

# MARGIN AND SHORT ACCOUNT AGREEMENT CLIENT INSTRUCTIONS

**Sec. 1**

- Enter all requested information about the primary account owner: Name, Social Security number or tax identification number, marital status, number of dependents, U.S. Bancorp Investments, Inc., account number, date of birth, employer, type of business, and occupation.
- If there is a joint owner, enter that person's name and marital status.

**Sec. 2** Answer all 9 questions as they pertain to the account. Do not leave any blank. Select only one response per question. For Question #4: Check your investment experience for each type of investment.

**Sec. 3** Check primary source of the funds you will be investing in this account.

**Sec. 6** Sign and date. If there is a joint owner, that owner must also sign and date the form.

**Investment and insurance products and services including annuities are: NOT A DEPOSIT • NOT FDIC INSURED •  
MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**

Investment and insurance products and services including annuities are available through U.S. Bancorp Investments, the marketing name for U.S. Bancorp Investments, Inc., member FINRA and SIPC, an investment adviser and a brokerage subsidiary of U.S. Bancorp and affiliate of U.S. Bank.

Insurance products are available through various affiliated non-bank insurance agencies, which are U.S. Bancorp subsidiaries.

Products may not be available in all states. CA Insurance License# 0E24641.

- This Margin and Short Account Agreement (this "Agreement") is in addition to the U.S. Bancorp Investments, Inc., Account Application.
- Additional Terms and Conditions printed on page 2 of this Agreement also apply to the Margin or Short Account.

**1 Account Owner Information** *(If trust or corporate account, additional documents are required to be sent with this Agreement.)*

Title of Account/Primary Account Owner	SSN/TIN	Account #
Employer	Type of Business	Occupation
Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married	Number of Dependents <i>(As on your tax return)</i> <input type="checkbox"/> 0 <input type="checkbox"/> 2 <input type="checkbox"/> 4 <input type="checkbox"/> 6 <input type="checkbox"/> 8 <input type="checkbox"/> 10 <input type="checkbox"/> 1 <input type="checkbox"/> 3 <input type="checkbox"/> 5 <input type="checkbox"/> 7 <input type="checkbox"/> 9 <input type="checkbox"/> >10	Joint Account Holder <i>(If applicable)</i>  Joint Account Holder Marital Status <input type="checkbox"/> Single <input type="checkbox"/> Married
Are you an active military service member or eligible for Servicemember's Civil Relief Act Benefits? <input type="checkbox"/> Yes <input type="checkbox"/> No		

**2 Financial and Investment Information** *(Complete responses are required.)*

1. What is Your Main Investment Objective? <i>(Must select only one box.)</i> <input type="checkbox"/> Liquidation <input type="checkbox"/> Preservation of capital <input type="checkbox"/> Income <input type="checkbox"/> Balanced <input type="checkbox"/> Growth <input type="checkbox"/> Aggressive growth <input type="checkbox"/> Speculation	
2. Which Category Best Describes Your Annual Income Today? <i>(Must select only one box.)</i> <input type="checkbox"/> < \$20K <input type="checkbox"/> \$20K - < \$35K <input type="checkbox"/> \$35K - < \$50K <input type="checkbox"/> \$50K - < \$75K <input type="checkbox"/> \$75K - < \$150K <input type="checkbox"/> \$150K +	3. Which Category Best Describes Your Federal Tax Bracket Today? <i>(Must select only one box.)</i> <input type="checkbox"/> < 10% <input type="checkbox"/> 15% <input type="checkbox"/> 25% <input type="checkbox"/> 28% <input type="checkbox"/> 33% <input type="checkbox"/> 35%
4. What is Your Current Level of Experience with the Following Five Types of Investments? <i>(Must select one box for each type. Default = 0 - 1 year.)</i> Stocks <input type="checkbox"/> 0 - 1 year <input type="checkbox"/> 1 - 5 years <input type="checkbox"/> 6 - 10 years <input type="checkbox"/> over 10 years Bonds* <input type="checkbox"/> 0 - 1 year <input type="checkbox"/> 1 - 5 years <input type="checkbox"/> 6 - 10 years <input type="checkbox"/> over 10 years Mutual Funds <input type="checkbox"/> 0 - 1 year <input type="checkbox"/> 1 - 5 years <input type="checkbox"/> 6 - 10 years <input type="checkbox"/> over 10 years Options <input type="checkbox"/> 0 - 1 year <input type="checkbox"/> 1 - 5 years <input type="checkbox"/> 6 - 10 years <input type="checkbox"/> over 10 years Annuities <input type="checkbox"/> 0 - 1 year <input type="checkbox"/> 1 - 5 years <input type="checkbox"/> 6 - 10 years <input type="checkbox"/> over 10 years Margins <input type="checkbox"/> 0 - 1 year <input type="checkbox"/> 1 - 5 years <input type="checkbox"/> 6 - 10 years <input type="checkbox"/> over 10 years <small>*Do not include U.S. Savings Bonds.</small>	5. How Long Do You Anticipate Leaving the Money Invested? What is Your Investment Time Horizon?  _____ Years
6. What Category Best Describes Your Estimated Total Net Worth Today? <i>(Must select one box. Net worth = Total of all your assets minus your debt (excluding primary residence).)</i> <input type="checkbox"/> < \$30K <input type="checkbox"/> \$30K - < \$75K <input type="checkbox"/> \$75K - < \$150K <input type="checkbox"/> \$150K - < \$300K <input type="checkbox"/> \$300K - < \$600K <input type="checkbox"/> \$600K - < \$1MIL <input type="checkbox"/> \$1MIL +	
7. Which Category Would Best Describe Your Liquid Net Worth? <i>(Must select one box. Liquid net worth = Any account (including IRAs and annuities) that can be liquidated to cash within 30 days, with or without penalty. This does not include real estate or any 401k, 403b, pension, profit sharing, or the like.)</i> <input type="checkbox"/> < \$25K <input type="checkbox"/> \$25K - < \$50K <input type="checkbox"/> \$50K - < \$100K <input type="checkbox"/> \$100K - < \$200K <input type="checkbox"/> \$200K - < \$500K <input type="checkbox"/> \$500K - < \$1MIL <input type="checkbox"/> \$1MIL +	
8. As an Investor, How Conservative or Aggressive Do You Consider Yourself to Be? <i>(Must select one box.)</i> <input type="checkbox"/> Conservative <input type="checkbox"/> Moderately Conservative <input type="checkbox"/> Moderate <input type="checkbox"/> Moderately Aggressive <input type="checkbox"/> Aggressive	
9. Liquidity Need/Anticipated Special Expenses <i>This may include a home purchase, home repair/remodel, car purchase, education, medical expenses and the like. If there is a liquidity need, enter the approximate dollar amount. If no need, enter \$0.</i> Liquidity need: \$ _____   Liquidity time frame: <i>(When do you expect to need these funds?)</i> <input type="checkbox"/> 0 - 1 year <input type="checkbox"/> 2 - 5 years <input type="checkbox"/> 6 - 10 years	

