

Concorde Investment Services, LLC – Fiduciary Acknowledgement

Concorde Investment Services, LLC ("CIS") is a registered broker-dealer and FINRA member firm. Our firm provides or seeks to provide brokerage, insurance, and subscription-way services to various types of clients including, but not limited to, employee benefit plans and individual retirement accounts (IRAs), collectively referred to as Retirement Investors.

Pursuant to the Employee Retirement Income Security Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), CIS (hereinafter "Financial Institution" or "FI") and registered representatives of CIS providing investment recommendations on our behalf (hereinafter "Fiduciary Representatives" or "FRs") will be deemed to be investment advice fiduciaries (hereinafter "ERISA Fiduciaries") when we render individualized investment advice to a plan, plan fiduciary, plan participant or beneficiary, IRA, or IRA owner, Health Savings Accounts ("HSAs"), Archer Medical Savings Accounts and Coverdell Education Savings Accounts (together, "Retirement Accounts") for a fee or other compensation, whether direct or indirect.

Acknowledgement of Fiduciary Status: Effective January 31, 2022, pursuant to the recommendations we provide to you and your acceptance thereof, CIS acknowledges that together with our FRs we are acting as Fiduciaries under ERISA or the Code, or both with respect to the recommended transaction(s) covered by this document. As ERISA Fiduciaries to our clients, CIS and our FRs have an affirmative duty of undivided loyalty to always serve our clients' best interests and act in utmost good faith, placing our clients' interests first and foremost without regard to the financial interests of our employees, affiliates, and any related entities or other parties. Further, we are required to act prudently on our clients' behalf, exercising care, skill and diligence when providing our services. As ERISA Fiduciaries, CIS and our FRs are committed to these Impartial Conduct Standards: (i) providing prudent advice that is, at the time of the recommendation, in the Best Interest of our client, (ii) receiving no more than reasonable compensation, and (iii) statements made regarding the recommended transaction, fees and compensation, Material Conflicts of Interest and other matters relevant to the Retirement Investor's investment decisions, will not be materially misleading.

Material Conflicts of Interest: Identifying CIS's Material Conflicts of Interest has been and remains fundamental to our development of reasonable and prudent policies and procedures which are designed to prevent such conflicts from causing violations of the Impartial Conduct Standards, among other considerations. A Material Conflict of Interest exists when a FI or FR has a financial interest that a reasonable person would conclude could affect the exercise of its best judgment as an ERISA Fiduciary in rendering advice to a Retirement Investor. FIs are therefore required to mitigate the impact of any Material Conflicts of Interest, and to provide a description of such conflicts to an existing or prospective Retirement Investor. Furthermore, FIs must designate a person or persons responsible for addressing such Material Conflicts of Interest and monitoring FRs' adherence to the Impartial Conduct Standards. Accordingly, CIS has designated our chief compliance officer, Kimberlee Levy, as the firm's ERISA Conflict Officer.

CIS has identified the following Material Conflicts of Interest:

Compensation Arrangements: Receipt of no more than reasonable compensation by the firm and our FRs is an absolute requirement of the DOL's fiduciary rules and the regulations adopted thereunder; it is also a fundamental element of our firm's Impartial Conduct Standards. Accordingly, our compensation arrangements have been critically scrutinized enabling us to identify the following potential compensation-related Material Conflicts of Interest:

Variable Asset-Based Fees: CIS's fees are calculated based on the nature of the security(ies) being recommended and the composition of the Retirement Investor's portfolio (i.e., fee rates for fixed income securities are lower than those for equity securities). This includes commissions, mark-ups or mark-downs (for riskless-principal or principal trading), negotiated fees, and/or other remuneration paid directly by the plan or IRA related to transactions effected for such.

Negotiability of Fees: CIS retains the authority to negotiate our fees based on a variety of factors, such as the size of a particular transaction, the size of a client's account, the agreed upon level of services to be provided, grandfathering of pre-existing fee arrangements, and preferential fee arrangements not generally available to clients (e.g., fees reduced or waived for related persons, family and friends), among others.

Fiduciary Adviser Compensation Arrangements: One or more of CIS's FRs are separately licensed as investment adviser representatives ("IARs") of an **affiliated or unaffiliated** investment adviser and/or agents of an **affiliated or unaffiliated** insurance company or agency. When engaged in this separate capacity, typically he or she may receive separate compensation for investment advisory services or the sale of securities products respectively.

Fiduciary Advisers' Receipt of Incentive Compensation: CIS has an established compensation structure which includes among other elements, the discretion to pay higher commission rates to FRs based on volume under which the FI and FR may negotiate a higher payout percentage. Further, compensation on categories of securities varies based upon the recommendation made. Additionally, CIS and its FR receive cash and non-cash compensation to support their business activities, including but not limited to, marketing, gifts and entertainment, and leadership meetings. As these arrangement represents a Material Conflict of Interest (i.e., potentially incentivizing CIS and the FR to render recommendations that are not in the Retirement Investor's best interests, and which may result in a violation of the reasonable compensation standard), CIS has instituted reasonable procedures intended to mitigate such conflicts. To avoid incentivizing FRs, our procedures have classified compensable revenue in a manner that has level ranges within broad categories of investments based on neutral factors not tied to profitability for the firm. Neutral factors take into consideration significant differences in the work associated with products contained within their respective categories, including the time and complexity associated with recommending such

investments, an assessment of the investment risks and volatility of products within the category and the evaluation of the degree of monitoring appropriate based on that assessment. Our procedures also establish oversight and surveillance provisions intended to detect red flags and prevent violations of the Impartial Conduct Standard.

