Customer Account Agreement

This is the agreement for your brokerage account (agreement). It describes the features and policies associated with the account. Review this document and keep it for your records. Do not return it with your application.

Who's Who in This Agreement

In this document, “us,” “we,” and “our” refer to USAA Financial Advisors, Inc., through the courtesy of: USAA Investment Management Company, your Broker/Dealer. “NFS” is National Financial Services LLC, a NYSE member, whom we have engaged to provide custody and clearing services for us.

The terms “account owner,” “you,” and “your” refer to the owner(s) indicated on the account application. For joint accounts, these terms refer to all owners, collectively and individually. For accounts owned by entities, such as trust or business accounts, these terms refer both to the entity and to all account holders.

Commitments Between You and Us

Our Commitments to You

When we accept your account application, we are agreeing to serve as your broker and to maintain an account for you. We agree, subject to our acceptance of an authorized order, to buy, sell, or otherwise dispose of securities for you according to your instructions. We and NFS also agree to:

- accept the following:
  - to provide various services and features, as described below. Note that NFS has no fiduciary responsibilities to you or this account, and does not offer any tax, legal, or investment advice, or opinions on the suitability of any investment in connection with this account.

Your Commitments to Us

Many of these commitments are spelled out more completely on the following pages, but in general, when you sign the account application, you agree to the following:

- to accept full responsibility for the content and accuracy of all authorized instructions placed on your account, and for all results and consequences of these instructions; this includes all investment decisions and trading orders, and all instructions placed by you or any other person you authorize

- to pay all fees, charges, and expenses incurred in your account, including margin interest on any credit extended to you according to the interest rate and fees in effect at the time; for services NFS or we perform at your request that are not covered in a current fee schedule, you agree to pay the applicable fee.

- to maintain enough assets in your account to satisfy all obligations as they become due, and to authorize us or NFS to take whatever steps we or NFS may consider necessary to resolve unpaid debts or other obligations

- to authorize the use of funds in your core account to satisfy any and all debits against your account

- if the Bank Deposit Sweep Program is used for your core account investment vehicle, you authorize withdrawing the applicable balance in your Bank Deposit Sweep Program to satisfy any and all debits in your account

- to use the account and its features according to this agreement

- if you (or, in the event you do not, we) choose a Bank Deposit Sweep Program for your core account investment vehicle, to authorize withdrawing the applicable balance in your Bank Deposit Sweep Program to satisfy any and all debits in your account

- to let us or NFS monitor and/or record any phone conversations with you.

- to let us or NFS verify the information you provide and obtain credit reports and other credit-related information about you at any time, such as payment and employment information (whether for margin or any other purpose)

- to let us or NFS share with third parties any information you provide, but only as required by law or as permitted by our and/or NFS’s privacy policy

Account Features

Core Account and Income Account

Your account includes a core account that is used for settling transactions and holding credit balances. Amounts credited to your core account will be invested in the core account investment vehicle as shown on your account application. For non-retirement accounts, the core account investment vehicle is the USAA Treasury Money Market Trust (“Treasury Fund”), a money market mutual fund. For retirement accounts, the core account investment vehicle is the Bank Deposit Sweep Program, which is the USAA Federal Savings Bank FDIC Insured Deposit Account. The Bank Deposit Sweep Program has unique features, such as FDIC insurance. You authorize us or NFS to use the Treasury Fund or the Bank Deposit Sweep Program as your core account investment vehicle, depending on whether you designate your account as non-retirement or retirement. If allocated to the Treasury Fund, we will provide you with the fund prospectus. If allocated to the Bank Deposit Sweep Program, we will provide you with the program disclosure document.

- to resolve disputes concerning your relationship with us or NFS (other than class actions) through arbitration rather than in a court of law

- to understand that, whenever you invest in, or exchange into, any mutual fund (including any fund chosen for your core account), you are responsible for obtaining and reading that fund’s prospectus, including its description of the fund, the fund’s fees and charges, and the operation of the fund

- to understand that whenever you invest in or have funds transferred to any Bank Deposit Sweep Program, you are responsible for obtaining and reading that Bank Deposit Sweep Program’s disclosure document, including:
  - the description of the Bank Deposit Sweep Program;
  - the list of eligible banks and process by which deposits will be made for a Bank Deposit Sweep Program, which list and sequence may change from time to time;
  - the Bank Deposit Sweep Program’s fees and charges; and
  - the different protections and terms that may apply to investments in shares of a mutual fund and deposits of funds into a Bank Deposit Sweep Program, including the differences between Securities Investor Protection Corporation (“SIPC”) protection and Federal Deposit Insurance Corporation (“FDIC”) insurance

- to determine if any funds transferred to an account at a bank in the Bank Deposit Sweep Program and any separate bank accounts held at that same bank will affect FDIC insurance coverage for all your funds held at that bank

- to notify us in writing any time there is a material change in your financial circumstances or investment objectives

- to comply with all applicable laws and regulations concerning trading in restricted securities and securities of issuers of whom you are an affiliate

- to be bound by the current and future terms of this agreement, from the time you first use your account or sign your application, whichever happens first

- to understand that we or NFS can change the core account investment vehicles available for your account at any time, including changing the core account investment vehicle from a mutual fund to a Bank Deposit Sweep Program or a free credit balance position

- to understand that NFS has the right to reject any transaction for any reason
We may change, at any time and in our sole discretion, the core account investment vehicle(s) available to you. In this event, we may place any or all of the credit balance in your account into an alternative core account investment vehicle at our (its) discretion, to close your account(s). If such a change occurs, the alternative core account investment vehicle that we select may have a lower rate of return than your previous core account investment vehicle.

Your account may include an income account, which receives all non-reinvested income produced by securities held in your account (such as interest, dividends, and mutual fund distributions). Income paid into this account will accrue until paid out according to your instructions. By signing the Account Application, you represent that you have read this Customer Account Agreement and understand, authorize and consent to us and/or our agent changing your core account investment vehicle at our (its) discretion, at any time and for any reason to another money market mutual fund, a free credit balance position, or another cash investment vehicle, after providing prior notice to you.

You agree to hold NFS, us and/or our agents harmless for any actions taken in connection with or resulting from changing your core account investment vehicle, including but not limited to, any changes in the rate of return offered by the alternative core account investment vehicle that we and/or our agent selects for you. I understand that if I elect to change my core account investment vehicle, the previous investment will be liquidated or withdrawn, and the newly selected core account investment vehicle will be purchased and/or funded.