**3 Primary Source of Funds For Today's Transactions**

How Did You Acquire the Funds Being Invested?		
<input type="checkbox"/> Annuity: Surrender of contract <input type="checkbox"/> Business: Sale of <input type="checkbox"/> CD: Maturity <input type="checkbox"/> CD: Early liquidation <input type="checkbox"/> Death benefit proceeds <input type="checkbox"/> Equity: Sale of <input type="checkbox"/> Fixed income product: Maturity	<input type="checkbox"/> Fixed income product: Sale of <input type="checkbox"/> Gift <input type="checkbox"/> Inheritance <input type="checkbox"/> Insurance: Surrender <input type="checkbox"/> Mutual fund: Sale of <input type="checkbox"/> Physical asset: Sale of	<input type="checkbox"/> Real Estate: Sale of <input type="checkbox"/> Settlement <input type="checkbox"/> Transfer in kind (includes stock certificates) <input type="checkbox"/> UIT: Sale of <input type="checkbox"/> Savings > 12 months <input type="checkbox"/> Income. <i>Use for systematic or if it makes sense from an investment size or income/net worth.</i>

## 4 Margin and Short Account Terms and Conditions

“We” and “us” refer to U.S. Bancorp Investments, Inc., and “You” and “your” refer to you, the client.

1. **LEVERAGED TRANSACTIONS.** Margin borrowing, short sale transactions and short option positions are types of leveraged transactions in which your obligations are secured by long securities or other collateral held in your account. In a leveraged transaction you have greater opportunity for profit and loss. For this reason, leveraged transactions are riskier than non-leveraged transactions. If the value of securities held as collateral falls or if the price of securities sold short increases, you may be subject to a margin call and/or your securities may be liquidated. You must carefully consider market conditions and your financial position, investment experience, investment objectives and risk tolerance.
2. **PROVISIONS of SERVICES.** We may extend credit to you according to applicable laws and regulations and the U.S. Bancorp Investments Disclosure of Credit Terms and Policies printed in this document. You agree to use this credit primarily for business and investment purposes.
3. **DISCLOSURE of CREDIT TERMS and POLICIES.** All transactions in the Margin and Short Account are subject to the U.S. Bancorp Investments Disclosure of Credit Terms and Policies. You agree not to enter an order in your Margin and Short Account until you have read and understood the Disclosure of Credit Terms and Policies contained in this document.
4. **MAINTENANCE OF COLLATERAL.** You agree to maintain in your Margin and Short Account collateral of the type and amount required by:
  - Applicable Financial Industry Regulatory Authority (“FINRA”) rules and federal regulations
  - U.S. Bancorp Investments Disclosure of Credit Terms and Policies; or
  - As required by us at our discretion.
5. **LIQUIDATION.** Whenever it is necessary for our protection or to satisfy a margin deficiency, debit or other obligation owed us, we may (but are not required to) sell, assign, and deliver all or any part of the securities and other property securing your obligations or close any or all transactions in your brokerage account. It is our policy to attempt to contact you when practicable before taking any action described in this section. However, we reserve the right to take any such action without prior demand for additional collateral, notice, or advertisement, and free of any right of redemption. Any prior demand, call or notice will not be considered a waiver of our right to sell or buy without demand, call or notice.
  - We may choose which securities or other property to buy or sell, which transactions to close and the sequence of liquidation.
  - We may take such actions on whatever exchange or market and in whatever manner including public auction or private sale that we choose in the exercise of our business judgment.
  - We may transfer securities and other property from any one of your brokerage accounts to any other of your brokerage accounts if we determine that your obligations are not adequately secured or to satisfy a margin deficiency or other obligation. You agree to pay on demand any account deficiencies after liquidation whether liquidation is complete or partial.
6. **SHORT SALES.** You agree to designate a sell order as a short sale if at the time you place the order, you either do not own the security being sold or are unable to deliver the security in a timely manner. You agree that we may at our discretion and without notice “buy-in” securities to cover any short security position in your account.
  - We are entitled to exercise the rights described in this section if any of the following occurs:
    - a) A petition for bankruptcy or for the appointment of a receiver is filed by or against you;
    - b) An attachment is levied against any of your brokerage accounts with us;
