

# Edward Jones Retirement Plan Services Brochure

as of July 1, 2017

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## Item 1: Cover Page

This brochure provides information about the qualifications and business practices of Edward D. Jones & Co., L.P. ("Edward Jones," "we" or "us"). If you have any questions about the contents of this brochure, please contact us at 800-803-3333. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or by any state securities authority. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

Additional information about Edward Jones is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

This section describes material changes that have been made to the brochure since it was filed on June 9, 2017.

- Item 9: Disciplinary Information. We have provided information regarding a recent settlement agreement with FINRA (as defined herein).

**Item 3: Table of Contents**

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## Item 4: Advisory Business

Edward Jones is a registered broker-dealer and investment adviser. Through the investment adviser, Edward Jones offers several advisory programs, subject to program eligibility requirements. Edward Jones Retirement Plan Services ("Retirement Plan Services") will begin providing advisory services effective April 1, 2017. This brochure ("Brochure") provides plan sponsors (the "Plan Sponsor") of employee benefit plans (the "Plan") subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), with information about Edward Jones, Retirement Plan Services, the fees charged for Retirement Plan Services ("Retirement Plan Services Fee") and our business practices. The Plan Sponsor (or, to the extent the Plan Sponsor has delegated its investment authority to an investment committee, the committee) is also referred to as "Client," "you" or "your." Please review this Brochure carefully before you decide to participate in Retirement Plan Services.

We offer our Retirement Plan Services to plans that allow participants to exercise independent control over the investment of their individual accounts ("Participant-Directed Plans") and to other plans, such as defined benefit and defined contribution plans, that do not allow participants to exercise control over plan investments ("Pooled Plans").

Other advisory programs offered through Edward Jones are not described in this Brochure. These programs offer different services and have different fees and eligibility requirements. To learn more about other advisory programs offered by Edward Jones, please ask your financial advisor or go to [www.edwardjones.com/advisorybrochures](http://www.edwardjones.com/advisorybrochures) to review the brochures for the available advisory programs.

Edward Jones is the primary operating subsidiary of The Jones Financial Companies, L.L.P., a holding company registered as a partnership with the State of Missouri. Edward Jones registered as a broker-dealer in 1941 and as an investment adviser in 1993.

As of December 31, 2016, we managed \$131,085,849,271 in discretionary assets and \$9,338,272,992 in non-discretionary assets across all of our advisory programs, including Retirement Plan Services.

The decision to participate in this program is yours. Before making this decision, you and your financial advisor should discuss whether this program is appropriate for your investment goals or needs. If you decide to participate in Retirement Plan Services, you will enter into a written Edward Jones Retirement Plan Services Agreement (the "Agreement") between you, as the responsible plan fiduciary for the Plan, and us, and appoint an Edward Jones-approved platform provider for the Plan (the "Plan Service Provider") and Investment Fiduciary (defined below), as described in more detail below. The Agreement includes our acknowledgment that Edward Jones is serving as a Section 3(21) non-discretionary investment adviser under ERISA when providing Fiduciary Services (defined below).

- Clients participating in Retirement Plan Services typically:
- Value recommendations from Edward Jones when selecting a Plan Service Provider
- Value recommendations from Edward Jones when selecting eligible investment options offered by a Participant-Directed Plan or investments for a Pooled Plan and annual reviews of the same
- Value educational services for the Plan
- Value educational services for Plan participants (Participant-Directed Plans only)
- Are comfortable paying asset-based (percentage) fees for advisory services

## Retirement Plan Services for Participant-Directed Plans

Through Retirement Plan Services, Edward Jones offers the following services to Participant-Directed Plans: (1) recommending Plan Service Providers (except third-party administrators ("TPAs")) from a set list maintained by Edward Jones that may, for example, serve as custodian, record-keeper or otherwise provide services to you; (2) providing non-discretionary investment advice regarding investment options offered by the Participant-Directed Plan; and (3) providing educational services to Client and Plan participants.

**Fiduciary Services for Participant-Directed Plans.** When we recommend Plan Service Providers and provide non-discretionary investment advice regarding investment options offered by a Participant-Directed Plan, we are acting as a fiduciary under Section 3(21) of ERISA ("Participant-Directed Fiduciary Services").

**Plan Service Provider and Investment Fiduciary Recommendations to Participant-Directed Plans.** Edward Jones will assist you with your search for Plan Service Providers to provide custodial, investment, record-keeping and/or third-party administrative services to the Plan. However, Edward Jones' assistance in your search for TPAs is for informational purposes only as described below under "Educational Services to Participant-Directed Plans."

We will limit our recommendations to a select number of Edward Jones-approved Plan Service Providers that offer investment-related fiduciary services through ERISA Section 3(21) investment advisers ("Section 3(21) investment advisers") or ERISA Section 3(38) investment managers ("Section 3(38) investment managers"). Section 3(21) investment advisers and Section 3(38) investment managers are referred to as an "Investment Fiduciary" or the "Investment Fiduciaries." Your preference for either a Section 3(21) investment adviser or Section 3(38) investment manager will be a factor in our recommendation of Plan Service Providers, since not all Plan Service Providers offer investment-related fiduciary services through both Section 3(21) investment advisers and Section 3(38) investment managers. In addition, your preference for a mutual fund platform or a group annuity platform also will be a factor in our recommendation of Plan Service Providers, since not all Plan Service Providers offer both a mutual fund platform and a group annuity platform.

Section 3(21) investment advisers will develop a list of investment options for consideration by you as the Plan Sponsor for inclusion in the Plan, which are limited to the investment options available to the Plan through the Plan Service Provider. Section 3(21) investment advisers will also provide auto execution services, whereby your Plan Service Provider will automatically implement the Section 3(21) investment adviser's recommendation to replace any investment options on the Plan's investment lineup that are removed from the Section 3(21) investment adviser's list of investment options available to the Plan. This will be done after providing notice to you in accordance with the Section 3(21) investment adviser's procedures, the details of which will be found in your agreement with your Section 3(21) investment adviser. Section 3(38) investment managers will select and maintain the investment options available to the Plan.

