

Client Disclosures

I. Introduction

On June 5th, 2019, the U. S. Securities and Exchange Commission adopted Regulation Best Interest: The Broker-Dealer Standard of Conduct ("Reg. BI"). The compliance date of this regulation is June 30, 2020. Reg. BI establishes a new set of standards that broker-dealers must comply with when dealing with retail clients. Among the new standards that Reg. BI sets forth is the requirement that broker-dealers must provide a disclosure document to its retail clients where it clearly states all material facts relating to the scope and terms of the relationship with the retail customer, including: (i) capacity in which the broker-dealer or its representatives are acting with respect to a recommendation in your account; (ii) material fees and costs that apply to transactions, holdings, and accounts; and (iii) the type and scope of services provided, any material limitations on the securities or investment strategies, including conflicts of interest, risks, and basis for recommendation.

For purposes of Reg. BI, a retail customer is a natural person, or the legal representative of such natural person, who: (1) receives a recommendation of any securities transaction or investment strategy involving securities from a broker, dealer, or an associated person of a broker or dealer, and (2) uses the recommendation primarily for personal, family or household purposes.

This document is intended to provide you with the necessary and material information regarding the scope and terms of your relationship with Bradesco BAC Florida Investments Corp. including compensation practices, conflict of interests, and scope of our services.

II. Bradesco BAC Florida Investments Corp.

Bradesco BAC Florida Investments Corp. ("BBFI", "We", or "Firm") is a broker-dealer registered with the U.S. Securities and Exchange Commission (SEC) and a member of the Financial Industry Regulatory Authority (FINRA) and Securities Investors Protection Corporation (SIPC). BBFI offers a wide array of investment products, services, and wealth management solutions to its clients. If you open a brokerage account through us, we will clear your transactions and custody your funds and securities through Pershing LLC ("Pershing") our clearing broker. BBFI is affiliated with Bradesco Global Advisors Inc. ("BGA"), a State of Florida registered investment adviser and Bradesco BAC Florida Bank ("BBFB"), a Florida chartered bank. Please see below for important information about how we interact with both BGA and BBFB. To learn about BGA's business, including its conflicts of interest and compensation practices related to its advisory services please see its Form ADV and brochure which can be found at the Investment Adviser Public Disclosure website (<https://adviserinfo.sec.gov/>).

BBFI offers its products and services through financial professionals who may be dual employees of both BBFB and BBFI. Some of these employees may also be registered with BGA. When acting on behalf of BBFI, those financial professionals may hold corporate titles (such as Vice President, Assistant Vice President or Senior Vice President) which are given based on the years of experience or years with the company and are not reflective of special compensation or sales incentive. A financial professional's main responsibility is to service client accounts and to

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provide recommendations on securities transactions and strategies considering a client's investment objectives, risk tolerance, time horizon, and other pertinent financial characteristics.

Financial professionals may have other business activities that are in addition to their securities brokerage responsibilities and are called "Outside Business Activities" or "OBAs". They may earn additional compensation from these activities. Additionally, our financial professionals may trade for their own account. You should be aware that there may be times that your financial professional's OBA may present a conflict with recommendations of products and other services to you. Under U.S. securities rules and regulations financial professionals must disclose and make public all their OBAs, including the nature and time dedicated to the business. Because each scenario will be unique to you and your relationship with your financial professional, we encourage you to search the name of your financial professional in <https://brokercheck.finra.org/> and access all material disclosures relevant to your financial professional, including any OBA in which they may be engaged.

III. Your Relationship with Bradesco BAC Florida Investments Corp.

When you enter into a relationship with BBFI, you are opening a brokerage account. This means that we may recommend securities, investment strategies and transactions, and you will be able to execute securities transactions in your account. While we may provide you with investment advice in relation to your brokerage account, it will be incidental to the brokerage transactions we may recommend to you. As a broker-dealer, all recommendations BBFI provides regarding your brokerage account will be made in a broker-dealer capacity and not an investment advisory capacity. Similarly, if you are working with a financial professional who is also registered with BGA, and you have an investment advisory account with BGA, all recommendations and advice provided in regard to that account is provided in the financial professional's investment advisory capacity and not in a broker-dealer capacity. We have an obligation to ensure each recommendation is in your best interest. You may accept or reject any recommendation. It is your responsibility to monitor the investments in your brokerage account, and BBFI encourages you to do so regularly.

