Ocean Charter School

TO:	Governing Board	DATE:	February 5, 2026
FROM:	Tammy Stanton, OCS Treasurer		
SUBJECT:	APPROVAL – Investment Firm: Bernstein Private Wealth Management		

Selection of Investment Firm (In Support of Proposed OCS Board Motion)

The Finance Committee reviewed and evaluated investment proposals from Bernstein Private Wealth Management (Bernstein**)** and Truist Wealth (Truist)**.** The Committee determined that both firms have the capacity to support Ocean Charter School (OCS) in developing ongoing investment strategies**,** contingent upon appropriate updates to the existing investment policy.

a. Bernstein

- Proposes the use of a government fund (page 10 of quote) with an estimated 3.96% yield on a $1,000,000 investment**.**
- The fund is liquid, allowing for timely access to funds as needed.
- Investments are limited to qualified U.S. Treasuries and government securities, eliminating corporate credit risk.

b. Truist

- Proposes investing directly in U.S. Treasuries (page 12 of quote), staggered across 3-, 6-, and 9-month maturities**,** allowing approximately one-third of the investment to mature each quarter.
- Estimated net yield to maturity of 3.63%**,** after fees, which is slightly lower than Bernstein's proposal.
- Direct treasury investments require additional steps to liquidate, reducing flexibility.

Finance Committee Action

After discussion, Josh Stokes moved to recommend Bernstein as the investment firm, and Kristy MackFett seconded the motion.

Vote Results:

- In favor: Kristen Curran, Josh Stokes, Jennifer Jacobus, Debbie Tripp, Kristy MackFett, Tammy Stanton
- Opposed: 0
- Abstentions: 0

The motion passed unanimously. Accordingly, the Finance Committee formally recommends and supports the following motion for consideration by the OCS Board of Directors.

Proposed OCS Board of Directors Motion

Motion: To approve the Finance Committee's recommendation to select Bernstein as the investment firm for Ocean Charter School and to authorize the appropriate officers to execute all necessary documents and actions in accordance with the school's investment policy.

cc: Kristy MackFett, Executive Director

Ocean Charter School

Presented by Bernstein Private Wealth Management

December 4, 2025

Ocean Charter School
12870 Panama St.
Los Angeles, CA 90066

Dear Board of Directors,

On behalf of Bernstein, I would like to thank you for the opportunity to present the attached information.
In the pages that follow, we illustrate the advantages of being a Bernstein client. We help develop an investment strategy structured for today's volatile investment environment that is focused on fulfilling your long-term mission. With extensive experience, a holistic approach, and specialized services, our Foundation & Institutional Advisory Team will help you maintain sustainability and accomplish your mission.

Bernstein is a firm like no other. We are investors – not brokers or middlemen – working directly with nonprofit organizations, schools and the foundations that support them, to address their complex challenges. We are innovators, pushing boundaries while minimizing costs. We are advisors whose approach goes beyond traditional stock and bond selection by incorporating a holistic servicing model that will make this investment portfolio meaningful to your mission.

As an investment manager, Bernstein is uniquely positioned to partner with OCS in your mission through our dedicated client service, nonprofit support, and an integrated investment platform which includes:

- Fiduciary standard
- Organizational strength – an 'OCIO Plus' model
- Flexible and transparent fee structure
- Mission-aligned responsible investing
- Wide range of subject matter expertise for staff and board
- Client events and networking opportunities

We would be proud to provide OCS with the appropriate research, planning tools, insight, and guidance to make informed investment decisions. Given our extensive experience serving nonprofits, I am confident in our ability to help you achieve your objectives.

Please reach out with any questions or requests for additional information. We look forward to the next step in your evaluation process.

Sincerely,

Ryan Siroky

Ryan Siroky

Table of Contents

Bernstein | Our Firm

In a world where most investment management firms look alike, Bernstein Private Wealth Management is different. We are a business that is uniquely aligned with our clients, offering them incomparable peace of mind.

Who We Are

Global firm with boutique culture

Aligned with Our Clients

- Singular focus
- A united firm with one objective: create the best outcomes for our clients
- No proprietary trading
- We are not a bank
- We do not leverage our balance sheet
- Act as agent rather than principal in fixed income

55+
Years helping clients reach their financial goals

$860billion
Assets Under Management

53
Cities and 27 countries

$153billion
Private Wealth AUM

610
Research Analysts

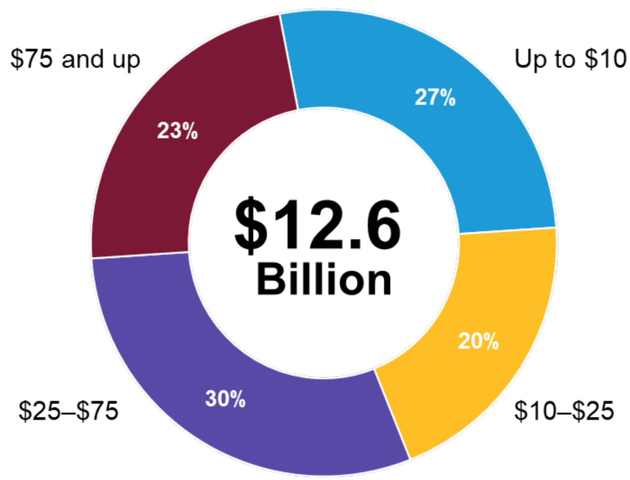
100%
Revenue from investment management and advice

What We Know

- The fiduciary standard is the only standard a client should accept.
- A successful client-advisor relationship must transcend investment results.
- Rigorous planning based on priorities fuels investment execution.
- Outsourcing all investments lacks accountability and creates suboptimal outcomes.
- Fee transparency should be the standard, not the exception.
- Our innovation and evolution are vital to client outcomes.

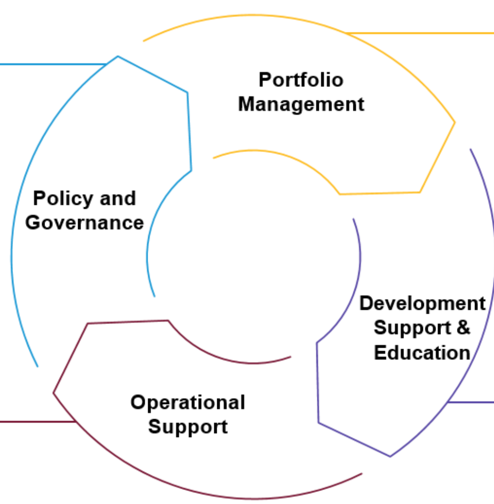
As of September 30, 2025. The number of research analysts and employees directly supporting responsible investing initiatives relates to all analysts and employees working at AllianceBernstein L.P. affiliated subsidiary companies. Please note, Bernstein Research does not provide investment management services to Bernstein Private Wealth Management clients.
Source: AB

Foundation and Institutional Advisory Team | A Tailored Approach to your Unique Needs



We have worked with thousands of nonprofits and foundations for 60 years, providing a holistic suite of services at no additional cost that include: specialized proprietary nonprofit research, customized planning, donor development support, education across various constituents, and comprehensive risk management.

Holistic Approach: Comprehensive Suite of Services



- Investment & spending policies
- Allocation forecast analyses
- Risk & reserves analyses
- Gift acceptance policies

- Dedicated Institutional IPG
- Proprietary research
- Direct & expansive platform
- 403(b) & retirement planning

- Customized & consolidated reporting
- Secure client portal
- ESG/Impact research & metrics
- Asset based lending

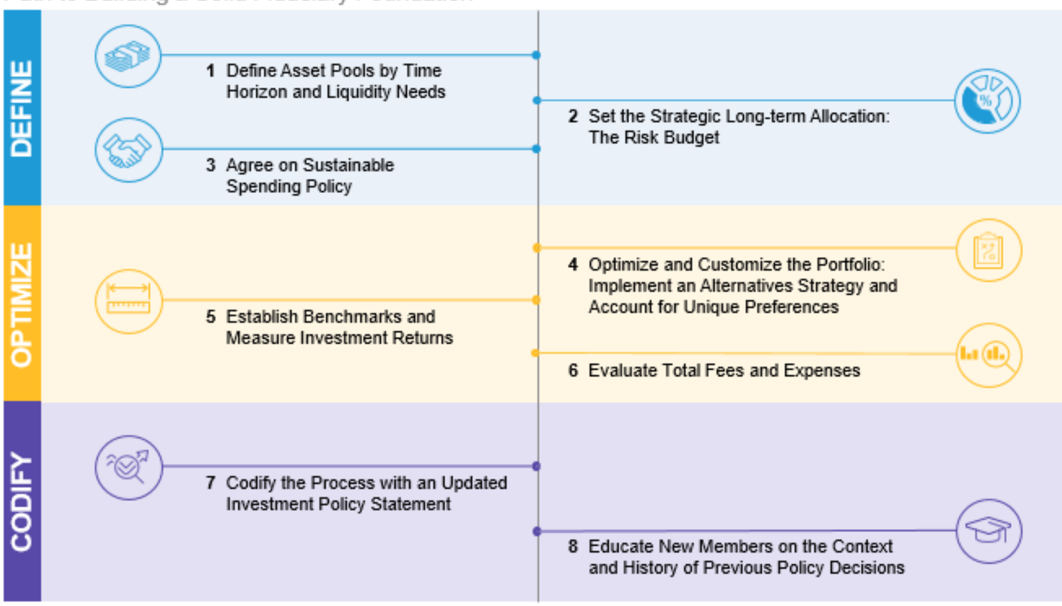
- Networking & media opportunities
- Educational seminars
- Ready made donor content
- Custom donor analyses

Strategic Asset Allocation | Your Co-Fiduciary

We collaborate with each of our clients to develop an investment strategy tailored to your specific needs, goals, and risk tolerance. Our proven approach provides fiduciaries a robust, research-backed and comprehensive strategy tailored to their unique needs. While each client relationship presents unique challenges and opportunities, Bernstein's stress-tested portfolios provide tax-exempt institutions a plan they can rely on across a wide range of market environments.

