



# Form ADV, Part 2A, Appendix 1 Wrap Fee Program Brochure

## March 20, 2023

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This Part 2A, Appendix 1 Wrap Fee Program Brochure ("Wrap Fee Program Brochure" or the "Brochure") is effective March 20, 2023 and provides information about the qualifications and business practices of BOK Financial Securities, Inc., doing business as BOK Financial Advisors ("BOKFA"), relating to its discretionary fee-based investment advisory programs (each a "Program" and together the "Programs").

If you have any questions about the contents of this Brochure, please contact the BOKFA Compliance Department at 1-877-781- 6889. Please note that the information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. BOKFA is an investment adviser registered with the SEC. Registration as an investment adviser with the SEC does not imply a certain level of skill or training.

Additional information about BOKFA is available on the SEC's website at [www.adviserinfo.sec.gov](https://www.adviserinfo.sec.gov).

**IRS Circular 230 Disclosure:** BOKFA, its affiliates, agents, and employees are not in the business of providing tax, regulatory, accounting, or legal advice. This Brochure and any tax-related statements provided by BOKFA are not intended or written to be used, and cannot be used or relied upon, by any such taxpayer for the purpose of avoiding tax penalties. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

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

## Item 2. Material Changes

This section discusses specific material changes that have been made to our Wrap Fee Program Brochure dated March 24, 2022 and provides you with a summary of such changes.

Changes to the Brochure since March 24, 2022:

- Creation of new BOK Financial Advisors website (URL: [advisors.bokfinancial.com](https://advisors.bokfinancial.com))
- Inclusion of two new Managed Account Programs offered by the Firm:
  - o Outside Investment Strategies Program
  - o Unified Managed Account (“UMA”) Program
- Removal of all information and references to BOK Financial’s Private Equity Limited Partnership I (PELP I) and BOK Financial’s Private Equity Limited Partnership II (PELP II) as those funds have been unwound and BOKFA is no longer advising them
- Revision of certain IRA/ERISA account fees
- Updated references for the SEC’s Marketing Rule
- Removal of the Firm’s affiliation with Stepstone Group LP

We will provide you with a new Part 2A, Appendix 1 Wrap Fee Program Brochure as necessary based on SEC Rules or at your request, at any time, without charge.

Our Wrap Fee Program Brochure may be requested by contacting your BOKFA Advisor or by calling 1-877-781-6889.

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## **Item 4. Services, Fees and Compensation**

### ***About BOKFS/BOKFA***

BOK Financial Securities, Inc. (“BOKFS”), d/b/a BOK Financial Advisors (“BOKFA”) is an investment adviser registered with the SEC, as well as a registered broker-dealer and member of the Financial Industry Regulatory Authority (“FINRA”), the Securities Investor Protection Corporation (“SIPC”), and the Municipal Securities Rulemaking Board (“MSRB”). BOKFA has been registered as an investment adviser with the SEC since January, 1997. SEC registration does not imply a certain level of skill or training.

BOKFS is a wholly-owned subsidiary of BOK Financial Corporation (“BOK Financial Corp.”), an Oklahoma corporation that is publicly traded and listed on the NASDAQ exchange (ticker symbol: BOKF).

BOKFA has locations associated with BOKF, NA under the banking names of: BOK Financial, Bank of Albuquerque, Bank of Oklahoma, and Bank of Texas. BOKFA also offers investments, insurance, and advisory services inside Ciera Bank locations throughout the Dallas area. BOKFS is also licensed as an insurance agency in some states under the names BOK Financial Securities, Inc., BOSC Agency, Inc., and BOSC Insurance Services. See *Item 9. Additional Information - Other Financial Industry Activities and Affiliations* for more information.

In this document, BOK Financial Securities, Inc. is referred to as “BOKFS” when describing its activities as a broker dealer. BOK Financial Advisors is the name used in association with advisory activities (including sponsoring the wrap fee Programs) and may be referred to as “BOKFA,” “the Firm,” “we,” “us,” or “our” throughout this document. “You” or “your” refers to our current or prospective clients.

### ***Description of Services***

#### **Wrap Fee Programs**

The Firm provides investment advisory services through Firm-sponsored wrap fee programs, as further described in this Brochure. A wrap fee program is an investment advisory program in which you pay one bundled annual fee to compensate the Firm and Portfolio Manager for their services. The fee also covers brokerage services including execution, clearing, and custody costs associated with the transactions in your wrap fee program account. The Firm’s wrap fee program accounts are held at Pershing LLC (“Pershing”), with the Firm acting as introducing broker pursuant to the Firm’s fully disclosed clearing services agreement with Pershing. Pershing serves as custodian for the accounts and provides execution and clearing of transactions. By entering into the Firm wrap fee program advisory agreement and participating in a wrap fee program, you are authorizing and directing the Firm and the Portfolio Managers to trade through Pershing.

Through our agreement with Lockwood Advisors (“Lockwood”), an affiliate of Pershing and an SEC Registered Investment Adviser, Lockwood provides access to individual account managers and investment advisory services to the Firm with respect to certain wrap fee programs, namely the Outside Investment Strategies and Unified Managed Account programs. Our clients have access to Lockwood’s investment advisory services through their participation in these wrap fee programs, including, as applicable, access to model providers and portfolio and asset managers reviewed and selected by Lockwood to participate in Lockwood’s investment advisory platform. Ultimately, the model providers and portfolio and asset managers are reviewed and selected by the Firm to participate in its wrap fee programs.

Wrap Fee Program Name	Discretionary Program	Types of Securities Offered – Included	Maximum Client Advisory Fee* at Minimum Investment Amount	Minimum Investment Amount**
Mutual Fund/Exchange Traded Fund (“ETF”) Program – Wealth Portfolios Program	Yes  Portfolio Manager	Mutual Funds, ETFs	1.75%	\$25,000
Mutual Fund/ETF Program – Advisor Select Flex Program	Yes  Portfolio Manager	Mutual Funds, ETFs	1.75%	\$25,000
Mutual Fund/ETF Program – CPS Program (closed to new investors)	Yes  Portfolio Manager	Mutual Funds, ETFs	1.75%	\$10,000
Outside Investment Strategies Program	Yes  Lockwood and Selected Model Managers	Mutual Funds, ETFs	2.50%	\$25,000
Unified Managed Account (“UMA”) Program	Yes  Lockwood and Selected Portfolio or Model Managers	SMAs, Models, Mutual Funds, ETFs, Equities	3.00%	\$100,000
Separately Managed Account (“SMA”) Program	Yes  Portfolio Manager	Equities, Fixed Income, Mutual Funds, ETFs	2.50% (Equity SMA Accounts)  1.75% (Fixed Income SMA Accounts)	\$100,000
Portfolio Manager (“PM”) Directed Program	Yes  Portfolio Manager		1.15%	\$1,000,000

Advisor Directed Program – Discretionary	Yes  BOKFA Advisor		1.50%	
Guided Portfolio Solutions – Non-Discretionary	No  BOKFA Advisor Provides Advice	Equities, Fixed Income, UITs, Mutual Funds, ETFs, Variable Annuities	1.50%	\$100,000
Digital Advice Program – InvestOn™	Yes  Portfolio Manager	Mutual Funds, ETFs	0.70%	\$5,000

\* The portfolio manager fees are included in the Client Advisory Fee. The Client Advisory Fee also includes a Platform Fee, estimated to range somewhere between .06% and .25%, charged by the Firm, based upon client account size, to offset a program fee that Lockwood and Pershing charge the Firm as compensation for advisory (Lockwood's overlay/portfolio management services with respect to the Lockwood Advised Programs), administrative, clearing and custody services.

\*\* BOKFA may, in its sole discretion, accept clients with smaller accounts or aggregate the accounts of family members to meet the minimum average account size. The account minimum may be waived at our discretion.

### Managed Account Programs (“Programs”)

The Programs are discretionary fee-based investment management services offering you a variety of investment options. The Firm sponsors and offers the following Programs, as described in this Brochure:

- Mutual Fund/Exchange Traded Fund (“ETF”) Program – Wealth Portfolios Program
- Mutual Fund/ETF Program – Advisor Select Flex Program
- Mutual Fund/ETF Program – CPS Program (closed to new investors)
- Outside Investment Strategies Program
- Unified Managed Account (“UMA”) Program
- Separately Managed Account (“SMA”) Program
- Portfolio Manager (“PM”) Directed Program
- Advisor Directed Program – Discretionary
- Advisor Directed Program – Non-Discretionary
- Digital Advice Program – InvestOn™

Clients are not limited to just one Managed Account Program. Details regarding the non-discretionary Advisor Directed Program and the InvestOn digital advice program can be found in separate program brochures which are available through the SEC’s Investment Adviser Public Disclosure page (<https://adviserinfo.sec.gov>) or by contacting the Firm.

### Gather Information

Each prospective client shall complete an Investment Profile Questionnaire or similar document to help us identify the most appropriate Managed Account Program for you based on your investment and financial objectives, long-term goals, constraints, risk tolerance levels, investment time horizons, liquidity needs, and any reasonable restrictions.

For all Managed Account Programs, you will:

- Complete an Investment Profile Questionnaire or similar document
- Receive and agree to an Investment Proposal with BOKFA, which identifies your selected investment

#### Program and strategy

- This may not be required for Advisor Directed Program accounts
- Sign a BOKFA Client Agreement which documents that you are providing discretionary trading authority to your BOKFA Advisor or the Firm
- Open a securities brokerage account with Pershing or other approved qualified custodian and deposit assets
- Receive a copy of our Form ADV, Part 2A Wrap Fee Program Brochure and other related documents

#### Client Obligations

We will gather from you important financial and personal information to be used as the basis for investment recommendations. Periodically, you will be asked to confirm this information. It is your responsibility to ensure the information you provide to us is complete and accurate and to notify us if any information provided becomes inaccurate. If there are joint owners on the account, then the information provided should reflect all owners' views and circumstances. In performing our services, we are not required to independently verify any information you provide to us, and we are authorized to rely on the information you provide. This is one reason we recommend meeting with your BOKFA Advisor in person at least one time per year.

#### Investment Objectives

The following investment objectives are available in the Managed Account Programs, other than the SMA Program which is described below. The investment objective you choose is selected based on the goals and risk tolerance information you provide when answering your Investment Profile Questionnaire or similar document.

All Managed Account Programs offered by BOKFA are built primarily around the following investment objectives. This does not mean that all accounts invested in an "Income Conservative" investment objective, for example, will have the same investments as other accounts with the same objective. Accounts are tailored to fit your financial profile and will vary based on your individual financial needs.

- **Income-Conservative:** Income Conservative objective emphasizes income and protection. This portfolio should be considered if you seek high current income with preservation of capital and liquidity and are unwilling to accept significant fluctuations in value.
- **Income:** Income objective emphasizes income and protection while retaining an equity component to help outpace inflation. This portfolio should be considered if you need additional current income from your investments and a potential hedge against inflation.
- **Income with Growth:** Income with Growth objective seeks to provide income with a moderate level of long-term capital growth. This portfolio should be considered if you are seeking above-average income returns and are willing to accept fluctuations in value.
- **Balanced:** Balanced objective seeks to provide high total return over the long-term through capital appreciation and current income. This portfolio should be considered if you seek both a reasonable level of income and long-term growth of capital and are willing to accept a moderate level of risk and return.
- **Growth with Income:** Growth with Income objective seeks long-term capital appreciation and growth of income. This portfolio should be considered if you seek long-term growth of capital with moderate volatility and have the ability to withstand moderate fluctuations to achieve potentially higher returns.
- **Growth:** Growth objective seeks long-term capital appreciation with minimal need for income. This portfolio should be considered if you have moderately high expectations

for a return on your investments and can tolerate market downturns and volatility for the possibility of achieving greater long-term gains.

- **Growth Aggressive:** Growth Aggressive objective seeks a high level of capital appreciation, without regard to current income. This portfolio should be considered if you seek to maximize long-term growth of capital and can tolerate high degrees of fluctuation for the possibility of higher returns.

### **Wealth Portfolios Program**

Wealth Portfolios is a model-based program that systematically rebalances client accounts to maintain target asset allocations and remove the emotion from investing. In addition to selecting the most appropriate asset allocation for you based on your investment profile and objectives, you and your Advisor will be able to select between four different strategies designed to meet various investment needs:

- the Allocation strategy invests primarily in actively managed investment funds managed by an individual or team, commonly referred to as “actively managed funds”;
- the Passive strategy invests primarily in passively managed investment funds designed to simply follow a market index;
- the Income strategy invests primarily in investment funds designed, in part, to generate recurring income for the investor; or
- the ESG Impact Portfolios invests primarily in investment funds that seek to invest in companies which strive to balance their responsibilities to shareholders *and* global stakeholders. In constructing the models, factors beyond profits are considered – including, but not limited to, environmental, social, and governance (ESG) factors.

The Wealth Portfolios Program is professionally managed by an experienced team of investment managers that monitor current and projected market conditions and determine target asset allocations accordingly. The investment selection aspect of Wealth Portfolios is conducted by BOKF, NA’s Strategic Investment Advisors (“SIA”) group. BOKFA is the investment adviser for Wealth Portfolios, using the models created by SIA. Asset allocation research, manager selection and oversight, and market analysis conducted by SIA is utilized by BOKFA to deliver sophisticated investment solutions for clients. The opportunity to impose restrictions on the accounts you have in this Program is limited; however, clients may impose reasonable restrictions on investing in certain securities or types of securities to the extent the model can accommodate these requirements. Clients with specific investment restrictions or requirements must first communicate this information to their BOKFA Advisor, in writing, to determine whether the request(s) can be accommodated. The mutual funds in this Program are no-load or load-waived funds so you do not pay a commission or sales charge in addition to the wrap fee charged for this Program.

