



## CLIENT RELATIONSHIP SUMMARY

Johnstone Brokerage Services, LLC (JBS) is registered with the Securities and Exchange Commission (SEC) as a securities broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA). DPL Financial Partners, LLC (DPL) is a parent of JBS.

### CHOOSING A BROKER-DEALER

Brokerage and investment advisory services and fees differ, and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

JBS is an introducing broker-dealer for retail investors, meaning JBS maintains no client accounts and does not use a clearing firm. Instead, JBS sells and supports investment products held at insurance, annuity, mutual fund and 529 providers (Third Party Account Providers).

When JBS is not the broker-dealer for your Third Party Accounts, JBS is not associated with or responsible for your account.

JBS's services are limited to providing you minimal broker-dealer operational support.

### RELEVANT EXPERIENCE

Your Registered Representative at JBS will have a Series 6 or Series 7 securities registration. These are FINRA regulatory qualifications assessing the competency of a representative to perform the role of an investment company and variable contracts products representative. Obtaining these registrations demonstrates a representative possesses the knowledge needed to perform the critical functions of evaluating, screening and recommending mutual funds, variable annuities and life insurance, and 529 accounts.

### RECOMMENDATIONS

While JBS does not make exchange or new investment recommendations, JBS's parent company, DPL, has consultants who are Registered Representatives of other broker-dealers who may make exchange or new investment recommendations to you.

When a Registered Representative of a broker-dealer makes a recommendation to you, they are

obligated to ensure the recommendation is both suitable and in your best interest based solely on the information you and your IIA provide them.

You and your IIA may provide JBS, DPL and DPL's other broker-dealers with financial profile information detailing your stated investment objective, risk tolerance, liquidity needs, time horizon, financial needs, tax status, and other financial information so they may make suitable recommendations in your best interest.

### LIMITATIONS - INVESTMENT SERVICES

JBS does not monitor accounts, but rather, relies on you and your appropriately registered Independent Investment Advisor (IIA) to monitor your Third Party Accounts for ongoing suitability and to help you evaluate exchanges and new Third Party Account investment products that may be in your best-interest.

Your IIA should provide you with financial advice and analysis based on your disclosed Financial Profile and Third Party Account Provider statements. You or your IIA are expected to provide JBS with any relevant updates that may impact your Third Party Account Provider suitability. JBS does not warrant or monitor your IIA advice, analysis or services.

### COMPENSATION - HOW WE MAKE MONEY

JBS does not charge any additional fees above what your Third Party Account Providers already charge in accordance with the terms of your agreements with them.

As an introducing broker-dealer, JBS can be compensated in two different ways.

1. JBS may be paid a one-time up-front commission from your Third Party Account Providers when making an investment recommendation. **Currently, JBS does not make recommendations as a broker-dealer,** however, DPL and its other affiliates may make exchange and new investment recommendations.
2. JBS may be paid a recurring commission for providing ongoing broker-dealer operational support services. When JBS receives recurring commissions (called trails). Since JBS is not an Investment Advisory Firm and does not monitor accounts, JBS may enter an advisory

agreement with a your IIA and may pay their IIA an advisory fee to monitor your account for suitability and to provide you with ongoing advice and analysis to determine whether your investments remain in your best interest.

DPL, JBS and their affiliates do not pay or share recurring trails or selling commissions with a your IIA. Instead, DPL, JBS or their affiliates may pay your IIA an advisory fee based on the assets for which your IIA provides advisory service to DPL, JBS and their affiliates.

DPL and their affiliates may also operate as general agents wherein they recommend insurance and investments that do not require a broker-dealer.

DPL may receive Membership Fees from a your IIAs, and DPL and their affiliates may also receive compensation directly from your Third Party Account Providers.

### FEES

JBS does not charge any additional fees above what your Third Party Account Providers already charge in accordance with the terms of your agreements with them.

JBS or DPL may pay a your IIA an advisory fee to monitor your investments and provide you with ongoing advice and analysis on behalf of JBS. Your IIA should monitor your Third Party Accounts for ongoing suitability and provide you guidance but MAY NOT make broker-dealer recommendations to buy or sell securities through DPL, JBS or their affiliates.