Asset Allocation Approach

Path to Building a Solid Fiduciary Foundation

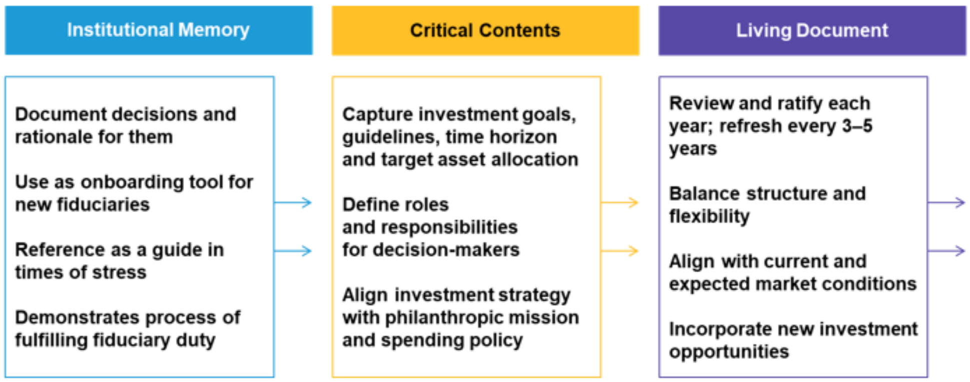


Size Your Asset Pools: A strong investment plan begins by understanding the different roles your organization's assets are meant to play. Taking your near-term financial needs and longer-term investment objectives into consideration, your Bernstein advisor can help you develop a cohesive allocation to short-, intermediate-, and long-horizon investment pools designed to meet today's liquidity needs and tomorrow's strategic vision. Thanks to our cutting-edge planning resources, fiduciaries can be confident in their organizations' investment and spending strategy.

Forecast and Analyze Implications: Fiduciaries deserve confidence in their investment strategy. That is why we've invested in tools to help you understand how your asset allocation, spending decisions and fundraising efforts will come together under a range of hypothetical market environments to meet your goals. For your intermediate- and long-term pools, we rigorously stress-test the portfolios we recommend. Our proprietary Forecasting System considers the historical linkages within and among the capital markets under a broad range of economic environments. It enables fiduciaries to pre-experience portfolio results under poor as well as more attractive market conditions, and to assess the portfolio's downside risk more accurately, so they can make informed decisions with respect to asset allocation and (where applicable) revenue and spending targets.

Optimize Allocation and Cost Structure: Bernstein leverages its research-driven platform to optimize your portfolio and meet your unique objectives. We proactively position our clients for opportunities including incorporating alternative investments, aligning your investments with your mission, and capitalizing on the benefits of low-cost and actively management strategies. Fiduciaries need to achieve strong risk-adjusted returns while keeping fees in check. Bernstein can help you design an investment plan suited to your organization's fee budget. Thoughtful exposure to both low-cost, index-tracking strategies and strategies that seek outperformance over time provides market growth potential, with the possibility for even better returns when active management is in favor.

Codify with Investment Policy Statement (IPS) and Spending Policy: As fiduciaries, it is critical for you to document the investment and spending decisions you make on your organization's behalf. An effective investment policy statement (IPS) and spending policy will keep you and your investment professionals accountable and on track to long-term success. As experienced advisors and confidants to nonprofits, Bernstein advisors have developed and refined hundreds of IPSs and spending policies at every stage, whether developing an organization's guidelines for the first time or optimizing existing policies.



Your Investment Policy Statement

Our process for partnering on your Investment Policy Statement starts with reviewing the IPS to provide recommendations for updates and clarifications, evaluating performance and income expectations for the portfolio, creating separate pools of assets for funds that have different timelines and expected uses, and ensuring that IPS elements such as purpose and scope, governance, objectives, strategic asset allocation guidelines, liquidity policy, rebalancing policy, and the monitoring and review process are all present and harmonized.

Building your Portfolio

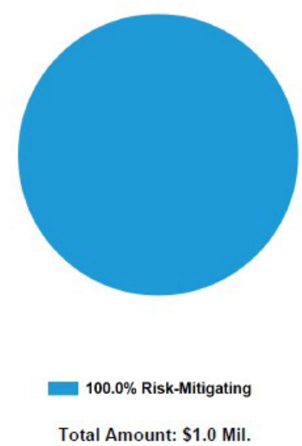
First and foremost, we serve as your fiduciary partner. The most important thing that we, as advisors, can do is help you choose the asset allocation most suitable to your specific circumstances, goals, and, most importantly, your mission.

Although the balance between risk and return is unique to each client, long-term goals are often the same: asset growth, protection in difficult market environments, and risk control.

As we learn more about your financial goals, we look forward to further customizing your overall investment strategy to best meet your needs. In the meantime, we have included a sample allocation and associated fees as illustrative examples from similarly sized clients: Bernstein recommends a **100% Government Obligations Tax-Managed** strategy focused solely on U.S. government and agency securities, providing full daily liquidity, eliminating corporate credit risk, minimizing volatility, and optimizing yield within the school's strict safety guidelines.

Your Preliminary Asset Allocation Recommendation

Investment Category	Value (USD)	% of Holdings
Risk-Mitigating		
Government Obligations Tax-Managed Fund (GOTXX)	1,000,000	100.0
Total	**$1,000,000**	**100.0%**



*Government Obligations Tax-Managed Fund: This is a AAA- rated, CNAV, taxable, government money market fund that invests in a portfolio of qualified U.S. Treasury and government securities. The fund does not invest in any repo transactions. The interest earned on qualifying US Government securities is only subject to Federal income taxes and is exempt from state personal income tax. Therefore, while this is an appropriate vehicle for tax-exempt clients, it could be appropriate for taxable clients in low tax brackets, but they should consult their tax advisor prior to investing. No individual security will have a maturity longer than 397 days; the average maturity will not exceed 60 days. Money invested in this fund is available to the client on the same day requested. This is a '40 Act mutual fund with full SIPC protection. Bernstein also maintains an "excess SIPC" insurance policy that increases this deficiency coverage by $100,000,000 per account. The minimum investment is $50,000.

Services Beyond Investment Management

The incredible diversity of our client base—complex wealthy families, retirement plans, and philanthropic institutions as examples—has resulted in definitions for investment success (and paths and inputs to achieve it) looking quite different at times from one cohort to the next.

We have therefore built out teams of subject matter experts who explicitly support communities of clients of utmost importance to us.

Your partnership benefits include a host of research, tools and services focused on supporting your team and board with special attention to matching national trends with your unique challenges.

Bernstein Foundation and Institutional Advisory

Sample research and educational materials for staff and board members

Finance and Investments

- Investing Basics
- Reserves Analysis
- Modeling Philanthropic Capacity Economic & Capital Markets Updates
- ESG & Responsible Investing
- Alternatives Investing
- Nonprofit & Foundation Financial Statements

Policy and Governance

- Fiduciary Duty & Investment Committee Best Practices
- Investment & Spending Policy Drafting & Review
- Board Skills Assessment & Recruitment Support
- Grantmaking Historical Analysis & Guidelines Development
- Mission, Vision & Values Statements

Development & Donor Engagement

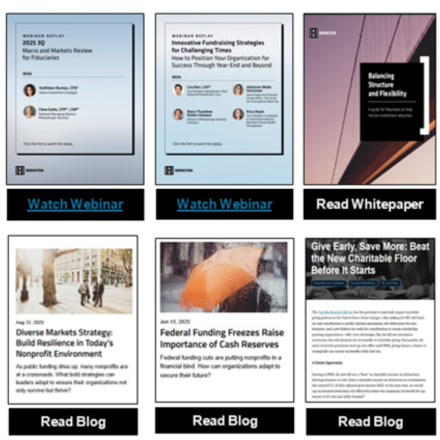
- Philanthropic Trends & Opportunities
- Fundraising Campaign Analyses & Best Practices
- Planned Giving and Endowment Strategies
- Effective Ambassadorship/Culture of Philanthropy for Leaders
- AI/Technology Integration

The above are included as part of your partnership with Bernstein.
Delivery of topics is customizable and intended to serve as an extension of your team, helping amplifying your work and mission.

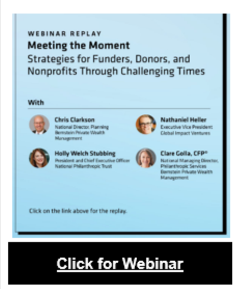
Tailored Thought Leadership for your Staff and Board

Blogs and White Papers

This new research study, "Measuring the Financial Health of Mid-Sized Nonprofits," reveals that mid-sized charities are more financially resilient than their larger or smaller peers. The report focuses on these mid-sized nonprofits and offers practical paths for all nonprofits to pursue to achieve strong financial health. Higher operating reserves, financial flexibility, and for some, greater revenue diversification, help nonprofits move toward resiliency.

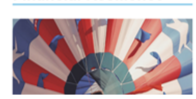


Quarterly Market Outlooks and Webinars that Meet the Moment



BERNSTEIN

Navigating Post-Election Uncertainty: Strategies for Nonprofit Financial Resilience



Click for Webinar

Visit our Nonprofit & Philanthropy Insights page for content.

Bernstein's Fee Structure

Transparent Fee Structure

Holistic advice and investment management

Ocean Charter School	$1 Million (total opportunity size)
Net Yield (as of 9/30/2025)	3.96%

The Bernstein Standard Is All Inclusive

- Fees are based on the amount of assets we're managing and how those assets are allocated
- Cutting-edge risk management, planning, and analysis
- No commissions for purchases and sales, rebalancing, or raising cash
- No loads
- No transaction fees or out-of-pocket expenses
- No mark-up on bonds
- Fee break for related entities
- Investment Policy Statement review
- Board/committee education and donor development support
- Implementing gift acceptance policy
- Working directly with auditor
- Custody of US assets through SCB

The Industry Standard Can be Confusing and Opaque

Asset Custody	Placement	Commissions
Front-End and Back-End Loads	Expense Ratios	Markups

*For an all passive index tracking allocation, the investment cost starts as low as 0.07%. The fee is based on the mix of implemented investment strategies, which can include all low-cost index-tracking strategies (e.g., ETFs), a mix of actively managed strategies and ETFs, and alternative assets. Please refer to our Schedule of Investment Management Fees along with each product's offering document or prospectus, which your Bernstein Advisor can provide to you upon request.

Bernstein charges a fee as a percentage of total assets under management comprised of an advisory fee and an underlying investment cost that would range based on the finalized asset allocation and risk profile. The underlying investment cost is dependent on the mix of implemented investment strategies, which can include all low-cost index-tracking strategies, a mix of actively managed strategies and ETFs, and alternative assets. We are flexible and aim to meet your priorities, both in terms of portfolio risk budget and fee budget.

Bernstein Team and Next Steps

When you work with Bernstein, you hire the team. We are proud to serve as extension of your staff and board and are available to you as often as needed.

We typically meet with clients either in person or remotely on a quarterly basis. Quarterly reviews include capital markets updates, portfolio positioning and performance, any recommendations or adjustments, and upon request, educational or deeper dive segments with portfolio managers or other industry experts.