We may from time to time establish and notify you of minimum balance requirements to open and maintain accounts with us. If your account(s) falls below the minimum balance, we may take such actions as are appropriate, in our sole discretion, to close your account(s). If there is a balance in your account(s), you will be given written notice prior to our closing of your account(s). You will have the opportunity to transfer any remaining securities held for you including, but not limited to, shares of any mutual funds or other entities whose shares are in a continuous offering, to another broker. If such assets are not transferred within the period prescribed in our notice to you, we will liquidate any remaining securities positions and you will receive a check for the cash balance of your account(s) at the time of closing, minus any unpaid fees or charges (including but not limited to account service fees) as provided in the USAA Brokerage Commission and Fee Schedule. You agree not to hold us responsible for any losses incurred in connection with the closing of your account(s). If the assets in your account(s) include securities or other assets that are not freely transferable, or are otherwise illiquid, your account will be considered inactive and subject to liquidation transactions only.

Bank Deposit Sweep Program

The Bank Deposit Sweep Program is the only available core account investment vehicle for Traditional IRA, Roth IRA and SEP-IRA accounts. As a result, cash balances in any of those IRA accounts will be automatically swept into interest-bearing deposit accounts at one or more federally insured banking institutions that are participating in the Bank Deposit Sweep Program (each, a “Bank”) as more fully described in the Proprietary Bank Deposit Sweep Program Disclosure Document (Disclosure Document). Your cash balances will be eligible for FDIC insurance up to $250,000 (principal plus accrued interest) per depositor in each insurable capacity (i.e., individual, joint, etc.) per Bank, in accordance with applicable FDIC rules. All deposits (for example, deposits you may make at the Bank outside of the Bank Deposit Sweep Program plus the Bank Deposit Sweep Program cash balance) held by an individual in the same right and legal capacity and at the same Bank are insured up to $250,000 as described above. Joint accounts owned by two individuals are insured up to $250,000 as described above for each co-owner (again, in the aggregate for all joint account Bank Deposit Sweep Program and non-Bank Deposit Sweep Program joint account balances) at each Bank. Special rules apply to insurance of trust deposits. The amount of FDIC coverage will be limited by the number of Banks in the Bank Deposit Sweep Program and the number of Banks in which your money is deposited. All FDIC insurance coverage is in accordance with FDIC rules.

Neither NFS nor your Broker/Dealer will monitor the total amount of your assets on deposit with each Bank (including accounts at each Bank held in the same right and legal capacity) in order to determine the extent of FDIC insurance coverage available to you on those deposits, including your Bank Deposit Sweep Program balance held at each Bank. If you are a trustee or other fiduciary, you are responsible for determining the application of the insurance rules for the account and its beneficiaries. Information on account protection is set forth below.

Refer to the Disclosure Document for more information on FDIC insurance coverage. The disclosure is located on usaa.com (key word search BDSP). You may also contact us with any questions you may have about the Bank Deposit Sweep Program.

In the event that we or NFS determine that the Bank Deposit Sweep Program is no longer an eligible core account investment vehicle, you authorize the withdrawal of your account balance from the Bank Deposit Sweep Program and agree that such funds may be invested in a different core account investment vehicle at the sole discretion of us or NFS. You understand and agree that the new core account investment vehicle (i) may not be a Bank Deposit Sweep Program, (ii) may not be eligible for FDIC insurance and (iii) may not provide the same interest rate and/or rate of return as your previous core account investment vehicle. In the event of such occurrence, you may contact your Broker/Dealer for information on any such core account investment vehicle.

Core Account and Non-U.S. Residents

If we, in our sole discretion, determine that you no longer maintain a U.S. mailing and/or physical address (as further described in the Terms Concerning This Agreement section of this agreement) at any point after you open your brokerage account, we or NFS may change, at any time, the core account investment vehicle you selected (or were defaulted into) and suspend the process of sweeping credit balances to your core account investment vehicle. These changes, if made, will remain in effect, and you will be unable to select a different core account investment vehicle, until we determine that you maintain a U.S. mailing and physical address.

In the event we or NFS make such changes, you will retain your balance in the core account investment vehicle you selected (or were defaulted into) and will be able to make liquidations, but you will generally be unable to add to such core account (except for automatic reinvestment of accrued dividends on money market mutual fund positions and the deposit of accrued interest in the case of the Bank Deposit Sweep Program). Instead, new deposits and settlement proceeds will be held in a free credit balance. Similar to the core account investment vehicle you selected (or were defaulted into), your free credit balance represents an amount payable on demand by you, and it will be used to settle securities purchases or satisfy other debit balances in your account. It may also be used by NFS in connection with its business subject to applicable law. Interest may, but is not required to, be paid on the free credit balance. NFS may, but is not required to, pay interest on your free credit balance. This taxable interest, if any, will accrue daily and will be paid monthly. Any interest paid will be based on a rate set by NFS, which may change from time to time at the discretion of NFS. In the event that we, in our sole discretion, determine that you no longer maintain a non-U.S. mailing and/or physical address, any suspension of your core account will be lifted and your free credit balance, if any, will be swept into either the core account that had been suspended or, if that position is no longer available as a core account option, the then-current core account investment vehicle default option.
Statements

NFS will send to the address of record a statement of account:

- every calendar quarter, at a minimum
- for any month when you have trading or cash management activity

Your account statements will show all activity in your account for the stated period, including securities transactions, cash and margin balances, credits and debits to your core account, and all fees paid directly from your account.

NFS will also send confirmation for every securities transaction in your account. The only exceptions are automatic investments, automatic withdrawals, dividend reinvestments, transfers to other accounts, and transactions that involve only your core account; for these activities, your regular account statement serves in place of a confirmation.

Money Market Fund Same-Day Trading and Settlement Program

You agree that your use of the Money Market Fund Same-Day Trading and Settlement Program (SDS) is governed by the terms and conditions in this section. You understand and acknowledge that: (1) SDS purchase trades (buy orders) are funded by cash wired into your account on the day you place an SDS purchase trade (buy), (2) you cannot use the available balance in your core account to fund an SDS purchase trade, (3) cash wired into your account and not used that day will settle overnight into your core account and becomes ineligible to fund SDS purchase trades, (4) NFS may cancel any purchase trade if you have not wired cash into your account by the last transmission intervals available for the SDS fund you want to buy, (5) transmission intervals are determined by NFS and the applicable fund company at their discretion, (6) sale/redemption (sell order) proceeds will not be released to you until the wire is received by NFS, (7) all orders must be placed during trading hours; overnight orders will not be accepted, (8) once an order has been transmitted to the fund company by NFS, it cannot be canceled, and (9) retirement accounts are not eligible for this program.

