such funds into bank deposits, certificates of deposit, and other money market mutual funds, which can offer higher yields.

Networking or Omnibus Fees

We process some mutual fund business on an omnibus basis with Schwab, which custodies our assets. In an omnibus arrangement client trades are consolidated into one daily trade with the fund. We receive omnibus fee payments as compensation for the services provided when trading funds on an omnibus basis. Omnibus fees are paid to the Firm at a rate between \$5- \$20 per year per participant position and/or 0.05 – 1.10% on fund assets.

We trade other fund families on a networked basis, which means we submit a separate trade for each individual client and receive networking fee payments for each client mutual fund position we hold with the fund. There are minimum requirements that need to be met for networked funds and, if not met, we may not receive payment for a particular quarter. Networking compensation is paid to the Firm at a rate between \$2 - \$12 per year per participant position. We receive these fees from the following fund companies:

- Invesco
- Alliance
- American Funds
- BNY Mellon
- DWS
- Federated Hermes
- Fidelity Advisor
- Franklin Templeton
- Hartford
- Goldman Sachs
- John Hancock
- Columbia Threadneedle
- Lord Abbett
- MFS
- Nuveen
- Amundi Pioneer
- Waddell & Reed

Our receipt of this additional fee creates a conflict of interest. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you, informs you that our Platform includes only mutual funds which provide compensation to the Firm and your FA and further informs you that other lower cost share classes of the mutual funds we offer are available through other distribution channels, including direct purchase from the mutual fund or its affiliates. (Please see “Additional Information: “Mutual Fund Shares Classes and Conflicts of Interest” below)

Agency Cross Transactions

There are certain instances when the Firm or an affiliate will have an opportunity to act as agent for both buyer and seller in a securities transaction. This is called an “agency cross transaction.” Because the Firm would receive compensation from each party to such an agency cross transaction, there is a conflict of interest. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you.

Transactions in Your Account

The recommendations provided to you by your FA can differ from the advice or the timing or nature of action recommended by or taken by other individuals or groups at the Firm and/or its affiliates, whether acting as principal or agent. The Firm provides investment advice, portfolio management, and execution services for many clients and acts as principal in various markets. Given these different roles, individuals and groups at the Firm and its affiliates are seldom of one view as to an investment strategy and will often pursue differing or conflicting strategies. The Firm and its affiliates perform services for or solicit business from issuers whose securities are recommended by its FAs. The Firm and its affiliates are paid fees by Registered Investment Companies or other investment vehicles, including without limitation, fees for acting as an Investment Advisor, administrator, custodian, and transfer agent. The Firm and its affiliates also act as brokers, principals, and/or market makers in certain markets and are permitted to do so in transactions with you.

Brokerage vs Advisory Relationships

In our capacity as a broker-dealer, we provide a number of services, including, but not limited to executing security transactions and acting as custodian on your brokerage account. Depending upon the level of investment activity, the commissions charged to your brokerage account can be higher than if you chose to select a fee based program. Fee based programs typically assume a normal amount of trading activity and, therefore, under particular circumstances, prolonged periods of inactivity will result in higher compensation than if commissions were paid separately for each transaction. You should consider the value of the services provided when making comparisons between brokerage and advisory. You should also consider the amount of anticipated trading activity when assessing the overall cost of your brokerage relationship with us. To the extent that the Firm and your FA will receive differing compensation with respect to different advisory and brokerage relationships with the Firm, the Firm and your FA have incentives to maximize their respective compensation which creates a conflict of interest. The Firm addresses this conflict of interest by disclosing it to its clients and supervising your FA's recommendations with respect to brokerage or investment advisory relationships.

Insured Deposit Program

Accounts participating in the Insured Deposit Program ("IDP") have their un-invested cash balances automatically deposited into interest-bearing FDIC insured deposit accounts at one or more of the banks or depository institutions participating in the program. The interest rate paid on balances in the IDP program is determined by what program banks participating in IDP are willing to pay minus the fees paid to the Firm. At the Firm's discretion, we can change our fee at any time and the fees can vary among the participating program banks. With respect to the Firm's affiliate bank, Truist Bank, we receive a flat fee between \$35 - \$100 per account for administrative services we provide to the IDP program. As a result of the fees that the Firm receives, the IDP program is more profitable to the Firm than if your cash balances were swept into money market mutual funds, which are may be available as sweep options for certain account types. The Firm's receipt of this additional compensation in connection with deposits in the IDP described above creates a conflict of interest on behalf of the Firm. The Firm addresses this conflict of interest by (i) disclosing it to its clients, (ii) supervising your FA's recommendations and (iii) permitting its clients to select from a wide range of cash management and short term investment options. The Firm also discloses to its clients that its sweep program is a service and not an investment recommendation, and that clients may unilaterally eliminate this conflict of interest by withdrawing cash balances from their brokerage account and investing such funds into bank deposits, certificates of deposit, and other money market mutual funds, which can offer higher yields.