    - c) You die or become incapacitated or incompetent; or
    - d) Your brokerage account is closed.
  - We may take this action either on a regular settlement, cash or next-day settlement basis.
  - If you are unable to cover a short security position either through delivery of the security or through “buying-in” the security in enough time so we can deliver the security to the lender to whom we are obligated, you agree to reimburse us for the losses we sustain as a result of your failure to deliver the security.
7. **INTEREST on DEBIT BALANCES.** You agree to be charged interest on your debit balance according to our Disclosure of Credit Terms and Policies.
8. **PLEDGE of SECURITIES and OTHER PROPERTY.** We may pledge, repledge, hypothecate or rehypothecate, either separately or together with securities of other clients, all securities and other property that you, now or in the future, carry, hold or maintain in your Margin and Short Account. The value of the securities and other property we pledge or repledge may be greater than the amount you owe us, and we are not obligated to retain in our possession and control for delivery the same amount of similar securities and other property.
9. **LOAN CONSENT.** You agree that securities and other property held on margin, now or in the future, may be loaned, either separately or together with the property of others or by others. No compensation will be payable to you in connection with such loans, and any losses or other detriments or gains or other benefits arising from such loans will not accrue to your brokerage account. We do not use customer securities, as loans or otherwise, in connection with short sales.
10. **ORDERS and STATEMENTS.** Reports of the execution of orders and statements of your account shall be conclusive if not objected to in writing within five days and ten days respectively after transmittal to you by mail or otherwise.
11. **U.S. Bancorp Investments does not allow a Margin account to be established for ERISA Qualified accounts or IRA accounts.**

## 5 Disclosure of Credit Terms and Policies *(Continued on page 4.)*

The following Disclosure of Credit Terms and Policies is required by the Securities and Exchange Commission ("SEC") and is part of this Agreement. It describes the terms under which we extend credit and charge interest and how your obligations are secured by property in your U.S. Bancorp Investments Account.

- 1. INTEREST CHARGES:** You agree to be charged interest on any credit extended to or maintained for you by us for the purpose of purchasing, carrying or trading in any security. The annual rate of interest which will be charged on the net debit balances will be calculated by means of a formula based on the rate for brokers' call money rate. With the exception of a credit balance in the short account, all other credit balances in all cash and margin accounts are combined and interest is charged to the margin account on any resulting net debit balance.
- 2. MARGIN INTEREST RATE:** Interest is computed monthly on the average net debit balance during the month. If during the month there is a change in interest rates, the average interest rate of the month, used to calculate interest on your account, will appear on your monthly statement. The combining of balances, as well as the actual interest calculations, are done by computer, but interest is arrived at by multiplying the net debit balance by the effective rate of interest divided by 360 times the number of days outstanding.

The applicable margin interest rate is set at a percentage above Broker Call printed daily in the Wall Street Journal.

Range	Increase
\$0 - \$24,999	Broker Call + 3.00%
\$25,000 - \$49,999	Broker Call + 2.125%
\$50,000 - \$99,999	Broker Call + 1.75%
\$100,000 - \$249,999	Broker Call + 1.50%
\$250,000 - \$499,999	Broker Call + 1.25%
\$500,000 - \$999,999	Broker Call + 1.125%
\$1,000,000 and up	Broker Call + 1.00%

Your margin interest rate will be adjusted automatically and without notice to reflect any change in Broker Call. If your interest rate increases for any reason other than a change in Broker Call, we will give you written notice at least 30 days prior to that change.

- 3. INITIAL MARGIN REQUIREMENTS:** The Federal Reserve Board, the FINRA and various stock exchanges determine margin loan rules and regulations. Credit will not be extended unless your equity in the securities and other property in your Margin and Short Account is at least \$2,000, or such greater amount as may be required by applicable rules or regulations or our house policies.

The maximum amount we currently may loan is 50% of the value of marginable securities purchased or held in your Margin and Short Account. If the market value of stock held as collateral increases after you have met the initial margin requirement, your available credit may increase proportionately.