Although Edward Jones will recommend Plan Service Providers (except TPAs) and Investment Fiduciaries, you will be responsible for selecting the Plan Service Provider and the Investment Fiduciary and entering into separate contractual relationships with each of the Plan Service Providers and the Investment Fiduciary. In order to participate in Retirement Plan Services, you must select an Edward Jones-approved Plan Service Provider and Investment Fiduciary.

**Edward Jones' Non-Discretionary Investment Advice to Participant-Directed Plans.** The Investment Fiduciary will be responsible for the following: (1) the recommendation or selection of the investment options to be offered by or available to the Plan; (2) the ongoing monitoring and continued availability of such

investment options; (3) the removal and replacement of investment options that do not meet the Investment Fiduciary's criteria; and (4) the addition, from time to time, of new investment options that meet the Investment Fiduciary's criteria.

Edward Jones will rely on the decisions made by Client (based on the recommendations of the Section 3(21) investment adviser) or decisions made by the Section 3(38) investment manager. Edward Jones will only provide advice regarding available investment options under the Plan with respect to the list of investment options that have been found to be prudent investment options for the Plan and have been recommended by the Section 3(21) investment adviser or selected by the Section 3(38) investment manager ("Eligible Investment Options"). Subject to the foregoing, Edward Jones will provide non-discretionary investment advice to Client regarding the Eligible Investment Options to be offered by the Plan, including advice regarding the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder (unless all of the investment options were selected by a Section 3(38) investment manager).

Through Retirement Plan Services, Edward Jones offers the following services to Pooled Plans: (1) recommending Plan Service Providers (except TPAs) from a set list maintained by Edward Jones that may, for example, serve as custodian, record-keeper or otherwise provide services to you; (2) providing non-discretionary investment advice regarding Eligible Investment Options to be selected by the Pooled Plan; and (3) providing educational services to Client.

**Fiduciary Services for Pooled Plans.** When we recommend Plan Service Providers and provide non-discretionary investment advice, we are acting as a fiduciary under Section 3(21) of ERISA ("Pooled Plan Fiduciary Services").

**Plan Service Provider and Investment Fiduciary Recommendations to Pooled Plans.** Edward Jones will assist you with your search for Plan Service Providers to provide custodial, investment, record-keeping and/or third-party administrative services to the Pooled Plan. However, Edward Jones' assistance in your search for TPAs is for informational purposes only as described below under "Educational Services to Pooled Plans."

With respect to Pooled Plans, we will limit our recommendations to a select number of Edward Jones-approved Plan Service Providers that offer investment-related fiduciary services through Section 3(21) investment advisers or an investment adviser or manager who provides services comparable to those provided by a Section 3(21) investment adviser. You will not be given the option of receiving investment-related fiduciary services through Section 3(38) investment managers that exercise discretion to select all investment options for the Plan.

Your preference for a mutual fund platform or a group annuity platform will be a factor in our recommendation of Plan Service Providers since not all Plan Service Providers offer both a mutual fund platform and a group annuity platform.

Your selected Investment Fiduciary will develop a list of investment options for consideration by you as the Plan Sponsor, which are limited to the investment options available to the Plan through the Plan Service Provider. Section 3(21) investment advisers will also provide auto execution services, where by your Plan Service Provider will automatically implement the Section 3(21) investment adviser's recommendation to replace any investment options on the Plan's investment lineup that are removed from the Section 3(21) investment adviser's list of investment options available to the Plan. This will be done after providing notice to you in accordance with the Section 3(21) investment adviser's procedures, the details of which will be found in your agreement with your Section 3(21) investment adviser.

Although Edward Jones will recommend Plan Service Providers (except TPAs) and Investment Fiduciaries, you will be responsible for selecting the Plan Service Provider and the Investment Fiduciary and entering into separate contractual relationships with

each of the Plan Service Provider and the Investment Fiduciary. In order to participate in Retirement Plan Services, you must select an Edward Jones-approved Plan Service Provider and Investment Fiduciary.

**Edward Jones' Non-Discretionary Investment Advice to Pooled Plans.** The Investment Fiduciary will be responsible for the following: (1) the recommendation of the investment options available to the Plan; (2) the ongoing monitoring and continued availability of such investment options; (3) the removal and replacement of investment options that do not meet the Investment Fiduciary's criteria; and (4) the addition, from time to time, of new investment options that meet the Investment Fiduciary's criteria.

Edward Jones will rely on the decisions made by Client (based on the recommendations of the Investment Fiduciary). Edward Jones will only provide advice with respect to the Eligible Investment Options recommended by the Investment Fiduciary.

Subject to the foregoing, Edward Jones will provide non-discretionary investment advice to Client regarding the Eligible Investment Options to be selected by the Plan, including advice regarding the selection of investments consistent with a defined benefit Pooled Plan's investment objectives, or asset class guidance for a defined contribution Pooled Plan.

## Plan Service Provider Platforms

There are two types of platforms that may be available through a Plan Service Provider: a mutual fund platform and a group annuity platform. A mutual fund platform will offer investments in mutual funds, exchange-traded funds, collective investment funds, stable value funds and/or money market funds. A group annuity platform will offer investments in mutual funds, stable value funds, money market funds, collective investment funds, and/or guaranteed income annuities. Although Edward Jones will recommend investment options from among the Eligible Investment Options, Client (with assistance from its Section 3(21) investment adviser) or Client's Section 3(38) discretionary investment manager will be responsible for making the final selections for the Plan ("Plan Investments"). Descriptions of the types of Eligible Investment Options are included below.

**Mutual Funds.** Mutual funds are diversified, professionally managed portfolios of securities that pool the assets of individuals and organizations to invest toward a common objective such as current income or long-term growth.

**Exchange-Traded Funds.** ("ETFs"). ETFs are typically registered investment companies whose shares track an index, a commodity or a basket of assets such as an index fund, but trade like stocks on an exchange. ETFs experience price changes throughout the day as they are bought and sold.

**Money Market Funds.** Money market funds are a type of mutual fund that invests in high-quality, short-term debt securities, pays dividends that generally reflect short-term interest rates and seeks to maintain a stable net asset value ("NAV") per share (typically \$1). An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund is managed to maintain a stable net asset value of \$1 per share, the value of the fund may fluctuate, and you could lose money.