When you opt for a securities brokerage account, we do not offer account monitoring services. This means that, while we use reasonable care and skill at the time, we make the recommendation, we do not provide ongoing monitoring of the account or your investments. Should you prefer that type of relationship, you may wish to consider an advisory account rather than a brokerage account. We discuss this type of account in more detail below.

From time to time, we may provide you with additional information and resources to assist you with managing your brokerage account. This may include but is not limited to educational resources, performance reports, and/or periodic brokerage account reviews to determine whether a recommendation is in your best interest. Finally, BBFI does not require minimum account sizes or impose other requirements to maintain an account, although some of the investments you can purchase through us have minimum investment requirements.

We may make a recommendation to you for an account type, a specific securities product, or an investment strategy. However, the ultimate decision about whether to invest is yours. You may accept or reject any recommendation we make. Additionally, depending on the product or service we are recommending, there are conflicts of interest you should consider in determining whether to accept any recommendation we make. Those conflicts are outlined in

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this document and in our Form CRS (Customer Relationship Summary). You should also consider any conflicts that are disclosed in the account agreement and the product prospectus or offering documents. You may also search for offering documents and company reports at the SEC's Edgar database here: <http://www.sec.gov/edgar.shtml> Should you have any questions, please contact your financial professional or ask us for more information.

BBFI is approved to conduct the following business activities:

- Broker or dealer retailing corporate equity securities over the counter.
- Broker or dealer selling corporate debt securities.
- Mutual fund retailer
- U.S. government securities broker.
- Solicitor of time deposits in a financial institution
- Put and call broker or dealer or option writer.
- Non-exchange member arranging for transactions in listed securities by exchange member.
- Trading securities for own account.
- Private placements of securities.
- Broker or dealer involved in a networking, kiosk, or similar arrangement with a bank.

We can recommend and can execute transactions for any of these products on our clients' behalf. When we make a recommendation to purchase, sell, hold your security(ies), or open an account we will do so only if we believe it is in your best interest to enter into such transaction, strategy, or account. We will determine if a recommendation is in your best interest by considering, among other factors, the following:

- Your Investment Objectives
- Your Risk Tolerance
- Your Financial Profile
- If the investment product is related to your overall investment goals/objectives
- If the recommendation is consistent with your stated investment strategy
- Fees charged for the product or transaction (i.e., costs)
- Possible conflicts of interest that may be present

You should be aware that while we will take reasonable care in developing and making recommendations for you, securities involve risk, their performance may fluctuate, and you may lose money. As such, we cannot guarantee that you will meet your investment goals, or that our recommended investment strategies will perform as anticipated. Please consult any available offering documents of any security we recommend for a discussion of risks associated with the product and associated fees. We can provide those documents to you or help you to find them and clarify any questions you may have once you have reviewed them.

Important Information About Investing Risks: We must exercise reasonable care and skill in making recommendations to you. We base our recommendations on information you provide to us which we call your "investment profile." It is important that you review your investment profile information frequently and notify us promptly if and when it changes. You should be aware that investments in securities involve risks and you may lose

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money, up to and including the entire amount of your investment. Because the nature of investing involves risk, we make no guarantee that you will achieve your investment goals.

Some products we offer are riskier than others. It is important to understand that products offering higher returns often involve a higher degree of risk of loss to principal and greater fluctuation of returns. If you cannot afford to lose the money you are investing or need a steadier investment return, you should tell your financial professional that you are a conservative investor and complete your investment profile in a manner that indicates your risk tolerance is low. This will help to ensure your financial professional's recommendations to you take these factors into account.