Account Protection

Securities in accounts carried by NFS are protected in accordance with the Securities Investor Protection Corporation (“SIPC”) up to $500,000. The $500,000 total amount of SIPC protection is inclusive of up to $285,000 protection for claims for cash, subject to periodic adjustments for inflation in accordance with terms of the SIPC statute and approval by SIPC’s Board of Directors. NFS also has arranged for coverage above these limits. Neither coverage protects against a decline in the market value of securities, or other claims for losses while a broker-dealer is in business, nor does either coverage extend to certain securities that are considered ineligible for coverage.

For more details on SIPC, or to request a SIPC brochure, visit www.sipc.org or call 202-371-8300.

Refer to the Bank Deposit Sweep Program section above or the Disclosure Document for more information on FDIC insurance coverage.

Transferring Money Electronically

Options for transferring cash in and out of your core account electronically include wires, which use the Federal Reserve wire system, and electronic funds transfers (EFTs), which work like an electronic check. These features are optional and require separate instructions from you, which we will relay to NFS.

Dividend Reinvestment

In addition to reinvestment of mutual fund dividends, reinvestment of dividends from eligible equities and closed-end funds is an option for most accounts, including retirement accounts and those with margin. You can choose to have the service apply to all eligible securities in your account, or only to certain ones, although during the time when a security is enrolled for reinvestment, all of that security’s eligible distributions must be reinvested through this service.

With certain securities (such as mutual funds), the reinvestment options available in this account may be different than those you would have if you were to invest directly with the issuer.

Margin Account (Requires separate Application)

A margin account lets you borrow money from NFS, using as collateral eligible securities that are in your account. A margin account is designed primarily to finance additional purchases of securities, although it can also provide overdraft protection for your cash management activities. Consult one of our representatives for information on how to establish margin and the benefits and risks it offers.

Note, however, that once margin is in place on your account, there are certain circumstances that could trigger its use, even if you did not intend to do so.

Margin privileges on a retirement account may be limited to purchasing or selling securities. Securities purchased on margin may be considered “debt-financed property” and subject to unrelated business taxable income (UBTI). Any filing or taxes due, including UBTI, are the responsibility of the retirement account’s plan fiduciary.

Non-purpose loans are not permitted on retirement accounts.

Legal Process

In the event Broker/Dealer or NFS, is served with levies, attachments, garnishments, summons, subpoenas, court orders, or other legal process which name you as debtor or otherwise, Broker/Dealer or NFS shall be entitled to rely upon the representations, warranties, and statements made in such legal process. You agree that Broker/Dealer or NFS may respond to any such legal process in its own discretion without regard to jurisdiction. You agree jointly and severally to hold harmless and indemnify Broker/Dealer or NFS for any losses, expenses, and costs, including attorney’s fees, incurred by Broker/Dealer or NFS as a result of complying with such legal process.

In the event Broker/Dealer or NFS receives written notice from a personal representative, executor, or administrator purporting to represent your estate, Broker/Dealer or NFS shall be entitled to rely on all figures supplied and representations made in such written notice if Broker/Dealer or NFS is provided with letters of appointment bearing a duly recognized court seal without regard to jurisdiction.

Account Registration

Joint Registration

With joint registration accounts, any obligations or liabilities resulting from one account owner’s actions are joint and several (in other words, are the responsibility of each account owner, both individually and jointly). We or NFS may enforce this agreement against all account owners or against any owner individually.

Each owner of a joint account may act as if he or she were the sole owner of the account, with no further notice or approval necessary from any joint owner. For example, a joint owner can — in his or her own name — buy and sell securities, withdraw or transfer assets, borrow against the account (such as through short sales or margin), arrange for account statements to be sent only to them, or change the account’s features and services (although no account owner may remove another’s name from the account without the appropriate written instructions and any required supporting documents).

In addition, with joint accounts, the principle of “notice to one is notice to all“ applies. We or NFS are legally considered to have fulfilled an obligation to you and the account if we fulfill it with respect to just one account owner (for example, sending statements or other required communications to just one account owner).
Note also that neither we nor NFS have any obligation to question the purpose or propriety of any instruction of a joint account owner that appears to be authentic, or to let other owners know about any changes an owner has made to the account, unless we have received written notice to the contrary, in good order, from another account owner. We and NFS do each reserve the right to require, at any time, the written consent of all account owners before acting on an instruction from any account owner, but we or NFS will use this right only at our own discretion and for our own protection.

Laws covering joint or community property vary by state. You are responsible for verifying that the joint registration you choose is valid in your state. You may want to consult your lawyer about this. Generally, for joint tenants with rights of survivorship and tenants by the entirety, on the death of an account owner the entire interest in the account goes to the surviving account owner(s), on the same terms and conditions. For tenants in common, a deceased account owner’s interest (which equals that of the other account owner(s) unless specified otherwise) goes to that account owner’s legal representative. Tenants in common are responsible for maintaining records of the percentages of ownership.

Transfer on Death Registration

With transfer on death ("TOD") registration, you designate a beneficiary or beneficiaries who will receive all monies, securities, or other assets held in your account at the time of your death (or upon the death of the last surviving account holder, if this is a joint account). You can change your beneficiary designation at any time by filling out a new USAA Investment Account Transfer on Death (TOD) Registration and Beneficiary Designation form. We will rely on the latest Beneficiary Designation in our possession. You cannot change your beneficiary by will, codicil, or trust or other testamentary document. If we consider it necessary, we may request additional documents from any beneficiaries before we transfer assets to them from your account. Note that although NFS may hold in a nominee name securities that are in a TOD account, NFS has no responsibility to determine the registration or ownership of the account as a whole, either before or after your death.

If more than one person is named and no share percentages are indicated, payment will be made, in equal shares, to your primary beneficiary or beneficiaries who survive you. If no beneficiaries survive the account owner (or the last surviving joint account owner), then the TOD account will be transferred to the estate of the account owner (or the last surviving joint account owner). If Broker/Dealer, in its sole and absolute discretion, cannot reasonably identify the beneficiary of a TOD account or determines that a beneficiary designation is invalid, ineffectual, or unclear, then the portion of the TOD account which otherwise would have passed to such beneficiary will instead be transferred to the estate of the account owner (or the last surviving joint account owner).

Neither we nor NFS will advise you on whether TOD registration is appropriate for your tax or estate-planning purposes. Registering a securities account in TOD form is legal only in certain states, so it is important to consult your own legal or tax advisor before establishing or revoking a TOD registration.

Custodial Registration

For accounts opened under the Uniform Gifts/Transfers to Minors Acts, you, the account owner, are the custodian. By opening this type of account, you agree that all assets belong to the minor and that you will only use them for the minor’s benefit — even after the assets have been removed from the account.

Retirement Accounts

Your applicable retirement account fiduciary is responsible with regard to the administration of the retirement account including its obligations to follow the governing plan document.