### **Advisor Select Flex Program and CPS Program**

Advisor Select Flex Program and CPS Program are model-based programs that systematically rebalance client accounts to maintain target asset allocations and remove the emotion from investing. The original CPS Program is not available to clients that do not already have assets invested in the CPS Program.

The target asset allocations for both the Advisor Select Flex and CPS Programs are professionally managed by an experienced team of investment managers that monitor current and projected market conditions and determine the allocations accordingly. The initial investment selection aspect of the Advisor Select Flex and CPS programs are conducted by BOKF, NA’s Strategic Investment Advisors group. SIA provides the research and analytics that build the foundation for investment services within BOK Financial Corp. Asset allocation research, manager selection and oversight, and market analysis conducted by SIA is utilized by BOKFA to deliver sophisticated investment solutions for clients. BOKFA is the investment adviser for the Advisor Select Flex Program and the CPS Program.



Your BOKFA Advisor may make limited adjustments to your portfolio using approved investment funds to personalize your recommended asset allocation.

The opportunity to impose restrictions on the accounts you have in these Programs is limited; however, clients may impose reasonable restrictions on investing in certain securities or types of securities to the extent the model can accommodate these requirements. Clients with specific investment restrictions or requirements must first communicate this information to their BOKFA Advisor, in writing, to determine whether the request(s) can be accommodated. The mutual funds in these Programs are no-load or load-waived funds so you do not pay a commission or sales charge in addition to the wrap fee charged for these Programs. Share classes of mutual funds that result in the application of a surcharge are typically not included in the Advisor Select Flex Program.

### **Outside Investment Strategies Program**

The Outside Investment Strategies Program is a model-based program where the Firm selects certain third-party investment advisors, made available under Lockwood's advisory platform, who provide model portfolios to Lockwood for use in the program. Individual models are selected by you, with the assistance of and advice of your BOKFA Advisor. Lockwood acts as the overlay portfolio manager to the program and manages client accounts in its discretion based on the selected model(s), implementing model changes and rebalancing pursuant to target allocations and program parameters.

#### **American Funds Model Portfolios**

American Fund's model portfolios utilize an objective-based approach to deliver risk-based model options. The multi-fund solutions at American Funds span the range of client risk tolerance to fit the objectives and needs of clients. Models generally consist of six to nine underlying holdings, made up entirely of actively-managed American Funds mutual funds, chosen by a seven-member Portfolio Solutions Committee. Clients, with the advice of their BOKFA Advisor, may choose from the:

- Preservation Model Portfolio
- Conservative Income Model Portfolio
- Conservative Income & Growth Model Portfolio
- Conservative Growth & Income Model Portfolio
- Moderate Growth and Income Model Portfolio
- Growth and Income Model Portfolio
- Moderate Growth Model Portfolio
- Growth Model Portfolio

#### **Blackrock Target ETF Portfolios**

Blackrock's Target ETF Model Portfolios are managed by their Model Portfolio Solutions Group (MPSG). The multi-fund solutions at Blackrock span the range of equity-to-fixed income allocations to fit the objectives and needs of clients. Models generally consist of between 15 and 20 underlying holdings, made up entirely of passively-managed iShares ETFs. Clients, with the advice of their BOKFA Advisor, may choose from the:

- Blackrock Target Allocation 10/90 (10% equity exposure/90% fixed income exposure) ETF Model Portfolio
- Blackrock Target Allocation 20/80 ETF Model Portfolio
- Blackrock Target Allocation 30/70 ETF Model Portfolio
- Blackrock Target Allocation 40/60 ETF Model Portfolio
- Blackrock Target Allocation 50/50 ETF Model Portfolio
- Blackrock Target Allocation 60/40 ETF Model Portfolio
- Blackrock Target Allocation 70/30 ETF Model Portfolio
- Blackrock Target Allocation 80/20 ETF Model Portfolio

- Blackrock Target Allocation 90/10 ETF Model Portfolio

#### T. Rowe Price Target Allocation Active Series

T. Rowe's Active Model Portfolio series is managed by their Model Portfolio Investment Advisory committee. The multi-asset solutions at T. Rowe span the range of equity-to-fixed income allocations to fit the objectives and needs of clients. Models generally consist of five to ten underlying holdings, made up entirely of actively-managed T. Row Price mutual funds. Clients, with the advice of their BOKFA Advisor, may choose from the:

- 100% Fixed Income
- 10% Equity/90% Fixed Income
- 20% Equity/80% Fixed Income
- 40% Equity/60% Fixed Income
- 60% Equity/40% Fixed Income
- 70% Equity/30% Fixed Income
- 80% Equity/20% Fixed Income
- 100% Equity

#### Unified Managed Account (UMA) Program

The UMA Program is a discretionary, multi-discipline managed account product housed in a single account. There are six models with traditional asset classes available. Additionally, non-traditional asset classes may be made available. The Firm is the sponsor, and Lockwood serves as the overlay manager. The Firm and SIA work together to determine the default asset allocation percentages and allowable bands for each model. SIA selects the investment options to be used for each style allocation, also known as each sleeve, of the core models. A sleeve can contain a third-party portfolio manager's model, an exchange traded fund, a mutual fund, or a combination of all three. Additionally, a mutual fund model or ETF model provided by a third-party strategist (model creator) may be used within the UMA. Equity third-party money managers, as well as mutual fund or ETF model programs, transmit trade instructions to Lockwood, on behalf of the Firm, for Lockwood to execute on a discretionary basis. Fixed Income third-party money managers execute trades for their portfolios within the UMA.

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

#### Separately Managed Account Wrap Fee Program

The SMA Wrap Fee Program is an actively managed investment account that is managed by an affiliated or nonaffiliated investment management firm (the SMA Manager) that offers clients access to investment solutions tailored to their unique needs. The SMA Program offers clients the ability to impose reasonable restrictions on their account (including requesting that the manager sell certain individual securities for tax planning purposes) and flexibility in developing a customized portfolio across diversified investment disciplines and strategies.

Information about affiliated and non-affiliated SMA Managers is contained in the SMA Manager's Form ADV, Part 2A and other related documents, which you should receive and review in association with the selection of an SMA Manager.

In the SMA Program, the Client Agreement is between you and BOKFA. There is no direct agreement between you and the SMA Manager. In the SMA Program, you are providing authority to the SMA Manager for discretionary trading of your account(s) and the authority to vote proxies for your investments. Your taxes and tax status may

not be taken into account by the SMA Manager you choose. If this is important to you, you should seek an SMA Manager and strategy that takes your personal tax situation into account.

### Portfolio Manager Directed Program

The PM Directed Program is an actively managed investment account that may be invested in any combination of our wrap fee or non-wrap fee Programs. The PM Directed Program accounts may have investments that are managed directly by BOKFA; invested in one or more SMA accounts with affiliated or non-affiliated SMA Managers; or invested in our MF/ETF Wrap Programs. You may choose to have multiple accounts and multiple investment strategies in this Program.

The PM Directed Program is most appropriate for high-net-worth clients with a minimum of \$1,000,000 to invest. These clients generally have a long-term relationship with our affiliated bank, BOKF, NA, and rely on their Portfolio Managers and financial advisors to handle many of the decisions related to their financial affairs.

The PM Directed Program provides the most flexibility to you and the most discretion to BOKFA. This Program will also consider your tax status and situation when managing your account.

### Advisor Directed Wrap Fee Program

The Advisor Directed Program will be based on the goals and risk tolerance information you provide to your BOKFA Advisor. Your BOKFA Advisor will choose investment options in a wrap fee Program and your BOKFA Advisor will update your investment selections as needed throughout the year. Your BOKFA Advisor will have limited investment discretion over your account(s) in this Program. This Program will rely on the same investment strategies available in the other Managed Account Programs mentioned throughout this Brochure but will provide more flexibility since your BOKFA Advisor is not required to use only the investment strategies available in the other Managed Account Programs.

### SMA Manager Investment Strategies

For clients in the SMA Program, BOKFA will help choose the appropriate SMA Manager based on your unique needs and investment strategy. SMA Managers' investment styles vary across asset classes, industries, and geographical areas and include the following:

Equity	Balanced	Fixed Income
Growth	Equity-Oriented	Total Return
Income Growth	(Value, Income or Growth)	U.S. Government
Market Driven	Fixed Income Oriented	Intermediate Term
Global	(Value or Growth)	Municipal
Technology	Global	International
Value	Socially Responsible	Utility
Small Cap	Multi-Discipline	
Large Cap		
Real Estate		
Mid Cap		
International		
Socially Responsible		
Multi-Discipline		

### ***Custody***

Pershing LLC (“Pershing”) is a wholly owned subsidiary of The Bank of New York Mellon Corporation (“BNY Mellon”) and a member of FINRA, the New York Stock Exchange (“NYSE”), and SIPC. Program accounts are custodied at Pershing. Pershing also provides clearing, recordkeeping, and reporting services for these accounts. Pershing is a *qualified custodian* as defined under Rule 206(4)-2 of the Investment Advisers Act of 1940 (“Advisers Act”). These services are included in the Program Fee and you do not pay extra for them.

BOKFA is deemed to have custody of the cash and securities in the Program accounts because advisory fees may be deducted directly from the accounts. BOKFA is also deemed to have custody where it has standing third party asset movement instructions.

### ***Account Statements***

The reports and statements provided to you will differ based on the Managed Account Program you have chosen. For example, if you choose an SMA Manager on the Pershing platform you receive different quarterly reports than if you chose the Wealth Portfolios Program or PM Directed Program. In all cases, you will receive quarterly account statements from Pershing. In addition, certain accounts receive “consolidated” statements combining the activity in multiple accounts held at Pershing or other custodians from BOKFA. The information provided on your consolidated statements is a convenience for you and is believed to be reliable; however, you should always compare the information on the consolidated statement(s) to the statement(s) you receive directly from your custodian.

### ***Trade Confirmations and Fund Prospectuses***

Trade confirmations and prospectuses are sent to the client account managers (i.e., your Advisor or SMA Manager) and not directly to you for most Managed Account Programs. You will receive monthly or quarterly statements showing all transactions effected in your account but not the individual trade confirmations and prospectuses. You should always review your statements to be sure all deposits and withdrawals were authorized by you. The fees you pay for participation in our Programs will appear on your Pershing statements. Trade confirmations and prospectuses for the Advisor Directed Program will be sent to you even though the BOKFA Advisor has discretion on the account(s).

### ***Trading Practices***

Certain Managed Account Programs may participate in “block” or “aggregated” trading, allowing us to combine multiple orders for shares of the same securities purchased for advisory accounts we manage. We will combine orders for accounts held at the same custodian and in the same Managed Account Program only. When block trading, we will distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. When we combine orders, each participating account pays an average price per share for all transactions. It does not reduce your transaction costs or fees. If a block order is only partially executed (filled), we allocate the order to all participating accounts on a pro rata basis. No account or type of account will be given preferential treatment in the allocation of aggregated orders. BOKFA is not obligated to utilize block or aggregated trading and may not do so in all circumstances.

The following Managed Account Programs and strategies participate in block trading: the PM Directed Program and Advisor Directed Program.

### ***Voting Client Securities***

For clients with accounts in MF/ETF Programs, and the Portfolio Manager Directed Programs, unless otherwise agreed to by you and BOKFA, you delegate through your advisory agreement the sole discretion to vote client security proxies to BOKFA at the commencement of your advisory relationship. For clients with accounts in the

SMA Program, you direct the SMA Manager to vote your proxies. You generally will not be able to direct BOKFA or your SMA Manager on how to vote in a particular proxy voting situation.

For clients with accounts in other Managed Account Programs and clients that have retained proxy voting authority, including certain ERISA accounts, the proxies will be directed to you, the client, and should be voted at your discretion. BOKFA and its Advisors do not provide guidance on how you should vote a particular proxy.

It is the policy of BOKFA, that absent compelling reasons why a proxy should not be voted, all proxies relating to client securities should be voted. As a matter of policy and as a fiduciary to our clients, proxies are voted in the best interests of the client accounts. The determination of the interest of a client account in a proposal presented by proxy is the effect that the proposal could have on the current or future value of the investment, if any. In most cases, the default vote is to vote in line with management's request.

Caval Hill Investment Management, Inc. ("CHIM") monitors and votes proxies on behalf of BOKFA for the MF/ETF Programs, and Portfolio Manager Directed Programs. CHIM maintains all appropriate documentation required by the SEC. You may obtain a more complete description of our proxy voting policies and procedures upon request. You may also obtain information from us about how proxies were voted on your behalf.

### ***Class Actions***

On occasion, securities held or previously held in a client's account are the subject of class action lawsuit. BOKFA has no obligation to determine if securities held or previously held by the client are subject to a pending or resolved class action lawsuit. In addition, BOKFA has no duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, BOKFA has no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by clients.

### ***Fees and Compensation***

#### **Program Fees**

Managed Account Program fees will be charged on a "wrap fee" basis, which means you pay an annual fee that covers investment advisory services and brokerage services. (See, *Wrap Fee Pricing Compared to Alternative Options*.) The Program Fee includes the Advisory Fee (fees paid to BOKFA), the portfolio manager fees (paid to SMA managers or other), and the Platform Fees (paid to Pershing). Your Program Fee covers transaction, brokerage, clearing, recordkeeping, custody, and sponsor fees. A portion of the Advisory Fee is kept by BOKFA, with a portion paid to your BOKFA Advisor.

The Annual Program Fee is calculated based on the value of assets held in your account. New accounts are billed on a pro-rata basis from the date the account is activated through the end of the billing period. An account is considered activated when either: a) your BOKFA Advisor decides an adequate dollar amount of assets have been deposited in your account; or b) when 90% of your account's anticipated assets are deposited in your account. The fair market value of assets is determined in good faith by Pershing (i.e., the closing price of each security on the principal exchange on which it is traded or, if not listed, by consulting other exchange or valuation services).