Initial margin requirements may change without prior notice. We may impose more stringent requirements on positions that involve higher levels of risk; for example, higher limits may apply for thinly-traded or volatile securities. All transactions in any of your accounts are to be paid for or required margin deposited no later than 2:00 p.m. Eastern Time on settlement date.

You may purchase only certain securities on margin or use them as collateral in your Margin and Short Account. Most stocks traded on national securities exchanges and some over-the-counter securities are marginable.

Equity securities with a market value of less than \$3 per share may not be purchased on margin or deposited as margin collateral. If the market value of a security drops below \$3 per share, the security will not be assigned any value as collateral to secure your margin obligations. Different requirements apply to non-equity securities, such as bonds.

- 4. MARGIN MAINTENANCE REQUIREMENTS:** You must maintain a minimum amount of equity in your account to collateralize your outstanding loans and other obligations. Margin maintenance requirements are set:
  - By the rules and regulations of the FINRA and other regulatory agencies to whose jurisdiction we are subject; and
  - According to our discretion and judgment. Margin maintenance requirements may change without prior notice.

We may issue a "margin call" (that is, a notification to deposit additional collateral) if your account equity falls below the margin maintenance requirement. This can happen for various reasons. The most common reasons are a decrease in the value of long securities held as collateral or an increase in the value of securities held short.

As a general guideline and when it's practicable to do so, we may (but aren't required to) issue a margin call when the equity in your Margin and Short Account falls below 30% of the market value of assets at risk (that is, the sum of the market values of the long and short equity security positions) in your Margin and Short Account. The amount of additional collateral we require usually is an amount sufficient to raise your equity to 30%.

We retain absolute discretion to determine whether, when and in what amounts we will require additional collateral. In some situations, we may find it necessary to require a higher level of equity in your account. For example, we may require additional collateral if an account contains: a) Only one security or a large concentration of one or more securities; or b) Low-priced, thinly-traded or volatile securities; or if c) Some of your collateral is or becomes restricted or non-negotiable or non-marginable. We also may consider market conditions and your financial resources.

- 5. SHORT OPTION POSITIONS:** If you write uncovered put or call option contracts, your account is subject to both initial margin and margin maintenance requirements. For more detailed information on how we calculate these equity requirements, contact your U.S. Bancorp Investments Financial Consultant.
- 6. SHORT SALES:** A short sale is a margin transaction subject to initial margin and margin maintenance requirements. In most cases, the initial margin equity requirement for the short sale of an equity security is 150% of the sales price of the security, plus commissions. Equity securities selling for \$5 or less and odd lots usually may not be sold short. Different requirements apply to non-equity securities, such as bonds.

Generally, current margin maintenance rules require you to maintain equity in your account equal to 135% of the market value of each stock "short" in your account. The value of securities held short in your account is "marked to the market" each day. Increases in the market value will increase your daily adjusted debit balance (on which interest is charged) by the same amount, while decreases in the market value will decrease your daily adjusted debit balance by the same amount.

## 5 Disclosure of Credit Terms and Policies *(Continued from page 3.)*

As a result of increases in your daily adjusted debit balance, the collateral held in your account may become insufficient. Short sale proceeds are part of the collateral securing our loan of the security to you, and you may not withdraw these proceeds from your account. You are liable for all dividends paid on securities you have borrowed for the purpose of short sales.

For our protection, we may, at our discretion and without notice, immediately cover your short security positions by purchasing for your account securities to replace those sold short. We may cover your position because: a) The lender of the securities recalls them; or b) We anticipate an inability to borrow or reborrow these securities; or c) For any other reason.

If several accounts hold short positions in a security and not all of the positions are to be covered, we may select the positions to be covered. In covering a short position, we may at our discretion purchase securities for your account either on a normal settlement basis, next-day or a cash settlement basis. The price of securities purchased on a next-day or cash settlement basis usually is higher than those purchased on a normal settlement basis. The price of covering the short position may be higher than the price at which you sold short; therefore, you may sustain a loss on that transaction.

You are liable for commissions and other costs of short sale transactions and for any debit balance that remains after we cover or close out a short position. When we borrow securities for your account, we are obligated to return the securities to the lender on demand. If you are unable to cover a short position (either through delivery or through our "buying-in" your position) in sufficient time for us to deliver the security to its lender, you agree to pay us for the losses we sustain as a result of the failure to deliver. For instance, if you have a short position in a security that is subject to a tender offer and you are unable to cover the position in time for us to deliver the security to its lender, we may hold you responsible for the economic value of the tender offer.

- 7. LIENS and LIQUIDATION:** At your election, all debit balances in your account, including those resulting from extensions of margin credit, will be immediately due and payable. In the U.S. Bancorp Investments Account Agreement, you granted us a lien on all securities and other property held or maintained for any purpose, including safekeeping, in your U.S. Bancorp Investments Account or in any other present or future U.S. Bancorp Investments account which you have an interest. This lien secures the full performance of obligations owed to us by you or any joint account holder of your U.S. Bancorp Investments Account, whether those obligations are incurred in connection with your U.S. Bancorp Investments Account or any other U.S. Bancorp Investments account with us, and extends to property that may not be acceptable as margin collateral under Federal Reserve Board regulations.