**Stable Value Funds.** Stable value funds are capital preservation investment options. Stable value funds are structured in two ways: as a separately managed account, which is a stable value fund managed for one specific retirement plan; or as a commingled fund, which pools together assets from many retirement plans. Commingled funds offer the benefits of diversification and economies of scale for smaller plans.

Regardless of how stable-value funds are structured, they are comprised of a diversified portfolio of fixed-income securities that are insulated from interest rate movements by contracts from banks and insurance companies. The protection from interest rate

volatility is universal to stable-value funds. How this contract protection is delivered depends on the type of stable value fund investment purchased. The contract protection against interest rate volatility is provided through the following investment instruments:

- **A separate account contract**, available on a group annuity platform, is an account held by an insurance company that holds a combination of fixed-income securities and provides principal preservation. Separate accounts may provide either a fixed rate of return or a periodic rate of return based on the performance of the underlying assets. The assets are owned by the insurance company and are set aside in a separate account solely for the benefit of the specific contract holder.
- **A Guaranteed Interest Contract (GIC)**, available on a group annuity platform, is a contract with an insurance company that provides principal preservation and a specified rate of return over a set period of time, regardless of the performance of the underlying invested assets. The invested assets are owned by the insurance company and held within the insurer's general account.
- **A synthetic GIC**, available on a group annuity platform, is a diversified portfolio of fixed income securities that is insulated from interest rate volatility by contracts (wraps) from banks and insurance companies. In this arrangement, the retirement plan and its participants own the underlying invested assets—the portfolio of fixed income securities that support the stable value fund.

**Collective Investment Funds.** A collective investment fund ("CIF"), sometimes referred to as a collective investment trust or collective trust fund, is a bank-administered trust that consists solely of assets of retirement plans such as 401(k) plans and other defined contribution or defined benefit retirement plans that are qualified under the Internal Revenue Code of 1986, as amended. Like mutual funds, CIFs may have a variety of investment objectives and strategies and are subject to investment and other risks. Unlike mutual funds, CIFs are not subject to the restrictions of the Investment Company Act of 1940, as amended.

**Guaranteed Income Annuities.** Available on a group annuity platform, a guaranteed income annuity generates a stream of income for a lifetime. A participant may invest in a guaranteed income annuity as a single-premium immediate annuity or through a series of payments as a deferred-income annuity. The income is guaranteed by a life insurance company and the amount of the income depends on several factors, including age, gender, premium amount and the chosen payout option. An income annuity is typically a fixed annuity not subject to stock market performance. A deferred variable annuity may offer a guaranteed lifetime withdrawal benefit or a guaranteed minimum withdrawal benefit, which guarantees the contract holder the ability to withdraw a set percentage from an annuity every year until the value of the original premium paid is withdrawn.

There is no guarantee that the Eligible Investment Options or Plan Investments will perform in any particular manner. Past performance is not a guarantee of future results. Further details about a Plan Investment can be found in its prospectus, statement of additional information, shareholder reports, or annuity contract, as applicable.

**Excluded Assets.** Edward Jones has no responsibility to provide any services related to the following types of Plan assets: any portion of Plan assets that are not maintained on the platform of the Plan Service Provider or are maintained on the platform at the direction or recommendation of a third party (the "Outside Assets"); employer securities; real estate (except for publicly traded REITs); life insurance; brokerage accounts or mutual fund windows; participant loans; non-publicly traded partnership interests; other non-publicly traded securities or property; and other hard-to-value or illiquid securities or property (collectively with the Outside Assets, "Excluded Assets"). Edward Jones has no responsibility to provide any services related to Excluded Assets (or that otherwise take into account Excluded Assets). The

Excluded Assets will be disregarded in determining the Retirement Plan Services Fee, and the Retirement Plan Services Fee will be calculated only on the remaining assets (the "Included Assets" or the "Assets" or "assets"), which may result in the Plan being subject to a higher annual fee rate (as discussed in Item 5).

## Educational Services to Participant-Directed Plans

When we provide educational services to Client and/or Plan participants in Participant-Directed Plans, we are not acting as a fiduciary of the Plan under ERISA.

**Education of Client.** Edward Jones will provide education on plan types and work with the Plan Service Provider to assist with Plan setup. Edward Jones will provide information on the role of TPAs to Participant-Directed Plans as well as information about the core services a TPA should provide and other factors in order to assist Client in the consideration of a TPA. Edward Jones will not provide recommendations for specific TPAs for Plans. Client is responsible for selecting the TPA for the Plan.

## Education of Plan Participants (Participant-Directed Plans only).

Edward Jones will assist Client with developing an education plan for Plan participants. Upon request, Edward Jones will conduct Plan participant education meetings, including but not limited to enrollment meetings, explaining general financial and investment information, including risk tolerance and asset allocation; general retirement planning topics, such as replacement ratio, inflation risk and longevity risk; and how each Plan Investment maps to an asset class. Upon request, Edward Jones will also conduct Plan participant seminars on broad retirement planning topics as well as other financial needs.

Upon request, Edward Jones will participate in one-on-one educational meetings with Plan participants, in which our financial advisors will provide information and materials that describe the Plan Investments. Edward Jones will educate Plan participants upon request about asset allocation, in which a portion or percentage of investments will be invested in various asset classes based on the Plan participant's portfolio objective and risk tolerance ("Asset Allocation"). Asset Allocation cannot eliminate risk associated with investing, but it can help to keep a Plan participant's account within a stated risk tolerance range. Edward Jones may, at its discretion, provide asset allocation models and interactive investment materials, such as questionnaires, worksheets, software or similar materials that enable Plan participants to estimate future retirement needs. Finally, Edward Jones may provide information about future distributions from the Plan.

## Educational Services to Pooled Plans

When we provide educational services to Pooled Plans, we are not acting as a fiduciary of the Plan under ERISA.