Receipt of Third Party Payments (types of benefits include preferring specific products or product providers pursuant to revenue sharing agreements, sales incentives; sales charges when not paid directly by the Plan, participant or beneficiary account, or IRA; receipt of research or preferential access to desk strategists' market commentary; distribution, solicitation or referral fees; fees for seminars and educational programs; 12b-1 fees; gross dealer concessions; volume-based fees; and any other compensation, consideration or financial benefit provided to the FI [or an Affiliate or Related Entity] by a third-party as a result of a transaction involving a plan, participant or beneficiary account, or IRA.)

CIS has entered into arrangements with affiliated and/or nonaffiliated entities pursuant to which our firm and/or FRs receive additional compensation for the sale, promotion or placement of such entities' products, or services or both. Consequently, these arrangements create an incentive to prefer these offerings over similar products and services when formulating recommendations for Retirement Investors. Consistent with CIS's fiduciary duty to our clients and mandatory adherence to the Impartial Conduct Standard, CIS has imposed no restrictions or limitations on the selection of products or services which may be offered to Retirement Investors. Further, to mitigate the inherent risks resulting from these arrangements, our procedures include rigorous documentation, oversight and monitoring of the recommendations being made to verify they are consistent with the client's best interests.

Recommendations (e.g., recommendations regarding rollovers, switching accounts from brokerage to advisory fee-based accounts or vice versa, among others)

Rollover Recommendations. A Retirement Investor or prospective Retirement Investor leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the Retirement Investor's age, result in tax consequences). If the FR recommends that a client or potential client roll over their retirement plan assets into an account to be handled by CIS, such recommendation creates a Material Conflict of Interest insofar as the firm will earn fees or other revenue on the rolled over assets. CIS has adopted reasonable and prudent procedures to facilitate and document the consideration of the Retirement Investor's investment alternatives which requires an assessment of the existing plan and available options. As applicable, such assessment will evaluate the fees and expenses of each option, including whether the employer pays for some or all of the plan's administrative expenses, and the different levels of services and investments available under each option, among other considerations.

Level Fee Fiduciary Recommendation. A recommendation that a Retirement Investor (i) roll money out of a plan into a fee-based account that will generate ongoing fees for the FI that would not otherwise be received, even if those fees do not vary with the assets recommended or invested, or (ii) switch from a commission-based account to an account that charges a fixed percentage of assets under management on an ongoing basis create Material Conflicts of Interest. To mitigate such conflicts, CIS's policies and procedures require an assessment of whether a commission-based or fee-based account is more suitable for the particular client (e.g., a review of compensation received, trading activity, requirements for ongoing monitoring and/or investment advice, among other considerations). Furthermore, in the event the FR recommends that the Retirement Investor rollover from another IRA or switch from a commission-based account to a level fee arrangement, the specific fee must be disclosed to the Retirement Investor in advance. CIS maintains required documentation reflecting the reason(s) such arrangement is considered to be in the Best Interest of the Retirement Investor, and specifically details the services that will be provided for the stated fee.

Supervision: Pursuant to industry studies, financial services regulators have noted that a firm's failure to provide employee training or providing inadequate training to employees regarding the firm's Impartial Conduct Standards and the policies and procedures adopted to implement and ensure compliance with these standards creates an increased potential for violations.

CIS's policies and procedures and incentive practices, when viewed as a whole, are reasonably and prudently designed to avoid a misalignment of the interests of our FRs with the interests of the Retirement Investors they serve as Fiduciaries. Our firm's supervisory procedures include careful screening of potential hires including verification of industry qualification and employment history, and an assessment of past misconduct and disciplinary history, if any. Firm procedures include initial and ongoing training of employees based on the nature of their responsibilities, mandating periodic reporting and/or certification of their adherence to the firm's policies and procedures, and conducting periodic monitoring and testing of our policies to prevent or detect any violations of them. Individuals found to have violated procedures will be subject to disciplinary action by our firm based on the nature of the infraction.

Recruitment Bonuses Paid to Fiduciary Advisers: From time to time, CIS and or its affiliates may provide a recruitment assistance to a prospective FR as a further incentive to join our firm. FR's are not incentivized by the movement of accounts or assets to our firm, nor is this assistance based on achievement of particular asset targets. The assistance paid is a fixed amount contingent upon the FR's continued service 'in good standing' at our firm. Due to the nature of such an arrangement, this practice does not represent a Material Conflict of Interest. Furthermore, as disclosed above, CIS has adopted policies and procedures governing our hiring and ongoing supervision of employees, particularly with respect to individuals responsible for providing investment advice to our clients. Such monitoring seeks to identify, review and remediate improper sales practices or account transfers; any such findings of advisor wrongdoing may result in discipline and/or nullification of awards.

