

InspereX ACCOUNT DISCLOSURES

USA PATRIOT Act and Anti-Money Laundering Program Important Information about Procedures for Opening a New Account

USA PATRIOT Act of 2001 is designed to detect, deter, and punish terrorists in the United States and abroad and imposes anti-money laundering ("AML") requirements on brokerage firms and financial institutions. Under the Act's provisions, all brokerage firms are required to have comprehensive AML programs. As part of our AML program, we may ask you to provide various identification documents or other information prior to effecting any transactions for you.

IMPORTANT INFORMATION YOU NEED TO KNOW ABOUT OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account. What this means for you: When you open an account, we will ask for your name, address, tax identification number, and other information that will allow us to identify you. The firm may also ask for other identifying documents.

For a corporation, partnership, trust or other legal entity may need to provide information such as its principal place of business, local/office address, taxpayer identification number, certified articles of incorporation, government-issued business license/ a partnership agreement, or a trust agreement and resolutions that name the persons authorized to give us instructions regarding the accounts. Additional information, such as net worth, annual income, occupation, employment information, investment experience and objectives, and risk tolerance may also be required.

Under certain circumstances, we may become obligated to disclose this information pursuant to applicable laws, rules, or regulations, but the information will otherwise be held in confidence in accordance with our privacy policy.

Effective May 11, 2018, new rules under the Bank Secrecy Act will aid the government in the fight against crimes to evade financial measures designed to combat terrorism and other national security threats. Each time an account is opened for a covered Legal Entity, we are required to ask you for identifying information (name, address, date of birth, social security number as well as identification documents) for each individual that has beneficial ownership (25% or more) and one individual that has significant managerial control of the Legal Entity.

If you are opening an account on behalf of a Legal Entity, you will be required to provide the appropriate documentation and to certify that this information is true and accurate to the best of your knowledge. We proudly support all efforts to protect and maintain the security of our customers and our country.

Investor Education and Protection

FINRA BrokerCheck, formally known as the FINRA's Public Disclosure Program, allows investors to learn about the professional background, business practices, and conduct of FINRA member firms or their brokers. The telephone number of the FINRA BrokerCheck is 800-289-9999, the website address www.finra.org. An investor brochure is also available upon request. Check the background of InspereX LLC and Incapital Distributors LLC on [FINRA's BrokerCheck](#).

Business Continuity Plan Disclosure Statement

BUSINESS CONTINUITY

InspereX LLC and Incapital Distributors LLC ("InspereX/Incapital") are registered broker-dealers that underwrite and/or distribute fixed income securities, structured notes and preferred stock through a wide range of broker-dealers, banks, investment advisors and other financial institutions. InspereX/Incapital does not directly conduct business with retail investors.

We are committed to safeguarding the interests of our clients in the event of an emergency or significant business disruption and as such this Business Continuity Plan Disclosure (the "BCP") summarizes InspereX's/Incapital's effort to mitigate risks inherent with unforeseen business interruptions. Our firm's policy is to respond to a Significant Business Disruption (SBD) by safeguarding employees' lives and firm property, making a financial and operational assessment, quickly recovering and resuming operations, protecting all of the firm's books and records, and allowing our customers to transact business. This BCP is also intended to comply with the rules promulgated under FINRA, specifically FINRA Rule 4370.

OVERVIEW

InspereX/Incapital maintains multiple facilities where our trading, sales, operations and information technology infrastructure may reconstitute in the event of a SBD. These facilities are located in various geographic locations, which are far enough apart

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to diminish risks posed by local disruptions. This separation is a key element of the Firm's overall business continuity strategy and will allow us to mitigate risks related to specific regional disruptions, a city-wide business disruption or a disruption effecting one building.

In the event of an SBD, the Firm will assess the overall impact of the disruption on the Firm's business with a goal of recovering and resuming operations as quickly as possible. Our Plan addresses the following areas: (i) data back-up and recovery; (ii) all mission critical systems; (iii) financial and operational assessments; (iv) alternate communications between the Firm and its employees; (v) alternate physical location of employees; (vi) critical vendors and other business contacts; (vii) regulatory reporting; and (viii) communications with regulators.