Edward Jones will provide education on plan types and work with the Plan Service Provider to assist with Plan setup. Edward Jones will provide information on the role of TPAs to Pooled Plans as well as information about the core services a TPA should provide and other factors in order to assist Client in the consideration of a TPA. Edward Jones will not provide recommendations for specific TPAs for Plans. Client is responsible for selecting the TPA for the Plan.

Edward Jones and its affiliates benefit from the fees paid by Client, as described in Item 14 of this Brochure.

## Item 5: Fees and Compensation

**When you participate in Retirement Plan Services, you pay fees to Edward Jones. The following section explains:**

- **Who receives the fees**
- **When you pay the fees**
- **How the fees are calculated and paid**
- **Potential fee offsets**



## Retirement Plan Services Fee Paid to Edward Jones

INCLUDED ASSETS	MAXIMUM ANNUAL FEE RATE
Up to \$2 million	75 bps
Over \$2 million to \$3 million	60 bps
Over \$3 million to \$5 million	50 bps
Over \$5 million to \$10 million	35 bps
Over \$10 million to \$20 million	25 bps
Over \$20 million to \$50 million	20 bps
Over \$50 million to \$75 million	15 bps
Over \$75 million to \$100 million	10 bps
Over \$100 million	Negotiable

The Retirement Plan Services Fee may be discounted or reduced at the sole discretion of Edward Jones. Your Retirement Plan Services Fee will be identified on your most current Edward Jones Employer Retirement Plan Disclosure document. Edward Jones' ability to discount or reduce the fee for clients may result in one Client paying more or less than another Client receiving the same Retirement Plan Services.

The Plan is obligated to pay the Retirement Plan Services Fee. However, the Plan Sponsor, at its option and to the extent permitted and facilitated by the Plan Service Provider, may choose to pay the Retirement Plan Services Fee and may also arrange for the payment of the Retirement Plan Services Fee from other sources under the Plan's or the Plan Sponsor's control, including, but not limited to, directing the Plan Service Provider to use any third-party fees attributable to the Plan's investments to pay the Retirement Plan Services Fee or other service providers' fees.

### How the Retirement Plan Services Fee is Calculated and Paid

Edward Jones relies on the value of the Included Assets held in the Plan as provided by the Plan Service Provider for purposes of calculating the Retirement Plan Services Fee. Edward Jones does not review or verify the valuation information provided to us.

The Retirement Plan Services Fee is calculated by the Plan Service Provider by multiplying the annual fee rate in the schedule above (the "Fee Schedule") by the value of the Included Assets held in the Plan in accordance with the methodology and frequency set forth in the agreement between you and the Plan Service Provider. For purposes of calculating the Retirement Plan Services Fee, Edward Jones, after June 30 of each year, based on the value of the Included Assets held in the Plan for the most recently available six-month period, as calculated by the Plan Service Provider in accordance with the methodology set forth in the agreement between you and the Plan Service Provider, will determine if the value of Included Assets has increased such that a different annual fee rate shall apply. This process will not be applicable for Plans where Edward Jones has been serving as the registered investment adviser for a period of less than six months. In the event the value of the Included Assets held in the Plan has decreased from the prior six-month period, Edward Jones will not increase the annual fee rate for purposes of calculating the Retirement Plan Services Fee without providing prior notice to you.

If Client elects to pay the Retirement Plan Services Fee with Plan assets, Client will instruct the Plan Service Provider to calculate and pay, or facilitate the payment by the Plan's custodian of, the Retirement Plan Services Fee owed to Edward Jones from Plan assets.

Edward Jones will not accept 12b-1 fees or other revenue directly from Plan Investments.

### Other Compensation

Neither Edward Jones, its financial advisors nor any affiliate reasonably expects to receive any other compensation, direct or indirect, in connection with Retirement Plan Services. If Edward Jones receives any other compensation for such services (such as Rule 12b-1 fees or shareholder accounting revenue), Edward Jones will return such compensation to the Plan.

The Plan Sponsor or the Plan Service Provider will be responsible for the decision on whether fees paid to Client from Plan Investments (such as Rule 12b-1 fees or shareholder accounting revenue) and held as Plan assets will be used to pay Plan expenses.

**Rule 12b 1 Fees:** Mutual fund companies or their affiliates may pay Rule 12b 1 fees to the Plan Service Provider for distribution and marketing expenses with respect to fund investments held in the Plan. The Investment Fiduciary or Client may direct the Plan Service Provider to pay an amount equal to the Rule 12b 1 fees received by the Plan Service Provider to pay all or a portion of the Retirement Plan Services Fee.

**Shareholder Accounting Revenue:** Mutual fund companies may pay shareholder accounting revenue to the Plan Service Provider for account record-keeping and administrative services provided by the Plan Service Provider with respect to fund investments held in the Plan. The Investment Fiduciary or Client may direct the Plan Service Provider to pay an amount equal to the shareholding accounting revenue received by the Plan Service Provider to pay all or a portion of the Retirement Plan Services Fee.

### Additional Fees and Expenses Paid to Plan Service Providers and Investment Fiduciaries

Each Plan Service Provider and Investment Fiduciary will charge the Plan fees and possibly expenses for their services. Please consult your agreement with your Plan Service Provider and your agreement with your Investment Fiduciary for more information. These fees are in addition to the Retirement Plan Services Fee described above and vary depending on the particular Plan Service Provider and Investment Fiduciary.

### Internal Fees and Expenses of Investment Options

Mutual funds have internal management fees and ongoing expenses for operating the fund (internal fees and expenses) that are deducted from the fund's assets, which has the effect of reducing the fund's NAV. Many funds have different share classes with different fees and expenses. The prospectus for each mutual fund will describe the internal fees and expenses.

Stable value funds and CIFs similarly have internal management fees and ongoing expenses for operating the fund. Internal fees and expenses are in addition to the Retirement Plan Services Fee described above and vary depending on the particular investment. Any internal fees and expenses charged by an investment will affect the investment performance of the investment options offered by the Plan.

**Additional Disclosure of Services, Fees and Other Compensation: ERISA Section 408(b)(2) Disclosure.** This Brochure contains disclosures designed to assist the Plan's named fiduciary or other responsible plan fiduciaries in determining the reasonableness of the fees and compensation Edward Jones may receive as a service provider to the Plan. Retirement Plan Services is an investment advisory program.