Although NFS is responsible for tax reporting (for example, IRS forms 1099-R and 5498) with respect to your USAA Brokerage IRA, NFS is not responsible for any tax filing on behalf of your retirement account. Your applicable retirement account fiduciary will be responsible for additional reporting, tax filing, and disclosures required on this account.

NFS does not perform any disclosures and/or filings on behalf of the retirement account.

For retirement accounts, note that NFS in its capacity as a clearing firm may not be providing all the necessary information required for your retirement account fiduciary to complete these additional filings and disclosures.

Entity Accounts

You are duly organized and validly existing under the laws of the jurisdiction of your organization, and no consent of any person or the authorization or other action by, and no notice to, or other filing with, any governmental authority or any person is required to execute this Agreement. The execution, delivery and performance of this Agreement do not and will not result in a breach or violation of any applicable law, order or award binding you or your property, organizational documents or material agreements or other instruments. You are not a member firm of any exchange. You understand and acknowledge that this Agreement is incorporated by reference into an applicable supplemental account application, which contains important authorizations that must be completed as a condition to opening an account.

Death of Joint Owner

You agree that in the event of the death of either or any of the registered owners of such account, the survivor or survivors shall immediately give us written notice thereof; and we may, before or after receiving such notice, initiate such proceedings, require such papers and inheritance or estate tax waivers, retain such portion of and/or restrict transactions in such account as we may deem advisable to protect us against any tax, liability, penalty, or loss under any present or future laws or otherwise. The estate of any registered owner who shall have died shall be liable and each survivor shall continue to be liable jointly and severally to us for any net debit balance or loss in such account in any way resulting from the processing of transactions initiated prior to the receipt by us of such notice of death or incurred in the liquidation of the account or the adjustment of the interests of the respective parties. Upon the death of any owner of an account registered jointly as joint tenants with rights of survivorship (JTWROS), all remaining right, title, and interest in and to such account shall vest in the surviving joint owner(s).

Policies on Transactions

Credit to Your Account

Any new deposits (including checks) and any proceeds from transactions are credited promptly to your core account. Although NFS is responsible for tax reporting (for example, IRS forms 1099-R and 5498) with respect to your USAA Brokerage IRA, NFS is not responsible for any tax filing on behalf of your retirement account. Your applicable retirement account fiduciary will be responsible for additional reporting, tax filing, and disclosures required on this account.

NFS does not perform any disclosures and/or filings on behalf of the retirement account.

For retirement accounts, note that NFS in its capacity as a clearing firm may not be providing all the necessary information required for your retirement account fiduciary to complete these additional filings and disclosures.

Entity Accounts

You are duly organized and validly existing under the laws of the jurisdiction of your organization, and no consent of any person or the authorization or other action by, and no notice to, or other filing with, any governmental authority or any person is required to execute this Agreement. The execution, delivery and performance of this Agreement do not and will not result in a breach or violation of any applicable law, order or award binding you or your property, organizational documents or material agreements or other instruments. You are not a member firm of any exchange. You understand and acknowledge that this Agreement is incorporated by reference into an applicable supplemental account application, which contains important authorizations that must be completed as a condition to opening an account.

Death of Joint Owner

You agree that in the event of the death of either or any of the registered owners of such account, the survivor or survivors shall immediately give us written notice thereof; and we may, before or after receiving such notice, initiate such proceedings, require such papers and inheritance or estate tax waivers, retain such portion of and/or restrict transactions in such account as we may deem advisable to protect us against any tax, liability, penalty, or loss under any present or future laws or otherwise. The estate of any registered owner who shall have died shall be liable and each survivor shall continue to be liable jointly and severally to us for any net debit balance or loss in such account in any way resulting from the processing of transactions initiated prior to the receipt by us of such notice of death or incurred in the liquidation of the account or the adjustment of the interests of the respective parties. Upon the death of any owner of an account registered jointly as joint tenants with rights of survivorship (JTWROS), all remaining right, title, and interest in and to such account shall vest in the surviving joint owner(s).

Policies on Transactions

Credit to Your Account

Any new deposits (including checks) and any proceeds from transactions are credited promptly to your core account. Although NFS is responsible for tax reporting (for example, IRS forms 1099-R and 5498) with respect to your USAA Brokerage IRA, NFS is not responsible for any tax filing on behalf of your retirement account. Your applicable retirement account fiduciary will be responsible for additional reporting, tax filing, and disclosures required on this account.

NFS does not perform any disclosures and/or filings on behalf of the retirement account.

For retirement accounts, note that NFS in its capacity as a clearing firm may not be providing all the necessary information required for your retirement account fiduciary to complete these additional filings and disclosures.

Entity Accounts

You are duly organized and validly existing under the laws of the jurisdiction of your organization, and no consent of any person or the authorization or other action by, and no notice to, or other filing with, any governmental authority or any person is required to execute this Agreement. The execution, delivery and performance of this Agreement do not and will not result in a breach or violation of any applicable law, order or award binding you or your property, organizational documents or material agreements or other instruments. You are not a member firm of any exchange. You understand and acknowledge that this Agreement is incorporated by reference into an applicable supplemental account application, which contains important authorizations that must be completed as a condition to opening an account.

Death of Joint Owner

You agree that in the event of the death of either or any of the registered owners of such account, the survivor or survivors shall immediately give us written notice thereof; and we may, before or after receiving such notice, initiate such proceedings, require such papers and inheritance or estate tax waivers, retain such portion of and/or restrict transactions in such account as we may deem advisable to protect us against any tax, liability, penalty, or loss under any present or future laws or otherwise. The estate of any registered owner who shall have died shall be liable and each survivor shall continue to be liable jointly and severally to us for any net debit balance or loss in such account in any way resulting from the processing of transactions initiated prior to the receipt by us of such notice of death or incurred in the liquidation of the account or the adjustment of the interests of the respective parties. Upon the death of any owner of an account registered jointly as joint tenants with rights of survivorship (JTWROS), all remaining right, title, and interest in and to such account shall vest in the surviving joint owner(s).

Policies on Transactions

Credit to Your Account

Any new deposits (including checks) and any proceeds from transactions are credited promptly to your core account. Although NFS is responsible for tax reporting (for example, IRS forms 1099-R and 5498) with respect to your USAA Brokerage IRA, NFS is not responsible for any tax filing on behalf of your retirement account. Your applicable retirement account fiduciary will be responsible for additional reporting, tax filing, and disclosures required on this account.

NFS does not perform any disclosures and/or filings on behalf of the retirement account.

For retirement accounts, note that NFS in its capacity as a clearing firm may not be providing all the necessary information required for your retirement account fiduciary to complete these additional filings and disclosures.