IDP Terms and Conditions, the IDP Program Bank List and current IDP rates can be viewed at <http://bbtsecurities.com/Disclosures#IDP Terms & Conditions>.

Financial Advisor Education and Training

The Firm regularly receives voluntary monies from several different partner Firms that are used for the general education and training of the FAs employed by the Firm. The participation by partner Firms in these educational settings is voluntary and does not constitute an agreement with us to favor the product and services of the participating partner Firms. A list of partner Firms and monies received is set forth on our website at <http://www.bbtsecurities.com/Disclosures>

Our receipt of this additional monies creates a conflict of interest. In order to minimize/alleviate this conflict of interest, the Firm discloses this conflict of interest to you and supervises your FA's recommendations. Your FA does not share in any additional compensation the Firm receives in connection with education and training activities but will participate at such educational events.

Additional Information:

Brokerage Relationships:

Full Service Brokerage Relationships

In a Full Service brokerage relationship, in addition to acting as your agent to complete securities and other investment transactions at your direction and on your behalf, the Firm and/or your FA will provide you with investment recommendations and other services which are tailored to your specific investment goals and circumstances.

Full Service brokerage services are more expensive than Self Directed brokerage services and charge higher commission rates on securities transactions. Full Service brokerage accounts are eligible to invest in listed securities and any mutual fund on our Platform which the Firm makes available to such accounts. Availability of investments will vary over time. the Firm reserves the right, in its sole discretion, to determine at any time and from time to time, and with or without advance notice, which securities, mutual fund shares, mutual fund share classes and other investments it will make available to its client's Full Service brokerage accounts.

Mutual Funds and Mutual Fund Share Classes. Recommendations from the Firm's FA's to clients enrolled in Full Service brokerage accounts are limited to mutual fund share classes, annuities, unit investment trusts and similar investments which compensate the Firm and/or your FA for distribution and/or shareholder services through sales loads, 12b-1 and/or shareholder service fees as more fully described in each investments' Prospectus and Statement of Additional Information. Full Service brokerage accounts will not be recommended to invest in lower cost share classes of mutual funds which the Firm, in its sole discretion (In the case of BB&T Investment accounts only), shall make available on our Platform to Self-Directed brokerage or accounts which have contracted with the Firm for investment advisory services.

Self-Directed Brokerage Relationships

In a Self-Directed brokerage relationship (not available to Scott & Stringfellow and Sterling Advisors customers) the Firm will act as your agent to complete securities and other investment transactions at your direction and on your behalf. While the Firm can, in its discretion provide you with general educational materials and investment research, in a Self-Directed brokerage relationship, the Firm and its account representatives will not make investment recommendations to you and you will not be assigned an account representative.

Self-Directed brokerage accounts are eligible to invest in listed securities and any mutual fund on our Platform which the Firm makes available to such accounts. Availability of investments will vary over time. the Firm reserves the right, in its sole discretion, to determine at any time and from time to time, and with or without advance notice, which securities, mutual fund shares, mutual fund share classes and other investments it will make available to its client's Self Directed brokerage accounts. Self-Directed brokerage accounts are not permitted to invest in annuities or other insurance products.

Mutual Fund Shares

Mutual Fund Fees and Expenses

Like most investments, there are certain charges associated with mutual funds. The prospectus spells out the charges you pay, including sales charges and annual operating expenses. These charges vary by share class.

Sales Charges

Sales charges are levied on either the front-end or the back-end of a mutual fund transaction that includes the Firm and your FA. Front-end charges are levied when you purchase certain classes of shares. Back-end charges, or contingent deferred sales charges (CDSC), are levied when you sell certain classes of shares. However, back-end charges decline over time, so you pay less or nothing at all in sales charges as you hold your shares for longer periods of time. When choosing a mutual fund, you will want to ask your FA about sales charges and take the type of charge into consideration based on your investment goals.