Retirement Plan Services is an investment advisory program offered by Edward Jones. The services provided through Retirement Plan Services are described in Item 4 and in Section 2 and Appendices A and B of the Agreement.

For a description of the fees paid directly from the Plan in connection with Retirement Plan Services, please refer to Item 5 of this Brochure and Section 3 and Appendix C of the Agreement.

Edward Jones could receive compensation from sources other than the Plan, Plan participant accounts or the Investment Fiduciary in connection with the accounts or services provided. Please refer to the description under "Other Compensation" in the Item 5 of this Brochure.

Edward Jones does not charge an additional fee upon termination of the Agreement, as further described in Item 5 of this Brochure and Appendix C of the Agreement.

Edward Jones and its affiliates benefit from the fees paid by Client, as described in Item 14 of this Brochure.

## Item 6: Performance Based Fees and Side-by-Side Management

This section does not apply to Edward Jones.

## Item 7: Types of Clients

Edward Jones offers clients a wide range of financial services. Retirement Plan Services is designed to offer advisory services to United States corporations and other organizations sponsoring employee benefit plans subject to ERISA, such as 401(k) plans, other defined contribution plans and defined benefit plans.

However, Retirement Plan Services is not a program designed to provide advisory services to SEP IRAs, SIMPLE IRAs, owner only 401(k) plans, governmental defined contribution plans or 403(b) plans not subject to ERISA. Other investment advisory programs may be available through Edward Jones. Contact your financial advisor for more information.

There is no minimum asset requirement to participate in Retirement Plan Services.

## Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

**Plan Service Providers and Investment Fiduciaries.** Edward Jones evaluates and recommends the Plan Service Providers available in Retirement Plan Services based on several factors. The evaluation process starts with a limited universe of available Plan Service Providers identified by Edward Jones that offer the services of an Edward Jones-approved Investment Fiduciary. Numerous quantitative (fees and expenses, number of clients, etc.) and qualitative (access to cutting-edge technologies needed to support Plan transactions, including record-keeping, Plan valuation, investment transactions, Plan participant and Plan Sponsor reporting, and Internet access; access to legal and compliance expertise; etc.) factors, based on the type of provider being monitored (either Plan Service Providers or Investment Fiduciaries) are applied by Edward Jones in selecting and monitoring the Plan Service Providers and Investment Fiduciaries. The selection and monitoring processes take into consideration a variety of factors, each of which may be given different weight in the decision-making process, and generally no one factor determines whether a Plan Service Provider is available in Retirement Plan Services.

Edward Jones will enter into an agreement with each Plan Service Provider indicating that Edward Jones will act as the investment adviser to retirement plans that may, in their discretion, retain the Plan Service Provider to provide custodial, investment, record-keeping and/or other services. The agreement will specify certain minimum services to be provided by the Plan Service Provider, including developing and maintaining systems and procedures to, at Client's direction, pay the Retirement Plan Services Fee owed to Edward Jones from the Plan.

Plan Service Providers and Investment Fiduciaries undergo periodic monitoring by Edward Jones to ensure they remain suitable for Retirement Plan Services. A Plan Service Provider or Investment Fiduciary can be removed from Retirement Plan Services for a variety of reasons, including, but not limited to, the following:

- A significant change to its personnel;

- A significant change in the quality of its services; and
- A significant change in the reasonableness of the fees charged in light of the services provided.

If a Plan Service Provider or an Investment Fiduciary is removed from Retirement Plan Services, you must select another Edward Jones-approved Plan Service Provider and/or Investment Fiduciary in order to continue to participate in Retirement Plan Services. Although Edward Jones will recommend Plan Service Providers (except TPAs) and Investment Fiduciaries, you will be responsible for selecting the Plan Service Provider and Investment Fiduciary.

**Plan Investments.** As indicated above under "Non-Discretionary Investment Advice to Participant-Directed Plans" and "Non-Discretionary Investment Advice to Pooled Plans," your Edward Jones financial advisor will recommend investment options from among the Eligible Investment Options recommended or selected by the Investment Fiduciary. Your financial advisor may consider quantitative factors (investment history, past performance, etc.) and qualitative factors (investment strategy) as part of the review of investment options. The recommendation process takes into consideration a variety of factors, each of which may be given different weight, and generally no one factor determines the outcome of any recommendation.

Although Edward Jones will recommend investment options from among the Eligible Investment Options, Client (with assistance from its Section 3(21) investment adviser) or Client's Section 3(38) discretionary investment manager will be responsible for making the final selections of Plan Investments, including the final selections of fund share classes of certain Plan Investments, which may vary based on the expense arrangements of the Plan. Edward Jones will not continuously monitor Plan Investments.

All investments involve risk, and the Plan Investments will fluctuate in value and, when sold, may be worth more or less than the original cost to purchase. Diversification does not guarantee a profit or protect against loss. Client and Plan participants should consider the investment objectives, risks, and charges and expenses of each Plan Investment before deciding to invest. Edward Jones is not responsible for the performance of an investment, the Plan, or the account of a Plan participant.

## Item 9: Disciplinary Information

Edward Jones is a registered broker-dealer and investment adviser. This section contains information about certain legal and regulatory matters that Edward Jones believes are material to a client's evaluation of its advisory business or the integrity of its management. Edward Jones has also been subject to various legal and regulatory proceedings relating to its brokerage business that are disclosed in Part 1A of its Form ADV.

**State of California - Revenue Sharing.** In the early 1990s, Edward Jones negotiated revenue sharing plans with seven fund families, which had been designated as "preferred funds." On December 20, 2004, the State of California alleged that Edward Jones violated Corporations Code Section 25401 by failing to adequately disclose its revenue sharing arrangements with these certain designated preferred funds, and Section 25216(a) by omitting to disclose a material fact or facts with respect to its revenue sharing arrangements with these certain designated preferred funds, which may have been misleading. On September 2, 2008, Edward Jones reached an agreement with the California Attorney General in which the case was dismissed with prejudice. Without admitting or denying the allegations, Edward Jones agreed to pay \$2.7 million to the Attorney General as fees and costs, and \$4.8 million to the State of California as civil penalties.