Significant business disruptions may vary in scope. For example, a disruption may affect only the Firm, the building in which the Firm is located, the business district where the Firm is located or an entire region. Further, the impact of the disruption may also vary from minimal to severe. The extent and severity of the disruption will determine the steps taken by the Firm.

If a disruption only affects the Firm and is minimal, the Firm may conclude that it is not necessary to transfer operations to another location. If, on the other hand, a severe disruption affects the entire region, it is more likely that the Firm will attempt to transfer its operations to a site outside the affected area.

In a disruption to only our firm or a building housing our firm, we will endeavor to transfer our operations to unaffected locations and to resume business within 4 hours, as operations are redundant at our branch office locations. We will notify you of disruptions via our website www.insperex.com or our customer emergency number, 262-564-6410 which will provide additional details regarding how to contact us and obtain services or information. If the significant business disruption is so severe that it prevents us from remaining in business, we will endeavor to assure our customer's prompt access to their funds and securities.

CONTACTING US - CUSTOMER EMERGENCY HOTLINE 262-564-6410

If after a significant business disruption you cannot contact us as you usually do at 312-379-3700, you should call our alternative number 561-361-1100 or go to our website at www.InspereX.com for additional information. If you cannot access us through either of those means, you should contact our clearing firm, RBC www.rbccorrespondentservices.com for instructions on how it may assist in resolving and clearing, settlement and trade related questions as well as any other important information.

EMPLOYEE & CLIENT COMMUNICATIONS

The safety of our employees is an essential concern. In the event of an emergency or significant business disruption, the Firm will communicate with its employees in several different ways, which may include a combination of general broadcasts and/or direct individual outreach. Alerts and other information, such as office closures and operating hours, may be posted on the Firm's internal and/or external websites, phone recordings, automated email responses, and the like. Additionally, the Firm's senior managers will be contacted directly via a prescribed alert process. In the event of an emergency or significant business disruption, clients may obtain information regarding operating status, order entry alternatives and alternative contact information via the Firm's website, www.insperex.com, www.bondnav.com, or www.incapnet.com

BACK-UP LOCATIONS

InspereX/Incapital maintains redundant technology and locations that allow for the reconstitution of trading and operations. In the event that one facility fails, we are able to relocate certain personnel and systems to the backup site or other remote work locations. The backup site is designed to be fully operational at all times. It is equipped with workstations that have redundant computer network connectivity, telephones, printers, fax machines, and other systems specifically necessary for trading and operations. The functionality of the backup systems and facility is routinely tested pursuant to the Firm's procedures.

FOR MORE INFORMATION

If you have questions about our business continuity planning, you can contact us at compliance@insperex.com or contact InspereX LLC's Head of Strategic Initiatives at 561.361.1100.

DISCLAIMER

The Firm's business continuity strategy is designed to enable us to meet our existing obligations to our clients even in the event of an emergency or significant business disruption. However, as with any business continuity plan, it is not infallible as these events are, by their nature, unpredictable and it is impossible to anticipate every scenario that could cause a business



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disruption. The Firm's BCP is subject to change without notice. A summary update of this plan may be requested when applicable.

InspereX LLC and Incapital Distributors LLC, 200 South Wacker Dr., Suite 3400, Chicago, IL 60606. Phone: 312.379.3700.

Privacy Policy

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.

We strive to provide you with the highest level of service. In that regard, the privacy of the information you provide to us is important and we want to assure you that we are committed to protecting your privacy. This Privacy Statement outlines the types of information we gather about you, how we use it and with whom we might share it. We urge you to read this Privacy Notice so that you will understand our commitment to you and to your privacy.

To provide you with the highest level of service possible, it is necessary for us to collect and maintain certain personal information about you. We collect this information from applications and other forms, from your dealings with us and others and, depending upon the services and products you have requested or for which we have been asked to provide, we may also receive information from reporting agencies and other sources such as our website.

The types of information we collect and maintain may include:

- Information contained in applications and other forms including, your business name, address, taxpayer identification number, assets and income;
- Information concerning your relationships with us such as products or services purchased from us and related transactions and payment history;
- Information from reporting agencies such as credit relationships and related history; and
- Information from visits to our website such as site visitor ship data, and online data collection devices known as "cookies."
- Information we receive from agents and service providers.