Entity Accounts

You are duly organized and validly existing under the laws of the jurisdiction of your organization, and no consent of any person or the authorization or other action by, and no notice to, or other filing with, any governmental authority or any person is required to execute this Agreement. The execution, delivery and performance of this Agreement do not and will not result in a breach or violation of any applicable law, order or award binding you or your property, organizational documents or material agreements or other instruments. You are not a member firm of any exchange. You understand and acknowledge that this Agreement is incorporated by reference into an applicable supplemental account application, which contains important authorizations that must be completed as a condition to opening an account.

Death of Joint Owner

You agree that in the event of the death of either or any of the registered owners of such account, the survivor or survivors shall immediately give us written notice thereof; and we may, before or after receiving such notice, initiate such proceedings, require such papers and inheritance or estate tax waivers, retain such portion of and/or restrict transactions in such account as we may deem advisable to protect us against any tax, liability, penalty, or loss under any present or future laws or otherwise. The estate of any registered owner who shall have died shall be liable and each survivor shall continue to be liable jointly and severally to us for any net debit balance or loss in such account in any way resulting from the processing of transactions initiated prior to the receipt by us of such notice of death or incurred in the liquidation of the account or the adjustment of the interests of the respective parties. Upon the death of any owner of an account registered jointly as joint tenants with rights of survivorship (JTWROS), all remaining right, title, and interest in and to such account shall vest in the surviving joint owner(s).
If you have a free credit balance for your core account investment vehicle, such balance may earn interest as described in the Account Features section of this agreement.

Note that if your core account investment vehicle pays dividends or interest, incoming checks will begin to earn dividends or interest upon deposit but you may have to wait up to four days before being able to draw on the proceeds (regardless of your core account investment vehicle).

Credit balances in your income account may earn taxable interest, the rate of which is determined by NFS or us and may change at any time without notice to you. Any income account interest will be based on the daily averaging of income account credit balances during the interest period and, as long as it amounts to at least one cent, is paid on the first business day following the 20th day of each month and reflected on your month-end statement. Note that free credit balances in your core account and income account will not be combined to determine your interest earnings in either account.

If a check issued to you from your account remains uncashed and outstanding for at least six months, you authorize and instruct NFS to cancel the check and return the underlying proceeds to you by depositing the proceeds into your core account investment vehicle.

**Debits to Your Account**

All debits are accumulated daily to your account and are paid to the extent that sufficient funds are available. As an account owner, you are responsible for satisfying all debits on your account, including any debt still owed after all assets have been removed from an account, any interest (at prevailing margin rates) that has accrued on that debt, any late charges arising from your failure to pay for securities transactions in full by the settlement date, and any costs (such as legal fees) that we or NFS incur in collecting the debt.

When multiple debit items become payable at the same time, these items will be paid in the following order:

- securities transactions (including any margin calls) and any account fees

When settling debits against your account, it is NFS’s policy to follow the following sources (collectively called your “available balance”), in this order:

- any cash available in your account without incurring margin interest charges (including both core and income account balances)
- if you have a margin account, any margin credit available
- any shares in another money market fund, including any in another nonretirement account with the same registration (which you authorize us to sell for this purpose when you sign the application)
- any securities in this or any other account furnished by us in which you have an interest

Note that in some cases, delays in data transmission between financial institutions could mean that a credit actually received on a given business day may not be reflected in your available balance until the following business day.

Interest on any margin debt will accrue beginning the day credit is extended and is subject to the terms of the Supplemental Application for NFS Margin Account Privileges. Money market fund shares used to pay debits are redeemed at the NAV in effect at the time (typically $1.00). For disclosures concerning money market funds, see “Money Market Fund Investments” later in this agreement.

**Resolving Unpaid Debits or Other Obligations**

If your available balance is not enough to satisfy a given debit, we and NFS reserve the right to take action as we see fit, including any of the following:

- decline to honor the debit, which may result in fees (such as a returned check fee) or other consequences for you
- if you have a margin account and the unsatisfied debit is for a securities purchase, draw on the available balance of another account of yours that we hold

If you have a margin account, we or NFS may transfer to that account any unresolved debit from other accounts of yours.

In the event you hold a money market mutual fund in your account that is subject to a liquidity fee or redemption gate (as described in more detail in the fund’s prospectus), upon notice to NFS by the fund that a liquidity fee or redemption gate has been imposed, the cash available and running collective balance in your account will be reduced by the amount of the value of the impacted money market mutual fund. Payment of debit items from your account will continue to be paid as described in this agreement, but NFS will only pay items from a money market fund that has imposed a liquidity fee as part of that payment process after the other sources are attempted. As of April 27th, 2017, the core account holds no money market mutual funds that are subject to a liquidity fee or redemption gate.

You acknowledge that if a money market mutual fund held in your account imposes a liquidity fee or redemption gate, the money market mutual fund may not provide NFS with much, if any, advance notice of such liquidity fee or redemption gate. As a result, you may not be notified of such liquidity fee or redemption gate when you submit a trade. However, as instructed by the fund (and disclosed in the fund prospectus), your trade will be subject to such liquidity fee or redemption gate, and it may be applied to your trade retroactively.

Note that at any time, we or NFS may reduce your available balance based on obligations that have been incurred but not yet debited.

It is important to understand that we and NFS have additional choices for resolving unsatisfied obligations. Like many other securities brokers, we and NFS reserve the right to sell, transfer, or otherwise use any assets or other property in which you have an interest — either currently or at any other time — to discharge any obligations you may have to us or NFS (including unmatured and contingent obligations), and to do so without further notice or demand. For example, if you have bought securities but not paid for them, we or NFS may sell them ourselves and use the proceeds to settle the purchase.

We or NFS may also use property to satisfy a margin deficiency or other obligation, whether or not we or NFS have made advances in connection with this property. This provision extends to any property held by you or carried for any account of yours, including any credit balances, assets, and contracts, as well as shares of any mutual funds or other investment companies for which we, NFS, or an affiliate of either one provides management or administrative services. Although we or NFS may use other methods when we determine they may be more appropriate, we or NFS reserve the right to use the provisions described in this section at any time, except in cases involving retirement accounts when these provisions would conflict with the Employee Retirement Income Security Act of 1974 (ERISA) or the Internal Revenue Code of 1986, both as amended.