**Financial Industry Regulatory Authority ("FINRA") - Official Statements Delivery.** On November 2, 2006, FINRA alleged Edward Jones violated MSRB Rule G-32 by failing to timely deliver official statements to certain clients in various transactions when Edward Jones was not an underwriter or member of the syndicate and violated MSRB Rules G-8, G-27, and G-17 regarding certain record-keeping requirements. Without admitting or denying the

findings, on April 9, 2009, Edward Jones consented to the described sanctions and entry of findings, and was censured and fined \$900,000. Edward Jones adopted and implemented systems and procedures reasonably designed to ensure compliance with MSRB Rules G-32 and G-8.

**FINRA – Exchange Traded Funds (“ETFs”).** In violation of FINRA Rule 2010 and National Association of Securities Dealers (“NASD”) Rules 2110, 2310 and 3010, FINRA alleged that Edward Jones (1) failed to establish and maintain a supervisory system, including written supervisory procedures, reasonably designed to achieve compliance with applicable NASD or FINRA rules in connection with the sale of non-traditional ETFs; (2) failed to establish and maintain an adequate supervisory system to monitor transactions in non-traditional ETFs involving retail clients; (3) did not exercise due diligence in investigating non-traditional ETFs; (4) did not ensure that its registered representatives obtained adequate information and instruction regarding traditional ETFs before recommending those products to clients; and (5) did not provide such information directly to registered representatives or require that they obtain it from other sources. FINRA also alleged that Edward Jones’ supervisory system was inadequate with respect to its oversight of non-traditional ETF transactions and until the time when FINRA issued Regulatory Notice 09-31, relied on its general supervisory procedures to oversee transactions in non-traditional ETFs. FINRA alleged that those procedures did not address the products’ unique features and risks, e.g., Edward Jones’ sales exception reports and other supervisory tools did not differentiate between exchange-traded equity securities, traditional ETFs and non-traditional ETFs. FINRA alleged that Edward Jones’ general supervisory procedures did not require it to monitor either the length of time clients held open positions in non-traditional ETFs or the effect of long holding periods on those positions. On January 9, 2014, without admitting or denying the findings, Edward Jones entered into a letter of acceptance, waiver and consent in which Edward Jones was censured, fined \$200,000, and ordered to pay \$51,581.25 in restitution to clients.

**State of New Hampshire – Solicitation Calls.** In April 2013, the State of New Hampshire brought an action against Edward Jones, in which the allegations included solicitations calls being made in violation of applicable telephone solicitation rules, failure to properly train and supervise registered representatives in the area of telephone solicitation, and failure to establish a system and procedures reasonably designed to ensure compliance with applicable telephone solicitation rules. On February 25, 2014, Edward Jones and the State of New Hampshire entered into a Consent Agreement in which Edward Jones agreed to pay the State \$175,000 in costs, \$175,000 in contribution to New Hampshire investor education, and \$400,000 in an administrative fine, without any admission of fault or wrongdoing.

**SEC – Municipal Bond Pricing.** On August 13, 2015, Edward Jones, without admitting or denying the findings, entered into a settlement in public administrative and cease-and-desist proceedings with the SEC regarding certain of the Firm’s municipal securities activities. Pursuant to the settlement, the SEC alleged that Edward Jones violated Sections 17(a)(2) and (3) of the Securities Act of 1933 (“Securities Act”), Sections 15B(c)(1) and 15(b)(4)(E) of the Securities Exchange Act of 1934 (“Exchange Act”), and Municipal Securities Rulemaking Board (“MSRB”) Rules G-17, G-11(b) and (d), G-27 and G-30(a), was censured and was ordered to cease and desist from violating or causing any current and future violations of Sections 17(a)(2) and (3) of the Securities Act, Section 15B(c)(1) of the Exchange Act and MSRB Rules G-17, G-11, G-30 and G-27. The settlement requires Edward Jones to pay \$5,194,401.37 to current and former customers of Edward Jones and to pay a civil money penalty in the amount of \$15,000,000. In entering into the settlement, the SEC considered remedial acts undertaken by Edward Jones related to this matter.

**FINRA – Mutual Fund Sales Charge Waivers.** On May 5, 2015, FINRA’s Enforcement Division advised Edward Jones that it was

investigating whether any violations of the federal securities laws or rules had occurred with respect to mutual fund purchases and sales charge waivers for certain retirement plan and charitable organization accounts. Prior to being advised of the investigation, Edward Jones had commenced a review of this issue and self-reported to FINRA. On October 26, 2015, Edward Jones, without admitting or denying the findings, entered into a settlement agreement with FINRA to resolve this matter. Pursuant to the settlement, Edward Jones agreed to provide remediation to certain customers, estimated at the time of the settlement agreement to be approximately \$13.5 million. A monetary penalty was not imposed by FINRA. In reaching the settlement, FINRA recognized the extraordinary cooperation of Edward Jones, including its self-reporting of the issue to FINRA.

**FINRA – Municipal Securities Transactions Below Minimum Denominations.** On June 2, 2017, Edward Jones, without admitting or denying the findings, entered into a settlement agreement with FINRA’s Department of Market Regulation in connection with its investigation of possible violations of Municipal Securities Rulemaking Board rules regarding transactions in certain municipal securities in amounts lower than the applicable minimum denominations. As part of the settlement, Edward Jones agreed to pay a monetary fine of \$210,000.

## Item 10: Other Financial Industry Activities and Affiliations

You should be aware that Edward Jones, its affiliates and its financial advisors perform services for other clients outside of Retirement Plan Services, including execution of brokerage transactions (e.g., the purchase or sale of securities or insurance products), research, the retail distribution of securities (e.g., mutual funds), the participation in principal transactions and certain underwritings and other investment advisory services. Edward Jones and its affiliates may receive compensation, including fees and commissions associated with these transactions. Edward Jones has a financial interest in our clients’ transactions and the recommendations we make to clients to buy or sell securities or investment products.