Your Dedicated Team

Foundation and Institutional Advisory and Strategy

Clare G. Golla, CAP® CFP®
Head of Foundation & Institutional Advisory

Marisa Swystun
Vice President, Social Sector Specialist

Chris Clarkson, CFP®
National Director, Wealth Strategies

Rebecca Adams
Manager

Investment Advisory and Client Servicing

Ryan Siroky
Investment Advisor
Ryan.Siroky@Bernstein.com

Darren Menaker
Managing Director
Darren.Menaker@Bernstein.com

Client Servicing Team

Sean McDonald - Senior Associate
Harikrishna Jani - Associate
Sophie Pinnie - Associate
Ian Dong - Associate

Foundation and Institutional Investment Policy Group

Maura Pape
Chair, Foundation & Institutional Investment Policy Group

Alexander Chaloff
Chief Investment Officer
Head of Investment & Wealth Strategies

Wrug Ved
Member, Foundation & Institutional Investment Policy Group

Roosevelt D. Bowman III
Member, Foundation & Institutional Investment Policy Group

Sample Transition Plan

Sample Next Steps:	Ocean Charter School:
• Bernstein sends Welcome Letter for Org's signature	Bernstein + Client
• Confirm signatories	Client
• Bernstein web registers signatories and uploads account opening documents for DocuSign completion by organization	Bernstein + Client
• Discuss IPS and asset allocation recommendations	Bernstein
• Organization sends Authorization Letter to current investment manager	Client
• Bernstein provides Organization: IPS, asset allocation recommendation, investment schedule recommendation and estimated tax implications (if applicable) for review	Bernstein
• Bernstein submits transfer paperwork to current investment manager	Bernstein
• Organization amends IPS if/as desired and signs off	Client
• Bernstein web registers Organization's Board and other contacts as requested	Bernstein
• Assets arrive; investment begins per allocation and schedule	Bernstein
• Bernstein & Organization discuss reporting preferences: who, what, when, etc.	Bernstein + Client
• Bernstein connects with Organization's auditor to provide info & docs (e.g., for Alts: subscription doc and past K-1)	Bernstein + Client
• Next Meeting: Bernstein & Organization finalize reporting needs, future meeting schedule and complete any pending tasks	Bernstein + Client

As we hope to have demonstrated, we are uniquely positioned to serve and support OCS with a holistic approach, as an extension of your team, and as a committed and strong co-fiduciary. We would be honored to partner with you to begin implementing the plan laid out in this proposal.

TRUIST

Portfolio Report (Proposal)

As of 19-Nov-2025 4:09:31 PM ET

ID 737245075

Regarding:

Ocean Charter School

Prepared By:

Robert D. Mayberry

T-bill Portfolio | 19-Nov-2025 4:09:31 PM ET

Regarding: Ocean Charter School | Prepared By: Robert D. Mayberry

TRUIST

NET CASH AVAILABLE FOR INVESTMENT
-$ 978,879

PROPOSED PORTFOLIO VALUE
$ 978,879

***PRINCIPAL**	PROPOSED
Total Face Value	**$ 1,000,000**
Number of Securities	**4**

INCOME	PROPOSED
Annual Taxable Interest Income	$ 0
Annual Tax-Exempt Interest Income	$ 0
Total (Estimated Annual Income)	**$ 0**

AVERAGES	PROPOSED
Average Coupon	0.000
Average Maturity	0.60Yrs
Average Market Price	$ 97.890
*1. Est. Avg. Credit Quality	AA1
Callable / Non-callable	0.0 % / 100.0 %
Mod Dur to Worst / OAD	0.580 / 0.580
Average YTW / YTM	3.633 % / 3.633 %
Tax Equivalent YTW / Tax Equivalent YTM	3.633 % / 3.633 %
Investor Federal Tax Rate	37.0 %
Average Acquisition Yield / Price	-- / --

*For more information, please refer to the Terms and Conditions at the end of this document. Aggregate Portfolio Proposal Report Analytics exclude all Structured Products, TIPS, MBS and are otherwise limited to CUSIPs with fixed, zero and step coupon types.

PORTFOLIO ALLOCATION	PROPOSED
PRODUCTS	
TREASURY	100.00 %
***2.EST. CREDIT QUALITY**	
AA1	100.00 %
CORPORATE SECTOR	
PUBLIC ADMINISTRATION	100.00 %

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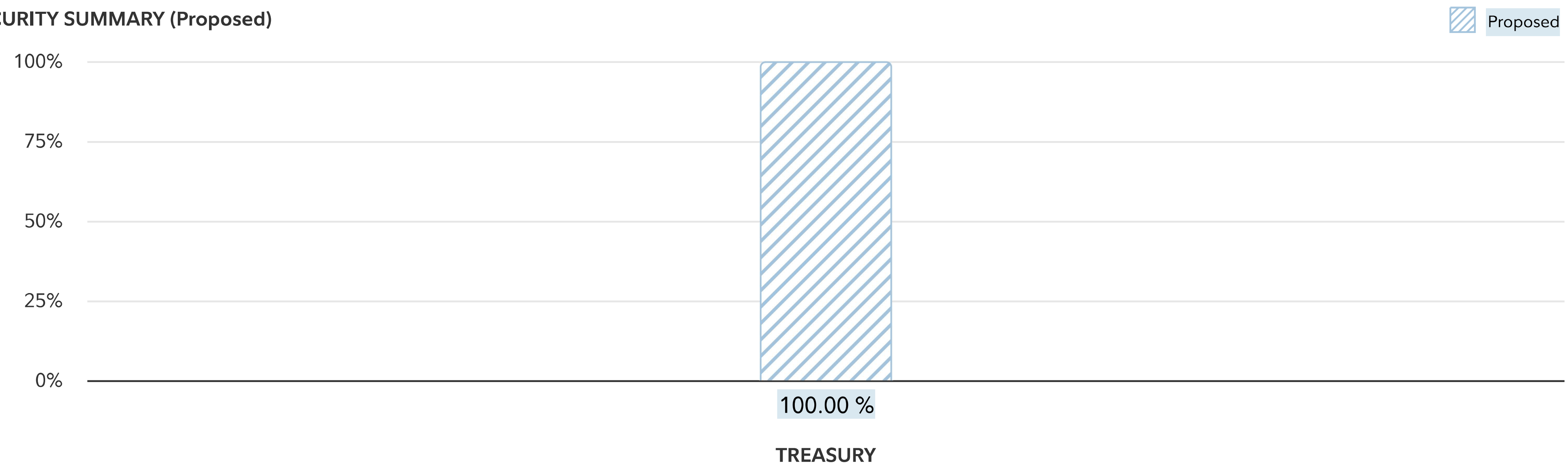
SECURITY SUMMARY (Proposed)



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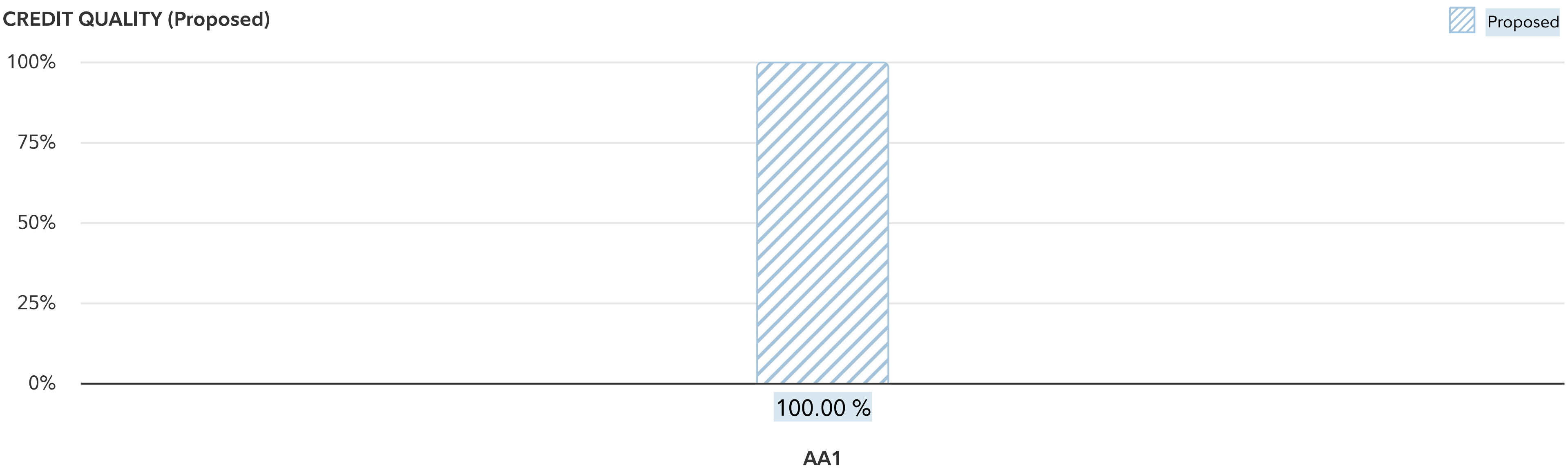
EST. CREDIT QUALITY (Proposed)



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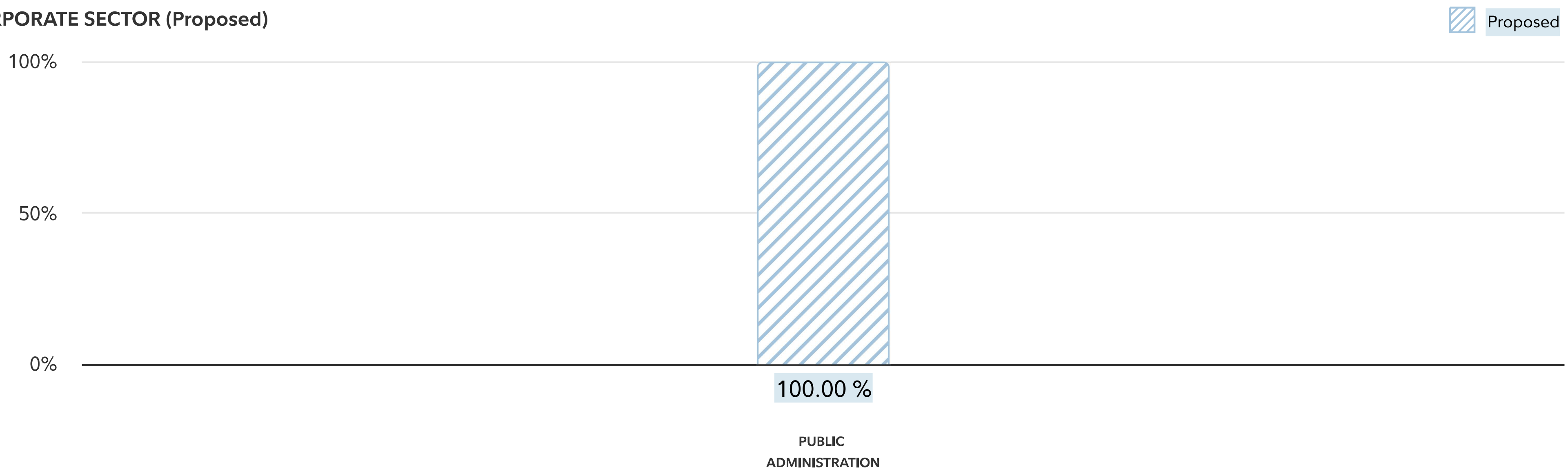
CORPORATE SECTOR (Proposed)