When street name or bearer securities held for you are subject to a partial call or partial redemption by the issuer, NFS may or may not receive an allocation of called/redeemed securities by the issuer, transfer agent and/or depository. If NFS is allocated a portion of the called/redeemed securities, NFS utilizes an impartial lottery allocation system, in accordance with applicable rules, that randomly selects the securities within customer accounts that will be called/redeemed. NFS’s allocations are not made on a pro rata basis and it is possible for you to receive a full or partial allocation, or no allocation. You have the right to withdraw uncalled fully paid securities at any time prior to the cutoff date and time established by the issuer, transfer agent and/or depository with respect to the partial call, and also to withdraw excess margin securities provided your account is not subject to restriction under Regulation T or such withdrawal will not cause an undermargined condition. A more detailed description of the lottery process may be accessed by visiting http://www.mybrokerageinfo.com and clicking on “Callable Securities Lottery.”
Use of Funds Held Overnight

As compensation for services provided with respect to accounts, NFS receives use of: amounts from the sale of securities prior to settlement; amounts that are deposited in the accounts before investment; and disbursement amounts made by check prior to the check being cleared by the bank on which it was drawn. Any above amounts will first be netted against outstanding account obligations. The use of such amounts may generate earnings (or “float”) for NFS or instead may be used by NFS to offset its other operational obligations. Information concerning the time frames during which NFS may have use of such amounts and rates at which float earnings are expected to accrue is provided as follows:

(1) Receipts. Amounts that settle from the sale of securities or that are deposited into an account (by wire, check, EFT or other means) will generally be invested in the account’s core account investment vehicle by close of business on the business day following NFS’s receipt of such funds. NFS gets the use of such amounts from the time it receives funds until the core account purchase settles on the next business day. Note that amounts disbursed from an account (other than as referenced in Section (2) below) or purchases made in an account will result in a corresponding “cost” to NFS. This occurs because NFS provides funding for these disbursements or purchases one day prior to the receipt of funds from the account’s core account.

These “costs” may reduce or eliminate any benefit that NFS derived from the receipts described previously.

(2) Disbursements. NFS gets the use of amounts disbursed by check from accounts from the date the check is issued by NFS until the check is presented and paid.

(3) Float Earnings. To the extent that such amounts generate float earnings, such earnings will generally be realized by NFS at rates approximating the Target Federal Funds Rate.

Transaction Settlement Deadlines

Unless notified to the contrary, you need to pay for all transactions by 2 p.m. Eastern Time on the settlement date, and deliver all securities in time for us to receive them one business day before the settlement date. We and NFS reserve the right to cancel or liquidate, at your risk, any transaction not settled in a timely way.

Bank Wires and EFT Transactions

Bank wire transfers to your bank are normally executed by the business day after you request them.

EFT transactions are normally executed within three to seven business days of your request. Money deposited via EFT is normally available for withdrawal for four to six business days from the deposit date. To send and receive EFT transactions, your bank must be a member of the Automated Clearing House (ACH) system.

For EFT transactions, you hereby grant us limited power of attorney for purposes of redeeming any shares in your accounts (with the right to make any necessary substitutions), and direct us to accept any orders to make payments to an authorized bank account and to fulfill these orders through the redemption of shares in your account. You agree that the above appointments and authorizations will continue until either the account is terminated, we receive written notice of any change, or we have sent 30 days’ written notice to your account’s address of record indicating that we will cease to act as agents to the above appointments.

Transfer/Deposit of Shares Via Deposit/Withdrawal At Custodian (DWAC), Direct Registration System (DRS), or Certificates

For shares that you wish to deposit in your account via DWAC, DRS, Certificates or any other share transfer method, we or NFS reserve the right to request additional information from you concerning the shares, including the completion of a “Request to Deposit Securities Questionnaire”, and require you to provide supporting documentation regarding, among other things, how you acquired the shares prior to processing your share transfer request. We or NFS reserve the right to return any shares, including stock certificates to you if we do not obtain the required information and supporting documentation in order to respond to your deposit request. You agree that we or NFS may reject all or any portion of your transfer request for any reason without notice to you.

Transaction Order Review

We or NFS reserve the right to review any order to buy or sell a security that you place with us prior to submitting such order for execution. Additionally we, or NFS, may request additional information to verify your identity and/or instructions when you place an order for execution or any other request. You understand that transaction order reviews conducted by us or NFS may delay or prevent the execution of any order that you place with us. You agree not to hold us or NFS liable for any delayed executions, or orders not submitted for execution, as a result of any transaction order review that we or NFS undertake.

Dividend Reinvestment

With this feature, all dividends paid by securities that you designate for reinvestment are automatically reinvested in additional shares of the same security. (“Dividends” here means cash dividends and capital gain distributions, but not cash-in-lieu payments, late ex-dividend payments, and special dividend payments.) In designating any security for reinvestment, you authorize NFS to purchase shares of that security for your account.

To be eligible for this feature, a security must satisfy all of the following:

• be a closed-end fund, domestic common stock, or ADR
• be margin-eligible (as defined by NFS)
• be held in street name by NFS (or at a securities depository on its behalf)
• not be held as a short position

Dividends are reinvested on shares that satisfy all of the following:

• the security is eligible
• you own the shares on the dividend record date
• you own the shares on the dividend payable date (or the posting date, for shares handled through the Depository Trust Company (“DTCP”) program described below), even if you sell them that day
• your position in the security has been settled on or before the record date
• the shares are designated for reinvestment as of 9:00 p.m. Eastern Time on the record date (or, if the record date is not a business day, then the last business day before the record date)

If you designate securities on an account-wide basis, any ineligible securities you own will automatically be designated if and when they become eligible.

The reinvestment of dividends may be delayed in certain circumstances. NFS reserves the right to suspend or completely remove securities from participation in dividend reinvestment and credit such dividends in cash at any time without notice.

If an issuer delays a dividend, the reinvestment will occur on the day the dividend is actually paid.
Automatic reinvestments often involve purchase of partial shares, calculated to three decimal places. Partial shares pay pro-rated dividends and can be sold if you sell your entire share position, and will be liquidated automatically in transfers and certain other situations, but otherwise typically cannot be sold.

Although for dividend reinvestments your regular account statement takes the place of a confirmation, you can obtain immediate information the day after the reinvestment date by contacting us.

If you transfer or reregister your account with us (for example, by changing from individual to joint registration), you need to redesignate any securities whose dividends you want reinvested.

At our option, we may buy reinvestment shares through a program offered by the Depository Trust Company ("DTC") that offers a share price discount of up to 5%. To find out which securities are currently available through the DTC, contact us. Note that the availability through this program of any given security may change without notice. Also note that DTC program transactions take longer to process; although the transactions are effective as of the dividend payable date, they are generally not posted to your account until 10 to 15 days later. If you sell your dividend-generating shares before the posting date, the dividend will not be reinvested.

To remove securities from the dividend reinvestment service, notify us during business hours. We must receive your notification by 9:00 p.m. Eastern Time one business day before the record date (or, if the record date is not a business day, then two business days before the record date).