Advisory Affiliate: BBFI is affiliated with BGA, a State of Florida registered investment adviser. Some of our financial professionals are dually registered as a FINRA Registered Representative (RR) with BBFI, licensed to offer brokerage products, and as an Investment Adviser Representative (IAR) with BGA, licensed to offer investment advisory services; however, some of our financial professionals are only registered as a RR and licensed to only offer brokerage products. You should ask your financial professional about their licenses and qualifications to offer either brokerage or investment advisory services. Additional information about your financial professional's qualifications is available at <http://brokercheck.finra.org>. In an advisory relationship such as the one you may establish with BGA, the IAR will generally be compensated by calculating a fee based on the assets under management in the account. You should be aware of this so that you can assess and determine which account provides you with better products, services and is more cost effective for you. Please read below for more information on compensation practices involving your financial professional and your brokerage account. For more information on the compensation practices regarding your financial professional as it relates to your advisory accounts, please see BGA's Form ADV and related brochures for your investment advisers <https://investor.gov/CRS>.

In the instance that you have a brokerage account and an advisory account, when we make a recommendation, we will expressly tell you orally which account we are discussing so that you can make an appropriate decision as to our recommendation.

In the next sections you will be able to read more information on our obligations, compensation practices and conflict of interests that applies to your relationship with BBFI. Please read them carefully. Should you have any comments or questions, please contact your BBFI financial professional, or email us at bficompliance@bacflorida.com.

IV. Fees and Compensation Practices

Brokerage accounts have certain fees and costs associated with them. In a brokerage account, you would ordinarily pay commissions, markups and markdowns, or a mutual fund sales charge (load), collectively referred to as "commissions", regarding transactions (buys or sells) in specific securities. BBFI receives commissions when it executes these securities transactions. Commissions and markups/markdowns are disclosed in the transaction confirmation you receive when you buy or sell a security through us. BBFI will pay a portion of these commissions to your financial professional.

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In case of a mutual fund or similar structure, the sales charge (load) is typically paid upfront, can be deducted from the initial investment, and is often a percentage of the amount of assets invested.

In the case of a bond or debenture (or in some rare cases with an equity security) BBFI and the financial professional you work with may collectively charge up to 2.5% as a markup or mark down. Again, you will be able to find the exact charge in the transaction confirmation you receive when you buy or sell a security. As a matter of internal policy, particularly with bonds and debentures, the Firm rarely exceeds 2.5% and the markup or markdown you are charged is disclosed on your confirmation pursuant to FINRA Rule 2232 and/or product documents.

Please note that because each transaction, product, and security is unique, we are only able to provide you now with a range of fees and expenses. However, we will disclose to you the specific commissions and fees you will be charged by providing the offering circulars or prospectus (if applicable) regarding the specific products you are transacting in or on your transaction confirmation.

Below we are providing you with the range in fees and commission you can expect to pay when you open an account with BBFI and transact in securities with us.

| Product Category | Commission, Fees or Markup |
|------------------|---|
| Fixed Income | <ul style="list-style-type: none"> • Up to 0.25% Mark up/down on US Treasury Securities and US Government Agency Securities minimum \$100 Commission per Transaction • Up to 2.5% Mark up/down on Corporate and Foreign Debt Securities minimum \$100 Commission per Transaction • \$20 Bond Redemption Fee |
| Structured Notes | On the average we charge up to a 2.5 % mark up/down on structured notes. However, please be aware that on some structured notes you will be charged up to 5%. Factors that may influence the cost are tenure, underlying note structure, underlying asset, and customization. |
| Mutual Funds | Based on Mutual Funds Breakpoint Schedule contained in the prospectus or offering circular. Certain mutual fund share classes may pay trailer fees (as further described below) ranging from 0% - 1.375%, depending on the product. These trailers are above and over the sales charge the financial professional may earn at the time of sale. |