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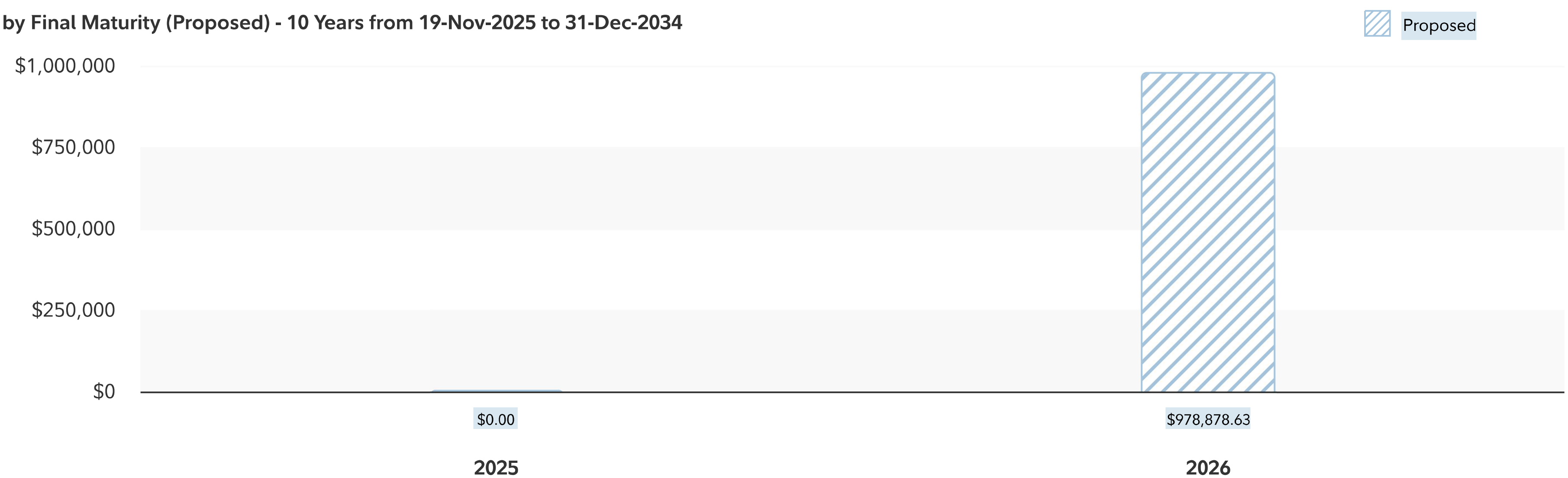
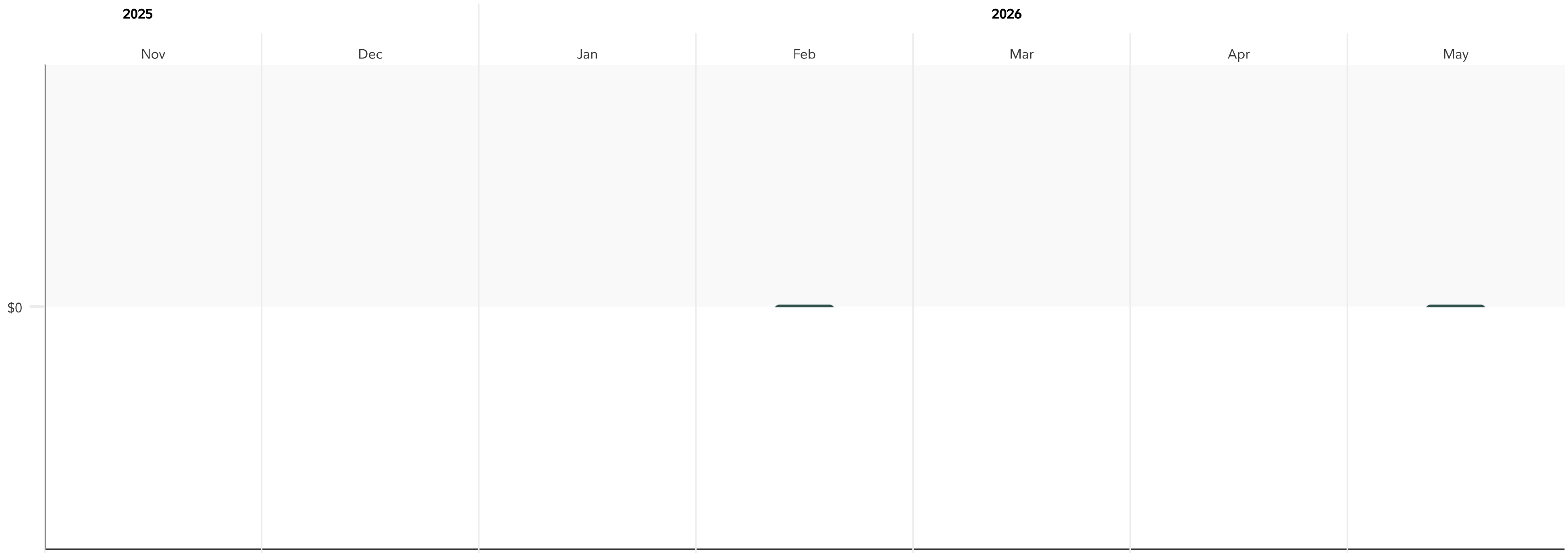
***3. MV by Final Maturity (Proposed) - 10 Years from 19-Nov-2025 to 31-Dec-2034**



The table displays the estimated total market value of the securities within this proposal for each maturity year for which the principal amount of the bond becomes due and payable. The estimated market value of an individual security is calculated by taking the proposed quantity of each position and multiplying it by the current quoted market price of the security at the stated "as of" time. The estimated market values of bond positions for each calendar year are then summed across all securities and displayed graphically. Actual market value in the future may vary from the estimated market values depicted here.

*4. Cash Flow - Interest Income (Proposed) - 1 Year from 19-Nov-2025 to 18-Nov-2026



	Nov 2025 Proposed	Dec Proposed	Jan 2026 Proposed	Feb Proposed	Mar Proposed	Apr Proposed	May Proposed
Total	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
AGENCY	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
CD	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
CORPORATE	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
MUNICIPAL	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
TREASURY	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Struct Prod	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Hybrid Pref	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
MBS	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

*For more information, please refer to the Terms and Conditions at the end of this document. Aggregate Portfolio Proposal Report Analytics exclude all Structured Products, TIPS, MBS and are otherwise limited to CUSIPs with fixed, zero and step coupon types.

*4. Cash Flow - Interest Income (Proposed) - 1 Year from 19-Nov-2025 to 18-Nov-2026

	Jun	Jul	Aug	Sep	Oct	Nov
	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
Total	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**	**$ 0**
AGENCY	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
CD	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
CORPORATE	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
MUNICIPAL	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
TREASURY	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Struct Prod	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Hybrid Pref	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
MBS	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0

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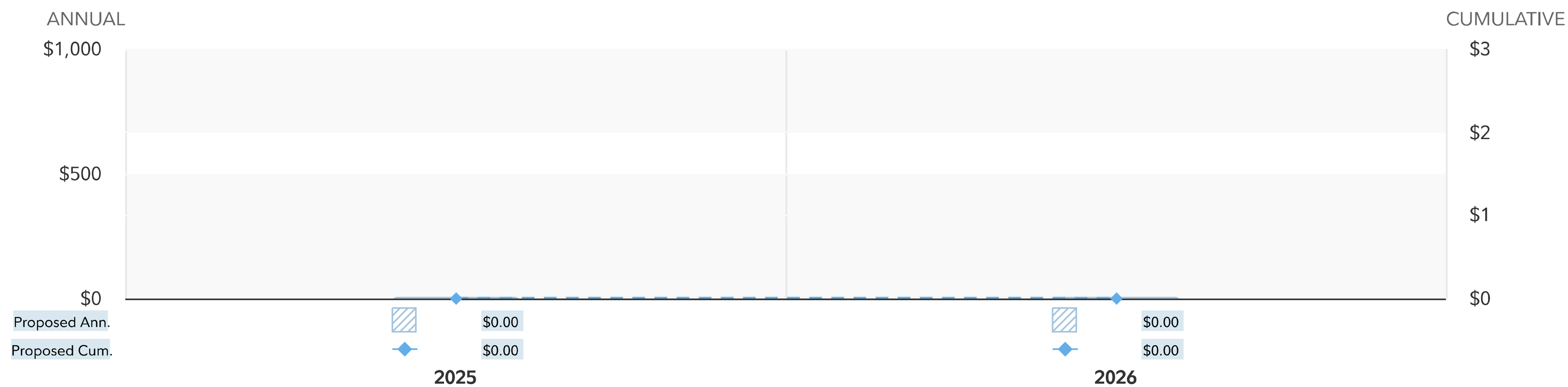
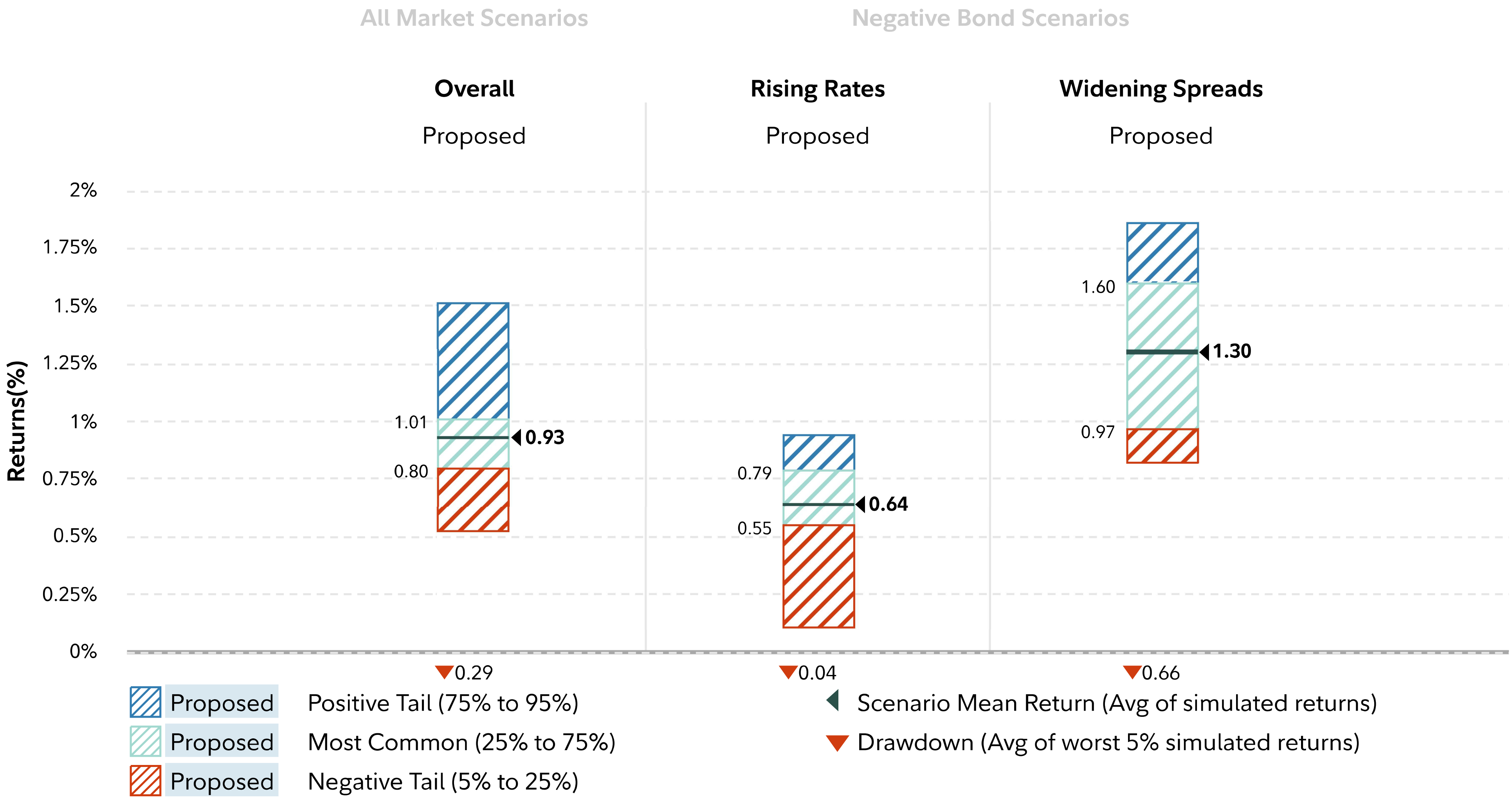
***5. Estimated Annual Income & Estimated Cumulative Income (Proposed) - 10 Years from 19-Nov-2025 to 31-Dec-2034**