A potential conflict of interest exists where Edward Jones has an existing business relationship with the mutual fund families or their sub-advisers, and/or Plan Service Providers and Investment Fiduciaries that are recommended through Retirement Plan Services. Edward Jones receives revenue sharing from certain unaffiliated mutual fund families outside of advisory programs. Edward Jones’ receipt of revenue sharing creates a potential conflict of interest in the form of additional financial incentives. We believe that this potential conflict of interest is addressed through internal policies to prevent Edward Jones, in its capacity as investment adviser, and any affiliated investment adviser, from considering existing business relationships when recommending certain investment options and/or Plan Service Providers or Investment Fiduciaries.

Edward Jones has additional policies and procedures, including client disclosures, to address this conflict. For more information regarding revenue sharing, please visit [www.edwardjones.com/disclosures](http://www.edwardjones.com/disclosures) or request a revenue sharing disclosure document from your Edward Jones financial advisor. Edward Jones and its financial advisors may also receive compensation for services and recommendations that may differ from advice given to you while participating in Retirement Plan Services.

In its capacity as a broker-dealer, Edward Jones performs research and distributes recommendations to buy, sell or hold the equity securities of asset management companies or financial institutions with asset management affiliates that may be recommended Plan Service Providers or Investment Fiduciaries in Retirement Plan Services. In order to preserve the independence of this process and to address any conflicts of interest, we have adopted a policy under which we do not consider our opinion on equity securities of asset management companies or financial institutions in recommending Plan Service Providers or Investment Fiduciaries.



The following summarizes Edward Jones' material relationships or arrangements with other entities that participate in the financial industry.

Edward Jones is the primary operating subsidiary of The Jones Financial Companies, L.L.P. ("JFC"), and is dually registered as an investment adviser with the SEC and a broker-dealer with FINRA.

Olive Street Investment Advisers, LLC, a subsidiary of JFC, serves as the affiliated investment adviser of certain affiliated mutual funds. Certain current or former associates of Edward Jones may serve as officers or directors/trustees of the affiliated investment adviser and/or these affiliated mutual funds.

Passport Research, Ltd., an indirect subsidiary of JFC, serves as the affiliated investment adviser of Edward Jones' money market fund.

Edward Jones' Canadian operating subsidiary, an Ontario, Canada, limited partnership (Edward Jones in Canada), is a broker-dealer registered with the Investment Industry Regulatory Organization of Canada.

Edward Jones Trust Company, a wholly owned subsidiary of JFC, is a federally chartered savings association that offers fiduciary services to clients and exercises discretion over investment assets. Edward Jones Trust Company acts as trustee or investment agent under trust agreements, wills and similar arrangements. Edward Jones Trust Company also acts as custodian for certain Traditional and Roth IRAs through an agreement between Edward Jones and Edward Jones Trust Company.

Edward Jones owns directly or indirectly 100% of three insurance agencies that perform insurance related activities in the U.S.: Edward Jones Insurance Agency of New Mexico, L.L.C., a New Mexico limited liability company; Edward Jones Insurance Agency of Massachusetts, L.L.C., a Massachusetts limited liability company; and Edward Jones Insurance Agency of California, L.L.C., a California limited liability company.

Edward Jones indirectly owns 100% of two insurance agencies that conduct general insurance producing activities in Canada: Edward Jones Insurance Agency (Quebec) Inc., a Canadian corporation; and Edward Jones Insurance Agency, an Ontario Canada limited partnership.

Edward Jones owns 7% of Customer Account Protection Company Holdings, Inc. (CAPCO), a captive insurance group.

## Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Edward Jones has established a Code of Ethics to ensure that our associates:

1. Act with integrity and in an ethical manner with you and all of our clients
2. Place your and all of our clients' interests first
3. Conduct personal trading in compliance with our Code of Ethics, avoid potential conflicts of interest and make sure they do not abuse the faith and trust you have placed in them
4. Comply with all applicable rules, regulations and laws
5. Do not use any material nonpublic information they may receive as a result of their employment with Edward Jones

Under our Code of Ethics, Edward Jones' associates: (1) are prohibited from buying securities during an initial public offering; (2) are prohibited from buying securities in a private placement unless they have prior approval from Edward Jones; and (3) may be restricted from making trades in securities immediately before or after trades in the same securities are made for advisory clients.

Some Edward Jones associates are deemed "access persons" under our Code of Ethics because they may have access to nonpublic information regarding either the securities in a client's

accounts or changes to our advisory programs, including asset allocations. Access persons are required to submit to the chief compliance officer, or his or her delegate, a list of any securities they own and securities transactions they made for any account they control at Edward Jones or another financial institution. You may request a copy of the Edward Jones Code of Ethics from your financial advisor.

As a broker-dealer, there may be times where Edward Jones will buy, sell or recommend that our brokerage clients who are not participating in one of our investment advisory programs buy securities that are also available in one of our investment advisory programs. These brokerage activities are done in the regular course of our business as a broker-dealer and are separate from our investment advisory services. There are times when we act as principal, which means we participate in client transactions by buying securities for our own inventory and selling those securities to our clients.

Edward Jones has internal supervisory reviews and procedures to review accounts held by our associates and certain family members and their personal trading practices. The reviews look for improper trading activities, including trading that may be in conflict with the best interests of a client. In addition to the Code of Ethics and the supervisory reviews, Edward Jones prohibits financial advisors from placing trades for their personal accounts before Edward Jones executes trades for our clients in the same security. As noted in Item 12 below, the Plan Service Provider will be responsible for executing trades for Retirement Plan Services.

## Item 12: Brokerage Practices

Edward Jones will not execute trades for Clients participating in Retirement Plan Services. Generally, the Plan Service Provider will provide trade execution services for the Plan for a fee.

## Item 13: Review of Accounts

Your Edward Jones financial advisor will perform an annual review with you as the Plan Sponsor of a Participant-Directed Plan, which may include a review of the following: the Plan Service Provider and Investment Fiduciary and fees charged by each party, the selection of either a mutual fund platform or a group annuity platform, Plan participation, contributions and demographics, Plan Investments and the qualified default investment alternative ("QDIA") selection.