If your equity falls below the applicable maintenance requirement, we may (but are not obligated to) notify you by mail, facsimile, telephone or other means of a margin call for an amount sufficient to satisfy our minimum equity requirement.

Margin calls require prompt delivery according to our instructions of either additional funds or acceptable securities. Failure to make a required deposit may result in the liquidation of part or all of the securities and other property in your account. You will continue to be held liable on demand for any debit balance remaining after liquidation of assets in your account.

At times, it may not be possible to notify you of a margin call or allow any time to deposit additional collateral. Therefore, **we reserve the right to initiate immediate liquidation procedures without notice.**

You are responsible for monitoring the status of your account, for ensuring that sufficient collateral is maintained in the account, and for liquidating positions to minimize losses. Any action we take or don't take to issue a margin call or liquidate collateral is undertaken solely to protect our interest as a creditor. We disclaim any responsibility to issue a margin call or liquidate positions in your account to prevent or minimize losses to you.

- 8. COMMUNICATIONS:** All communications except margin calls will be sent to you at your address given us, or at such other address as you may hereafter give us in writing, and all communications so sent, whether in writing or otherwise, shall be deemed given to you personally, whether actually received or not.
- Margin Calls issued will be communicated to you by your Wealth Management Advisor or Assistant via email or phone.
- 9. WAIVER:** No waiver of any provision of the Agreement shall be deemed a waiver of any other provision, nor a continuing waiver of the provision or provisions so waived.
- You understand that no provision of this Agreement can be amended or waived except in writing signed by an officer of our company, and that this Agreement shall continue in force until its termination by you is acknowledged in writing by an officer of our company or until written notice of termination by us shall have been mailed to you at your address last given us.
- 10. CONTINUATION:** If any provision hereof is or at any time should become inconsistent with any present or future law, rule or regulation of any securities exchange, or of any sovereign government or a regulatory body thereof and if any of these bodies have jurisdiction over the subject matter of this Agreement, said provision shall be deemed to be superseded or modified to conform to such law, rule, or regulation, but in all other respects this Agreement shall continue and remain in full force and effect.

Primary Account Owner: \_\_\_\_\_

SSN/TIN: \_\_\_\_\_ Account #: \_\_\_\_\_

## 6 Signatures and Approval

- In consideration of U.S. Bancorp Investments accepting this application and opening a Margin or Short Account, I acknowledge that I have read, understand and have received the Terms and Conditions set forth on page two of this Agreement and I agree to be bound by such as they may be amended from time to time.
- ACKNOWLEDGMENT. I acknowledge that I have received a copy of the Account Application, Universal Customer Agreement and Account Disclosures (as applicable), U.S. Bancorp Enterprise Resiliency Program, Important Information and General Product Acknowledgment, Sweep Program Disclosure Statement, Privacy Pledge, and U.S. Bancorp Investments Client Relationship Summary (if applicable). **The Universal Customer Agreement, referenced herein, contains a pre-dispute arbitration agreement located on page 3, section 25.** Investment Advisory clients also acknowledge receipt of the Investment Advisory Agreement and the Form ADV Part 2A, Appendix 1 and Part 2B. The terms and conditions in these documents (as applicable) are considered part of the account agreement. I agree to the terms and conditions contained in the above documents and to be bound by such as may be amended from time to time.
- By signing this Agreement I acknowledge that my securities may be loaned to others.

\_\_\_\_\_  
Signature of Primary Account Owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Account Owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Representative

\_\_\_\_\_  
Date

### U.S. Bancorp Investments Approval *(Customer has been reviewed for Margin and Short Account.)*

Margin Dept Review <input type="checkbox"/> Approved <input type="checkbox"/> Denied	Reviewed By _____	Date _____
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Submit via workflow, provide a copy to client. Original to branch file.

Name	SSN/TIN	Account #
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- **This investment is being made through U.S. Bancorp Investments, Inc., a registered broker/dealer and member of FINRA and SIPC. U.S. Bank N.A. is not a registered broker/dealer. U.S. Bancorp Investments is a wholly owned subsidiary of U.S. Bancorp.**
- **Investment products are not FDIC insured, are not deposits of, obligations of or guaranteed by U.S. Bancorp Investments, U.S. Bank N.A., any of their affiliates or any federal government agency and involve risk including the possible loss of principal invested.**
- **Principal, dividends, yields, and returns may fluctuate and are not guaranteed. Past results are not indicative of future performance. The value of an investment may be higher or lower than the amount originally paid.**

U.S. Bancorp Investments, Inc., is furnishing this document to you to provide some basic facts about purchasing securities on margin and to alert you to the risks involved with trading securities in a margin account. Before trading stocks in a margin account, you should carefully review the margin agreement provided by U.S. Bancorp Investments. Consult your Wealth Management Advisor regarding any questions or concerns you may have with your margin account.