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| Product Category | Commission, Fees or Markup |
|---|---|
| | |
| Equities and Exchange Traded Securities | <ul style="list-style-type: none"> • Up to 0.75% of Principal with minimum of: <ul style="list-style-type: none"> ○ \$75 Commission for Domestic per transaction ○ \$125 minimum for Offshore Transaction • \$49.95 for online non-Broker assisted trades. |
| Options | <ul style="list-style-type: none"> • Up to 0.75% of principal + \$2 per contract; Minimum \$75 per Transaction • Exercise Cost: Up to 0.75%; minimum \$75 commission per Transaction |
| Broker Assisted Account Maintenance Fee | \$90 per Quarter |
| Online Access Account Maintenance Fee | \$15 per Quarter |
| Trade Confirmation & Mailing Fee | \$5 per transaction |
| Other Fees | <p>There are other non-trade related fees that are disclosed on our Schedule of Commission and Fees which can be found at www.bradescobacflorida.com/bbfi-fees</p> |

In addition to the commissions and fees we may charge you, please see below additional information which may impact your account.

Mutual Funds: For investments in mutual funds with multi-share class structures, BBFI may earn higher commissions, ongoing payments and/or other compensation depending on the share class in which you are invested. BBFI offers various share classes of Mutual Funds. As an example, Class A shares pay an upfront sales charge. For other mutual fund share classes, such as Class C shares, there might be no upfront sale charge paid, however, there is a contingent deferred sales charge to you if you redeem the fund within a certain period of time after purchase. Some mutual fund issuers offer funds in different share class structures; however, the lowest-cost share classes may not be available or appropriate to retail investors, due to high minimum investment amounts or account type requirements or individual investor consideration. It is important that you understand the benefits of

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the fee structure of a multi-share class product that is recommended by your financial professional. You can find more information about the compensation paid on different share classes in the prospectus for the investment, or by asking your financial professional.

Mutual Fund Breakpoints: Before investing in mutual funds, it is important that you understand the sales charges, expenses, and management fees that you will be charged, as well as the breakpoint discounts to which you may be entitled. Breakpoint discounts may be available in mutual funds when investors meet minimum purchase amount requirements and can reduce the costs of your investment. Sales charges, expenses, management fees, and breakpoint discounts vary from mutual fund to mutual fund. Therefore, you should discuss these issues with your financial professional and review each mutual fund's prospectus and statement of additional information, which are available from your financial professional, to get the specific information regarding the charges and breakpoint discounts associated with a particular mutual fund.

For more information, please see the FINRA Mutual Fund Breakpoint Discounts Disclosure Statement which provides information about mutual fund fees. You can find the full statement here:

<https://www.finra.org/sites/default/files/Industry/p010543.pdf>

Mutual Fund Switching: Many mutual funds are designed for long-term investing. However, under certain circumstances an investor may find that it is advantageous to switch from one investment fund or fund family to another. Surrender charges and/or sales concessions are often incurred when one of these products is switched to another product. For this reason, we have an incentive to recommend that you exchange your fund. Additionally, there can be tax consequences (gains, losses, income, etc.) because of the switch. Ask your financial professional for a comparison of the features, risks, and costs of any product you are exchanging for another.

Retrocession payments: In addition to the sales charge (load) you pay when you buy a mutual fund (if it is a load fund), BBFI and the financial professionals may receive ongoing retrocession payments. Retrocessions are payments to firms like BBFI for distributing and marketing financial products for the issuers or financial services providers. Generally, these fees (commonly referred to as trailers or 12b-1 fees) are paid on an ongoing basis from your assets for shareholder services, distribution, and marketing expenses under a distribution or similar agreement with the investment sponsor, are calculated as an annual percentage of invested assets, and is shared between BBFI and your financial professional. The amount of trailer fees received varies from product to product. BBFI retrocession fees are related to the amount you invest in the product. Information regarding retrocessions and "trailers" can be found in the prospectus or offering document for the particular investment.

Margin: BBFI, through Pershing, offers customers the ability to borrow against their securities, also known as margin. When a customer purchases a security on margin, Pershing extends a line of credit to the customer and charges interest on the margin balance. BBFI receives compensation from the interest that you pay. As a result, we have an incentive to recommend that you open a margin account and use the margin feature to borrow funds.