Your Edward Jones financial advisor will perform an annual review with you as the Plan Sponsor of a Pooled Plan, which may include a review of the following: the Plan Service Provider and Investment Fiduciary and fees charged by each party, the selection of either a mutual fund platform or a group annuity platform, Plan contributions and demographics, Plan Investments, whether a defined benefit Pooled Plan is meeting its investment objectives and a review of a defined contribution Pooled Plan's current investment lineup in accordance with Edward Jones' asset class guidance.

## Item 14: Client Referrals and Other Compensation

Edward Jones does not enter into arrangements with unaffiliated third parties to refer or solicit clients to any advisory program offered by Edward Jones.

Edward Jones does not receive compensation from Plan Service Providers or Investment Fiduciaries participating in Retirement Plan Services.

Your financial advisor (and other Edward Jones financial advisors, to the extent they provide services to, or on behalf of, the Plan) receives a portion of the monthly Retirement Plan Services Fee. As a result, your financial advisor has a financial incentive not to negotiate the Retirement Plan Services Fee. The portion of the Retirement Plan Services Fee paid to your financial advisor is at the discretion of Edward Jones. The fee rate paid to your financial advisor will be the same regardless of the Plan Service Provider or

Investment Fiduciary you select. As a result, your financial advisor does not have a financial incentive to recommend one provider over another.

Certain unaffiliated mutual fund companies and/or ETF sponsors (or their investment advisers) and Plan Service Providers may pay certain expenses on behalf of financial advisors, including training and educational expenses, and in some instances may make payments directly to Edward Jones to subsidize training and educational costs for financial advisors. They may also participate in conferences or other marketing activities with Edward Jones and may be asked to share in the cost of those activities as well. Edward Jones has not entered into any agreement with any ETF or mutual fund (or its investment adviser or its distributors or affiliates) providing for payment of such expenses as a condition of recommending an investment option or a Plan Service Provider. Our financial advisors are not allowed to consider an advisory product partner's sponsorship of a marketing activity when recommending investment options or a Plan Service Provider for Retirement Plan Services.

The Retirement Plan Services Fee, as well as the amount of Included Assets, may impact your financial advisor's eligibility for a bonus.

Financial advisors are eligible to participate in the Edward Jones Travel Award Program ("Travel Award Program"), which includes domestic and international travel, or a cash award in lieu of a trip. Eligibility for a Travel Award Program is based upon the amount of new and existing assets under care for a financial advisor.

### Existing Clients Prior to Use of this Brochure

If you opened an account pursuant to which Edward Jones served as the broker of record to your Plan (an "Existing Client"), your account was a brokerage account. If you invested in certain investment products, Edward Jones received compensation from the Plan Service Provider to cover a variety of services provided by Edward Jones, including marketing products to new investors, educating Edward Jones financial advisors and servicing existing client accounts.

Edward Jones typically had a choice of compensation options regarding the timing and structure of compensation that Edward Jones received when you purchased certain investment options. The structure of the compensation selected by Edward Jones had no impact on the value of your investment nor did it affect the fees that you paid to the Plan Service Provider. Certain investment products provided compensation options that included a combination of an upfront commission over a limited duration and/or an ongoing trail fee. The Plan Service Provider made these payments from sources available to it, including the fees that you paid to the Plan Service Provider.

Under the Retirement Plan Services described in this Brochure, Edward Jones will not receive any compensation from the Plan Service Provider but will instead receive the Retirement Plan Services Fee, which is an investment advisory fee owed to Edward Jones by you. However, it is not Edward Jones' intention to be paid more in investment advisory fees than the fees set forth in the Fee Schedule in Item 5 above, inclusive of the actuarial value of the compensation previously paid to Edward Jones by the Plan Service Provider. For this reason, if you continue in Retirement Plan Services with the same Plan Service Provider, your Retirement Plan Services Fee will be either the amount of the Retirement Plan Services Fee set forth in the Fee Schedule in Item 5 of this Brochure, or an amount equal to the trail fee Edward Jones would have received from the Plan Service Provider had your former account continued, whichever is lower.

Edward Jones will reduce its Retirement Plan Services Fee to the extent necessary to allow the Plan Service Provider to recoup any upfront commissions that it previously paid to Edward Jones. Therefore, it is not expected that the fee that you will pay to the Plan Service Provider will increase. However, the fee you pay to the Plan Service Provider may continue to be the same, even if Edward Jones lowers the Retirement Plan Services Fee as described above. The fee you pay to your Plan Service Provider is subject to the terms of your agreement with the Plan Service Provider.

### Item 15: Custody

Edward Jones does not provide custody services in connection with Retirement Plan Services. Generally, the Plan Service Provider will provide custody services for a fee.

### Item 16: Investment Discretion

Edward Jones has no discretion over the investment of Plan assets or to interpret the Plan documents, to determine eligibility or participation under the Plan, or to take any other action with respect to the management, administration or any other aspect of the Plan.

Edward Jones does not provide legal or tax advice. You should consult with your legal or tax professional before participating in Retirement Plan Services.

You or Edward Jones may terminate your participation in Retirement Plan Services at any time without an advisory termination fee by providing sixty (60) days' prior written notice. If you terminate your contractual relationship with the Plan Service Provider or Investment Fiduciary without selecting and entering into an agreement with an appropriate replacement Plan Service Provider or Investment Fiduciary, Edward Jones will terminate your Agreement. Additionally, if the Plan Service Provider is removed from Retirement Plan Services by Edward Jones, you must contact your financial advisor and select a Plan Service Provider available in Retirement Plan Services. If you do not select an available Plan Service Provider within the time frame established by Edward Jones, Edward Jones will terminate your participation in Retirement Plan Services. If you or Edward Jones terminate your participation in Retirement Plan Services, the Plan will be charged the Retirement Plan Services Fee through the date of termination.

### Item 17: Voting Client Securities

Edward Jones will not be responsible for voting (or recommending how to vote) proxies for Clients participating in Retirement Plan Services. Client or, if applicable, Plan participants, will be responsible for voting proxies of Plan Investments.

### Item 18: Financial Information

This section does not apply to Edward Jones.

### Item 19: Requirements for State-Registered Advisers

This section does not apply to Edward Jones.