Operating Expenses

Fund operating expenses include management fees, SEC Rule 12b-1 fees, the costs of shareholder communications and other expenses. Operating expenses are deducted from the fund's assets, reducing investment returns, although they are not charged as an additional fee separate from the mutual fund's internal expenses. The fund's prospectus will provide you with a record of the fund's expense ratio, so that you can compare the expense costs of various funds.

Classes of Shares

There are several different classes of mutual fund shares. Each share class has different fees and expenses, which affect the fund's results. The mutual fund share classes we recommend to clients vary by brokerage relationship (Self-Directed or Full Service).

Class A Shares generally carry front-end sales charges. These are deducted from your initial investment. The front end sales charge can range from 0.00% - 5.75%. A Shares also typically charge annual 12b-1 fees of 0.25%.

- Breakpoint Discounts - Most Class A mutual funds offer breakpoint discounts for large investments, so that, the larger your investment in a fund, the lower the sales charge percentage applied to the investment. Many mutual fund groups count holdings in related accounts toward this breakpoint. This privilege is referred to as rights of accumulation.
- Letters of Intent - Some mutual funds will grant breakpoint discounts at a lower investment level if an investor signs a Letter of Intent claiming an intention to invest a specified amount in the fund over a specified period of time. Each fund's rules about rights of accumulation and letters of intent differ, so be sure to ask your FA about a fund family's rules before investing so that you can take steps to qualify for any available discounts.

Class C Shares do not deduct a front-end sales charge, but do charge annual 12b-1 fees that typically range from 0.50% to 1.00%. For most Class C shares, there is a contingent deferred sales charge if the Class C shares are redeemed within 12 months. The C share funds that we offer have an auto conversion feature to Class A shares which occurs no later than 10 years from the purchase date.

Sales Charges, 12b-1 Fees and other Compensation, Conflict of Interest

Some funds carry higher sales charges or operating expenses (including 12b-1 fees and shareholder service fees) than others. This creates an incentive for FAs to sell certain funds because the higher sales charge and/or operating expense level will result in a higher compensation amount to the FA. The Firm mitigates this conflict of interest by disclosing it to its clients and by supervising FAs' investment recommendations. However, the Firm cannot eliminate this conflict of interest as it is inherent in the business model of a typical securities broker to be compensated in connection with its brokerage services. See "12b-1/Shareholder Service Fees" above. Feel free to ask your FA how he or she will be compensated for any mutual fund transaction.

Other Mutual Fund Share Classes

In addition, there are many other share classes of funds including, but not limited to, no load funds, institutional class shares, or retirement class shares we make available to our clients. Some mutual funds' discounts, fee waivers or different share classes are not available at the Firm and are available only if you purchase the mutual fund directly from the mutual fund company or its distributor, or through financial intermediaries other than the Firm.

The Firm does not recommend share classes of mutual funds to its clients other than as set forth above.

Institutional class shares, which do not charge (or waive) sales loads and 12b-1 fees are offered by the Firm only to clients who also have separately contracted to engage the Firm in an ongoing investment advisory relationship to certain customers whose investments separately satisfy applicable minimum investment amounts set forth in the mutual fund's prospectus.

For more information about share class expenses, see FINRA's Mutual Fund Expense Analyzer at www.finra.org/fundanalyzer which can assist you in determining which share class is appropriate for you.

The Firm and Your FA's Compensation

The Firm and your FA are compensated for their mutual fund services in various ways, depending on the type of fund, the amount invested and the share class.

Full Service Brokerage Accounts

- Mutual Fund Share class available for purchase in connection with a Full Service brokerage relationship are limited to Class A shares, Class C Shares and other similar share classes which compensate the Firm and your FA ("Eligible Share Classes"). Eligible Share Classes generally have higher operating expenses than other available share classes and will charge sales loads and 12b-1 and/or shareholder service or other fees which are used to compensate the Firm and your FA.
- Rule 12b-1 fees and shareholder services fees charged to the operating expenses of each mutual fund and are indirectly paid by you through the mutual fund's internal expense ratio. These charges increase the mutual funds expenses and correspondingly reduce your investment returns associated with such investments.
- In addition, the Firm receives payments for shareholder services, omnibus recordkeeping services and other services provided to some, but not all, mutual fund families
- Your FA receives a portion of the compensation received by the Firm.
- Your FA's compensation is generally based on a compensation formula applied to the front-end sales charge described in the fund's prospectus for A Shares, or to the selling fee or sales concession for C Shares. The fund family administers these fees/payments.
- Ongoing payments on mutual fund shares (known as residuals or trails) that are set by the fund family are also paid to FAs.