Money Market Funds: Uninvested cash balances in your brokerage account are automatically invested in a money market sweep fund, unless otherwise directed by you. BBFI shares in fees received by Pershing relating to client

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balances swept into money market mutual funds. BBFI will receive fees based upon client asset levels within each money market fund family and in accordance with the terms of its clearing agreement with Pershing. Amounts will vary and may range from 0 to 50 bps on an annualized basis. These payments are in addition to 12b-1 or trailer fees received by BBFI. This cash sweep compensation is retained by BBFI and is not shared with your financial professionals. The sweep compensation we receive may be more than you receive in returns on your money market fund. Thus, there is an incentive for us to recommend that you hold your funds in a money market sweep account.

Visa Debit Card: BBFI receives a commission of 10% from Pershing on the annual fee that customers pay for their Debit Card based on the Debit Card type. The receipt of this compensation is pursuant to an agreement between BBFI and Pershing, whereby the Firm has agreed to offer debit card services as a component to BBFI brokerage services.

Structured Products: Structured products are complex products that combine features of traditional investments such as bonds with features called derivatives (similar to options). Structured products therefore can provide returns based on the performance of underlying assets like stocks, market indices, or other reference assets. Structured products can provide higher yield than traditional investments, but there are also increased risks. Structured products are complex, and investors should carefully consider their risks and costs prior to investing. For these reasons, structured products are generally appropriate only for sophisticated investors. Often, structured products are more expensive than traditional products, as outlined in the table above. Before purchasing a structured product, make sure you understand the risks as well as the costs and fees associated with the product. If our financial professional recommends a structured product, you will receive a risk disclosure statement and an offering document or term sheet with more information about risks, fees, and costs. We have an incentive to recommend that you purchase a structured product because we can earn more fees. However, we maintain procedures to mitigate this conflict.

While each structured product is different, and you should read the offering documents for full details on the features of a specific structured product, consider these general factors regarding many structured products:

- **Principal Risk:** Not all structured products offer 100% principal protection. In some cases, investors are exposed to the downside of performance of the underlying assets, therefore they lose some or all of the initial investment.
- **Call Risk:** If a structured product has a call feature, the issuer (not the investor) may have the ability to call the investment for redemption before its maturity, potentially subjecting the investor to the risk of reinvesting in a lower interest rate environment.
- **Credit Risk:** Principal protection as well as the interest payments on structured products are guarantees of the issuer of the note and therefore are subject to the creditworthiness of the product issuer. And while the structured product may carry the issuer's credit rating, that rating does not cover the risk of market losses. Investors should consider the credit rating of any issuer before purchasing a structured note.
- **Limited Return:** Investors in some structured products may never receive more than their initial investment regardless of how well the underlying asset performs throughout the term of the investment. Therefore, the return of the notes may be significantly less in comparison than the direct investment in the underlying asset.

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- **Lack of Liquidity:** Structured products are illiquid; they are intended to be held to maturity. While there may be a secondary market for some structured products, issuers are under no obligation to maintain one. Selling prior to maturity carries the risk of loss of principal invested.
- **Taxes and Fees:** Structured products, including debt and put options, can have complex tax implications. Consult your tax advisor before purchasing. Structured products often have higher fee structures than traditional securities such as stocks or bonds. We have an incentive to sell structured products for that reason. While this creates a conflict of interest, we have procedures to mitigate the conflicts.

Options: Options serve multiple purposes, including speculating and hedging. They can also be used to generate income. Whatever the purpose, options present additional risks and costs, and options trading is usually reserved for experienced investors. Commissions on options can be a substantial. The more options you trade, the more fees we earn. For this reason, we have an incentive to recommend that you trade options. However, we maintain procedures to mitigate this conflict. For more information, visit the Options Clearing Corporation at <https://www.theocc.com/>. Also, if you are approved for options trading, you will receive the booklet, [Characteristics and Risks of Standardized Options](#)¹, also known as the Options Disclosure Document (ODD). This document, along with the subsequent [October 2018 Supplement](#)² and [November 2012 Supplement](#)³ describe the risks of options trading in more detail.