#### Pricing for the Wealth Portfolios, Advisor Select Flex, and CPS Programs

Account Value	Maximum Annual Program Fee
First \$25,000 to \$999,999	1.75%
Next \$1,000,000 to \$2,999,999	1.45%
Next \$3,000,000 to \$4,999,999	1.25%
\$5,000,000 and above	1.00%

Fees are deducted **monthly in arrears** for the Wealth Portfolios, Advisor Select Flex, and CPS Programs and are based on the average daily balance in your account during the previous month. The deduction will show as one fee on your Pershing statements. You and your BOKFA Advisor may also choose a flat fee that is not “tiered” if that option is preferred for you.

The average daily balance is defined as: The average amount that exists in an account over a period of time. The number is calculated by adding the daily balances over a period of time and dividing by the total number of days in that period. The average daily balance is often seen as a more accurate reflection of the total funds in your account when calculating the total fees for a billing period.

#### Pricing for the Outside Investment Strategies Program

Account Value	Maximum Annual Program Fee
First \$25,000 to \$999,999	2.50%
Next \$1,000,000 to \$2,999,999	2.25%
Next \$3,000,000 to \$4,999,999	1.90%
\$5,000,000 and above	1.75%

Fees are deducted **monthly in arrears** for the Outside Investment Strategies Program and is based on the average daily balance in your account during the previous month. The deduction will show as one fee on your Pershing statements. You and your BOKFA Advisor may also choose a flat fee that is not “tiered” if that option is preferred for you.

The average daily balance is defined as: The average amount that exists in an account over a period of time. The number is calculated by adding the daily balances over a period of time and dividing by the total number of days in that period. The average daily balance is often seen as a more accurate reflection of the total funds in your account when calculating the total fees for a billing period.

### Pricing for the Unified Managed Account (UMA) Program

Account Value	Maximum Annual Program Fee
First \$100,000 to \$999,999	3.00%
Next \$1,000,000 to \$2,999,999	2.50%
Next \$3,000,000 to \$4,999,999	2.25%
\$5,000,000 and above	2.00%

Fees are deducted **monthly in arrears** for the Outside Investment Strategies Program and is based on the average daily balance in your account during the previous month. The deduction will show as one fee on your Pershing statements. You and your BOKFA Advisor may also choose a flat fee that is not “tiered” if that option is preferred for you.

The average daily balance is defined as: The average amount that exists in an account over a period of time. The number is calculated by adding the daily balances over a period of time and dividing by the total number of days in that period. The average daily balance is often seen as a more accurate reflection of the total funds in your account when calculating the total fees for a billing period.

### Pricing for SMA Program

**SMA Manager Fees.** If you choose one or more managers in the SMA Program, a portion of the Program Fee is paid to the SMA Manager and a portion is retained for our Advisory Fee. SMA Manager fees vary by manager and typically range from 0.30% (30 basis points) to 1% (or 100 basis points). Account minimums also differ by SMA Manager and typically range from \$100,000 to \$500,000. Some account minimums are as low as \$50,000 and as high as \$5 million. You will receive and should review the SMA Manager’s Form ADV so that you are aware of the total fees you will be paying. One of the advantages of investing with us is that most SMA Managers would require significantly higher minimum account balances if you invest with them directly. The fees paid to the SMA Managers may be more or less than they charge for other investment adviser’s programs.

### Equity SMA Accounts

Account Value	Maximum Annual Program Fee
First \$100,000 to \$999,999	2.50%
Next \$1,000,000 to \$2,999,999	2.25%
Next \$3,000,000 to \$4,999,999	1.90%
\$5,000,000 and above	1.75%

### Fixed Income SMA Accounts

Account Value	Maximum Annual Program Fee
First \$100,000 to \$999,999	1.75%
Next \$1,000,000 to \$2,999,999	1.50%
Next \$3,000,000 to \$4,999,999	1.40%
\$5,000,000 and above	1.25%

Fees are deducted **quarterly in advance** for the SMA Program and are based on the account value as of the last business day of the previous quarter. The deduction will show as one fee on your Pershing statements. You and your BOKFA Advisor may also choose a flat fee that is not “tiered” if that option is preferred for you.

#### Pricing for the PM Directed Program

Account Value	Maximum Annual Program Fee
First \$1,000,000	1.15%
Next \$1,000,000 to \$2,999,999	1.05%
Next \$3,000,000 to \$4,999,999	0.80%
\$5,000,000 and above	0.65%

Fees are deducted **monthly in arrears** for the PM Directed Program and are based on the average daily balance in your account during the previous month. The deduction will show as one fee on your Pershing statements. You and your BOKFA Advisor may also choose a flat fee that is not “tiered” if that option is preferred for you.

The average daily balance is defined as: The average amount that exists in an account over a period of time. The number is calculated by adding the daily balances over a period of time and dividing by the total number of days in that period. The average daily balance is often seen as a more accurate reflection of the total funds in your account when calculating the total fees for a billing period.

#### Pricing for the Advisor Directed Program

Account Value	Maximum Annual Program Fee
First \$0 to \$99,999	1.50%
Next \$100,000 to \$249,999	1.35%
Next \$250,000 to \$499,999	1.25%
Next \$500,000 to \$749,999	1.15%
Next \$750,000 to \$999,999	1.05%
Next \$1,000,000 to \$1,499,999	0.95%
Next \$1,500,000 to \$1,999,999	0.85%
Next \$2,000,000 to \$2,999,999	0.75%
Next \$3,000,000 to \$3,999,999	0.70%
Next \$4,000,000 to \$4,999,999	0.65%
\$5,000,000 and above	0.60%

Fees are deducted **monthly in arrears** for the Advisor Directed Program and are based on the average daily balance in your account during the previous month. The deduction will show as one fee on your Pershing statements. You and your BOKFA Advisor may also choose a flat fee that is not “tiered” if that option is preferred for you.



The average daily balance is defined as: The average amount that exists in an account over a period of time. The number is calculated by adding the daily balances over a period of time and dividing by the total number of days in that period. The average daily balance is often seen as a more accurate reflection of the total funds in your account when calculating the total fees for a billing period.

### ***Termination of Client Agreements***

You may end your managed account relationship with us without penalty because we do not impose termination fees. If you end this relationship or close any of your accounts, any fees you paid in advance that are unearned by us will be promptly refunded to you. Fees will be calculated on a pro-rata basis for the calculation of refunds or additional fees that may be due BOKFA, if the account is closed within the billing period. You shall be responsible for termination fees imposed by Pershing or an SMA Manager, if applicable. (See also, *IRA/ERISA Account Fees*.)

We reserve the right to terminate, at our sole discretion, any client account that we feel has engaged in excessive, extreme, or unsuitable trading. These advisory accounts are not designed for client-directed trading, day trading or other extreme trading activity (including excessive options trading), or trading in mutual funds based on market timing. We may also terminate any account that we feel no longer meets our compliance requirements. Should the account be terminated due to the death of the account holder, fees will stop being charged as of the date of death. Fees paid in advance beyond this date will be refunded. Transactions may occur in discretionary accounts until the Advisor is notified of the account holder's death.

### ***Other Fee Information***

Program Fees are negotiable at our sole discretion. You may pay more or less than other clients depending upon certain factors, including the type and size of your account, historical or anticipated transaction activity, and the range of services provided to you. The total relationship assets with BOKFA and its affiliates will also be a factor. Employees of BOKFA and its affiliates are eligible for lower management fee arrangements for their personal accounts, as allowed by law. BOKFA reserves the right to negotiate and charge different types or rates of advisory fees for different accounts. Clients that have accounts with an affiliate of BOKFA may pay less if the account(s) are transferred to BOKFA to allow them to stay in-line with the fees they paid historically. This may also be true for firms acquired by BOKF, NA or an affiliate. Once such accounts join the BOKFA platform, they may pay less than other BOKFA clients to stay in-line with fees paid in the past.

Unless a flat fee is chosen, asset-based advisory fees are calculated based on an incremental pricing schedule. For example, the fee for an account with an average daily balance of \$1,500,000 in the Wealth Portfolios will be calculated as follows:

$$\begin{array}{rcl} \text{First \$999,999 in assets charged at 1.50\%} & = & \$1,250.00 \\ + \text{Next \$500,001 in assets charged at 1.00\%} & = & \$ 416.67 \\ \hline \text{Total Monthly Fee (assuming a 30-day month)} & = & \$1,666.67 \end{array}$$

For all Managed Account Programs, you may make deposits and withdrawals at any time, subject to maintenance of the account minimum. No adjustment will be made for appreciation or depreciation in the market value of an account during the billing period. You may see percentages shown as "basis points" in some documents you receive. To explain, 1% is equal to 100 basis points ("bps"), so for example 0.75% is equal to 75 bps and 1.75% is equal to 175 bps.

A percentage of the fees you pay for the Managed Account Program you choose (including the SMA Program) will be retained by BOKFA, who will in turn pay a portion to your BOKFA Advisor. The fact that different Programs charge different fees and SMA Managers charge differently for their services does present a conflict of interest. It is possible a similar investment management style may be offered at a lower price in BOKFA's Programs or in other

investment options provided by different investment advisers. It is also possible that your BOKFA Advisor may recommend an investment Program or SMA Manager that has a higher payout to BOKFA than others that are available. This may not be in your best interest. At all times, BOKFA and its Advisors strive to present only recommendations that are in your best interest and that we believe will help you work toward your financial goals.

### **Wrap Fee Pricing Compared to Alternative Options**

A “wrap fee program” is one where you pay one combined fee for your investment advisory services, brokerage services, and custody fees. The fees are “wrapped” into one total fee. You may pay more or less than if you purchase the services separately. Clients may be able to obtain some or all the services available through our Managed Account Programs on a stand-alone basis from other firms. Factors that impact the cost of the Programs in relation to the cost of the same services purchased separately include, but are not limited to, the type and size of the account, the size or number of trades for an account, the types of investments held in the account, and the number and range of ancillary advisory or other services provided to an account. For accounts with little trading activity, for example, a passively managed program, you may pay more than if you choose a non-wrap investment advisory program or a brokerage account with no investment advisory fee. For accounts with a high level of trading, you may pay less in a wrap fee program than in a traditional brokerage account.

The percentage of the fee paid to your BOKFA Advisor may be more than he/she would receive if you participated in a non-wrap advisory program or if you paid separately for investment advice, brokerage (including execution costs), and other services. Thus, your BOKFA Advisor may have a financial incentive to recommend one of the Managed Account Programs outlined in this Wrap Fee Program Brochure.

### **Performance-Based Fees and Side-by-Side Management**

BOKFA does not charge performance-based fees or conduct side-by-side management for any accounts in the Program.

### **Additional Expenses You May Pay Including Brokerage and Other Transaction Costs**

#### **Mutual Fund Fees**

Mutual fund shareholders will pay a pro-rata share of the fund’s advisory, administrative, distribution, and shareholder servicing fees. Distribution and shareholder servicing fees may be referred to as service fees, 12b-1 fees, or trail commissions (collectively “trails”). In general, the share classes that are eligible for the Managed Account Programs do not have associated sales or 12b-1 charges. However, there are some mutual funds available in the Programs that do have associated 12b-1 fees due to share class availability (i.e., there are not available share classes that do not include such fees). In such instances, BOKFS does not retain 12b-1 fees for the funds that pay them. The 12b-1 fees received by BOKFS will be credited back to your account, with one exception. Several money market funds available for your account provide remuneration to BOKFS. The payments received by BOKFS from the money market fund may include Services Fees, Administration Fees, Revenue Share, and/or Networking Fees. These money market fees are often bundled into one payment to BOKFS. If the 12b-1 fees are not segregated it is not possible to credit them back to your account. This presents a conflict of interest. A full description of the money market funds and their fees and expenses are available in each fund’s prospectus. Contact your Advisor or the Firm at 877-781-6889 to ask about money market fund options that do not pay us a fee that may be available.

If you intend to hold mutual funds for an extended period of time, you may find it more economical to buy fund shares that do not charge 12b-1 or service fees. You may be able to purchase mutual funds directly from a mutual fund family without incurring our advisory fee. If buying directly from a mutual fund family, you may incur front- or back-end sales charges, and you will not receive the management experience and guidance described in this Brochure.

Certain share classes of mutual funds available in the MF/ETF Programs are charged a “surcharge” by our clearing firm, Pershing. The fund surcharge is assessed each time a buy or sell transaction is made in a fund to which a surcharge applies. The Advisor Select Flex Program reserves the right to not include share classes of mutual funds

that result in the application of a surcharge and anticipates that it will avoid inclusion of such funds in the Program. This creates a conflict of interest, as certain investment share classes available through the Advisor Select Flex Program will be more expensive than a share class that the investor might be eligible to own or for similar products that might be available elsewhere. The original CPS Program does not currently limit inclusion of an investment based on the application of a surcharge. The CPS Program is not available to clients that do not already have assets invested in the CPS Program. At this time, any fund surcharge applicable to the MF/ETF Programs will be paid by the Firm.

The MF/ETF Programs will include mutual funds that participate in Pershing's FundVest program. FundVest offers no-load (and load-waived) mutual funds with a waiver of any transaction or surcharge, subject to certain restrictions on short term trading. Pershing, in its sole discretion, may add or remove mutual funds from the FundVest program without prior notice. BOKFA has conflicts of interest associated with its participation in the FundVest program. The mutual funds that participate pay Pershing fees to be in the program. BOKFA is eligible to receive a fee off-set based on the assets held in mutual funds participating in the FundVest program. Share classes of certain funds in the FundVest program are more expensive than the share classes of the same or similar funds offered outside of the FundVest program. BOKFA addresses the conflicts of interest by not sharing FundVest revenue with individuals making recommendations and monitoring trading activity.