Estimated Annual Income is equal to the sum of the upcoming interest payments for all of the proposed securities of the presented markets in the user-generated proposal in a given year if held to maturity without reinvestment and is represented in whole dollars. Estimated Cumulative Income is the sum of all upcoming interest payments for all of the proposed securities of the presented markets in the user generated-proposal for the life of the portfolio if held to maturity without reinvestment and is represented in whole dollars. Return of principal is not included in annual or cumulative values. Estimated annual income and estimated cumulative income are not guaranteed.

***6. MARKET SENSITIVITY - 3 Months (Proposed)**



Returns depicted are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.Under each scenario, the model runs five thousand simulations of estimated total return outcomes and presents the results divided into three categories, according to the accompanied chart legend: a positive tail, the most common outcomes, and a negative tail. The positive tail includes the top (best 25% of simulated returns; however, the highest (best 5% are not displayed for charting purposes. The most common outcomes represent the estimated returns that fall in the middle 50% of all simulated returns. The negative tail includes the bottom (worst 25% of simulated returns; however, the lowest (worst 5% are not displayed for charting purposes. In order to illustrate the possibility of loss under low frequency but stressed market conditions, the lowest (worst 5% of simulated outcomes are presented as "Drawdown" and calculated as the average of the lowest (worst 5% of simulated total returns. For more information, please refer to the Market Sensitivity Analysis – Additional Information page at the end of this document.

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PROPOSED POSITIONS

Description, CUSIP	Proposed Quantity	Coupon, Type, Frequency	Next Call Date, Maturity ▼	Ratings Moody Underlying	MDurW, OAD	Closing YTW / YTM, Offering YTW / YTM	Closing Price, Offering Price	Proposed Market Value
Treasuries 4 Positions	**1,000**							**$978,878.63**
UNITED STATES TREAS BILLS ZERO CPN, 0.000%, 19-FEB-2026 ZERO COUPON CUSIP:912797PM3	250	0.000% ZER --	-- 19-Feb-2026	--	0.247 0.245	3.870 / 3.870 **3.754 / 3.754**	$99.03 **$99.07**	$247,681.65
UNITED STATES TREAS BILLS ZERO CPN, 0.00000%, 21-MAY-2026 ZERO COUPON CUSIP:912797SV0	250	0.000% ZER --	-- 21-May-2026	--	0.489 0.489	3.791 / 3.791 **3.693 / 3.693**	$98.14 **$98.19**	$245,479.53
UNITED STATES TREAS BILLS ZERO CPN, 0.000%, 06-AUG-2026 ZERO COUPON CUSIP:912797RG4	250	0.000% ZER --	-- 06-Aug-2026	--	0.699 0.697	3.661 / 3.661 **3.534 / 3.534**	$97.45 **$97.54**	$243,851.89
UNITED STATES TREAS BILLS ZERO CPN, 0.000%, 29-OCT-2026 ZERO COUPON | MATERIAL EVENT(S) CUSIP:912797SK4	250	0.000% ZER --	-- 29-Oct-2026	--	0.924 0.923	3.665 / 3.665 **3.549 / 3.549**	$96.63 **$96.75**	$241,865.56

*For more information, please refer to the Terms and Conditions at the end of this document. Aggregate Portfolio Proposal Report Analytics exclude all Structured Products, TIPS, MBS and are otherwise limited to CUSIPs with fixed, zero and step coupon types.

Terms and Definitions

Average Coupon - A bond's coupon is the percentage of the par value of the bond that will be paid in interest annually. The coupon payments may occur on different intervals depending on the security. The average coupon is the par weighted-average coupon rates of all the bonds in the portfolio.

Cash Flow (Next 13 Months Interest Income) - This chart does not reflect corrections to Market Value made subsequent to the dates depicted. It may exclude transactions in Annuities or positions where we are not the custodian, which could delay the reporting of Market Value. Upcoming coupon payments are sourced from Security Master. Due to unexpected Material Events, especially credit and liquidity issues, these payments are not guaranteed. Monthly cash flow is calculated using upcoming interest payments only, and does not include any returns of principal. Anticipated cash flow is not guaranteed.

Estimated Annual Income and Estimated Cumulative Income - Estimated Annual Income is equal to the sum of the upcoming interest payments for all of the proposed securities of the presented markets in the user-generated proposal in a given year if held to maturity without reinvestment and is represented in whole dollars. Estimated Cumulative Income is the sum of all upcoming interest payments for all of the proposed securities of the presented markets in the user generated-proposal for the life of the portfolio if held to maturity without reinvestment and is represented in whole dollars. Return of principal is not included in annual or cumulative values. Estimated annual income and estimated cumulative income are not guaranteed.

Est. Avg. Credit Quality - For an individual security, the credit rating represents the credit worthiness of the underlying issuer and their anticipated ability to ultimately repay their debt. The average credit quality represents the weighted average credit quality of each security in the proposed portfolio. If the security has only one rating, then it will be used as the rating for the calculation. If the security has two ratings that are not equivalent, the lower rating will be used as the security's rating for the calculation. If the security is a U.S. Treasury sovereign debt security that is not rated by a Nationally Recognized Statistical Rating Organization, an implied credit rating of AAA/AA+ is used . No analysis specific to a given U.S. Treasury sovereign debt security or of the U.S. Treasury market in general in assigning this implied credit rating, nor is any periodic review conducted to assess whether such implied rating should be adjusted, although such adjustment may be made without notice. Depending on market conditions, the implied credit rating may not be representative of the actual credit quality of these U.S. Treasury sovereign debt securities, and the resulting, estimated average credit quality of the portfolio depicted in this report may not be reliable. With the exception of U.S. Treasury sovereign debt securities, all other securities that are unrated, non-rated, or with withdrawn ratings are assigned a Normalized Score of 0.

Est. Credit Quality - For an individual security, the credit rating represents the credit worthiness of the underlying issuer and their anticipated ability to repay their debt. The estimated credit quality represents the percentage of the proposed portfolio's market value comprised of securities with a given credit quality. If the security is a U.S. Treasury sovereign debt security that is not rated by a Nationally Recognized Statistical Rating Organization, an implied credit rating of Aaa (for Moody's)/AA+ (for Standard and Poor's) is used. These implied credit ratings are not provided by Moody's or Standard and Poor's, but rather generally align with how Moody's and Standard and Poor's rate other U.S. Treasury sovereign debt securities. Depending on market conditions, the implied credit rating may not be representative of the actual credit quality of these U.S. Treasury sovereign debt securities. With the exception of U.S. Treasury sovereign debt securities, all other securities that are unrated, non-rated, or with withdrawn ratings are depicted as unrated, non-rated, or withdrawn rating, as the case may be.

Market Sensitivity Chart - Returns depicted are hypothetical in nature. Actual returns may vary based on market and economic conditions. Past performance is no guarantee of future results. Under each scenario, the model runs five thousand simulations of estimated total return outcomes and presents the results divided into three categories, according to the accompanied chart legend: a positive tail, the most common outcomes, and a negative tail. The positive tail includes the top (best) 25% of simulated returns; however, the highest (best) 5% are not displayed for charting purposes. The most common outcomes represent the estimated returns that fall in the middle 50% of all simulated returns. The negative tail includes the bottom (worst) 25% of simulated returns; however, the lowest (worst) 5% are not displayed for charting purposes. In order to illustrate the possibility of loss under low frequency but stressed market conditions, the lowest (worst) 5% of simulated outcomes are presented as "Drawdown" and calculated as the average of the lowest (worst) 5% of simulated total returns. For more information, please refer to the Market Sensitivity Analysis – Additional Information page at the end of this document.

Methodology - The rate of return is market value weighted for the "Current" yields based on the closing price of a position. This rate of return is market value weighted for the "Proposed" yields based on the live market price if there is a proposed change from the current position; if a live market is not available, the closing price is used to determine the rate of return.

Modified Duration to Worst - Duration is a measure of the sensitivity of a bond or portfolio's price to changes in interest rates. The Modified Duration to Worst is the duration of a bond computed using the bond's nearest call date or maturity, whichever comes first. This measure ignores future cash flow fluctuations due to embedded optionality.

MV by Final Maturity - The table displays the estimated total market value of the securities within this proposal for each maturity year for which the principal amount of the bond becomes due and payable. The estimated market value of an individual security is calculated by taking the proposed quantity of each position and multiplying it by the current quoted market price of the security at the stated "as of" time. The estimated market values of bond positions for each calendar year are then summed across all securities and displayed graphically. Actual market value in the future may vary from the estimated market values depicted here.