We use this information in ways that are compatible with the purposes for which we originally requested it. We may use this information for processing your requests and transactions, offering or furnishing additional products and services or to evaluate your financial needs. We do not share your information with unaffiliated Companies except as provided in this Notice.

We will only grant access to your information to those employees who have business purpose for accessing such information. In that regard, we have implemented certain physical electronic and procedural safeguards to ensure that access to this information is limited to the appropriate employees. Moreover, we require our employees to protect your information and keep it confidential.

To provide you with the appropriate level of service, we may share account and transactional information with our company. We may also share information described above with firms that assist us in carrying out your needs. For example, we may share your personal information for specific business purposes with the following companies:

- Financial service institutions, such as broker-dealers and banks with whom we have joint marketing agreements; or
- Companies under contract to perform services for us or on our behalf (such as vendors providing data processing, computer software maintenance and development, transaction processing and marketing services, as well as our clearing firm, RBC Correspondent Services).

Be assured that we do not sell information to anyone. Additionally, we treat the information of our former clients in the same manner as we treat the information of our current clients.

Our goal is to maintain current and accurate information about you in order to properly service your needs. Consequently, we have reasonable access to account information to verify the accuracy of this information. You may either write or call your sales representative to request your account information. If you identify any error in your account information or you would like to update your records, please advise your sales representative.

We also reserve the right to disclose your information in certain circumstances where we feel that disclosure is required by



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law, to assist law enforcement officials or officials of regulatory agencies, to perform credit checks or collect monies owed to us, and to protect our rights and property.

Customer Complaints

All complaints should be made by writing to InspereX's Compliance Department, Attention: Chief Compliance Officer, InspereX 200 South Wacker Drive, Ste 3400, Chicago, IL 60606 or by calling the InspereX Compliance Department, 312-379-3700. Please describe the complaint in detail.

InspereX LLC is registered with the U.S. Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The ["Information for Municipal Securities Investors"](#) and ["Information for Municipal Advisory Clients"](#) brochures describing the protections that may be provided by the MSRB's rules and how to file a complaint with an appropriate regulatory authority are available on the MSRB's website at www.MSRB.org.

InspereX and its Affiliated Entities

InspereX only conducts business with institutional accounts as defined under FINRA Rule 4512(c). InspereX does not provide investment advice or provide investment recommendations. InspereX explicitly disclaims any responsibility for product suitability or suitability determinations related to individual investors. Securities are offered through InspereX LLC, Member FINRA/SIPC. Annuities and insurance products are offered through Incapital Distributors LLC, Member FINRA/SIPC. Technology services provided by InspereX Technologies LLC. InspereX LLC, Incapital Distributors LLC and InspereX Technologies LLC are affiliates. InspereX and insperex.com are trademarks of InspereX Holdings LLC. InspereX LLC has a fully-disclosed clearing arrangement with RBC Correspondent Services, a division of RBC Capital Markets, LLC.

Municipal Securities Disclosure

If this message is received by a Municipal Securities Issuer you are hereby notified that InspereX is not your financial advisor (FA). Further, InspereX is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice, including within the meaning of Section 15B of the Securities Exchange Act of 1934.

Product Risks

Structured Products and Complex Product Risk Disclosure. Any financial product sold prior to maturity may be worth more or less than the original amount invested. Depending upon the specific product offering, investment risks include, but are not limited to, interest rate risk, credit risk, call risk and liquidity risk. Additionally, unless otherwise specified in the respective offering documentation, the product(s) discussed herein are not FDIC insured, may lose value, and are not bank guaranteed. InspereX does not offer or sell investment products to individual investors. Investors should carefully review and understand the offering documents and consult with their financial and tax advisors prior to investing in any financial product(s).