#### **Cavanal Hill Fund Fees**

Your account may be invested in the Cavanal Hill Mutual Funds ("CH Funds"). BOKFA and certain of its affiliates receive fees for providing services to the CH Funds. Please refer to the section below entitled "**Investment Companies and Pooled Investment Vehicles**" for more information about these service and fee arrangements. A full description of the CH Funds and their fees and expenses are available in each fund's prospectus. The prospectus for each may be viewed at <http://www.cavanalhillfunds.com>.

If your account has balances that "sweep" to a money market fund daily, the default money market fund is a CH Fund. These sweep funds do pay a percentage (in basis points) to BOKFS, which presents a conflict of interest. Other money market funds are available for you to choose, some of which do not pay a fee to us. Contact us at 877-781-6889 to ask about other options that may be available.

#### **ETF Fees**

Exchange-traded funds ("ETFs") incur a separate management fee that is assessed by the ETF and not by BOKFA. This fee is in addition to our on-going Program Fee and may result in higher fees to you if you choose an SMA Manager or a Managed Account Program that invests in ETFs. Individual ETFs may have higher or lower expense ratios. A full description of the ETFs and their fees and expenses are available in each fund's prospectus.

#### **IRA/ERISA Account Fees**

IRA and certain ERISA accounts will be subject to the following fees imposed by Pershing:

<b>Account Type</b>	<b>Annual Maintenance Fee</b>	<b>Termination or Transfer Fee</b>
Traditional IRA, Roth IRA, Coverdell Education Savings Accounts, and IRS Model		
5305 SEP Accounts <sup>1</sup>	\$55.00	\$95.00
SAR-SEP/Prototype SEP, SIMPLE IRA <sup>2</sup>	\$58.50	\$95.00
Qualified Retirement Plans	\$75.00	\$95.00

Please note that annual fees are not prorated for an account closed prior to its anniversary.

<sup>1</sup> Invoiced annually, charged in arrears

<sup>2</sup> Due at account setup, invoiced annually. Could be \$125.00 depending on your QRP type.

### **Administrative Fees**

Certain administrative fees charged by Pershing are passed on to you as separate charges that are not covered by the Program Fee. Currently there is a paper delivery surcharge for statements and confirms of up to \$1.25 per document. This charge may be adjusted to reflect changes in postage or other cost factors.

Some fees charged by Pershing to you may be “marked-up” by BOKFS and that mark-up will be paid to BOKFS. We feel these fees are still within normal industry practices. These include items such as:

- Account transfer fees
- Fed fund wire fees
- IRA custodial fees
- Stop payment and returned check fees
- Inactive account fees
- Mandatory reorganization fees
- Tax lot fees
- Foreign received and deliver fees

You may also pay for administrative and transaction fees not related to the management of your account(s). These include such fees as charges for returned checks or wires sent at your request that are not related to the opening or servicing of your account. All charges outlined in this section are subject to change without prior notice.

Other fees that may not be covered by the Program Fee include:

- Certain dealer markups and odd-lot differentials
- Taxes
- Exchange fees charged to clients to offset fees we pay to exchanges and/or regulatory agencies on certain transactions
- Other charges imposed by law regarding any transactions in the account (not commissions)
- Offering concessions and related fees for purchases of public offerings of securities as more fully disclosed in the prospectus
- Execution expenses associated with trades affected by broker-dealers other than Pershing\*

**\*NOTE:** If an SMA Manager is permitted to trade away from Pershing (our chosen wrap fee custodian), because it feels Pershing cannot provide best price or execution under the circumstances, you may incur transaction fees, commissions, and/or other costs and fees in addition to the wrap fee charge. You should review all materials available from the SMA Manager you choose so you understand the Program, its terms, conditions, and fees.

### ***Financial Planning and Consulting***

Some clients of BOKFA may have particular investment and financial questions about their situation which may be met with either a financial planning or consulting engagement. These types of engagements differ from client to client based on individual circumstances and requests and are very personalized. In many cases, you will receive a financial plan covering one or more areas of particular interest to you.

Financial planning services may be provided to you through your BOKFA Advisor or through the Firm’s affiliate BOKF, NA. In the event financial planning services are provided, there will be no charge, unless separately agreed to and, the following will be offered:

- Reviewing and prioritizing your goals and objectives.
- Developing a summary of your current financial situation, including a net worth statement, cash flow summary, and insurance analysis.
- Completing a retirement planning assessment, including financial projections of assets required at estimated retirement date.
- Identifying tax planning strategies to optimize financial position.
- Presenting a written financial plan that will be reviewed in detail with you. It will contain recommendations designed to meet your stated goals and objectives, supported by relevant financial summaries.
- Developing an action plan to implement the agreed upon recommendations.
- Referral to other professionals, as required, to assist with implementation of the action plan.

Should you choose a financial plan, you will be given the choice of implementing the proposed action steps with BOKFA and its affiliates; going elsewhere for help with implementation; or doing it yourself. This is your decision. BOKFA stands ready to help but will have financial incentives for recommending the services and products of BOKFA and its affiliates.

In order to ensure that the financial plan contains sound and appropriate recommendations, it is your responsibility to provide complete and accurate information regarding pertinent aspects of your personal and financial situation including objectives, needs and values, investment statements, powers of attorney, insurance policies, employment benefits, retirement benefits, and relevant legal agreements. This list is not all-inclusive and any other relevant information should be disclosed in a timely manner. It is the client's responsibility to ensure that any material changes to the above noted circumstances are disclosed to the Firm as your financial planner on a timely basis since they could impact the financial planning recommendations. Financial planning services provided by a BOK Financial CFP® professional will be performed in accordance with CFP® Board's Statement of Professional Conduct as outlined at [www.cfp.net](http://www.cfp.net) and all applicable federal and state rules and regulations.

## **Item 5. Account Requirements and Types of Clients**

### ***Types of Clients***

The Managed Account Programs are most appropriate for clients who want investment management services but are not interested in being involved in day-to-day investment selections. Our Programs are available to individuals, trusts, corporate entities, pension and retirement plans, IRA accounts, and others.

### ***Program Minimums***

BOKFA generally imposes a minimum account size of \$25,000 for the Wealth Portfolios, Advisor Select Flex, and Outside Investment Strategies Programs; \$10,000 for the CPS Program; \$100,000 for the SMA and UMA Programs; and, \$1,000,000 for PM Directed Program accounts. The original CPS Program is not available to clients that do not already have assets in that Program. To the extent that a client's assets in a Program account fall below the minimum for that Program, it shall be subject to closure upon notice by BOKFA. BOKFA may, in its sole discretion, accept clients with smaller accounts or aggregate the accounts of family members to meet the minimum average account size or to apply a higher breakpoint. The account minimum may be waived at our discretion. Account minimums differ by SMA Manager and typically range from \$100,000 to \$500,000. Some account minimums for SMA Managers are as low as \$50,000 and some as high as \$5 million.

Account minimums are designed to be set at a dollar amount that makes it economically feasible for you to participate in our Managed Account Programs.

## **Item 6. Portfolio Manager Selection and Evaluation**

The portfolio manager selection aspect of the wrap fee programs are professionally managed by Strategic Investment Advisors group, a team of seasoned Portfolio Managers from BOKF, NA. The SMA Program involves the utilization of non-affiliated or affiliated SMA Managers for the management of your account. The PM Directed Program utilizes the expertise of Private Wealth, a specialized investment management and oversight group within BOKF, NA, with individuals appropriately licensed through BOKFA.

We do not verify the accuracy of performance information provided to you by affiliated or non-affiliated investment managers, nor do we verify its accuracy or compliance with presentation standards. We also do not hire a third party to verify performance calculations. Performance information may be calculated in different manners by different investment managers, thus, the information you receive may not be calculated on a uniform or consistent basis between managers.

### ***Mutual Fund/ETF Wrap Programs***

The MF/ETF Programs are asset allocation model-based programs that systematically rebalance client accounts to maintain target asset allocations and remove the emotion from investing. The target asset allocations are professionally managed by an experienced team of investment managers in the Strategic Investment Advisors group at BOKF, NA that monitor current and projected market conditions and determine the allocations accordingly.

The Wealth Portfolios Program allows you to choose between either a passive or active investment approach with allocations using selected ETFs and mutual funds that represent multiple asset classes and styles. The Advisor Select Flex and CPS Programs are also MF/ETF Wrap Fee Programs. The Advisor Select Flex Program and CPS Program allow your BOKFA Advisor to select investment options other than the default MF/ETF Wrap Fee Program investments utilized in the Wealth Portfolios Program. Each asset class has multiple investment options for the Advisor to select from. The investment options within each asset class are reviewed and monitored by SIA. Advisor Select Flex and CPS Programs provide more flexibility between you and your Advisor while still relying on the investment strategies on which the MF/ETF Wrap Fee Program is based.

In the MF/ETF Programs, after establishing the initial asset allocation mix, client accounts will be reallocated, or rebalanced if allocation percentages remain the same, in accordance with the then current asset allocation recommendations developed by SIA for a particular strategy. Resulting allocation changes are directed by BOKFA on a discretionary basis, without prior notice to the client.

Because the MF/ETF Programs are model-based programs, BOKFA's ability to tailor the Program is limited; however, clients may impose reasonable restrictions on investing in certain securities or types of securities to the extent the model can accommodate these requirements. Clients with specific investment restrictions or requirements must first communicate this information to their BOKFA Advisor, in writing, in order to determine whether the request(s) can be accommodated.

These Programs will invest in a large number of mutual funds or ETFs with some holding only a small percentage of the assets you allocate to this Program. Specific investments will differ between the active and passively managed choices, even if the same investment strategy is chosen. The passively managed choice will, in most cases, have lower fund expenses to the client which will affect the rate of return.

### **Methods of Analysis**

In reviewing and/or managing investment solutions for you, SIA utilizes a two-prong approach, combining quantitative and qualitative analysis, to the research and evaluation of investments for inclusion in the MF/ETF Programs.

**Selection Process**

The initial universe for investments is the Morningstar mutual funds and exchange traded funds database, with the universe limited to include those fund families that currently have a selling agreement with BOKFS or an established business relationship with BOKFA. The Firm may pursue selling agreements with fund companies that meet our criteria but for which we do not yet have a business relationship.

SIA's screening process checks such quantitative areas as the fund's history, manager tenure, amount of assets under management, ranking compared to other funds in their peer category, and the performance of the fund as compared to others in their peer category. Qualitative areas we may review include the investment philosophy of the fund and any legal or compliance issues they may have had in the past.

**Ongoing Monitoring/Due Diligence**

SIA's monitoring process is performed quarterly to ensure the funds chosen still meet the criteria established by SIA.

**Removal Process**

Funds that no longer meet SIA's criteria over a period of time will be removed. BOKFA will use its discretion to invest in replacement funds.

***Outside Investment Strategies***

The Outside Investment Strategies Program is an asset allocation model-based program managed by third-party model managers ("TPM"). The target asset allocations are professionally managed by the TPM.

In the Outside Investment Strategies Program, after establishing the initial asset allocation mix, client accounts will be reallocated, or rebalanced if allocation percentages remain the same, in accordance with the then current asset allocation recommendations developed by the TPM for a particular strategy. Resulting allocation changes are directed by the TPM on a discretionary basis, without prior notice to the client.

Because the Program is model-based and managed by a TPM, BOKFA's ability to tailor the Program is limited; however, clients may impose reasonable restrictions on investing in certain securities or types of securities to the extent the model can accommodate these requirements. Clients with specific investment restrictions or requirements must first communicate this information to their BOKFA Advisor, in writing, in order to determine whether the request(s) can be accommodated.

The models will invest in a large number of mutual funds or ETFs with some holding only a small percentage of the assets you allocate to this Program.

**Methods of Analysis**

In reviewing and/or managing investment solutions for you, SIA utilizes a two-prong approach, combining quantitative and qualitative analysis, to the research and evaluation of TPMs for inclusion in the Program.

**Selection Process**

The initial universe for investments is the Morningstar models database, with the universe limited to include those with firm-level AUM of \$25 billion preferred to provide confidence regarding such issues as available resources. SIA's screening process checks such quantitative areas as the strategy's performance history, manager tenure, amount of assets under management, and performance relative to peers over historical periods. Qualitative areas we may review include the investment philosophy of the strategy and any legal or compliance issues they may have had in the past.



Evaluation of TPMs and their parent companies, including interviews, are used to gather data and review qualitative factors and consider if a TPM would be a suitable option. Items to bear in mind when interviewing the TPM may include investment team and culture, depth of management, level of research support, management tenure/experience, investment strategy and constraints, decision making process (individual or committee), company solvency, regulatory issues, etc. The analysis typically focuses on the areas where a TPM is able to add value in meeting the objective, given the state of its existing organization, and its ability and resources available to perform consistently.

#### **Ongoing Monitoring/Due Diligence**

Ongoing due diligence is performed on third-party model managers on an annual basis to ensure the TPMs still meet the criteria established by SIA. Ongoing monitoring is focused on qualitative metrics including, but not limited to, the firm, the management team, and their process, while also taking into consideration quantitative metrics such as model performance.

#### **Removal Process**

TPMs that no longer meeting SIA's criteria over a period of time will be removed.

#### ***Separately Managed Account Wrap Program***

SMA Program accounts offer individual investors access to customized investment solutions that can be tailored to their unique needs. Like a mutual fund, clients will pay fees to the SMA Manager for its services in managing their investments. Unlike a mutual fund, a separately managed account is a portfolio of individually owned securities managed for a specific investor. In an SMA Program account, you own your own securities, and they are segregated from other investors. The SMA Program offers clients the ability to impose reasonable restrictions on their account (including requesting that the manager sells or hold certain securities for tax planning purposes) and flexibility in developing a customized portfolio across diversified investment disciplines and strategies.