Option Adjusted Duration - Bond prices typically move in the opposite direction to changes in interest rates. If interest rates rise, bond prices usually fall (and vice versa). Duration is a measure that helps approximate the degree of price sensitivity of a bond to changes in interest rates. Although stated in years, duration is often explained as an estimate of the percentage price change of a bond in response to a one percent change in interest rates. Bonds with higher duration generally have greater sensitivity to changes in interest rates and will generally experience a more significant drop in value as interest rates rise. For bonds with embedded options (for example callable or puttable bonds), the duration measure must be adjusted to account for the possibility that the bond's embedded options may change the expected cash flows of the bond. For example, if a bond is called, interest payments cease and principal is returned earlier than the bond's maturity. The option adjusted measure of duration is referred to as Option Adjusted Duration (OAD).

State Strategy - Represents the user defined strategy for state tax exempt purposes. National refers to a strategy that includes municipal bonds from all states and territories.

Tax-Equivalent Yield to Maturity - Income from municipal bonds is generally exempt from federal, state and local income taxes, depending on the issuer and the state in which the investor lives. The tax-equivalent yield to maturity of the portfolio grosses up the yield to maturity of any proposed tax-exempt municipal bond position to give it a more accurate comparison to similar taxable investments. It is calculated by dividing the tax-exempt municipal bond yield to maturity by: (1 – Federal Tax Rate). The Federal Tax Rate is entered by the user.

Tax-Equivalent Yield to Worst Income - Tax-equivalent yield to worst income from municipal bonds is generally exempt from federal, state, and local income taxes, depending on the issuer and the state in which the investor lives. The tax-equivalent yield to worst of the portfolio grosses up the yield to worst of any proposed tax-exempt municipal bond position to give it a more accurate comparison to similar taxable investments. It is calculated by dividing the tax-exempt municipal bond yield to worst by: (1 – Federal Tax Rate). The Federal Tax Rate is entered by the user, i.e., your financial intermediary.

Yield to Maturity - The rate of return an investor can expect to receive if an investment is held to the maturity date.

Yield to Worst - The lowest potential yield that can be received without the issuer actually defaulting. Calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if any in-whole mandatory redemptive provisions are exercised by the issuer. Partial redemptive provisions (such as sinking funds) are not included in Yield to Worst calculations.

Market Sensitivity Additional Info

For pre-trade portfolio insight, mark-to-market return distributions are illustrated under thirteen (13) different market scenarios:

- All Market Scenarios
- Negative Bond Scenarios: Rising Rates
- Negative Bond Scenarios: Widening Spreads
- Business Cycle Phase: Early
- Business Cycle Phase: Mid
- Business Cycle Phase: Late
- Business Cycle Phase: Recession
- Real Interest Rate Scenarios: Inflation
- Real Interest Rate Scenarios: Reflation
- Real Interest Rate Scenarios: Disinflation
- Real Interest Rate Scenarios: Weak Growth
- High Inflation Scenarios: High and Falling Inflation
- High Inflation Scenarios: High and Rising Inflation

The model runs thousands of simulated market environments to calculate estimated total return outcomes and presents the results divided into three categories: a positive tail, the most common outcomes, and a negative tail. The positive tail includes the top (best) 25% of simulated returns; however, the highest (best) 5% are not displayed for charting purposes. The most common outcomes represent the estimated returns that fall in the middle 50% of all simulated returns. The negative tail includes the bottom (worst) 25% of simulated returns; however, the lowest (worst) 5% are not displayed for charting purposes. Recognizing the importance of considering loss under low frequency but stressed market conditions, the lowest 5% of simulated outcomes are presented as the “drawdown”. The drawdown for each scenario is calculated as the average of the worst 5% of simulated total returns.

With “All Market Scenarios”, the Portfolio Management tool modeling includes all observed market data together with calculated volatilities and correlations from 1990 to the latest model update, which is updated on a regular basis throughout the current year. The full period is used to provide a view of the range and expected frequency of a portfolio’s upside and downside return potential.

In addition to “All Market Scenarios”, the Portfolio Management tool presents eight pre-defined scenarios as well as the four phases of the US Business Cycle. The pre-defined scenarios include two “negative bond” scenarios, four “Real Interest Rate” scenarios, and two “High Inflation” scenarios.

The two Negative Bond scenarios include Rising Rates and Widening Spreads. For Rising Rates, the analytic results narrow the historical data to only reflect periods when 2-year US Treasury yields were rising. Of these, periods with at least a one standard deviation increase in 2-year Treasury yields are deemed a material rise in interest rates and are used to model the rising rates scenario. Similarly, for Widening Spreads, the analytic results identify historical markets when the average yield spread of BBB rated corporate bonds over equivalent maturity Treasuries was increasing. Periods with at least a one standard deviation increase are deemed a material widening and are used to model the widening spreads scenario.

The four Real Interest Rate scenarios include Inflation, Reflation, Disinflation, and Weak Growth. For these scenarios, the analytic results narrow the historical periods to capture directional and relative movement in the nominal 5-year US Treasury yield and in implied inflation (taken from TIPS market). The Inflation scenario captures periods in which implied inflation rises faster than the nominal yield, resulting in falling real yields. Conversely, the Reflation scenario captures periods in which the nominal yield rises faster than implied inflation, resulting in rising real yields. The Disinflation scenario captures periods with falling nominal yields and faster-falling implied inflation, leading to rising real yields. Finally, the Weak Growth scenario captures periods with falling implied inflation and faster-falling nominal yields, leading to falling real yields.

The two High Inflation scenarios include High and Falling Inflation and High and Rising Inflation. For these scenarios, the analytic results narrow the historical periods to capture market environments in which inflation is high, exceeding 4% based on the year-over-year change in the Consumer Price Index. The High and Rising Inflation scenario captures periods in which both inflation is high and inflation is rising over the specified horizon.

Similarly, the High and Falling Inflation scenario captures periods in which inflation is high and inflation is falling over the specified horizon.

To generate the market scenarios for a particular phase of a business cycle, only historical periods classified by market research as that particular business cycle phase are used to model the underlying market volatilities and correlations. For example, during the mid-business cycle phase, historical markets observe lower correlations of risky assets, lower asset return volatilities and more observations of rising interest rates and narrowing credit spreads. The model simulates mid business cycle phase scenarios representing the observed market dynamics from prior mid business cycle periods. In contrast, during the recession phase of the business cycle, the model draws data from recession labeled periods to generate scenarios characterized by higher correlations among risky assets, higher return volatilities, more negative returns for risk assets, lower interest rates and widened credit spreads.

For more detailed descriptions of the market scenarios and financial model, please consult with your financial professional.

As with any investing, certain risks may be applicable to any fixed-income security. Although not an exhaustive list, the following may apply and should be considered before discussing a potential investment with your client. These risks include default risk, credit risk, interest rate risk, inflation risk, and market risk.

Default Risk: If a bond issuer fails to make either a coupon or principal payment on its bonds as they come due, then the issuer is said to be in default. This could arise in connection with the issuer's bankruptcy or a failure to meet some other provision of the bond indenture, such as a reporting or debt service reserve requirement.

Credit Risk: A bond's credit quality is an important consideration when evaluating investment choices. Credit ratings services may assign a credit rating to a bond and/ or a bond issuer based on analysis of the issuer's financial condition and management, economic and debt characteristics, and the specific revenue sources securing the bond. The highest ratings are AAA (Standard and Poor's) and Aaa (Moody's). Bonds rated BBB/Baa and higher are considered investment-grade; bonds with lower ratings are considered higher risk, speculative, or high-yield. Lower-rated bonds will often have higher yields to compensate investors for increased risk.

Interest Rate Risk: Interest rate movements almost always have an impact on bond prices. When interest rates rise, the price of existing bonds typically falls. If you sell your bond into this type of interest rate environment, you will probably receive less than what you had paid for it. The volatility created by interest rate risk is greater for longer-term bonds and usually declines as the maturity date gets closer. The Portfolio Management's return outcome analysis does not include the effect of rolldown return. Roll-down return arises when the value of a bond converges to par as maturity is approached. It is contributed by the current shape of the yield curve. For example, assume a 5-year treasury yield is 1.5% and a 3-year yield is 1.2%; the difference between the 5-year yield and the 3-year yield is (1.5% - 1.2%), or 0.3%. This positive roll means that price will increase as time passes. Roll-down return is deterministic. Roll-down return is not driven by potential changes in the shape of the yield curve and is currently not applied in the risk calculation.

Inflation Risk: In an environment of high or increasing inflation, a bond investor is at risk of reduced purchasing power, based on future cash flow (coupon payments and principal).

Market Risk: Market risk is the risk that the bond market as a whole may decline, bringing the value of individual securities down with it, regardless of their fundamental characteristics.

The projections or other information depicted in this Proposal regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results.

DISCLOSURE

A mark-up may be included in the purchase of these securities. New issue bonds must be accompanied or preceded by prospectus or offering circular. A prospectus or offering circular contains important information including data related to the issuer's finances, risk factors, usage of the proceeds from the issue, and other pertinent information. Investments in bonds may not be suitable for all investors. Truist benefits more when a client purchases products issued by Truist Bank or its affiliates relative to non-affiliate products.

Investing in the bond market is subject to certain risks, including market, interest rate, call risk, issuer and inflation risk; investments may be worth more or less than the original cost when redeemed. The value of most bond strategies and fixed income securities are impacted by changes in interest rates. Bonds and bond strategies with longer durations tend to be more sensitive and more volatile than securities with shorter durations; bond prices generally fall as interest rates rise, and values rise when interest rates decline.

A bond ladder, depending on the types and amount of securities within the ladder, may not ensure adequate diversification of your investment portfolio. This potential lack of diversification may result in heightened volatility of the value of your portfolio. You must perform your own evaluation of whether a bond ladder and the securities held within it are consistent with your investment objective, risk tolerance and financial circumstances. To learn more about diversification and its effects on your portfolio, contact your financial representative.

A portion of municipal bond income may be subject to state taxes and federal alternative minimum tax (AMT) for individuals and corporations. Capital gains earned on tax exempt investments are taxable. Mortgage-backed securities (MBS) are subject to credit, default risk, prepayment and extension risk. If interest rates rise, the value of MBS on the secondary market will likely fall. Certificate of Deposits (CDs) and other bank deposits are FDIC insured and offer a fixed rate of return. Investments are not bank deposits and are not FDIC insured. Investment returns fluctuate and involve risks including possible loss of principal. High yield fixed income investments, also known as junk bonds, are considered speculative, involve greater risk of default and tend to be more volatile than investment grade fixed income securities.