V. BBFI Conflicts of Interests Disclosure

In this section you will find information about potential conflicts of interest that may arise in connection with services and products that BBFI and its affiliates provide to you. It should be read in conjunction with other disclosures made to you. A "Conflict of Interest" arises when an economic benefit exists which could cause either BBFI or the financial professional to put our interests and/or the interests of the financial professional ahead of your interest. As required under Regulation Best Interest, BBFI has policies and procedures in place to mitigate the influence of these conflicts.

As we stated previously, we will make recommendations to open a brokerage account, purchase, sell or hold your security(ies) only if we believe it is in your best interest to enter into such account type, transaction(s), or strategy(ies). Although it may be self-evident, you are reminded that different products that you may purchase or sell may yield different remuneration to BBFI and your financial professionals, initially and over time. Even within the same product, asset class or security type, different fees may be charged. For example, a share class of a mutual fund may charge a load and another share class of the same fund may not. Similarly, a share class of a fund may pay trailers and another class may not. For these reasons, we have an incentive to recommend that you purchase funds with higher sales charges and higher ongoing fees. Products with ongoing fees generate more revenue for BBFI and your financial professional the longer you hold them. For products with ongoing fees, we have an incentive to recommend you hold the product. Please be sure to review the mutual funds prospectus, Fact Sheets, or offering circular as these documents will contain information on the fees and costs for each share class. The outlined compensation structure should be viewed as a conflict of interest between you and BBFI.

¹ <https://www.theocc.com/components/docs/riskstoc.pdf>

² https://www.theocc.com/components/docs/about/publications/october_2018_supplement.pdf

³ https://www.theocc.com/components/docs/about/publications/november_2012_supplement.pdf

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BBFI receives commissions when it executes transactions that result in the purchase or sale of a security. Commissions vary from product to product. BBFI receives a sales credit, sales load, or commission, and shares it with your financial professional. Also, where these fees apply, the more transactions you enter, the more compensation that we and your financial professional receive. While we will make recommendations to purchase or sell your securities only if we believe it is in your best interest to enter into such transaction, this creates a conflict of interest as there is an incentive to sell a higher commission security rather than a lower commission security, as the resulting transaction could generate more revenue for both BBFI and your financial professional. We maintain policies and procedures to mitigate these conflicts.

Mutual Funds: BBFI offers multi-share classes of mutual funds, with each option having a unique expense structure and some having lower costs to you as compared to others. While we will make recommendations to purchase or sell mutual funds only if we believe it is in your best interest to enter into such transaction, this creates a conflict of interest and there is an incentive to recommend a share class product that generates the highest compensation to us.

Affiliate Advised Mutual Funds. BBFI offers mutual funds that are advised by an investment adviser affiliated with BBFI and BGA. This means our affiliate benefits from the sale of these funds over others. This relationship is called a sub-advisor arrangement, meaning that the mutual fund or its primary investment adviser hired our affiliate to advise on the mutual fund's investment portfolio. Neither BBFI nor its financial professionals receive any special compensation for selling these products. However, a conflict of interest exists since our affiliate, and therefore our organization, benefits from the sale of these products. You should be aware of this conflict. When recommending one of these mutual funds, BBFI must put your interests ahead of our own. Your financial professional will disclose the conflict if he/she recommends that you purchase a proprietary product and will provide you with additional information about the product and the conflict of interest so that you may evaluate the appropriateness of the recommendation we make. You may choose to purchase another mutual fund.

Money Market Funds: Uninvested cash balances within your accounts are automatically invested in a money market sweep fund based on our Account Agreement with you, unless otherwise directed by you. BBFI shares in fees received by Pershing related to client balances swept into money market mutual funds. BBFI will receive fees based upon client asset levels within each money market fund family and in accordance with the terms of its clearing agreement with Pershing. Amounts will vary and may range from 0 to 50 bps on an annualized basis. Because of these fees, BBFI has a financial incentive to offer the sweep vehicles included in our cash sweep program. This compensation creates a conflict of interest between you and BBFI. To limit the conflict of interest, this cash sweep compensation is retained by BBFI and is not shared with your financial professionals.