#### **SMA Strategies**

The SMA strategies vary by SMA Manager and in scope. Because the list of SMA Managers and strategies may change on a regular basis, there is not a specific list provided. Before you invest in our SMA Program, you should receive and read the selected SMA Manager's Form ADV and related documents. This will help you understand the fees they charge as well as how they invest your money.

#### **SMA Manager Selection and Evaluation**

The purpose of the SMA Manager selection and evaluation process is to ensure the exercise of reasonable care, skill, and caution in selecting an SMA Manager and its strategies. This process establishes the scope and terms of the delegation and the review of SMA Managers' investment decisions and performance for adherence to our required standards.

#### **Methods of Analysis**

In reviewing and/or managing investment solutions for you, SIA utilizes a two-prong approach, combining quantitative and qualitative analysis, to the research and evaluation of investments for inclusion in the SMA Wrap Program.

#### **Selection Process**

The initial universe for investments is the Morningstar SMA database and our proprietary SMA database.

SIA's screening process checks such quantitative areas as the manager's history, manager tenure, amount of assets under management, ranking compared to other managers in their peer category, and the performance of the manager as compared to others in their peer category. Qualitative areas we may review include the investment philosophy of the manager and any legal or compliance issues they may have had in the past.



**Ongoing Monitoring/Due Diligence**

SIA's monitoring process is performed quarterly to ensure the managers chosen still meet the criteria established by SIA.

**Removal Process**

Managers that no longer meet SIA's criteria over a period of time will be removed.

***Portfolio Manager Directed Wrap Program***

The PM Directed Program is an actively managed investment account that may be invested in any combination of our Managed Account Programs. The PM Directed Program accounts may have investments that are managed directly by BOKF, NA Portfolio Managers; invested in one or more SMA accounts with affiliated or non-affiliated SMA Managers; or invested in our MF/ETF Wrap programs. You may have multiple accounts and multiple investment strategies if you choose this Program.

**Methods of Analysis**

BOKF, NA Portfolio Managers and BOKFA Advisors have access to various research databases, technology and internally and externally prepared analysis and research reports to guide their investment decisions. Portfolio construction is based on a Portfolio Manager search and selection process; a disciplined security selection process; and portfolio risk management.

**Selection Process**

"Portfolio Managers" are chosen for their years of experience in the investment and banking fields and are all employees of BOKF, NA. They are not selected based on the rankings and quantitative criteria used in other selection processes, nor do we calculate the performance record of these individuals. "BOKFA Advisors" may include different individuals within BOKFA and BOKF, NA including trust officers, wealth advisors, client advisors, Portfolio Managers, and investment adviser representatives.

**On-Going Monitoring Process**

Account performance is monitored against other accounts with similar objectives and related benchmarks. Accounts that have performance numbers considered to be an "outlier" will be monitored more closely to ensure no undue risks are being taken and consideration may be given to assigning additional or alternative Portfolio Managers.

***Advisor Directed Wrap Program***

The Advisor Directed program may be either actively or passively managed but will still be based on the goals and risk tolerance information you provide to your Advisor. A BOKFA Advisor will choose investment options in a wrap fee Program and your Advisor will update your investment options as needed throughout the year. Your Advisor will have limited investment discretion over your account(s) in this Program. This Program will rely on the same investment strategies available in the other Managed Account Programs mentioned throughout this Form ADV but will provide more flexibility between you and your Advisor.

**Methods of Analysis**

BOKFA Advisors have access to various research databases, technology and internally and externally prepared analysis and research reports to guide their investment decisions. Portfolio construction is based on a security selection process taking into account your investment objectives, goals, and financial risk tolerance, as provided in your Investment Profile Questionnaire or through other means.

**Selection Process**

BOKFA Advisors are chosen for their years of experience in the investment field. They are not selected based on the rankings and quantitative criteria used in other selection processes, nor do we calculate the performance record of these individuals.

**On-Going Monitoring Process**

Account performance is monitored against other accounts with similar objectives as well as related benchmarks.

Should accounts in this Program have performance not in line with other accounts with similar investment objectives (outliers), the account will be monitored more closely to ensure no undue risks are being taken and consideration may be given to assigning additional or alternative Advisors.

**Other Information Applicable to All Programs**

We may, from time to time, take temporary defensive positions that are inconsistent with a Program's description as we attempt to respond to adverse market, economic, political, or other conditions. In such instances, the Program may not achieve its investment objective. At any time, up to 100% of the assets may be invested in cash equivalents, cash, or money market funds, including Cavanal Hill Mutual Funds money market funds.

***Affiliated Managers***

BOKFA may choose Cavanal Hill Investment Management, Inc. to manage some SMA Program accounts. This creates a conflict of interest. Other managed accounts are managed directly by BOKFA or by non-affiliated SMA Managers. BOKFA has an incentive to recommend investment products where the entire client fee is retained by us and our affiliates. Thus, BOKFA and our affiliates will receive higher total compensation than if you choose a non-affiliated manager. For more information about these potential conflicts of interest and how BOKFA addresses them, please see "**Additional Information Other Financial Industry Activities and Affiliations**" and "**Code of Ethics, Participation or Interest in client Transactions and Personal Trading**" below.

CHIM, an affiliated SMA Manager, is evaluated and monitored in the same manner as other SMA Managers but is chosen even though it may not meet the size limitations or have five and ten-year performance track records. All strategy performance is reviewed by the Strategic Investment Advisors group.

**BOKFA Managers**

Because BOKFA acts as the sponsor and investment adviser of our wrap fee Programs and is also a broker-dealer (d/b/a BOKFS) for your accounts, there is a conflict of interest. BOKFA understands we owe you a fiduciary duty and that your interests come first. With that in mind, we strive to choose the Program and investment manager that best fits your needs regardless of the compensation received by BOKFA or our affiliates.

BOKFA offers discretionary advisory services through our Managed Account Programs. This means you delegate investment discretion (through a limited power of attorney) to us over your account(s). A limited power of attorney does not give us authorization to withdraw funds (other than for payment of your fees) or to send funds to any place other than your address of record without your signature.

If you choose the PM Directed Program, your Portfolio Manager will have full investment discretion over your account(s). This means they may choose the investment managers that will select your investments; open new accounts in the Managed Account Programs without your signature; and have withdrawals issued at your request to be sent to your address of record. This may also mean the Portfolio Managers and BOKFA Advisors will have the ability to choose affiliated managers to select your investments, thus causing a conflict of interest. The investment discretion you allow under the PM Directed Program gives your Portfolio Manager the same authority they currently have over managed accounts with Private Wealth.

## ***Risk of Loss***

Investing in securities involves the risk of loss. Diversification and asset allocation can help reduce the risk of a portfolio, but they do not remove all risk or chance of loss of the principal amount invested. You should be prepared to bear this loss. No investment strategy is guaranteed to be successful or profitable. Stated goals and objectives are not guaranteed and may not be achieved. Past performance does not guarantee future results.

Because of these risks, the value of the securities held in your account will fluctuate. The more risk you are comfortable with in your portfolio, the more susceptible to these risks your investments will be. If you have a very conservative portfolio, many of these risks will not be applicable to your investments, although you may still face the possible loss of some of your principal. Program accounts can be subject to the following risks:

- **Alternative Strategy Mutual Funds.** Certain mutual funds available invest primarily in alternative investments and/or strategies. Investing in alternative investments and/or strategies may not be suitable for all investors and involves special risks, such as risks associated with commodities, real estate, leverage, selling securities short, the use of derivatives, potential adverse market forces, regulatory changes and potential illiquidity. There are special risks associated with mutual funds that invest principally in real estate securities, such as sensitivity to changes in real estate values and interest rates and price volatility because of the fund's concentration in the real estate industry. These types of funds tend to have higher expense ratios than more traditional funds. They also tend to be newer with less of a track record.
- **Business Risk.** These are risks associated with a particular industry or company. A company or industry may need to go through a lengthy process before realizing a profit or may be particularly affected by political events in foreign countries.
- **Closed-End Funds.** Closed-end funds may not be readily marketable. In an effort to provide investor liquidity, the funds may offer to repurchase a certain percentage of shares at NAV on a periodic basis. Clients may be unable to liquidate all or a portion of their shares in these types of funds.
- **Credit Risk.** The risk that the issuer of a security, or the counterparty to a contract, will default or otherwise become unable to honor a financial obligation. Credit risk is generally higher for non-investment grade securities. The price of a security can be adversely affected prior to actual default as its credit status deteriorates and the probability of default rises. Credit risk includes the risk that performance may be affected by political and economic factors at the state, regional or national level, including budgetary problems and declining tax bases.
- **Currency Risk.** Fluctuations in the value of the dollar against the currency of the investment's originating country will cause fluctuations in the price of the investment. This may also be referred to as exchange rate risk.
- **ESG Impact Portfolios Risk** – The ESG Impact Portfolios may have specific risks which could lead them to under or over-perform the capital markets as a whole.
  - **ESG (environmental, social, and governance) investment strategy risk.** The ESG Impact Portfolios invest primarily in funds that utilize an ESG investment strategy, which limits the types and number of investment opportunities available to these portfolios. This could cause the portfolio to underperform the capital markets as a whole or other portfolios that do not use such a strategy. In addition, there is a risk that the companies identified by the fund's ESG investment criteria do not operate as expected when addressing ESG issues. A fund's ESG performance or SIA's assessment of a fund's ESG performance could vary over time, which could cause the portfolio to be temporarily invested in companies that do not comply with the portfolio's approach towards considering ESG characteristics.
  - **Subjective and qualitative nature of values-based investing.** There are significant differences in interpretations of what it means for a company to have positive ESG characteristics. While SIA believes its evaluation of ESG characteristics is reasonable, the portfolio decisions it makes may differ with other investors' or advisers' views.

- **Reliance on third-party data to construct these portfolios.** The ESG Impact Portfolios are constructed based on data and information provided by unaffiliated third-party providers. SIA generally uses ESG metrics provided by these data providers in its portfolio screening and construction process. While these data providers are reputable and generally thought to provide reliable information, neither SIA nor BOKFA are in a position to confirm the accuracy of such information and data. Errors in the accuracy of this data may occur from time to time and may not be identified and corrected by the third-party provider which could cause SIA to incorrectly assess a fund's ESG characteristics.
- **Exchange Traded Funds.** ETFs are typically investment companies legally classified as open-end mutual funds or unit investment trusts ("UITs"). They differ from traditional mutual funds, since ETF shares are listed on a securities exchange and can be bought and sold throughout the trading day. ETF shares may trade at a discount or premium to their net asset value ("NAV"). The difference between the bid price and the ask price is often referred to as the "spread," and the spread varies over time based on the ETF's trading volume and market liquidity. Some ETFs register under the Investment Company Act of 1940 like more traditional mutual funds, but some do not.
- **Exchange Traded Notes ("ETNs").** An ETN is a senior unsecured debt obligation designed to track the total return of an underlying market index or other benchmark. ETNs may be linked to a variety of assets such as commodity futures, foreign currency or equities. ETNs are similar to ETFs because they too are listed on an exchange and can be bought or sold throughout the trading day. But an ETN does not have an NAV and trades at the prevailing market price. The repayment of principal, interest (if any), and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay. The ETN may be traded on the secondary market and the trading price may be adversely affected if the issuer's credit rating is downgraded. The index or asset class for performance replication in an ETN may or may not be concentrated in a specific sector, asset class or country and therefore carry specific risks associated with that sector or asset class.
- **Income Risk.** Income risk involves the possibility that the Fund's yield will decrease due to a decline in interest rates.
- **Inflation Risk.** With inflation, a dollar today will not buy as much as a dollar next year. Purchasing power is eroded at the rate of inflation.
- **Interest Rate Risk.** Fluctuations in interest rates may cause investment prices to fluctuate. For example, there is an inverse relationship between the yields on bonds and interest rates. When interest rates rise, the yields on bonds you own may become less attractive, causing market values to decline.
- **Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by BOKFA) will be profitable or equal any specific performance level(s).
- **Issuer Specific Risk.** The value of a security may decline for a number of reasons which directly relate to the issuer, such as management performance, earnings and sales trends, investor perceptions, financial leverage and reduced demand for the issuer's goods or services.
- **Leveraged and Inverse ETFs, ETNs, and Mutual Funds.** Leveraged ETFs, ETNs and mutual funds, are designed to provide a multiple of the underlying index's return, typically on a daily basis. These products are different from and can be far riskier than a traditional ETF, ETN or mutual fund. These products are designed to replicate the performance of the underlying index but they may not be able to exactly replicate because of underlying fund expenses and other factors. In highly volatile markets with large positive and negative swings, return distortions are magnified over time. To accomplish their objectives, these products use a range of strategies, including swaps, futures contracts and other derivatives. These products may have higher expense ratios and be less tax-efficient than more traditional ETFs, ETNs and mutual funds.