Standard and Poor's rates the creditworthiness of corporate bonds, with 15 categories ranging from AAA (highest) to D (lowest). Ratings from A to CCC may be modified by the addition of a plus (+) or a minus (-) sign to show relative standing within the major rating categories. The Moody's bond rating scale goes from Aaa (highest) to C (lowest). If a rating is upgraded three notches by Moody's for example, it goes from Baa to Aaa or Baa to C or lower in a downgrade.

INVESTMENT AND INSURANCE PRODUCTS: ARE NOT FDIC OR ANY OTHER GOVERNMENT AGENCY INSURED • ARE NOT BANK GUARANTEED • MAY LOSE VALUE

Services provided by the following affiliates of Truist Financial Corporation: Securities, brokerage accounts and insurance (including annuities) are offered by Truist Investment Services, Inc., a SEC registered broker-dealer, member FINRA, SIPC, and a licensed insurance agency. Investment advisory services are offered by Truist Advisory Services, Inc. a SEC registered investment adviser.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH INDIVIDUAL BONDS

In general, the bond market is volatile, and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. Any fixed income security sold or redeemed prior to maturity may be subject to loss.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH AGENCY AND GOVERNMENT SPONSORED ENTITIES (GSE) BONDS

Call Risk - Some agency or GSE bonds have call features, which means they can be redeemed or paid off at the issuer's discretion before maturity. Typically, an issuer will call a bond when interest rates fall, potentially leaving investors with a capital loss or loss in income and less favorable reinvestment options. For investors concerned about call risk, non-callable agency and GSE bonds are available in the marketplace.

Interest Rate Risk - Like all bonds, GSE and agency bonds are susceptible to fluctuations in interest rates. If interest rates rise, bond prices will generally decline, despite the lack of change in both the coupon and maturity. The degree of price volatility due to changes in interest rates is usually more pronounced for longer-term securities.

Credit and Default Risk - While agency and GSE bonds have relatively low credit risk, there is some risk that the issuing agency or GSE will default. Agency and GSE bonds are not an obligation of the U.S. government; credit and default risk is based on the individual issuer.

Inflation Risk - While the yields on agency and GSE bonds are usually higher than those offered by Treasuries, there is a risk that the income generated may be lower than the rate of inflation. Inflation may diminish the purchasing power of a bond's interest and principal.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH BROKERED CDS

Lower Yields - Because of the inherent safety and short-term nature of a CD investment, yields on CDs tend to be lower than other higher risk investments.

Interest Rate Fluctuation - Like all fixed income securities, CD valuations and secondary market prices are susceptible to fluctuations in interest rates. If interest rates rise, the market price of outstanding CDs will generally decline, creating a potential loss should you decide to sell them in the secondary market. Since changes in interest rates will have the most impact on CDs with longer maturities, shorter-term CDs are generally less impacted by interest rate movements.

Credit Risk - Since CDs are debt instruments, there is credit risk associated with their purchase, although the insurance offered by the FDIC may help mitigate this risk. Customers are responsible for evaluating both the CDs and the creditworthiness of the underlying issuing institution.

Insolvency of the issuer - In the event the Issuer approaches insolvency or becomes insolvent, it may be placed in regulatory conservatorship, with the FDIC typically appointed as the conservator. As with any deposits of a depository institution placed in conservatorship, the CDs of the issuer for which a conservator has been appointed may be paid off prior to maturity or transferred to another depository institution. If the CDs are transferred to another institution, the new institution may offer you a choice of retaining the CD at a lower interest rate or receiving payment.

Selling Before Maturity - CDs sold prior to maturity are subject to a mark-down and may be subject to a substantial gain or loss due to interest rate changes and other factors. In addition, the market value of a CD in the secondary market may be influenced by a number of factors including, but not necessarily limited to, interest rates, provisions such as call or step features, and the credit rating of the Issuer. The secondary market for CDs may be limited.

Coverage limits FDIC insurance only covers the principal amount of the CD and any accrued interest. In some cases, CDs may be purchased on the secondary market at a price that reflects a premium to their principal value. This premium is ineligible for FDIC insurance. More generally, FDIC insurance limits apply to aggregate amounts on deposit, per account, at each covered institution. Investors should consider the extent to which other accounts, deposits or accrued interest may exceed applicable FDIC limits. For more information on the FDIC and its insurance coverage visit www.fdic.gov.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH CORPORATE BONDS

When investing in corporate bonds, investors should remember that multiple risk factors can impact short- and long-term returns. Understanding these risks is an important first step towards managing them.

Market Risk - Price volatility of corporate bonds increases with the length of the maturity and decreases as the size of the coupon increases. Changes in credit rating can also affect prices. If one of the major rating services lowers its credit rating for a particular issue, the price of that security usually declines.

Event Risk - A bond's payments are dependent on the issuer's ability to generate cash flow. Unforeseen events could impact their ability to meet those commitments.

Call Risk - Many corporate bonds may have call provisions, which means they can be redeemed or paid of at the issuer's discretion prior to maturity. Typically, an issuer will call a bond when interest rates fall potentially leaving investors with a capital loss or loss in income and less favorable reinvestment options. Prior to purchasing a corporate bond, determine whether call provisions exist.

Make-Whole Calls - Some bonds give the issuer the right to call a bond, but stipulate that redemptions occur at par plus a premium. This feature is referred to as a make-whole call. The amount of the premium is determined by the yield of a comparable maturity Treasury security, plus additional basis points. Because the cost to the issuer can often be significant, make-whole calls are rarely invoked.

Sector Risk - Corporate bond issuers fall into four main sectors: industrial, financial, utilities, and transportation. Bonds in these economic sectors can be affected by a range of factors, including corporate events, consumer demand, changes in the economic cycle, changes in regulation, interest rate and commodity volatility, changes in overseas economic conditions, and currency fluctuations. Understanding the degree to which each sector can be influenced by these factors is the first step toward building a diversified bond portfolio.

Interest Rate Risk - If interest rates rise, the price of existing bonds usually declines. That's because new bonds are likely to be issued with higher yields as interest rates increase, making the old or outstanding bonds less attractive. If interest rates decline, however, bond prices usually increase, which means an investor can sometimes sell a bond for more than face value, since other investors are willing to pay a premium for a bond with a higher interest payment. The longer a bond's maturity, the greater the impact a change in interest rates can have on its price. If you're holding a bond until maturity, interest rate risk is not a concern.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH HIGH YIELD/NON-INVESTMENT GRADE BONDS

While it may seem appealing to look at bonds that offer higher yields, investors should consider those higher yields to be a sign of potentially greater risk. Below are some of the potential risks involved with high yield investing.

Default Risk - The risk of default on principal, interest, or both, is greater for high yield bonds than for investment grade bonds.

Credit Risk - High yield bonds are subject to credit risk, which increases as the creditworthiness of the issuer falls. It's important to pay attention to changes in credit quality, as less creditworthy bonds are more likely to default on interest payments or principal repayment.

Business Cycle Risk - High yield issuers typically have riskier business strategies and more leveraged balance sheets, exposing them to greater risk of default at times of a downturn in business conditions.

Call Risk - High yield bonds are more likely to have call provisions, which means they can be redeemed or paid off at the issuer's discretion prior to maturity. Typically, an issuer will call a bond when interest rates fall, potentially leaving investors with capital losses or losses in income and less favorable reinvestment options. Prior to purchasing a corporate bond, determine whether call provisions exist.

Make-Whole Calls - Some bonds give the issuer the right to call a bond but stipulate that redemption occurs at par plus a premium. This feature is referred to as a make-whole call. The amount of the premium is determined by the yield of a comparable maturity Treasury security, plus additional basis points. Because the cost to the issuer can often be significant, make-whole calls are rarely invoked.

Event Risk - A bond's payments are dependent on the issuer's ability to generate cash flow. Unforeseen events could impact their ability to meet those commitments.

Concentration Risk - Excessive exposure to a specific market sector within any asset class could put investors at greater risk. It's important to seek diversification across a wide range of issues and industries in order to reduce the negative impact of a default.

Equity Correlation Risk - The perception that high yield issuers may have trouble generating sufficient cash flow to make interest payments could make them behave like equities. In some cases, high yield bonds may fall along with equities during an economic or stock market downturn. This is a concern for investors using fixed income as a hedge against equity volatility.

Liquidity Risk - High yield bonds that may have been easy to buy or sell when market conditions were calm can suddenly become very difficult to sell when volatility increases. Typically, the market for high yield bonds is less liquid than the market for investment grade or government bonds.

Interest Rate Risk - Although high yield bonds have relatively low levels of interest rate risk for a given duration or maturity compared to other bond types, this risk can nevertheless be a factor. As with all bonds, a rise in interest rates causes prices of bonds and bond funds to decline. Because credit and default risk are the dominant drivers of valuations of high yield bonds, changes in market interest rates are relatively less important. At the same time, a tightening in monetary conditions that usually accompanies a rise in the general level of interest rates may cause a lagging reaction by weaker credits because of their inability to find sufficient funding, which in turn weakens the balance sheet of the high yield entity.

Higher Transaction Costs - Due to a typically large spread between bid and offer prices, and higher transaction costs associated with less liquid securities, trading high yield bonds can be costly.

Research and Monitoring Demands - Current and accurate information can be more difficult to obtain for high yield bonds. Investors should conduct due diligence as they consider investment strategies and closely monitor the changing financial condition of the issuing company.

Foreign Risk - In addition to the risks mentioned above, there are additional considerations for bonds issued by foreign governments and corporations. These bonds can experience greater volatility due to increased political, regulatory, market, or economic risks. These risks are usually more pronounced in emerging markets, which may be subject to greater social, economic, regulatory, and political uncertainties.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH CORPORATE NOTES

Interest Rate Risk - Prices are vulnerable to changes in interest rates; if rates rise, the market price of issued corporate notes will generally decline.

Credit and Default Risk - Investors should consider the possibility or risk that an issuer may default on interest or principal payments.

Redemption Risk - The issuer retains the right to limit the aggregate amount of notes that may be put back in any given year under the provisions of the survivor's option. In the case of default, rights to put notes back to the issuer under the survivor's option cease to exist. Additional limitations and restrictions may apply. Read each prospectus for details.

Call Risk - Issuers can redeem callable bonds prior to maturity. This typically occurs when interest rates decline, and the issuer has incentive to refinance its debt at lower prevailing levels of interest rates. When this occurs, investors typically find that the reinvestment choices the market presents have lower yields for commensurate levels of risk. Investors should read a bond's prospectus to understand a bond's call risk.