### CONFLICTS OF INTEREST

A conflict of interest is a situation in which we engage in a transaction or activity where our interest is materially averse to your interest. The mere presence of a conflict of interest does not imply that harm to you interests will occur, but it is important that we acknowledge the presence of conflicts. Moreover, our regulatory obligations require that we establish, maintain, and enforce written policies and procedures reasonably designed to address conflicts of interest associated with our recommendations to you.

DPL, JBS and their affiliates offer Third Party Account product investments that are limited to a preferred list of Third Party Account Providers. Consequently, DPL, JBS and their affiliates are limited in their comparisons and filters to the Third Party Account Provider product inventories. To mitigate the risk, you should compare DPL's recommendations against products that may not be offered by DPL, JBS and their affiliates. You are under no obligation to work with DPL, JBS and

their affiliates for any Third Party Account product investments.

DPL, JBS and their affiliates only promote commission-free products to mitigate any conflict of interest that may arise from transaction based fees. Furthermore, DPL, JBS and their affiliates representatives are paid salaries to further mitigate any such conflict of interest. DPL, JBS and their affiliates representatives do receive compensation incentives based on assets sold, but not based on revenues produced, thereby eliminating any incentive to recommend one higher paying product over another.

DPL has a separate subsidiary DPL Term Insurance Solutions (DPLTIS) that does promote and sell life insurance products that pay commissions, and those commissions vary from product to product. DPLTIS representatives do receive compensation incentives based on revenues produced, thereby creating a potential incentive to recommend one higher paying product over another.

To mitigate this potential conflict of interest, DPLTIS representatives disclose comparative compensation incentives when making recommendations.

### DISCIPLINARY HISTORY

Yes. We encourage you to visit [Investor.gov/CRS](https://www.investor.gov/crs) for a free and simple search tool to research any of our financial professionals.

### PRIMARY CONTACT PERSON

Your IIA should be your primary contact person. Your IIA should maintain a current financial profile and financial plan for you, and DPL, JBS and their affiliates will provide your IIA access to your Third Party Account information. You may grant your IIA a third party authorization to contact your Third Party Account Providers directly. If your IIA is unable to obtain information or services you need from your Third Party Account Providers, they may contact your Registered Representative at DPL, JBS or their affiliates.

### NO GUARANTEES & LOCK INS

JBS, DPL and their affiliates will use their best judgment and good faith efforts in rendering services to you. JBS, DPL and their affiliates:

DPL, JBS and their affiliates **DO NOT GUARANTEE:**

- Account performance of any sort whatsoever;
- Account riders or contract terms for existing or prospective Third Party Accounts or applications;
- Rates or Rate Locks when processing exchanges on your behalf;

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- Processing times or provide assurances against delays of any sort for any reason when processing exchanges on your behalf.

You assume all market risk involved in their accounts,

The suitability determination of your existing and prospective investments is to be made exclusively by you and your IIA.

### LIMITED LIABILITY

DPL, JBS and their affiliates **ARE NOT LIABLE** to you for any loss clients may suffer by reason of the following:

- Processing delays or clerical errors made in by JBS, DPL and their affiliates for any reason whatsoever;
- JBS, DPL and their affiliates following your or your IIA's instructions;
- You or your IIA providing incomplete or inaccurate financial profile information;
- You, as a non-natural entity, lacking authority under your formation, procedural, or operating agreements;
- Your Third Party Account Providers' representations, actions or inactions;
- Rate changes or changes to investment terms or riders your existing or prospective Third Party Account investments or products.

### NOT FDIC INSURED & MAY LOSE VALUE

The securities products purchased or sold through DPL or JBS are:

- **Not FDIC Insured** - Not insured by the Federal Deposit Insurance Corporation ("FDIC");
- **Not Bank Guaranteed** - Not deposits or other obligations of the financial institution and are not guaranteed by the financial institution; and
- **May Lose Value** - Subject to investment risks, including possible loss of the principal invested.

### UPDATES TO TERMS

The terms of this document may be updated periodically by sending you negative-consent updates by e-mail or postal service. If DPL or JBS does not receive written objection from you by e-mail or postal service within 30 days, the updates will be deemed accepted.

### ADDITIONAL INFORMATION

To report a problem to the SEC, visit Investor.gov or call the SEC's toll-free investor assistance line at (800) 732-0330.

To report a problem to FINRA, call (301) 590-6500.

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FINRA Web site address ([www.finra.org](http://www.finra.org))

More information can be found at [brokercheck.finra.org](http://brokercheck.finra.org)