- **Liquidity Risk.** Liquidity refers to the ability to readily convert the investment into cash. A money market account is highly liquid but turning your real estate into cash will take more time and have some costs associated with the transaction. Thus, real estate is not considered a liquid investment.
- **Market Risk.** The risk that the market value of a security may move up and down, sometimes rapidly and unpredictably. This type of risk is caused by external factors independent of the security's underlying circumstances. Examples include political, economic and social conditions that may trigger market events. This is particularly applicable to foreign investments.
- **Options.** Certain types of option trading are permitted in order to generate income or hedge a security held in the account. The types of option trading generally permitted include the selling (writing) of covered call options or the purchasing of put options on a security held in the account. The use of options involves additional risks. The risks of covered call writing include the potential for the market to rise sharply. If this happens, the security may be called away and the account will no longer hold the security. The risk of buying long puts is limited to the loss of the premium paid for the purchase of the put if the option is not exercised or otherwise sold by the account.
- **Prepayment/Call Risk.** The risk that the principal repayment of a security will occur at an unexpected time. Prepayment risk is the chance that the repayment of certain types of securities (e.g., asset-backed securities, mortgage-backed securities and collateralized mortgage obligations) will occur sooner than expected. Call risk is the possibility that during periods of falling interest rates, a bond issuer will "call" — or repay — their high-yielding bonds before the bond's maturity date. Changes in prepayment/call rates can result in greater price and yield volatility. Prepayments/calls generally accelerate when interest rates decline. When mortgage and other obligations are pre-paid, a Fund may have to reinvest in securities with a lower yield. In this event, the Fund would experience a decline in income — and the potential for taxable capital gains. Further, with early prepayment, a Fund may fail to recover any premium paid, resulting in an unexpected capital loss. Prepayment/call risk is generally low for securities with a short-term maturity, moderate for securities with an intermediate-term maturity, and high for securities with a long-term maturity.
- **Reinvestment Risk.** This is the risk that proceeds received in the future from investments may need to be reinvested at a potentially lower rate of return or interest rate. This risk relates primarily to fixed income securities.

BOKFA and its affiliates perform investment advisory services for other clients. BOKFA and its affiliates may give advice or take action in the performance of duties to other clients that may differ from advice given, or the timing and nature of action taken, with respect to your Managed Account Program, and BOKFA and its affiliates and their respective clients may trade and have positions in securities of issuers where your Program may own equivalent or related securities, and where action may or may not be taken or recommended for your Program. BOKFA and its affiliates shall not be under any obligation to purchase or sell, or recommend for purchase or sale for the Programs, any security or any other property that BOKFA or any of its affiliates may purchase, sell, or hold for its own account or the account of any other client.

Because rebalancing often results in selling assets that have appreciated, rebalancing may result in tax implications for non-qualified accounts.

## Item 7. Client Information Provided to SMA Managers

BOKFA collects certain nonpublic personal identifying information about you and your financial circumstances, risk tolerance, time horizon, and other relevant information relating to your account. We will rely on information you provide in managing your assets. It is your responsibility to notify us promptly of any updates to such information. You can do this by updating your account information through your BOKFA Advisor or by phone at 1-877-781-6889.

Failure to do so could affect the suitability of the services being provided. In the Client Agreement, you represent that the information that you provide is accurate and complete in all material respects. We will not be required to verify the accuracy of any such information.

We also collect information about your account, such as, account number, account investment objective, account holdings, and related account transactions.

Information that is material to the management of your account(s) is accessible to investment managers that are available to discuss the management of your Program account. This may include your risk tolerance, time horizon, investment objectives, financial information as it relates to the account you are opening, your name, address, Social Security number, etc.

We do not disclose the nonpublic personal information we collect about you to anyone except to service our business relationship with you, to market possible services that may be of interest to you through BOKFA or our affiliates, and as required by law. Our privacy policy, which may be amended from time to time, is provided in Exhibit A.

## **Item 8. Client Contact with Portfolio Managers**

BOKFA does not place any restrictions on a client's ability to contact a BOKFA Advisor, within reason, at any time. Clients do have the availability to discuss the management of their Program account with an IAR, including the activities of the Portfolio Managers, as applicable.

Direct contact with your SMA Managers may be limited and is based on their policies. Further details are available in your SMA Manager's Form ADV.

## **Item 9. Additional Information**

### ***Disciplinary Information***

BOKFS (formerly known as BOSCO, Inc.) or its management persons have been found to have been involved in violation of rules of an applicable self-regulatory organization ("SRO") or other regulator and received a fine of more than \$2,500. Details of these disciplinary events are provided below:

- On March 11, 2019, the SEC filed an order instituting administrative and cease-and-desist proceedings against BOKFS (the "Order"). BOKFS consented to the Order without admitting or denying the findings. The proceedings arose out of breaches of fiduciary duty and inadequate disclosures by the firm in connection with its mutual fund share class selection practices and the fees BOKFS and its associated persons received pursuant to Rule 12b-1 under the Investment Company Act of 1940 ("12b-1 fees"). At times during the period January 1, 2014 to July 6, 2018 (the "Relevant Period"), Respondent purchased, recommended, or held for advisory clients mutual fund share classes that charged 12b-1 fees instead of lower-cost share classes of the same funds for which the clients were eligible. Respondent and its associated persons received 12b-1 fees in connection with these investments. Respondent failed to disclose in its Form ADV or otherwise the conflicts of interest related to (a) its receipt of 12b-1 fees, and/or (b) its selection of mutual fund share classes that pay such fees. The violations were self-reported by BOKFS under the SEC's Share Class Selection Disclosure Initiative. BOKFS will pay \$182,318.31 in disgorgement and \$15,482.92 in prejudgment interest as a result of the violations in accordance with the standards set forth in the Order. In addition, BOKFS will review its disclosure documents, client accounts and policies and procedures and will make changes reasonably designed to prevent future violations of the Advisers Act and will notify affected investors.
- On September 2, 2017, FINRA signed a letter of Acceptance, Waiver, and Consent ("AWC") issued to BOKFS. BOKFS consented to the AWC without admitting or denying the allegations. The allegations related to the



firm's failure to maintain approximately 732,000 electronic brokerage records in a non-erasable and non-rewriteable format, known as WORM format, as required by Section 17(A) of the Exchange Act of 1934, Exchange Act Rule 17A-4(F), NASD Rule 3110, and FINRA Rule 4511. FINRA also alleged the firm failed to implement an audit system regarding retaining and preserving electronic records. Finally, FINRA alleged that the firm's written supervisory procedures were not reasonably designed to achieve compliance with Rule 17A4(F). As a result, the firm was censured and fined \$175,000.

- On September 9, 2016, BOKF, NA ("BOKF"), an affiliate of BOK Financial Securities, Inc., entered into a consent decree (the "Consent Decree") with the Securities Exchange Commission (the "SEC"). BOKF neither admitted nor denied the findings of the Consent Decree. This matter relates to BOKF's relationship with Christopher Brogdon, who has been accused by the SEC of violating antifraud provisions of the federal securities laws. BOKF served as indenture trustee and dissemination agent for several conduit municipal bond offerings for which Mr. Brogdon's entities acted as borrower since 2000. The Consent Decree states that BOKF, primarily through the actions of a former employee, allowed Mr. Brogdon to perpetuate his fraud by failing to perform disclosure and notice obligations it owed to bondholders. BOKF agreed to pay disgorgement of \$984,200.73 of the fees it collected from its work with Mr. Brogdon. Additionally, BOKF also agreed to pay interest totaling \$83,520.63 and a penalty of \$600,000. BOKF has also undertaken to enhance its policies, procedures and training in order to prevent such an event from occurring again.
- On October 21, 2015, FINRA signed an Acceptance, Waiver and Consent (AWC) issued to BOSC. BOSC consented to the AWC without admitting or denying the findings. FINRA's Department of Market Regulation reviewed BOSC's compliance with FINRA rules governing markup/markdown during the period from July 1, 2013 through September 30, 2013. As a result of its reviews, the Department of Market Regulation determined that BOSC violated NASD Conduct Rules 2440, IM-2440-1 and IM-2440-2, and FINRA Rule 2010. During the review, BOSC bought or sold corporate bonds to or from customers and failed to buy or sell such bonds at a price that was fair, taking into consideration all relevant circumstances, including market conditions with respect to each bond at the time of the transaction, the expense involved and that the firm was entitled to a profit. The transactions resulted in a censure; a fine to BOSC of \$12,500 and restitution for eight transactions totaling \$4873.96 (including interest). The fine was paid by BOSC to FINRA on 11/10/2015 and the restitution to clients was sent on 11/23/2015.
- On June 18, 2015, the SEC filed an order instituting administrative and cease-and-desist proceedings against BOSC (the "Order"). BOSC consented to the Order without admitting or denying the findings. This matter involves violations of an anti-fraud provision of the federal securities laws in connection with BOSC's underwriting of certain municipal securities offerings. The SEC found that BOSC conducted inadequate due diligence in certain offerings and, as a result, failed to form a reasonable basis for believing the truthfulness of certain material representations in official statements issued in conjunction with those offerings. This resulted in BOSC offering and selling municipal securities on the basis of materially misleading disclosure documents. As a result, the SEC has found that BOSC willfully violated Section 17(a)(2) of the Securities Act. The violations were self-reported by BOSC to the SEC pursuant to the Division of Enforcement's Municipalities Continuing Disclosure Cooperation Initiative. BOSC paid civil money penalty of \$250,000.00 to the SEC. In addition, BOSC has agreed to retain an independent consultant, approved by the SEC, to conduct a review of BOSC's policies and procedures as they relate to municipal securities underwriting due diligence. The independent consultant shall prepare a written report of its findings and submit it to the SEC, which shall include the independent consultant's recommendations for changes in or improvements to BOSC's policies and procedures. All agreed-upon recommendations from the independent consultant shall be adopted by BOSC within 90 days of the date of the report. The independent consultant shall submit a final certification, in writing, to the SEC of BOSC's compliance with the required undertakings no later than 365 days from June 18, 2015. The final certification showing compliance with the required undertakings was submitted to the SEC on June 16, 2016.

- On or about January 10, 2012, the Financial Industry Regulatory Association (FINRA) resolved a proceeding against BOSC. The allegations related to this regulatory action involved MSRB Rules G-17 and G-30(a). The FINRA alleged that BOSC sold municipal securities for its own account to a customer at an aggregate price (including any markup) that was not fair and reasonable, taking into consideration all relevant factors, including the best judgment of the broker, dealer or municipal securities dealer as to the fair market value of the securities at the time of the transaction and of any securities exchanged or traded in connection with the transaction, the expense involved in effecting the transaction, the fact that the broker, dealer or municipal securities dealer is entitled to a profit, and the total dollar amount of the transaction. Without admitting or denying the findings, BOSC consented to the described sanctions and to the entry of finding. The Firm was censured and was fined \$75,000 and required to pay \$25,141 in interest in restitution to investors.
- On or about April 29, 2009, the Financial Industry Regulatory Association (FINRA) resolved a proceeding against BOSC. The allegations related to this regulatory action involved SEC Rule 17a-3, NASD Rules 2110, 3010, 6230(a), L6230(c)(8), MSRB Rules G-8(a), G-14, G-17, G-27, G-27(a), G-27(c), and G-30(a). The FINRA alleged that BOSC purchased municipal securities for its own account from a customer and/or sold municipal securities for its own account to a customer at an aggregate price (including any markdown or markup) that was not fair and reasonable, taking into consideration all relevant factors, including the best judgment of the broker, dealer or municipal securities dealer as to the fair market value of the securities at the time of the transaction and of any securities exchanged or traded in connection with the transaction, the expense involved in effecting the transaction, the fact that the broker, dealer or municipal securities dealer is entitled to a profit and the total dollar amount of the transaction. The Firm failed to show correct terms and conditions on municipal securities transaction memoranda for the account of the firm executed with a customer other than a broker or dealer, by failing to include time stamps that showed the date and time of receipt and failing to include certain terms and conditions (to identify the orders as day, limit, market or good-till-cancelled orders). The Firm failed to enforce its written supervisory procedures that prohibited markdowns/markups on zero-coupon municipal securities in excess of four percent of the principal amount invested. The Firm failed to report information regarding purchase and sale transactions effected in municipal securities to the real-time transaction reporting system (RTRS) in the manner prescribed by Rule G-14, RTRS Procedures, and the RTRS User's manual. The Firm failed to report such transactions within 15 minutes of time of trade to an RTRS Portal. The Firm failed to report to the Trade Reporting and Compliance Engine (TRACE) the correct time of trade execution for TRACE-eligible securities transactions and failed to report TRACE-eligible securities transactions within 15 minutes of the time of execution. This conduct constitutes separate and distinct violations of NASD Rule 6230(a) and a pattern or practice of late reporting without exceptional circumstances is a violation of NASD Rule 2110. The firm Failed to show the correct execution time on memoranda of TRACE eligible transactions for the account of the Firm executed with another broker or dealer. The Firm's Supervisory system did not provide for supervision reasonably designed to achieve compliance with applicable securities laws, regulations, NASD Rules and MSRB Rules concerning municipal bond fair pricing, municipal securities trade reporting and TRACE reporting. Without admitting or denying the allegations, BOSC consented to the described sanctions and to the entry of findings. The Firm was censured, fined \$80,000, required to pay \$18,402, plus interest, in restitution to investors and to revise its written supervisory procedures regarding municipal bond fair pricing, municipal securities trade reporting and TRACE reporting within 30 business days of acceptance of the Acceptance, Waiver and Consent (AWC).

### ***Other Financial Industry Activities and Affiliations***

BOKFA engages in a number of financial industry activities and is affiliated with other firms in the financial industry. Following is a description of material relationships and affiliations that are important to us and to you. In each category, the relationships and affiliations are identified and material conflicts of interest are discussed.



**BOK Financial Securities, Inc. - Broker-Dealer.** The principal business of BOKFS is that of a general securities broker-dealer, government securities seller, and municipal securities underwriter. BOKFS is a registered broker-dealer, member FINRA and SIPC. Many of our principal executive officers, investment committee members, and the individuals who determine general investment advice may also be registered representatives with the broker-dealer. In this capacity, these registered representatives may recommend investments and insurance products outside of this Program for which they receive reasonable and customary compensation. The opportunity to receive additional compensation for effecting securities transactions or selling insurance products outside of these Managed Account Programs or purchasing securities in the Programs that pay additional compensation to us or our affiliates (e.g., 12b-1 fees, revenue-sharing payments, etc.) represents a conflict of interest. Other conflicts of interest related to BOKFS are disclosed throughout this Brochure.