Liquidity Risk - A limited secondary market may exist for certain securities in the event you wish to liquidate before maturity. In this case, investments could be subject to a gain or loss of principal.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH INDIVIDUAL MUNICIPAL BONDS

Interest income earned from tax-exempt municipal securities generally is exempt from federal income tax and may also be exempt from state and local income taxes if you are a resident in the state of issuance. A portion of the income you receive may be subject to federal and state income taxes, including the federal alternative minimum tax. You may also be subject to tax on amounts recognized in connection with the sale of municipal bonds, including capital gains and "market discount" taxed at ordinary income rates. Market discount arises when a bond is purchased on the secondary market for a price that is less than its stated redemption price by more than a statutory amount. Before making any investment, you should review the relevant offering's official statement for additional tax and other considerations.

The municipal market can be adversely affected by tax, legislative, or political changes, and by the financial condition of the issuers of municipal securities. Investing in municipal bonds for the purpose of generating tax-exempt income may not be appropriate for investors in all tax brackets or for all account types. Tax laws are subject to change, and the preferential tax treatment of municipal bond interest income may be revoked or phased out for investors at certain income levels. You should consult your tax advisor regarding your specific situation.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH PREFERRED SECURITIES

Preferred securities are subject to interest rate risk. (As interest rates rise, preferred securities prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Preferred securities also have credit and default risks for both issuers and counterparties, liquidity risk, and, if callable, call risk. Dividend or interest payments on preferred securities may be variable, be suspended or deferred by the issuer at any time, and missed or deferred payments may not be paid at a future date. If payments are suspended or deferred by the issuer, the deferred income may still be taxable. See your tax advisor for more details. Most preferred securities have call features that allow the issuer to redeem the securities at its discretion on specified dates, as well as upon the occurrence of certain events. Other early redemption provisions may exist, which could affect yield. Certain preferred securities are convertible into common stock of the issuer; therefore, their market prices can be sensitive to changes in the value of the issuer's common stock. Some preferred securities are perpetual, meaning they have no stated maturity date. In the case of preferred securities with a stated maturity date, the issuer may, under certain circumstances, extend this date at its discretion. Extension of maturity date will delay final repayment on the securities. Before investing, please read the prospectus, which may be located on the SEC's EDGAR system, to understand the terms, conditions, and specific features of the security.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH MORTGAGE SECURITIES

Investments in mortgage securities are subject to prepayment risk, which can limit the potential for gain during a declining interest rate environment and increase the potential for loss in a rising interest rate environment.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH FOREIGN-DENOMINATED BONDS

There are additional considerations for bonds issued by foreign governments and corporations. Foreign debt can be more volatile than U.S. dollar–denominated debt due to the impact of currency fluctuations and the risks of adverse issuer, political, regulatory, market, or economic developments. These risks may be more pronounced in emerging markets, which may be subject to greater social, economic, regulatory, and political uncertainties. Investments in debt denominated in a foreign currency involve exchange-rate risk, which is the risk that a decline in the value of the local foreign currency relative to the U.S. dollar will have an adverse impact on the value of your investment once principal and interest payments are converted to U.S. dollars.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH FLOATING RATE BONDS AND NOTES

Floating-rate bonds and notes (FRNs) sometimes trade infrequently in the secondary market, so may be more difficult to value, buy, or sell. FRNs have variable interest rates, therefore payments may fluctuate significantly, and income can be inconsistent. Each note may differ greatly from one to the next, so it's critical to review terms, conditions, issuer creditworthiness, and the benchmark or reference rate carefully prior to investing. The value of the notes prior to maturity will fluctuate based on many factors including the general interest rate environment, time to maturity of the notes, actual or perceived changes in the benchmark, general economic conditions, and creditworthiness of the issuer. Selling a FRN prior to maturity in the secondary market could result in a loss of principal value.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH US TREASURY BONDS

Lower Yields - Treasury securities typically pay less interest than other securities in exchange for lower default or credit risk.

Interest Rate Risk - Treasuries are susceptible to fluctuations in interest rates, with the degree of volatility increasing with the amount of time until maturity. As rates rise, prices will typically decline.

Inflation Risk - With relatively low yields, income produced by Treasuries may be lower than the rate of inflation. This does not apply to TIPS, which are inflation protected.

Credit or Default Risk - Investors need to be aware that all bonds have the risk of default. Investors should monitor current events, as well as the ratio of national debt to gross domestic product, Treasury yields, credit ratings, and the weaknesses of the dollar for signs that default risk may be rising.

Interest income generated by Treasury bonds and certain securities issued by U.S. territories, possessions, agencies, and instrumentalities is generally exempt from state income tax, but is generally subject to federal income and alternative minimum taxes and may be subject to state alternative minimum taxes.

ADDITIONAL INFORMATION AND RISKS ASSOCIATED WITH STRUCTURED PRODUCTS

Credit and Default Risk - Structured products are subject to the risk of default by the issuer. Therefore, the financial condition and creditworthiness of the issuer are important considerations when assessing the ability of the issuer to meet its obligations according to the terms of the structured product. In summary, if the issuer defaults or declares bankruptcy, the investor may lose all or some of the investment. In the case of FDIC-insured market-linked CDs, deposit amounts exceeding applicable FDIC coverage limits are subject to the credit risk of the issuing bank. Other limitations on FDIC coverage may apply. Structured products which are senior unsecured notes are not FDIC-insured and may lose up to 100% of their investment upon the bankruptcy of the issuer, even if the value of the referenced asset is favorable. Because Structured Notes are treated as the senior unsecured debt of the issuer, payment of any amount at maturity is subject to the issuer's ability to pay its obligations as they become due. Creditworthiness of the issuer may change at any time during the term of the note. Even if one becomes aware that the creditworthiness of the issuer has declined, one may not be able to sell their investment, or the sale of their investment may result in a significant loss. It is important to understand the credit ratings of the issuer prior to investing in a particular structured note; however, credit ratings of the issuer may not represent the potential performance of the structured product.

Limited FDIC Protection - For FDIC-insured market-linked CDs, FDIC coverage generally applies to the amount of invested principal only. Any appreciation relating to the linked index or benchmark is typically not FDIC-insured. If you hold more than the FDIC-insured limitations in deposits with the issuing bank, you will not receive the benefit of FDIC insurance for any balance in excess of FDIC limits. In this instance, amounts in excess of FDIC-insured limits are subject to the credit risk of the issuing bank.

Liquidity Risk - Structured products are intended to be held until maturity. Due to a limited secondary market, it may not be possible to sell a structured product prior to maturity. Additionally, should a secondary market exist, investors who need to sell a structured product prior to maturity may be subject to a significant loss.

Market or Opportunity Risk - The potential return on structured products is subject to market volatility and the risks associated with the linked index or basket. The return of a structured product may be zero or less than what could have been earned on a traditional fixed income security.

Derivatives Risk - The issuers of structured products may choose to hedge their obligations by entering into derivatives and/or trading in one or more instruments, such as options, swaps or futures. The costs associated with such hedging activity could affect the market value of a structured product or the price at which the issuer may be willing to purchase a structured product in the secondary market.

Commodity Price Risk - If the investment benchmark is linked to one or more commodities, you may be subject to market volatility and risks relating to commodities. Trading in commodity futures contracts associated with an underlying commodity index is speculative and can be extremely volatile. The performance of the commodity index or basket of commodities may deviate significantly from the performance of the referenced commodity or commodities.

Currency and Exchange Rate Risk - If the investment benchmark is linked to a foreign currency or currency basket, you may be subject to foreign currency risks. The value of foreign currencies can be highly volatile and may change based on various factors, which may include changes in national debt levels and trade deficits, domestic and foreign inflation rates, domestic and foreign interest rates, and global or regional political, regulatory, economic or financial events. Performance may deviate significantly from the performance of the referenced currencies or exchange rates.

Limits or Caps on Appreciation Potential - Certain structured products impose limits on return potential in the form of a "cap" or may limit participation in the upside performance of the linked index or customized basket. The potential return to the investor depends in part on what is known as the participation rate. If the participation rate of the structured product is less than 100%, the investor will realize a return that is less than the return of the linked index or customized basket. The participation rate will vary by product, and factors such as index type, maturity and caps affect the rate. A cap is yet another component of some structured products. A cap represents a ceiling above which the investor does not participate in further upside gains of the linked index or basket. In other words, if the linked index or benchmark generates a return greater than the stated cap, investors will not receive any returns in excess of the capped return.

Costs and Fees - Placement fees, structuring, and development, as well as other costs will vary, and may impact secondary market prices for structured products. Investors should consider these and any other costs and fees covered in the offering document prior to investing.

Potential Loss of Principal - You may lose some or all of your principal. The amount of downside protection (if any) varies per issuance.

Interest - Structured products often pay no interest until the maturity date (unless periodic interest payments are payable on a particular issue). The amount of interest payable, if any, may be determined in whole or in part by reference to a stock market measure or measures, such as individual stocks, baskets of stocks, one or more stock indexes, an individual commodity or commodities, a commodity index, an individual currency, basket of currencies or currency index or such other reference as may be determined by the issuer (each, a "specified index"). In such case, interest will be calculated based upon the specified index level or price observed on specific dates during the tenor of the issue. Therefore, the interest paid might differ substantially from the amount of interest that would be calculated by observing the specified index on different dates during the same period.

Performance Risk - It is important to understand that the rate of return on a structured investment is variable and may fluctuate throughout the life of the investment based upon the underlying asset's (or assets') performance. A return is determined by a formula disclosed in the offering documents and is paid only on a specified date(s). A payment at maturity may be lower than a payment on a comparable traditional debt security. Principal at risk notes may return less than the original investment at maturity. If the note offers downside protection, this feature only applies if the note is held to maturity. A review of the costs within the product disclosure and offering materials should be conducted for additional information on potential impacts to performance. The return, if any, may be less than a comparable investment in the reference asset.

Call Risk - Some structured products are callable or redeemable, solely at the option of the issuer. The issuer will typically call the investment when it is most advantageous for them to do so. If the investment is called, it is possible that you may be unable to reinvest in a structured product with similar or better terms.

Taxes - Structured products may be considered contingent payment debt instruments for federal income tax purposes. This means investors usually have to pay income taxes each year on imputed annual income even though they may not receive a cash payment until maturity. In addition, any gain realized upon the sale of these products may be treated as ordinary income. Investors should refer to the offering document for the specific tax treatment of a structured product and consult their tax advisor for more details.

Statement Valuation - Structured products will not track the reference assets directly, as they are not equivalent to an outright investment in the reference asset. In addition, the valuation on a brokerage account statement is a general guide and not an indication of the price at which you can sell your investment. The value of structured products on the brokerage account statement will be shown below par initially due to the fees built into the products. However, actual returns will be based on the full principal amount invested. The actual value of a structured product may be different from its purchase price during its term, and this will be reflected in changing values on the brokerage account statement. In addition to the underlying asset's performance, other factors that may affect the investment value of the structured product prior to maturity include interest rates, volatility of the underlying asset, liquidity, time remaining until maturity, and creditworthiness of the underlying issuer.