

RETIREMENT PLAN BROKERAGE SERVICES ERISA 408(B)(2) DISCLOSURE INFORMATION

Applicable for ERISA Retirement Plans

This information is being provided to you as the sponsor or other responsible fiduciary of a retirement plan ("Plan") subject to the Employee Retirement Income Security Act of 1974 ("ERISA") that maintains an investment account at Prospera. For more information regarding the services that Prospera may make available to the Plan pursuant to this Agreement and related compensation, please refer to the Account Application – Employer-Sponsored Retirement Plan – Direct Business ("Account Application") completed by the Plan and any related disclosures, documents or other agreements you received from your Service Provider in connection with the Plan's investments. Please review this disclosure document in conjunction with the Account Application and such other related disclosures, documents or other agreements. If you have any questions concerning this disclosure document or the information provided to you concerning our services and compensation or require paper copies of any documents referenced herein, please ask your Representative or Prospera Financial Services, Inc. ("Prospera") at (972) 581-3000.

I. Services of Prospera

Prospera acts as the broker to the Plan account established at the Product Sponsor or Platform Provider ("Service Provider") identified in the Account Application. Prospera provides brokerage services as described in this Agreement. Prospera is a broker-dealer registered with the Securities and Exchange Commission and a member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). The brokerage services your Representative may provide, if requested by the Plan, include: (i) conducting participant enrollment meetings; (ii) providing investment reports showing the performance of funds in the Plan's investment menu; (iii) providing general education to participants regarding the terms and operation of the Plan and the investment options under the Plan; and (iv) providing general education to the Plan sponsor or its investment committee regarding the investment options under the Plans.

Prospera is not the custodian of the Plan's account established through the Service Provider. The custodian selected by the Service Provider is responsible for issuing periodic statements for the Plan's account. Services that the Plan may receive from Service Provider are outside the scope of this disclosure document. For information on those services and related fees and expenses, please refer to Service Provider's separate 408(b)(2) disclosure document or contact Service Provider.

Prospera is not acting as an investment adviser registered under the Investment Advisers Act of 1940 or under state investment adviser laws. To the extent that Prospera or your Representative provides "investment advice" to the Plan under section 3(21) of ERISA in connection with this Agreement, Prospera and your Representative will provide such investment advice services as a "fiduciary" under ERISA and section 4975 of the Internal Revenue Code. This acknowledgment of status under ERISA or the Code is not intended to create or expand any "fiduciary" relationship, capacity or obligations between the Plan and Prospera and Representative (including their affiliates) under other federal, state or local laws. If the Service Provider makes available to the Plan a separate investment fiduciary to take investment discretion regarding the Plan's investment menu, and the Plan has independently engaged the separate investment fiduciary to provide such discretionary investment advisory services, Prospera is not a fiduciary with respect to the recommendations or advice of the separate investment fiduciary. If Prospera or your Representative provides brokerage or investment advisory services to the Plan pursuant to a different program or agreement, please refer to the applicable account agreement and/or disclosure documents in connection with those services.

II. Compensation Received by Prospera and/or Your Representative

1. GENERAL - The compensation Prospera and your Representative receive for brokerage services to the Plan is stated in the Service Provider's documents you signed with the Service Provider. It is important that you understand the services provided by Prospera and your Representative and the compensation Prospera and your Representative receive in connection with those services from the Plan and from third parties. You should consider the information below in connection with services provided to you under this Agreement.

2. DIRECT COMPENSATION - Prospera and/or your Representative receive compensation in the form of a commission when they engage in a securities transaction in an agency capacity. This compensation, sometimes called a sales load or sales charge, is typically paid upfront, reduces the amount available to invest, and is charged directly against the Plan's investment and based on the amount of assets invested. If the Plan's arrangement includes direct commissions or sales charges, you should be aware that commissions vary and the more transactions the Plan enters into, the more commissions Prospera and or your Representative receive. For more information about an applicable sales charge, please refer to the prospectus or other offering document of the investment product provided to the Plan in connection with the investment. For mutual funds, commissions or sales charges can be as high as 8.5%, although the maximum is typically 5.75%. For annuities, the maximum upfront commission is typically 7.75%.

3. INDIRECT COMPENSATION - Indirect compensation is compensation paid by third parties rather than or in addition to being paid directly by the Plan. For example, a mutual fund underwriter, variable annuity issuer or distributor, TPA, or other Service Provider pays Prospera an ongoing amount that is based on the value of the Plan's investment in the product. Indirect compensation may be charged by the product sponsor against the Plan's investment or reflect the net value of the Plan's investment in a product.

(a) Distribution and/or Servicing Fees, Commissions, 12b-1 Fees and Trail Payments. Prospera receives certain ongoing payments called trails, trailing commissions, distribution and/or service fees, or 12b-1 fees. They are paid by the Service Provider (or its affiliates) for Prospera's sales and distribution-related services and are made pursuant to Prospera's agreement with the Service Provider (or its affiliates). For mutual funds, the trailing commission is typically between 0.25% and 1% of assets annually, however, for some annuities, the maximum trailing commission is 1.5%. For more detailed information about the amount of compensation that Prospera and your Representative receive with respect to the Plan's investment, you should refer to the Account Application, the prospectus or other offering documents for the security or contract, and the Service Provider's required paperwork. This compensation is shared between Prospera and your Representative.