A BOKFA Advisor may have an economic incentive for recommending our Programs. The amount of the incentive may be more than what the BOKFA Advisor would receive if you participated in other Programs or investment options offered by BOKFA; paid separately for investment advisory services, brokerage, and other services; or invested in other types of investments; therefore, the BOKFA Advisor would have a financial incentive (a conflict of interest) to recommend a Managed Account Program over other offerings or services.

**Investment Company or Other Pooled Investment Vehicle.** BOKFS is affiliated with the Cavanal Hill Mutual Funds. Shares in each CH Fund are sold by BOKFS. Customers purchasing shares of CH Funds may include officers, directors, or employees of BOKFS and its affiliates. For the provision of distribution and shareholder services, BOKFS will receive 12b-1 and shareholder servicing fees from CH Funds. The 12b-1 fees that BOKFS earns on our Program accounts are rebated.

Cavanal Hill Investment Management, Inc. serves as the investment adviser and administrator to the CH Funds. CHIM receives investment advisory and administrator fees for the services it provides to the CH Funds. In addition, BOKF, NA serves as CH Fund's custodial bank and provides distribution and shareholder services to CH Funds. BOKF, NA receives custody, 12b-1 and shareholder services fees for these services.

CH Funds are included as investments in some client accounts and certain CH Funds serve as the sweep vehicle for accounts in our Programs. In this instance, CH Funds, CHIM, and its affiliates, would earn the aforementioned fees in addition to the fees charged to the client for participation in the Managed Account Programs. A more detailed description of the available CH Funds and other fees and expenses are available in each fund's prospectus. This presents a conflict of interest since not all clients are eligible to purchase the sweep funds offered by CH Funds and BOKFA and its affiliates will earn fees in addition to those charged to you directly for your participation in the Program.

**Investment Adviser or Financial Planner.** Cavanal Hill Investment Management, Inc. is a registered investment adviser affiliate of BOKFA. In some instances, BOKFS will receive compensation if BOKFA or one of its representatives introduces a client to CHIM. Such a fee will be paid in accordance with Rule 206(4)-1 of the Advisers Act and any state or other regulatory requirements. BOKFA employees are required to disclose the status of their relationship with CHIM at the time of the solicitation or referral. For more information on referral and solicitation arrangements, see the "Client Referrals and Other Compensation" section of this Wrap Fee Program Brochure.

**Investment Adviser or Financial Planner.** BOK Financial Private Wealth, Inc. is a registered investment adviser affiliate of BOKFA and is a wholly-owned subsidiary of BOK Financial Corp. BOK Financial Private Wealth, Inc. operated under the names The Milestone Group and CoBiz Wealth LLC prior to being merged into a single RIA.

**Banking or Thrift Institution.** BOK Financial Corp., a financial holding company, owns all of the capital stock of

BOKFS. BOKF, NA is the wholly-owned national banking association subsidiary of BOK Financial Corp. Customers of BOKF, NA may also be customers of BOKFA. BOKF, NA's SIA group manages the investment selection aspect of the Program.

The BOKFA account documents and other communications with customers clearly disclose that investments made through BOKFA are not obligations of, or guaranteed by, BOKFS, BOKFA, BOKF, NA or any bank affiliate and investments made through BOKFA are not deposits of any bank or insured by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency. In addition, all investments may lose money, and you are not guaranteed a profit. Some employees of BOKFA are also employees of or registered with our affiliates.

**Insurance Company or Agency.** Some BOKFA Advisors are licensed to sell insurance products through BOSC Agency, Inc., BOK Financial Securities, Inc. and BOSC Insurance Services, affiliated insurance agencies. BOK Financial Insurance, Inc. is an affiliate of BOKFA. Fixed insurance products are not included in the Program accounts. Properly licensed individuals may present insurance products to you that they believe will meet your financial objectives and liquidity needs. If purchased, these individuals will receive reasonable and customary commissions outside of any advisory fees they earn on your Program accounts.

**Municipal Advisors.** BOK Financial Securities, Inc. is registered as a municipal advisor with the SEC and the MSRB.

### ***Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

BOKFA has adopted a Code of Ethics describing its standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to prohibitions on insider trading, restrictions on the acceptance of gifts and the requirement to report certain gifts and personal securities trading, among other things. All employees of BOKFA must acknowledge the terms of the Code of Ethics annually. BOKFA will provide a free copy of its Code of Ethics to clients and prospective clients upon request.

BOKFA anticipates that securities may be purchased or sold in advisory accounts in which BOKFA, its employees and affiliates, and clients, directly or indirectly, also own. BOKFA employees are required to follow BOKFA's Code of Ethics in conducting their personal securities transactions. Subject to satisfying this policy and applicable laws, officers, directors and employees of BOKFA may trade for their own accounts in securities that are also recommended to and/or purchased for BOKFA clients.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of employees of BOKFA will not interfere with (i) making decisions in the best interest of clients, and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that such securities would not materially interfere with the best interest of BOKFA's clients.

Because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is monitored under the Code of Ethics in an effort to reasonably prevent conflicts of interest between BOKFA and its clients.

Our Code of Ethics does not have "black-out dates" so our employees may buy or sell the same security as you at a better price on occasion. We endeavor to watch this and normally prohibit the employee from receiving a better price than you do for transactions involving the same security within a 24-hour time period. If the difference is non-material in nature (usually defined as \$10 or less in total and not price per share), then no adjustments are made to either account.

BOKFS, as broker-dealer and as principal, buys securities for itself from, or sells securities it owns to, its non-advisory clients. We will not act as principal in a transaction involving advisory accounts.

In rare circumstances, we may effect a transaction in which BOKFS acts as a broker for both the advisory client and the other party to the transaction. If this occurs, we will obtain consent from you, and will disclose all material information regarding the transaction to you, as required under Rule 206(3)-2 of the Advisers Act.

### ***Principal Transactions***

BOKFS, as broker-dealer and as principal, buys securities for itself from, or sells securities it owns to, its non-advisory clients. We will not act as principal in a transaction involving advisory accounts participating in our Managed Account Programs. Transactions initiated by non-affiliated SMA Managers may be executed from time to time on a principal basis by BOKFA consistent with the SMA Manager's reliance on SEC "No Action" guidance.

### ***Best Execution***

As an SEC registered introducing broker-dealer, BOKFS routes most orders through Pershing for its advisory clients. We are obligated to seek best execution pursuant to our fiduciary duty as an SEC registered investment adviser and under FINRA Conduct Rule 2320 for all trades executed. Better executions may be available via another broker-dealer based on such factors as volume, order flow, and the market making activity of Pershing. We endeavor to put the interests of our advisory clients first, but you should be aware that the receipt of economic benefits by BOKFS (or its related persons) creates a conflict of interest. Affiliated and non-affiliated SMA Managers may not be restricted to Pershing for their transactions. In some Managed Account Programs, fixed income transactions will be done away from Pershing. Advisor Directed accounts will be custodied at Pershing and all transactions will be executed at Pershing.

### ***Soft Dollar Benefits***

BOKFA does not participate in soft dollar benefits. However, our affiliate, Cavanal Hill Investment Management, Inc., does participate in soft dollar benefits for some of its transactions and clients.

The BOKFS clearing arrangement with Pershing LLC does provide BOKFS, BOKFA, and its Advisors with certain benefits. These benefits include access to custody of securities, trade execution, clearance, and settlement of transactions, as well as receipt of duplicate client statements and confirmations; research related products and tools; access to block trading; the ability to have advisory fees deducted directly from client accounts; access to an electronic network for client order entry and account information; access to mutual funds with no transaction fees; and to certain institutional money managers. While the charges you pay for the services provided by Pershing are comparable to what you would pay at other full-service brokerage firms, it is possible that you could purchase the same investments we recommend elsewhere (through brokers or agents unaffiliated with us) without these services at the same, higher, or lower costs to you. It is also possible that BOKFS may choose to remain with Pershing LLC as a clearing firm because of these services even though it may increase our costs. BOKFS follows the regulatory requirements for best execution and evaluates Pershing LLC against industry norms for execution and pricing.

### ***Review of Accounts***

While the underlying securities within an account are continually monitored by the account's portfolio managers, your BOKFA Advisor will review your account(s), in writing, at least once every calendar year. The typical review will consist of a performance review along with an evaluation of any changes you report in your investment philosophy, objectives, and/or risk tolerance. This evaluation may require changes to your current portfolio and investment plan. Should market or other circumstances warrant, or at your request, more frequent account reviews may be conducted.

We rely on you to provide accurate information on the Investment Profile Questionnaire (or similar document) and to provide updates when changes to your financial situation or investment objectives occur. You will make the final decision with respect to your investment strategy and Managed Account Program, often after reviewing several options provided by your BOKFA Advisor. We shall periodically contact you to request updated information or confirm the information we have on file, and we rely on you to provide us this information.

### ***Client Reporting***

At a minimum, clients will receive quarterly account statements from Pershing. Pershing will provide quarterly statements that include a summary of account activity and an inventory of holdings. The statements for taxable accounts include a summary of realized gains, dividends, interest, and Managed Account Program Fees deducted from your account(s). Clients should always review their statements for unauthorized withdrawals.

Quarterly performance statements may be prepared by Lockwood or by your SMA Managers. These are provided as additional information, but they do not replace the quarterly account statements you receive from Pershing. Because your fees for most Managed Account Programs are based on your average daily balance (and not the account value listed on your statement as of the end of the billing period), you will notice differences in the account values. Fees for accounts in the SMA Program are based on the account value as of the last business day of the previous quarter and not the average daily balance.

### ***Client Referrals and Other Compensation***

**Referrals to BOKFA.** You may have been introduced to BOKFA by either a non-affiliated, affiliated, or employee promoter, and we may pay that promoter a referral fee in accordance with the requirements of Rule 206(4)-1 of the Advisers Act and any state or other regulatory requirements. The referral fee shall be paid solely from the Program Fee and shall not result in any additional charges to you. If you are introduced to BOKFA by a non-affiliated promoter, they should provide you with a copy of the BOKFA promoter's disclosure statement containing the terms and conditions of the referral arrangement, including compensation. Any affiliated or employee promoter of BOKFA shall disclose the nature of the relationship to prospective clients at the time of the referral and provide all prospective clients with a copy of BOKFA's promoter's disclosure statement at or prior to the time a client agreement is executed.

BOKFA does not receive client referrals from Pershing.

**Mutual Fund Fees.** BOKFA has fee arrangements related to certain mutual funds that are available through the Managed Account Program as cash "sweep" vehicles. These payments are often referred to as "revenue sharing." Under these revenue sharing arrangements, an advisor, sponsor or other party related to the mutual fund company can pay BOKFA a fee that is based on:

1. The amount of client sales;
2. Assets invested in the mutual company's mutual funds; and/or
3. A fixed fee.

The actual amounts that we may receive will vary from one mutual fund company to another and may have minimum dollar amounts prior to BOKFA being eligible to receive a revenue sharing payment. In all cases, such revenue sharing payments will not be paid from client funds or assets, they will be paid out of the related party's assets. Such arrangements will have no impact on the fees being charged to clients in the Programs. This type of fee arrangement creates a conflict of interest by providing BOKFA a financial incentive to have clients invest in participating mutual funds instead of mutual funds whose mutual fund company does not have such revenue sharing payments available to us. BOKFA does not share revenue sharing payments with its Advisors or Portfolio Managers. Therefore, there is no direct financial incentive for a BOKFA Advisor or Portfolio Manager to select a

participating mutual fund for accounts in the Programs over another mutual fund because of a revenue sharing arrangement.

**BOKFA Referrals to Cavanal Hill Investment Management, Inc.** In addition, BOKFA and CHIM have entered into a Solicitation Agreement where CHIM agrees to pay BOKFA a fee for the referring, soliciting, and ongoing client servicing of CHIM clients. The fee is based on CHIM's revenues attributable to the client account placed with them. This is a referral fee that continues until the client is no longer a client of CHIM. The fee will be paid in accordance with relevant regulatory requirements, including Rule 206(4)-1 of the Advisers Act, and any state or other regulatory requirements. A conflict of interest exists because BOKFA is incented to refer its clients to an affiliate, who in turn shares the revenues associated with the referred account with BOKFA.

**Other Referrals.** Employees of BOKF, NA and BOKFA may introduce clients to other services offered by BOKF, NA or its affiliates. As a result of this referral, the employee may receive a fee. This fee may range from a nominal amount to a percentage of the anticipated revenue for the account over a set period of time. These payments are not added to client fees, but are deducted from the revenue received by BOKF, NA, BOKFA, or an affiliate. These referral payments are paid as allowed according to banking regulations and do not affect the fees clients pay BOKFA.

**Intercompany Payments between Affiliates.** BOKFA and its affiliates make certain intercompany payments to compensate each other for performing various administrative services. These may be amended or terminated at any time and are outlined in service agreements between the various affiliates.

**Other Compensation.** Separate and apart from the Programs, BOKFS earns commissions as a broker/dealer and BOKFA Advisors earn commissions for investment and insurance products they sell outside of Program account(s). You may have accounts that pay commissions to a BOKFA Advisor (in their role as a registered representative) and BOKFS that are not considered a "wrap fee," "managed", or "advisory" account. Such compensation will be in addition to the fees charged for the Managed Account Program. BOKFA Advisors and BOKFS will not earn commissions on transactions in your Program account(s).

**Conflicts of Interest.** Since different products pay different commissions or advisory fees, BOKFA and its Advisors may be incented to recommend products based on the compensation we receive, rather than recommending the products and services that are best for you. BOKFA endeavors at all times to place your interests ahead of its own and to take into account your personal investment objectives, goals, risk tolerance, and other important financial information before recommending one or more products or services. Ultimately, the choice of whether to participate in a Managed Account Program is your decision. Participation will result in discretionary trading authority for BOKFA.