When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from U.S. Bancorp Investments. If you choose to borrow funds from U.S. Bancorp Investments, you will open a margin account with U.S. Bancorp Investments. The securities purchased in your account are the collateral pledged to U.S. Bancorp Investments for the loan. If the securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, U.S. Bancorp Investments can take action such as issue a margin call and/or sell securities or other assets in any of your accounts held with U.S. Bancorp Investments in order to maintain the required equity in the account.

**It is important you fully understand the risks involved in trading securities on margin. These risks include the following:**

- **You can lose more funds than you deposit in the margin account.** A decline in the value of securities that are purchased on margin may require you to provide additional funds or margin-eligible securities to U.S. Bancorp Investments in order to avoid the forced sale of those securities or other securities or assets in your account(s).
- **U.S. Bancorp Investments can force the sale of securities or other assets in your account(s).** If the equity in your account falls below the maintenance margin requirements or U.S. Bancorp Investments' higher "house" requirements, U.S. Bancorp Investments can sell the securities or other assets in any of your accounts held with U.S. Bancorp Investments to cover the margin deficiency. You also will be responsible for any short fall in the account after such a sale.
- **U.S. Bancorp Investments can sell your securities or other assets without contacting you.** Some investors mistakenly believe that a firm must contact them for a margin call to be valid

and that the firm cannot liquidate securities or other assets in their account to meet the call unless the firm has contacted them first. This is not the case. Most firms will attempt to notify their clients of margin calls, but they are not required to do so. However, even if a firm has contacted a client and provided a specific date by which the client can meet a margin call, the firm can still take necessary steps to protect its financial interests including immediately selling the securities without notice to the client.

- **You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.** Because the securities are collateral for the margin loan, U.S. Bancorp Investments has the right to decide which security to sell in order to protect its interests.
- **U.S. Bancorp Investments can increase its house maintenance margin requirements at any time and is not required to provide you advance written notice.** These changes in firm policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause U.S. Bancorp Investments to liquidate or sell securities in your account(s).
- **You are not entitled to an extension of time on a margin call.** While an extension of time to meet margin requirements may be available to clients under certain conditions, a client does not have a right to the extension.
- **Short sales.** A short sale is a margin transaction involving the sale of securities you do not own or which are borrowed for your account. A short sale is subject to the same initial margin and margin maintenance requirements listed above. For our protection, U.S. Bancorp Investments may at our discretion and without notice, immediately cover your short security positions by purchasing for your account securities to replace those sold short. The price of covering the short position may be higher than the price at which you sold short; therefore, you may sustain a loss as a result of the transaction. You are liable for commissions and other costs of any short sale covering transaction and for any debit balance that remains.

Submit via workflow, provide a copy to client. Original to branch file.

# U.S. Bancorp Investments Client Relationship Summary

U.S. Bancorp Investments, Inc., member FINRA and SIPC (sipc.org), is registered with the Securities and Exchange Commission as both a broker-dealer and an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences.

Additional free and simple tools are available to research firms and financial professionals like ours at investor.gov/crs, which provides educational materials about broker-dealers, investment advisers and investing. If you have questions, please feel free to talk with your Financial Advisor.

## What investment services and advice can you provide me?

We offer both brokerage and investment advisory services to retail investors. Here are the primary differences you would see:

Brokerage services	Investment advisory services
<p>Our <b>brokerage</b> services include buying and selling mutual funds, stocks, bonds and other types of individual securities in our Full Service or Self Directed brokerage account types. More investment products are available in a Full Service account compared to a Self Directed account.</p> <p>Our Full Service account allows you to work with a Financial Advisor who will provide recommendations from time to time or at your request. With our Self Directed brokerage accounts, you place trades on your own, either online or by phone (for an additional fee) through the Wealth Management Advisory Service Center. Online tools and resources are available at no additional cost, but Financial Advisor recommendations are not provided online. Recommendations are provided by Financial Advisors for Full Service accounts held within our Wealth Management Advisory Center, exclusively by phone.</p> <p>We do not monitor your account or investments for you, or provide ongoing advice, unless we state otherwise in writing, so you should ensure you are reviewing the investments in your accounts.</p> <p>You make the ultimate decision regarding the purchase or sale of your investments. At U.S. Bancorp Investments, we do not offer discretionary brokerage accounts, in which your Financial Advisor manages your account.</p> <p>We have an evaluation process that considers the breadth and depth of products, and resources we make available to our brokerage clients.</p> <p><b>There is no account minimum for any of our brokerage accounts, though certain investment products have minimum investment amounts.</b></p>	<p>Our <b>advisory</b> services include investment advisory managed accounts (in the form of wrap accounts through the Personal Portfolios Program), automated investing (in the form of wrap accounts through Automated Investor) and, as part of our standard services, financial planning. Your Financial Advisor will provide ongoing monitoring and advice for your investments in advisory managed accounts. Automated Investing and financial planning are not monitored by a Financial Advisor.</p> <p>Investment advisory services are available on both a non-discretionary and discretionary basis. In non-discretionary accounts, you make the ultimate decision regarding the purchase or sale of your investments. If you choose a discretionary relationship, the Investment Advisory Agreement you enter into with U.S. Bancorp Investments grants us and your Financial Advisor the authority to make investment decisions on your behalf without discussing them with you. In certain circumstances, you may limit our discretionary authority. For example, we may agree to not purchase certain types of securities for your account. Of course, accounts with restrictions will perform differently than accounts without restrictions. We also offer discretionary accounts managed by third-party asset managers that are not affiliated with U.S. Bancorp Investments. We have an evaluation process that considers the breadth and depth of products and resources we make available to our investment advisory clients.</p> <p>We also offer automated investing through an online discretionary investment platform, named Automated Investor. Automated Investor uses the information you provide to invest your account assets in a proprietary model of exchange-traded funds selected by the Asset Management Group of our affiliate, U.S. Bank, N.A. Automated Investor only uses exchange-traded funds in its models.</p> <p>Our advisory accounts do have minimum amount requirements; please see the Personal Portfolios and Automated Investor Wrap brochures at <a href="https://adviserinfo.sec.gov/firm/brochure/17868">https://adviserinfo.sec.gov/firm/brochure/17868</a> for details.</p>