Note that dividend reinvestment does not assure a profit on your investments and does not protect against loss in declining markets.

Precious Metals

Precious metals are not covered by SIPC account protection, but are insured by the depository at market value if stored through NFS. When trading precious metals, note that because they can experience sudden and rapid price changes, they are risky as investments, and you cannot be guaranteed an advantageous price when you trade them. If you take delivery of precious metals, delivery charges and sales and use taxes will apply. Precious metals are not marginalize.

Your Broker/Dealer does not currently accept purchase orders or transfers of precious metal positions into your account. Only liquidating orders and delivery instructions will be accepted by Broker/Dealer.

Monitoring Your Account

As an account owner, you are responsible for monitoring your account. This includes making sure that all transactions are accurate and that you are receiving confirmations, account statements, and any other expected communications. It also includes reviewing these documents to see that information about your account is accurate and contains nothing suspicious. You understand that NFS does not monitor your account for you and has no duty to advise you of any issue regarding your account or us.

If you have a Bank Deposit Sweep Program as your core account investment vehicle, you are responsible for monitoring the total amount of your assets on deposit with each Bank in the Bank Deposit Sweep Program (including amounts in other accounts at each Bank held in the same right and legal capacity) in order to determine the extent of deposit insurance coverage available to you. If you are a trustee or other fiduciary, you are responsible for determining the application of the insurance rules for the account and its beneficiaries.

So long as we or NFS send communications to you at the mailing or electronic address of record given on the application, or to any other address given to us by an owner, the communications are legally presumed to have been delivered, whether you actually received them or not. In addition, confirmations are legally presumed to be accurate unless you specifically tell us otherwise within five days of when they were sent to you; account statements, within ten days.

If you have not received a communication you expected, or if you have a question or believe you have found an error in any communication from us, telephone us immediately, then follow up with written notice.

Limits of Responsibility

Although all entities that provide services to your account strive to ensure the quality and reliability of those services, neither we nor NFS can be responsible for the availability, accuracy, timeliness, completeness, or security of any service related to your account.

You therefore agree that we and NFS are not responsible for any losses (meaning claims, damages, actions, demands, investment losses, or other losses, as well as any costs, charges, attorneys' fees, or other fees and expenses) that you incur as a result of conditions beyond our control or any agreement between the parties. This includes, for example:

- any action that is done in accordance with the procedures described in this agreement or an applicable mutual fund or securities prospectus or Bank Deposit Sweep Program disclosure document or other investment description
- the acceptance and processing of any order placed on your account, whether received electronically or through other means, as long as the order reasonably appears to be authentic
- investment decisions or instructions placed in your account, or other such actions attributable to you or any authorized person
- occurrences related to governments or markets, such as restrictions, suspensions of trading, bank closures or bank regulatory, legal or other limitations or restrictions, or high market volatility or trading volumes
- uncontrollable circumstances in the world at large, such as wars, earthquakes, power outages, or unusual weather conditions
- occurrences related to computers and communications, such as a network or systems failure, a message interception, or an instance of unauthorized access or breach of security
- the storage and use of information about you and your account(s) by our systems and transmission of this information between you and us; these activities occur entirely at your risk
- telephone requests for money transfers, so long as we transmit the proceeds to you or the bank account number identified

If any service failure is determined to be our responsibility, we will be liable only for whatever benefit you would have realized up to the time by which you should have notified us, as specified earlier in “Monitoring Your Account.”

Indemnification

You agree to indemnify us from, and hold us harmless for, any losses (as defined in “Limits of Responsibility”) resulting from your actions or failures to act, whether intentional or not, including losses resulting from actions taken by third parties.

Beyond taking reasonable steps to verify the authenticity of instructions, we have no obligation to inquire into the purpose, wisdom, or propriety of any instruction we receive.

Terms Concerning This Agreement

Applicability

This agreement is the only agreement between you and us concerning its subject matter, and covers all brokerage accounts that you, at whatever time, open, reopen, or have opened with us. In addition, if you have already entered into any agreements concerning services or features that relate to this account, or if you do so in the future, this agreement incorporates by reference the terms, conditions, and policies of those agreements. In the case of any conflict between this agreement and an agreement for a particular service or feature, the service or feature agreement will prevail.
Governing Laws and Policies

This agreement and its enforcement are governed by the laws of Texas including without limitation the arbitration clause contained herein and any and all claims, controversies, or disputes subject to arbitration as set forth therein.

All transactions through NFS are subject to the rules, guidelines, and customs of the marketplace where they are executed, and those of any clearing facility NFS may use, as well as applicable state and federal laws and any NFS trading policies and limitations that are in effect at the time.

U.S. Mailing Address & Residence

You understand that your ability to open an account requires that you maintain a legal U.S. mailing and physical address. Non-U.S. residents may not open an account even though they may be U.S. citizens or lawful residents of a non-U.S. jurisdictions. Most, but not all, Army Post Office (APO), Fleet Post Office (FPO), Diplomatic Post Office (DPO), and other U.S. government addresses (APO, DPO, FPO and U.S. government addresses, collectively, the “Government Addresses”) and certain U.S. territories are considered U.S. Once your account is opened, if either the mailing or physical address used in connection with your account is changed to a non-U.S. address (excluding most Government Addresses and certain U.S. territories as determined by us), we will, at any time and in our sole discretion, either terminate the relationship that we have with you, or modify your right to access some or all account features, products and/or services. Such modifications may include restrictions limiting your ability to purchase certain securities, and we may also change your core account investment vehicle (as further described in the Account Features section of this agreement). By opening and maintaining an account with us, you acknowledge that we do not solicit offers to buy or sell securities, or any other product or service, to any person in any jurisdiction where such offer, solicitation, purchase or sale would be unlawful under the laws of such jurisdiction.

Modification and Enforcement

We may amend this agreement at any time. This may include changing, dropping, or adding fees and policies, changing features and services or the entities that provide them, and limiting the usage or availability of any feature or service, within the limits of applicable laws and regulations. Although it is our policy to send notice to account owners of any material changes, we are not obligated to do so in most cases. Outside of changes originating in these ways, no provision of this agreement can be amended or waived except in writing by one of our authorized representatives.

We or NFS may transfer our interests in this account or agreement to any of our successors and assigns, whether by merger, consolidation, or otherwise. You may not transfer your interests in your account or agreement except with our prior written approval, or through inheritance, corporate dissolution, or similar circumstance, as allowed by law, in which case any rights and obligations in existence at the time will accrue to, and be binding on, your heirs, executors, administrators, successors, or assigns.

We or NFS may enforce this agreement against any and all account owners. Although we or NFS may not always enforce certain provisions of this agreement, both parties retain the full right to do so at any time.