### ***Financial Information***

BOKFA does not require or solicit prepayment of more than \$1,200 in fees per client more than six months in advance; therefore, a balance sheet is not being provided. We have not been the subject of a bankruptcy petition at any time.

### ***Business Resumption***

The BOKFA Business Resumption Plan has been developed in order to respond and recover should a disaster occur at one or more of our offices. The plan is designed for all of our business units to be able to resume business with the least amount of interruption to the many valuable services, which we provide to our customers.

Our plan outlines the actions BOKFA will take in the event of a building, city-wide, or regional incident, including relocating technology and operational personnel to pre-assigned alternate regional facilities. Technology data processing can also be switched to an alternate regional data center.

All BOKFA operational facilities are equipped for resumption of business and are regularly tested. Our recovery time objective for business resumption, including those involving a relocation of personnel or technology, is typically three (3) business days. This recovery objective may be negatively affected by the unavailability of external resources and circumstances beyond our control.

In the event of a significant business interruption, customers may call the toll-free contact numbers listed on our website, [advisors.bokfinancial.com](https://advisors.bokfinancial.com)

***Privacy Notice***

Please refer to the BOKFA Privacy Policy to find out more about what we do with your personal information. The Privacy Notice is provided at the end of this Brochure.

## FACTS

### WHAT DOES BOK FINANCIAL SECURITIES DO WITH YOUR PERSONAL INFORMATION?

#### WHY?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

#### WHAT?

The types of personal information we collect and share depend on the product or service you have with us. When you are no longer our customer, we may continue to share your information as described in this notice.

#### **This information can include:**

- Information we receive from you on applications or other forms
- Information about your transactions with us, our affiliates and others
- Information we receive from a consumer reporting agency

#### HOW?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons BOK Financial Securities chooses to share; and whether you can limit this sharing.

REASONS WE CAN SHARE YOUR PERSONAL INFORMATION	DOES BOK FINANCIAL SECURITIES SHARE?	CAN YOU LIMIT THIS SHARING?
<b>For our everyday business purposes —</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	<b>YES</b>	<b>NO</b>
<b>For our marketing purposes —</b> to offer our products and services to you	<b>YES</b>	<b>NO</b>
<b>For joint marketing with other financial companies</b>	<b>YES</b>	<b>NO</b>
<b>For our affiliates' everyday business purposes —</b> information about your transactions and experiences	<b>YES</b>	<b>NO</b>
<b>For our affiliates' everyday business purposes —</b> information about your creditworthiness	<b>NO</b>	<b>We do not share</b>
<b>For our affiliates to market to you</b>	<b>YES</b>	<b>YES</b>
<b>For non-affiliates to market to you</b>	<b>NO</b>	<b>We do not share</b>

### OTHER IMPORTANT INFORMATION:

- **Nevada customers** — In response to Nevada law, we are providing this notice to you. You may be placed on our internal Do Not Call list by following the directions in the To Limit Direct Marketing section.

For more information contact us at **1-877-781-6889** or submit the Opt Out notice to us via US Mail. You may also contact the **Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; 702-486-3132** or by email at **BCPINFO@ag.state.nv.us**

- **Do Not Call Policy.** This privacy policy constitutes BOK Financial Securities' Do Not Call Policy under the Telephone Consumer Protection Act for all consumers. BOK Financial Securities maintains an internal Do Not Call list. Do Not Call requests will be honored within 30 days and will be effective for at least five years from the date of the request. No telemarketing calls will be made to residential or cellular phone numbers that appear on the BOK Financial Securities' Do Not Call list. You may continue to receive marketing information in regular account mailings and statements, when you visit us online or at an ATM. You may also be contacted to service your account or participate in surveys. If you

have an assigned advisor or team, they may continue to contact you to assist you in managing your portfolio or account relationship.

- For clients of BOK Financial Securities and advisors also affiliated with a bank, credit union or other financial institution: If your account was opened in our offices located at a non-affiliated financial institution, such as a bank, thrift or credit union, and that financial institution decides to enter into a relationship with a new financial services provider, we may share your information with the new financial services provider so that your account can continue to be serviced.

#### TO LIMIT OUR SHARING

- Call **1-877-781-6889**
- Mail the opt-out form provided

#### **Please note:**

If you are a *new* customer, we can begin sharing your information 30 days from the date we sent this notice.

However, you can contact us at any time to limit our sharing. To limit our direct marketing to you by mail or telephone, call 1-877-781-6889 or return the opt-out form provided.

#### QUESTIONS?

Who is providing this brochure? BOK Financial Securities and its affiliates and BOKF, NA dba Institutional Investments, BOKF, NA.



WHAT WE DO	
<b>How does BOK Financial Securities protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
<b>How does BOK Financial Securities collect my personal information?</b>	<p><b>We collect your personal information, for example, when you</b></p> <ul style="list-style-type: none"> <li>• seek advice about your investments</li> <li>• open an investment advisory or brokerage account</li> <li>• tell us about your investments or retirement needs</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p><b>Federal law gives you the right to limit only</b></p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
<b>What happens when I limit sharing for an account I hold jointly with someone else?</b>	Your choices will apply to everyone on your account.

DEFINITIONS	
<b>Affiliates</b>	<b>Companies related by common ownership or control. They can be financial and non-financial companies. Our affiliates include companies with a common ownership under BOK Financial Corporation; and financial companies such as financial institutions, securities companies, broker-dealers, insurance companies and trust companies.</b>
<b>Non-affiliates</b>	<p><b>Companies not related by common ownership or control. They can be financial and non-financial companies.</b></p> <ul style="list-style-type: none"> <li>• BOK Financial Securities does not share personal information with non-affiliates so they may market to you</li> </ul>
<b>Joint Marketing</b>	<p><b>A formal agreement between non-affiliated financial companies that together market financial products or services to you.</b></p> <ul style="list-style-type: none"> <li>• BOK Financial Securities does not have joint marketing agreements with non-affiliated financial companies</li> </ul>

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

Rev 12/20

MAIL-IN OPT-OUT FORM					
Please complete all information legibly so we may update our records. If information is missing, we may be unable to honor this request.					
<b>Mark any/all you want to limit:</b> <input type="checkbox"/> Do not allow your affiliates to use my personal information to market to me. <input type="checkbox"/> Please add me to BOK Financial Securities' Do Not Call list.					
Name		<b>Mail to:</b> BOK Financial Securities Attn: Operations P.O. Box 2300, Plaza Tulsa, OK 74192-0002			
Address line 1					
Address line 2					
City, State, Zip					
Pershing Account #	or Social Security #				
Phone	Signature		Date		



# Privacy Notice for California Residents Only

**Effective Date:** January 1, 2020

This **Privacy Notice for California Residents** supplements the information contained in our foregoing PRIVACY NOTICE and applies solely to residents of the State of California under the California Consumer Privacy Act (CCPA).

## INFORMATION WE COLLECT

**1. Categories of Personal Information.** We collect information that identifies, relates to, describes, references, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer or device ("personal information"). Depending on the type of products and services you use, we may have collected, and/or disclosed the following categories of personal information within the last twelve (12) months:

CATEGORY	EXAMPLES OF DATA WE MAY COLLECT
<b>A. Identifiers</b>	A real name, alias, postal address, unique personal identifier, online identifier, Internet Protocol address, email address, account name, social security number, driver's license number, passport number, or other similar identifiers
<b>B. Personal information categories</b>	A name, signature, social security number, physical characteristics or description, address, telephone number, passport number, driver's license or state identification card number, insurance policy number, education, employment, employment history, bank account number, credit card number, debit card number, or any other financial information, medical information, or health insurance information
<b>C. Protected classification characteristics under California or federal law</b>	Age (40 years or older), race, color, ancestry, national origin, citizenship, religion or creed, marital status, medical condition, physical or mental disability, gender or veteran or military status
<b>D. Commercial information</b>	Records of personal property, products or services purchased, obtained, or considered, or other purchasing or consuming histories or tendencies
<b>E. Biometric information</b>	Information, such as, fingerprints, faceprints, and voiceprints, physical patterns such as keystrokes and sleep, health, or exercise data
<b>F. Internet or other similar network activity</b>	Browsing history, search history, information on a consumer's interaction with a website, application, or advertisement
<b>G. Geolocation data</b>	Physical location or movements
<b>H. Sensory data</b>	Audio, electronic, visual, thermal, olfactory, or similar information
<b>I. Professional or employment-related information</b>	Current or past job history or performance evaluations
<b>J. Inferences drawn from other personal information</b>	Profile reflecting preferences, characteristics, predispositions or behavior

**2. Categories of Sources for Information**

We obtain personal information from the following categories of sources:

- You and your authorized agents
- Our affiliates
- Public records or government agencies
- Consumer reporting agencies
- Consumer data resellers
- Other financial institutions, clearing, fund transfer, settlement systems, etc.
- Customers
- Joint marketing partners
- Our service providers
- Internet participants and social media networks

**3. Use of Personal Information**

We may use or disclose the personal information we collect for one or more of the following business purposes:

- Provide you with information, products or services
- Fraud prevention
- Provide you with alerts and other notices concerning our products or services
- Carry out our obligations and enforce our rights arising from any contracts entered into between you and us
- Improve our websites
- Testing, research, analysis and product development
- Detect, investigate, report and prevent activities that may violate our policies or be illegal, respond to law enforcement requests and as required by applicable law
- To evaluate or conduct a merger, restructuring, reorganization, dissolution, or other sale or transfer of some or all of our assets in which personal information held by us is among the assets transferred
- To hire or retain employees, consultants and service providers
- As described to you when collecting your personal information

**4. Sharing Personal Information**

In the preceding twelve (12) months, depending on the type of products and services you use, we may have disclosed the categories of personal information listed in number 1 above for a business purpose to the following categories of third parties:

- Our affiliates
- Our service providers
- Joint marketing partners
- Third parties to whom you or your agents authorize us to disclose your personal information in connection with products or services we provide to you

In the preceding twelve (12) months, we have not sold any personal information that is subject to the CCPA.

5. **Your Right to Make Requests**

The CCPA provides California residents with specific rights regarding their personal information. This section describes your CCPA rights and explains how to exercise those rights.

A. **Request to Know About Personal Information Collected, Used or Disclosed for a Business Purpose**

You have the right to request that we disclose the personal information that we have collected or disclosed for a business purpose over the past 12 months when you request any or all of the following:

- The specific pieces of personal information we collected about you
- The categories of personal information we collected about you
- The categories of sources for the personal information we collected about you
- The categories of personal information that we disclosed for a business purpose
- The categories of third parties to whom the personal information was disclosed for a business purpose
- Our business or commercial purpose for collecting your personal information

B. **Request to Delete Personal Information Collected by Us**

You have the right to request that we delete any of your personal information that we collected from you and retained, subject to certain exceptions.

We may deny your deletion request if retaining the information is necessary for us or our service providers to:

- Complete the transaction for which we collected the personal information, provide a good or service that you requested, or reasonably anticipated within the context of our ongoing business relationship with you, or otherwise perform our contract with you
- Detect security incidents, protect against malicious, deceptive, fraudulent, or illegal activity, or prosecute those responsible for such activities
- Debug to identify and repair errors that impair existing intended functionality
- Exercise free speech, ensure the right of another consumer to exercise their free speech rights, or exercise another right provided for by law
- Comply with the California Electronic Communications Privacy Act
- Enable solely internal uses that are reasonably aligned with expectations based on your relationship with us
- Comply with a legal obligation
- Make other internal and lawful uses of that information that are compatible with the context in which you provided it

C. **How to Exercise Your CCPA Rights**

Methods: To exercise the rights described above, please submit a request to us by one of the following methods:

Call us at: 877-781-6889

Visit us at: <https://securities.bokfinancial.com/landing-pages/privacy-request>

Information to Include in the Request:

- Provide sufficient information that allows us to verify you are the person about whom we collected personal information
- Describe your request with sufficient detail that allows us to properly understand, evaluate, and respond to it. For instance, state whether your request is to disclose information we have about you or delete information and identify the category or type of information that is the subject of your request.

Who Can Make the Request: Only you or a person registered with the California Secretary of State that you authorize to act on your behalf, may make a verifiable consumer request related to your personal information. You may also make a verifiable consumer request on behalf of your minor child.

How Often You Can Make a Request: You may make a verifiable consumer request to know or delete personal information twice within a 12-month period.

D. **Our Process for Responding to Your Request**

First, the CCPA requires us to determine that the request to know or delete personal information is made by the consumer whose information is the subject of the request. This is referred to as a verifiable consumer request. Upon receipt of your request, we may need to ask you to provide additional information either to confirm your identity or to accurately respond to your request.

Once we have the information to verify and respond to your request, we will review it and determine what specific information about you should be returned to you in response to a request to know and what information must be deleted by us and our service providers in response to a request to delete.

We endeavor to respond to a verifiable consumer request within 45 days of its receipt. If we require more time (up to 90 days), we will inform you of the reason and extension period in writing. Any disclosures we provide will only cover the preceding 12-month period. The response we provide will also explain the reasons we cannot comply with a request, if applicable. For right to know requests, we will select a format to provide your personal information that is readily useable and should allow you to transmit the information from one entity to another entity without hindrance.

We do not charge a fee to process or respond to your verifiable consumer request unless it is excessive, repetitive, or manifestly unfounded. If we determine that the request warrants a fee, we will tell you why we made that decision and provide you with a cost estimate before completing your request.

6. **Non-Discrimination**

We will not discriminate against you for exercising any of your CCPA rights.

7. **Contact Information**

If you have any questions or comments about our privacy policies and practices, please contact us at: 877-781-6889