Certain products that InspereX offers are considered complex investment products. Such products contain unique risks, terms, conditions and fees specific to each offering, and the overall performance of the product is dependent upon the performance of an underlying derivative financial instrument, formula or strategy. Return of principal is not guaranteed and is subject to credit risk of the issuer. Investments in complex products are subject to the risks of the underlying asset classes to which the product is linked, which include, but is not limited to, market risk, liquidity risk, call risk, income risk as well as other risks associated foreign, developing or emerging markets, such as currency, political and economic risks. Depending upon the particular complex product, participation in any underlying or linked product is subject to certain caps and restrictions. Any investment product with leverage associated may work for or against the investor. Investors should refer to the respective offering documents for specific details of product features before investing. Market-Linked Certificates of Deposit ("MLCDs") are subject credit risk of the issuer above FDIC insurance limits. Investors that sell complex products or MLCDs prior to maturity are subject to the risk of loss of principal, as there may not be an active secondary market. You should not purchase a complex investment product or make an investment recommendation to a customer until you have read the specific offering documentation and understand the specific investment terms, features and risks of such investment.

Annuities Disclosure. Like all financial products, annuities may carry certain risks, including investment risk, interest rate risk, inflation risk as well as other risks associated with the respective contract. Any guarantees made by the insurance company are backed solely by the financial strength of that company and not by any governmental or regulatory agency. Investors should consult with a qualified financial advisor, fully understand the terms, conditions, risks, expenses and fees of the respective contract as well as seek assistance in determining the claims-paying ability of that insurance company. While a high rating by a ratings agency does not guarantee the safety of the insurance company, it does provide an independent opinion. Additionally, investment returns in variable annuity sub-accounts are not guaranteed and are subject to their respective

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market risks. Principal and the return on investment may fluctuate with the market and the contract may be worth less than the original investment. Variable annuities may lose value and are subject to investment risks, including the loss of principal.

We offer annuity products issued by third-party, non-affiliated insurance carriers to registered broker-dealers. InspereX does not solicit or sell to retail investors. Any and all financial guarantees and annuity contract representations are solely the responsibility of the issuing insurance carrier. Investors should carefully review the respective annuity contract and consult with a qualified financial and tax advisor before investing.

Mortgage Backed Securities (MBS) and Collateralized Mortgage Obligations (CMO) Disclosure. MBS are complex securities and are not suitable for all investors. The average life and yield of a MBS will fluctuate depending on the actual prepayment experience of the underlying mortgages and changes in current interest rates. If MBS are sold in the secondary market prior to maturity, the proceeds received may be more or less than the original amount invested.

Collateralized Mortgage Obligations ("CMOs") are also known as Real Estate Mortgage Investment Conduits (REMICs). Prevailing market interest rates affect CMOs in two major ways. First, as with any bond, when interest rates rise, the market price or value of most types of outstanding CMO tranches drop in proportion to the time remaining to the estimated maturity. Conversely, when rates fall, prices of outstanding CMOs generally rise, creating the opportunity for capital appreciation if the CMO is sold prior to the time when the principal is fully repaid. Movements in market interest rates have a greater effect on CMOs than on other fixed-interest obligations because rate movements affect the underlying mortgage loan prepayment rates and, consequently, the CMO's average life and yield. When interest rates decline, homeowners are more likely to refinance their mortgages or purchase new homes to take advantage of the lower cost of financing. Prepayment speeds therefore accelerate in a declining interest rate environment. When rates rise, homeowners are more likely to "stay put," causing prepayment speeds to slow. What's good for the home buyer is not necessarily good for the CMO investor. If interest rates fall and prepayment speeds accelerate, CMO investors may find they get their principal back sooner than expected and have to reinvest it at lower interest rates ("call risk"). If interest rates rise and prepayment speeds are slower, investors may find their principal committed for a longer period of time, causing them to miss the opportunity to earn a higher rate of interest ("extension risk"). Therefore, investors should carefully consider the effect that sharp moves in interest rate would have on the performance of their CMO investment.

Prospectus and Offering Documents

A copy of the prospectus, official statement (including notices and circulars), term sheets, pricing supplements, financial reports and/or other offering information may be found at the MSRB's EMMA, as related to municipal securities offerings, and the SEC's EDGAR, as related to other securities offerings. For transactions in newly issued Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Farm Credit Bank (FFCB) and Federal Home Loan Mortgage Corporation (FHLMC) securities, you may readily access this information by visiting their respective websites as detailed below. InspereX will also provide copies of the relevant offering statements upon request.