Conflicts of Interest. The compensation the Firm and its representatives receive in connection with the Full Service brokerage account's investments in certain mutual funds and mutual fund share classes described above creates a conflict of interest and incentive for the Firm to not offer certain mutual funds and share classes to its Full Service brokerage clients which do not offer similar compensation to the Firm. The Firm mitigates this conflict of interest by disclosing it to its clients but the Firm cannot eliminate this conflict of interest as it is inherent in the business model of a typical securities broker to be compensated in connection with its mutual fund distribution and brokerage services.

Self-Directed Brokerage Accounts

- The Firm receives a portion of the ongoing fees you pay to each fund family. Such fees can include Rule 12b-1 fees and shareholder services fees charged to the operating expenses of each mutual fund and indirectly paid by you through the mutual fund's internal expense ratio. These charges increase the mutual funds expenses and correspondingly reduce your investment returns associated with such investments.
- In addition, the Firm receives payments for shareholder services, omnibus recordkeeping services and other services provided to some, but not all, mutual fund families

Conflicts of Interest. The compensation the Firm receives in connection with a Self-Directed account's investments in certain mutual funds and mutual fund share classes described above creates a conflict of interest and incentive for the Firm to not offer mutual funds and share classes to its clients which do not offer similar compensation to the Firm. The Firm mitigates this conflict of interest by disclosing it to its clients but the Firm cannot eliminate this conflict of interest as it is inherent in the business model of a typical securities broker to be compensated in connection with its mutual fund distribution services.

Firm Managed Investment Advisory Accounts

In the case of investment advisory accounts managed by the Firm, where available to the Firm's clients on its Platform, accounts held in the Firm brokerage accounts are invested in institutional class mutual fund shares which do not pay the Firm sales loads or ongoing 12b-1 fees. In the event non-12b-1 share classes of applicable mutual funds are not available, the Firm credits affected customer accounts with any 12b-1 fees received in connection with the Firm investment advisory accounts.

Exchange of Institutional Class and other Lower Cost Mutual Fund Share Class Shares for Class A, Class C or Similar Share Classes upon Change in Your Relationship with the Firm.

The Firm's Self-Directed brokerage accounts (BB&T Investments accounts only) and the Firm's investment advisory programs provide clients with access to mutual fund share classes that are not available for purchase in a Full Service brokerage relationship with the Firm ("Ineligible Share Classes").

In the event (i) your investment advisory agreement with the Firm, governing your asset-based fee program account is terminated and you transition your holdings to a the Firm Full Service Brokerage Account or (ii) you change your brokerage relationship with the Firm from Self-Directed Brokerage to Full Service Brokerage (BB&T Investments accounts only), the Firm has the right, in its sole discretion, and without prior notice to you, to exchange your brokerage account's mutual fund shares which are held in Ineligible Share Classes for Eligible Share Classes (generally Class A or Class C shares) shares of the same mutual fund, if available.

Eligible Share Classes have different and generally higher expenses than Ineligible Share Classes (including 12b-1 and/or service fees). While any such exchange will not be a taxable event and will not be subject to sales loads or commissions, all future purchase transactions in the applicable mutual fund will be subject to sales loads and other fees and commissions as detailed in the mutual fund's prospectus. Not all exchanged funds will be available for subsequent purchases in a Full Service brokerage account. Please note that this exchange provision will not apply to Ineligible Share Classes of mutual funds that are purchased in the Firm investment advisory program retirement plan accounts even if the Firm investment advisory program agreement is terminated.

Other Compensation to the Firm from Mutual Fund Families

Certain mutual fund companies pay the Firm an administration and record-keeping charge for each fund in your account. See "Networking or Omnibus Fees" and "Money Market Funds" above.

A written statement of each mutual fund's policies can be found in its Prospectus or Statement of Additional Information (SAI), which is available from the fund family. If you have any questions about these practices, please ask your FA.