Investment and Insurance products and services including annuities are:

**NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**

[ 1 ] Important disclosures provided on page 4.



Whether you invest through a brokerage or an advisory account, we do not limit our platform to particular asset classes, proprietary investments or to investments that result in our receipt of third-party compensation. However, certain investment categories are limited to proprietary investments and we expect to receive third-party compensation with respect to most of the investments we sell. When we recommend that you open a brokerage account and provide recommendations and other services for your brokerage account, we will be acting as a broker-dealer. When we recommend that you open an advisory account and provide recommendations and advice for your advisory accounts, we will be acting as an investment adviser. When we provide financial planning services, we will be acting as an investment adviser.

**For additional information, see:**

- Regulation Best Interest Disclosure [usbank.com/best-interest](http://usbank.com/best-interest)
- See all our Form ADV Part 2 Brochures at <https://adviserinfo.sec.gov/firm/brochure/17868>
  - Part 2A of Form ADV (Financial Planning Services) — Advisory Business (Item 4) and Types of Clients (Item 7)
  - Part 2A Appendix 1 of Form ADV (Personal Portfolios Wrap Brochure) — Services, Fees and Compensation (Item 4) and Account Requirements and Types of Clients (Item 5)
  - Part 2A Appendix 1 of Form ADV (Automated Investor Wrap Brochure) — The Service (Item 4) and Account Requirements and Types of Clients (Item 5)



**CONVERSATION STARTERS**

*Here are questions to ask your Financial Advisor to help you understand the services you'll receive:*

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

**What fees will I pay?**

Brokerage accounts	Investment advisory accounts
<p>In a brokerage account, you generally pay a commission for stock transactions (an amount charged to execute your trade), a markup/markdown for bond transactions (the difference between the market price and the amount you pay) and a sales charge for mutual fund transactions (an amount added to the market value of the shares). With annuities, we are paid by a direct payment from the insurance company. Because we earn revenue each time you trade in a brokerage account, we have a financial incentive when you trade more frequently and in larger amounts.</p> <p>Some types of investments, such as mutual funds and annuities, charge ongoing fees that will affect the money you make on your investment over time. We receive certain ongoing fees from mutual fund companies, such as 12b-1 fees, in connection with your investments.</p> <p>There are other fees charged to your account. Some examples include annual fees for brokerage and individual retirement accounts, transfer, wire fees and termination fees. Please refer to the fee schedules found below under the "For additional information" section.</p>	<p>In a Personal Portfolios advisory account you pay a negotiable "wrap" fee based on the value of the assets in your account (including cash), billed to your account quarterly. In an Automated Investor account, your wrap fee is not negotiable. As a firm, we are compensated for our advisory services by the asset-based wrap fee you pay. An advisory wrap account incorporates most of your transaction and administrative costs into one simple, quarterly fee. We're also compensated by networking rebates, shareholder servicing fee invoice credits and revenue sharing arrangements. In addition, we receive 12b-1 fees from mutual fund companies as part of your advisory account investments, but we credit these fees back to your account.</p> <p>For the Personal Portfolio Program, depending on your investment selection, your asset-based wrap fee pays for third-party providers who manage your assets. The fee also compensates our firm and your Financial Advisor for the trading, monitoring and custodial services you receive. Therefore, a wrap fee is higher than a typical asset-based advisory fee that does not incorporate all your costs. The more assets that are in your account, the more you will pay us in fees. Therefore, we have an incentive to encourage you to increase the amount of assets in your account.</p> <p>There may be other fees charged, such as exchange fees and transfer taxes, and the costs of trades executed with or through third-parties. For a list of additional fees charged, please see the Personal Portfolios and Automated Investor Wrap brochures at <a href="https://adviserinfo.sec.gov/firm/brochure/17868">https://adviserinfo.sec.gov/firm/brochure/17868</a>. Some types of investments, such as mutual funds, charge ongoing fees that will impact the performance of your investment over time.</p>

**You will pay fees and expenses whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

[ 2 ] Important disclosures provided on page 4.