SEC: <http://www.sec.gov/edgar.shtml>

MSRB: <http://emma.msrb.org/Search/Search.aspx>

FHLB: <http://www.fhlb-of.com>

FFCB: <http://www.farmcredit-ffcb.com>

GNMA: <http://www.ginniemae.gov>

FNMA: <http://www.fanniemae.com/markets/debt/> (debt securities)

FNMA: <http://www.fanniemae.com/mbs/> (mortgage backed)

FHLMC: <http://www.freddiemac.com/debt/> (debt securities)

FHLMC: <http://www.freddiemac.com/mbs/> (mortgage backed)

Pursuant to Rules 172 and 173 promulgated by the Securities and Exchange Commission ("SEC") under the Securities Act of 1933, as amended, InspereX may be exempt from the requirement to deliver a hard copy of the final prospectus to purchasers in certain registered public offerings of securities ("access equals delivery exemption"). These SEC rules permit underwriters and dealers to fulfill their prospectus delivery requirements through an "access equals delivery" system whereby the customer will be deemed to have received delivery of the final prospectus by virtue of notification of its availability on the SEC's EDGAR website, when an issue is made pursuant to a registration statement or prospectus.

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Prospectuses and offering documentation are prepared and filed with the SEC by the respective issuer. Accordingly, InspereX makes no warranty or representation that the information contained therein is accurate or complete. Please note that prospectuses may only be valid during the required delivery period and may not reflect current information regarding the securities offered or the issuer.

A copy of the offering documentation and subscription agreement for unregistered private securities offerings may be obtained by contacting the respective issuer or our company. This information does not constitute an offer to sell or a solicitation of an offer to buy securities, nor shall there be any sale of securities, in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

Conflicts of Interest Disclosure

InspereX is a financial services firm that regularly seeks investment banking assignments and compensation from securities issuers for services including, but not limited to, acting as an underwriter, manager, co-manager or syndicate member in a securities offering. Readers of marketing materials, research reports or market commentaries produced by InspereX should assume that InspereX or one of its affiliates is seeking or will seek investment banking and/or other business relationships with any issuer or issuers mentioned in such materials. InspereX does not provide financial planning, legal or tax advice. Past performance is not indicative of future results.

Oral Authorization and Voice Recording

InspereX will not be held liable in acting upon oral instructions given to us concerning your accounts, provided such instructions reasonably appear to be genuine. Certain telephone conversations regarding transactions with InspereX may be recorded primarily for training and verification purposes.

On-line and Electronic Systems

If you or any of your employees or agents access or use any internet site or on-line or other electronic system operated for or by us/or any account access, trading, order entry or other services, systems, capabilities or market or other data or content available through any of the foregoing (each, an "Electronic Service"), you acknowledge and agree that such Electronic Service is being made available to you or such other person without any warranty whatsoever, either express or implied, and you agree that any such access or use will be solely at your own risk, and neither we nor any vendor or source will have any liability whatsoever relating to or arising out of any such access or use or any/inaccuracies.

Vendor Data

Security price quotations, yields, callable features, and other market data we may provide you with are obtained from independent pricing services and rating agencies (e.g. Bloomberg, Moody's, S&P, etc.) that we believe are reliable. However, we cannot guarantee the accuracy of such data and we will not be held liable for any losses incurred by the use of it. InspereX is not responsible for the accuracy or reliability of any information, data, opinions, advice or statements made by any third-party vendors.

Losses Due to Extraordinary Events

InspereX will not be liable for losses caused directly or indirectly by government restrictions, government or market rulings, terrorist acts, strikes or any other conditions beyond our control including (but not limited to): suspension of trading; extreme market volatility; extreme trading volumes; or revocation of tax exempt status.

Customer's Responsibility Regarding Certain Securities

Certain securities may grant the securities holder valuable rights that may expire unless the holder takes action. These securities include (but are not limited to): convertible securities; bonds; and securities subject to a tender or exchange offer. You acknowledge that you are responsible for knowing the rights and terms of all securities traded in your account or on behalf of your customers. We are not obligated to notify you of any upcoming convertible dates or callable dates.