Margin: BBFI has a financial incentive to encourage margin borrowing. BBFI earns compensation in the form of interest on any margin debit balances in your account as described above. That financial incentive creates a conflict of interest insofar as BBFI benefits from your decision to borrow and receives this revenue in addition to the compensation for other brokerage products and services. BBFI benefits if you purchase securities products with the funds. If contemplating use of margin, please consult the Margin Agreement and related disclosures for additional

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details. To limit the conflict of interest, this margin compensation is retained by BBFI and is not shared with your financial professionals.

For more information about margin accounts and the use of margin visit FINRA's investor alert here:

<https://www.finra.org/investors/alerts/investing-borrowed-funds-no-margin-error>

Visa Debit Card: Because BBFI receives payments from Pershing related to the annual fee that the customers pay for their Debit Card based on the Debit Card type (discussed above), we have an incentive to recommend that you obtain a Visa Debit Card. Please note, customers are under no obligation to elect to obtain or use the Visa Debit Card to maintain a brokerage relationship with BBFI.

Non-Cash Compensation: BBFI and BBFI employees may receive non-cash benefits from investment sponsors that is not related to individual transactions or assets held in client accounts. This non-cash compensation includes items such as gifts valued at less than \$100 annually, an occasional breakfast, lunch, or dinner or ticket to a sporting event in connection with educational meetings or marketing or advertising initiatives to present their products or discuss their funds and strategies. These non-cash benefits also include travel and accommodations at training/education conferences and conventions attended by BBFI's employees. This compensation creates an incentive for us to recommend the products of those sponsors that offer them.

Limitations on Investment Recommendations. In addition to Fixed Income products, BBFI and financial professionals offer and recommend investment products only from investment sponsors with which BBFI has entered into selling and distribution agreements. Other firms may offer products and services not available through BBFI or may offer the same or similar investment products and services at lower cost. In addition, BBFI may only offer certain products in a brokerage account, even though there is a version of the product that may have a lower cost and could be available in an advisory account, and vice versa. The scope of products and services offered by a financial professional may also be more limited than generally available through BBFI, based on their licensing, training or BBFI's policy restrictions. You may ask a BBFI financial professional about the securities or services he or she is licensed or qualified to sell, and his/her ability to service investments transferring to BBFI from another firm. If your financial professional is not licensed to sell a product you are interested in purchasing, ask if there is another BBFI financial professional who can.

Clearing Broker. Pershing is our clearing broker, and as such we rely on them for services such as custody and clearing, as well as obtaining best execution on your orders we route to them. We share in the fees for some services they offer as outlined in this document. The revenue shared with us by our clearing broker as well as the services they offer us influence our decision to select them as our clearing broker and create a conflict that you should consider in deciding whether or not to accept our recommendation of our clearing broker's services.

Bank Networking. Some of our financial professionals offer brokerage and/or advisory services on the premises of our parent bank, BBFB. We have entered into a bank networking agreement with BBFB whereby we pay a portion of the commissions and fees earned from your transactions and accounts with us to employees who work for both BBFI and BBFB. More specifically, we pay a portion of the revenue we earn on commissions (including trail or ongoing commissions) and fees generated from your accounts and investments with us to employees of BBFB who are also registered representatives of BBFI. This arrangement creates an incentive for BBFB to refer you to us since their

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Broker-dealer services are provided by Bradesco BAC Florida Investments Corp., and not by Bradesco BAC Florida Bank®. Securities products purchased or sold in a transaction are: (i) not insured by the Federal Deposit Insurance Corporation ("FDIC"), (ii) not deposits or other obligation of Bradesco BAC Florida Bank® and are not guaranteed by Bradesco BAC Florida Bank®; and (iii) subject to investment risk, including possible loss of the principal invested.

employees receive a percentage of the commissions and fees we earn on your account, and because we are their wholly owned subsidiary. You may choose any broker-dealer to handle your investments and are not required to use BBFI.

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