(b) Relationship Servicing Payments. In addition to the compensation described above, Prospera receives fixed or variable payments from Service Providers and/or their affiliates for marketing their retirement plan products and platforms. Prospera enters into an agreement with the Service Provider (or its affiliate) and receives marketing and educational support payments from retirement plan product sponsors for participant education and plan servicing. Such compensation is not received in connection with any Prospera plan customer.

(c) Technology Funding. When Prospera incurs technology development-related costs associated with the launch or maintenance of a platform, tool or service, Prospera sometimes receives reimbursements from product sponsors for such costs. Because Prospera benefits from product sponsors' reimbursements of technology development-related costs, Prospera's financial interests are conflicted with its ability to use strictly objective factors when selecting product sponsors to make available on the applicable platforms.

4. OTHER TYPES OF COMPENSATION

(a) Miscellaneous and Non-Cash Compensation. In addition, although not in connection with any particular Prospera customer, Prospera, Prospera employees and/or your Representative receive compensation from product sponsors. Compensation includes such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, client workshops or events, or marketing or advertising initiatives,

including services for identifying prospective clients. Product sponsors also pay for, or reimburse Prospera for the costs associated with, education or training events that may be attended by Prospera employees and representatives and for Prospera-sponsored conferences and events, which may include events under the Sponsorships Programs described above.

(b) Outside Business Activities. Prospera Representatives are permitted to engage in certain Prospera approved business activities other than the provision of brokerage and advisory services through Prospera, and in certain cases, a Representative could receive greater compensation through the outside business than through Prospera. An Prospera Representative could also be an accountant, real estate agent, tax preparer, lawyer, or refer customers to other service providers and receive referral fees, for example. As other examples, a Representative could provide advisory or financial planning services through an independent unaffiliated investment advisory firm, sell insurance through a separate business, or provide third party administration to retirement plans through a separate firm. If a Representative provides investment services to a retirement plan as a representative of Prospera and also provides administration services to the plan through a separate firm, this typically means the Representative is compensated from the plan for the two services. If you engage with a Prospera Representative for services separate from Prospera, you may wish to discuss with him or her any questions you have about the compensation he or she receives from the engagement.

III. Other Information Related to Compensation

(a) Investment-Related Information in Prospectus. If the Plan is an individual account plan that permits participants or beneficiaries to direct the investment(s) in their accounts, and if one or more designated investment alternatives are made available in connection with Prospera's brokerage services, the following information for each investment alternative may be found in the current prospectus or other disclosure materials of the issuer of the designated investment alternative, copies of which have been provided to you: (i) a description of any compensation that will be charged directly against the amount invested in connection with the acquisition, sale, transfer of, or withdrawal from the investment contract, product, or entity (such as, sales loads, sales charges, deferred sales charges, redemption fees, surrender charges, exchange fees, account fees, and purchase fees); (ii) a description of the annual operating expenses (the annual expense ratio) if the return is not fixed; and (iii) description of any ongoing expenses in addition to annual operating expenses (such as, wrap fees, mortality and expense fees). Prospera makes no representations as to the completeness or accuracy of such disclosure materials. You should refer to the prospectus or other disclosure materials for the particularly designated investment alternative.

(b) Arrangements between Prospera and Your Representative. Commissions and trail payments described above with respect to the Plan's investments are paid to Prospera, and Prospera shares a portion with your Representative based on an agreement between Prospera and your Representative. A portion of the commissions and trails may be paid by the Representative to his or her Prospera branch manager or another Prospera representative for supervision or administrative support. Your Representative is a registered representative of Prospera and provides brokerage services on behalf of Prospera. Your Representative is typically an independent contractor and not an employee of Prospera, and Prospera shares with your Representative between 90% to 100% of the commissions and ongoing trail payments. A portion of the payments Prospera makes to your Representative may be paid by the Representative to his or her Prospera branch manager or another Prospera representative for supervision or administrative support.

If your Representative provides services on the premises of unaffiliated businesses, including insurance companies, employee benefit companies, and financial institutions such as a bank or credit union, your Representative may pay such business entity a fee for the use of the premises and facilities and for administrative support. Prospera has entered into agreements with financial institutions which allow Prospera financial advisors to offer investment and insurance products on the premises of the financial institution and compensate the financial institution for the use of its facilities and for client referrals.

(c) Termination of Services. If the brokerage services under this Agreement are terminated, Prospera may continue to receive trail payments and sponsorship program compensation as described above from the Service Provider until the Plan arranges a change to the broker-dealer shown on the Plan's account.

Please consult the Retirement Plans Disclosures page on Prospera's website (prosperafinancial.com/disclosures/) for the most current ERISA 408(b)(2) disclosures. Prospera posts any changes to its ERISA 408(b)(2) disclosures on its website from time to time. Prospera may not notify you when these changes are made and it is your responsibility to consult the website to learn about any changes that have been made to these disclosures. If you are unable to access the website or require paper copies of any documents referenced herein, please contact your Representative or Prospera at (972) 581-3000.