## For additional information, see:

- Full Service Brokerage Fee Schedule <https://www.usbank.com/dam/documents/pdf/wealth-management/usbi-full-service-fee-schedule.pdf>
- Self Directed Fee Schedule <https://www.usbank.com/investing/online-investing/self-directed-investing/brokerage-fees.html>
- Regulation Best Interest Disclosure [usbank.com/best-interest](https://www.usbank.com/best-interest)
- See all our Form ADV Part 2 Brochures at <https://adviserinfo.sec.gov/firm/brochure/17868>
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### CONVERSATION STARTERS

*Here's a question to ask your Financial Advisor to help you understand the fees you'll pay:*

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

## What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

**When we provide you with a recommendation as your broker-dealer or act as your investment adviser,** we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you.

Here are some examples to help you understand what this means:

- 1. Proprietary products:** Our Financial Advisors may recommend First American Money Market Funds, mutual funds that are advised by U.S. Bancorp Asset Management, Inc., our affiliate. Mutual funds, including First American Money Market Funds, charge their own management and other fees. If a Financial Advisor recommends one or more of these proprietary products, U.S. Bancorp Investments or its affiliates will receive more compensation than if the advisor recommends non-proprietary products. This creates an incentive for us to promote the sale of proprietary products. Your Financial Advisor is not compensated more to sell proprietary funds. There are limitations related to using proprietary products in investment advisory accounts. Please see our Wrap Brochures at <https://adviserinfo.sec.gov/firm/brochure/17868> for additional information.
- 2. Third-party payments:** As a broker-dealer, we receive compensation from third parties in the form of 12b-1 fees, shareholder servicing fees, networking rebates and invoice credits when we recommend or sell mutual funds. A portion of the 12b-1 fees received is shared with our Financial Advisors. We also receive volume concessions for unit investment trusts and structured products. This creates an incentive for us to recommend investments in products that pay us more third-party compensation over those that do not or that pay us lesser amounts.
- 3. Revenue sharing:** As a broker-dealer, we receive mutual fund support fees from the advisers or distributors of mutual funds that have access to our investment professionals. We use these to support the marketing of our products, training and education of our Financial Advisors about the products available on our platform. This arrangement creates an incentive for us to offer and promote these products over others.
- 4. Bank Sweep Program:** For brokerage accounts, our Bank Deposit Program is the default option for the uninvested cash in your account. With this option, our affiliated bank receives your otherwise uninvested cash as a deposit and can use it to generate revenue and other benefits for the bank. The bank pays us a fee based on the amount of such deposits. This creates an incentive for us to make recommendations or investments that generate uninvested cash that will be invested in our affiliated bank through the sweep program. Other cash management options may pay you more. You can ask your Financial Advisor about your options.



### CONVERSATION STARTERS

*Ask your Financial Advisor:*

- How might your conflicts of interest affect me, and how will you address them?

**For additional information, see:**

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- See all our Form ADV Part 2 Brochures at <https://adviserinfo.sec.gov/firm/brochure/17868>
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**How do your financial professionals make money?**

Our Financial Advisors retain a portion of the fee for advisory services and commissions on brokerage transactions charged to you. Some Financial Advisors are eligible for special incentive compensation in the form of recruitment and retention bonuses based on client assets brought to the firm and revenue generation. Some Financial Advisors are eligible to receive compensation for referrals made to our affiliates. The referral fees paid to Financial Advisors do not entail an additional cost to you.

We and our Financial Advisors also receive non-cash compensation from certain product sponsors that can include occasional gifts, meals, tickets or other entertainment or sponsorship support of educational or training events (which include educational and appreciation events Financial Advisors arrange for clients and prospects).

These benefits can create a conflict of interest to recommend one product over another. In addition, some Financial Advisors are not compensated for transactions in your account if the combined account balances in your U.S. Bank, N.A. and U.S. Bancorp Investments relationship do not meet or exceed \$100,000. This can deter the Financial Advisor from recommending strategies that could be beneficial to you but do not result in a qualifying relationship balance that meets the threshold for compensation or may incent Financial Advisors to recommend a trade that is inconsistent with your financial situation but meets the threshold for compensation.

**Do you or your financial professionals have legal or disciplinary history?**

Yes. Visit [investor.gov/crs](https://investor.gov/crs) for a free and simple search tool to research us and our financial professionals.



*Ask your Financial Advisor:*

**CONVERSATION  
STARTERS**

- As a financial professional, do you have any disciplinary history? For what type of conduct?

If you would like additional, up-to-date information or a copy of this disclosure, please visit [usbank.com/crs](https://usbank.com/crs) or call the Wealth Management Advisory Service Center at 800-888-4700.



*Here are questions to ask your Financial Advisor to help you understand who will be working with your account:*

**CONVERSATION  
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- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?

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Insurance products are available through various affiliated non-bank insurance agencies, which are U.S. Bancorp subsidiaries. CA Insurance License #0E24641. Products may not be available in all states.

U.S. Bancorp Investments and its representatives do not provide tax or legal advice. Each client's tax and financial situation is unique. Clients should consult their tax and/or legal advisor for advice and information concerning their particular situation.