If any provision of this agreement is found to be in conflict with applicable laws, rules, or regulations, either present or future, that provision will be enforced to the maximum extent allowable, or made to conform, as the case may be. However, the remainder of this agreement will remain fully in effect.

No waiver of any provision of this agreement will be considered a waiver of any other provision.

We or NFS may place restrictions on your account at any time and without prior notice to you. If for any reason (such as the termination of a contract between us and NFS) your account is held directly by NFS, it may be restricted, and there may be new or different fees and commissions. Examples of restrictions include, but are not limited to, the ability to place sell orders only and the loss of electronic trading.

NFS may offset regulatory transaction or activity fees that are assessed by certain self-regulatory organizations or regulatory authorities against NFS (“Activity Assessment Fees”). You acknowledge that NFS has the right to determine such offset of Activity Assessment Fees in its sole and exclusive discretion and that such offset of Activity Assessment Fees may differ from or exceed the regulatory transaction or activity fees in connection with your transactions. Such differences may be caused by various factors including, among other things, the rounding methodology used by NFS, the use of allocation accounts, transactions or settlement movements for which a regulatory transaction or activity fee may not be assessed, differences between the dates of fee rate changes and various other reasons. You acknowledge that NFS has made no representation that Activity Assessment Fees assessed to you will equal the regulatory transaction fees assessed against NFS in respect of or resulting from your transactions.

Restriction and Termination

We or NFS can terminate your account or this agreement at any time, for any reason, upon written notice to you. You can close your account, or terminate any optional feature, by notifying us in writing or calling us on a recorded line. When an account is closed, all other features associated with it are terminated.

Additionally, we may place trading, disbursement, or other restrictions on your account, or close your account, in situations where we reasonably believe that financial exploitation or violation of any law is occurring, has been attempted, or will be attempted in connection with the account or with any of your products or services with USAA; where we reasonably suspect diminished capacity on the part of any account holder; where there is a notice of dispute between account holders; or in response to a request from a governmental agency or law enforcement authority. You agree to abide by any such restrictions and not to initiate trades or transactions that would violate the restrictions. You further agree to hold USAA harmless for any such restrictions, holds, or account closures.

Regardless of how or when your account is closed, you will remain responsible for all unpaid obligations of your account. This includes charges, or other transactions you initiated or authorized, whether arising before or after termination, as well as any fees incurred but not yet charged to your account. Payment for these obligations will be deducted from your final account balance.

Your account balance and certain uncashed checks issued from your account may be transferred to a state unclaimed property administrator if no activity occurs in the account or the check remains outstanding within the time period specified by the applicable state law.

We or NFS will not be responsible for any losses or damages (including, but not limited to, lost opportunities) that may result if your account is restricted or closed.

Texas Residents only: In accordance with Texas House Bill 1454, you, as an account owner, may designate a representative for the purpose of receiving a due diligence notice. If you add a designated representative, NFS is required to mail the written notice upon presumption of abandonment to the designated representative, in addition to mailing the notice to you, the account owner. You may contact your Broker/Dealer for any questions you may have or to obtain the form required to identify a designated representative as to this or any other investment account owned. Please be advised that you are not required to designate any such representative. Should you have any questions regarding your options of designating a representative, please consult with your own attorney regarding your specific situation.
Notices and Disclosures

Account Administration

FINRA Rule 4311 requires that NFS identify the various account administration functions that we and NFS each agree to perform pursuant to our carrying agreement with NFS. Below is a summary of this information; for a more complete description, contact us.

As your Broker/Dealer, we will:

- open and approve your brokerage account
- transmit accurate, timely instructions to NFS regarding your brokerage account
- accept and transmit orders for execution to NFS
- determine the suitability of any investment recommendations and advice
- operate your brokerage account in compliance with applicable laws and regulations
- if you have a margin account, advise you of margin requirements and ensure that your account remains in compliance with all applicable federal, industry, and NFS margin requirements
- send you an email when your document(s) are available to view online, if you have elected to receive statements, trade confirmations, prospectuses, tax forms, eligible correspondence, and quarterly reports, via electronic means
- maintain proper books and records of all services we perform for you

At our direction, NFS will:

- execute, clear, and settle transactions that we process through them
- send you transaction confirmations and periodic brokerage account statements, if we don’t do this ourselves
- act as custodian for all funds and securities they receive on your behalf
- carry out our instructions regarding the transactions, and the receipt and delivery of securities, on your brokerage account
- extend margin credit, if you have applied, and been approved, for margin borrowing
- maintain proper books and records of all services they perform in connection with your account

Note that NFS may not have verified certain pricing information that we or third parties provide to you. For more information on the allocation of services, speak with one of our representatives.

Investor Education and Protection Disclosure

FINRA’s Public Disclosure Program offers an information service for investors to learn about the professional background, business practices, and conduct of FINRA member firms and their brokers. To learn about the professional background, business practices, and conduct of FINRA member firms and their brokers, or to request an investor brochure that describes this program, call 1-800-289-9999 – a toll-free hotline operated by FINRA – or visit its web site at www.finra.org/brokercheck.

Non-Transferable Securities

In the event that any securities in your account become non-transferable, NFS may remove them from your account without further notice. Non-transferable securities are those where transfer agent services have not been available for six or more years. A lack of transfer agent services may be due to a number of reasons, including that the issuer of such securities may no longer be in business and may even be insolvent.

Note the following:

- There are no known markets for these securities.
- NFS is unable to deliver certificates to you representing these positions.
- These transactions will not appear on Form 1099 or any other tax reporting form.
- The removal of the position will not be reported as a taxable distribution and any reinstatement of the position will not be reported as a contribution.
- If transfer agent services become available sometime in the future, NFS will use its best efforts to have the position reinstated in your account.
- Positions removed from your account will appear on your next available account statement following such removal as an “Expired” transaction.

By opening and maintaining an account with NFS, you consent to the actions as described above, and you waive any claims against your Broker/Dealer or NFS arising out of such actions. You also understand that your Broker/Dealer does not provide tax advice concerning your account or any securities that may be the subject of removal from or reinstatement into your account and you agree to consult with your tax advisor concerning any tax implications that may arise as a result of any of these circumstances.

Choice of Marketplace and Routing of Orders

When securities may be traded in more than one marketplace, NFS may use their discretion in selecting the market in which to place your order.

Brokerage orders (including those generated by reinvested dividends) are routed through NFS, who in turn sends orders to various exchanges or market centers for execution. In deciding where to send an order, NFS looks at a number of factors, including but not limited to, size of order, trading characteristics of, and market for the security, favorable execution prices (including the opportunity for price improvement), access to reliable market data, availability of efficient automated transaction processing, and execution cost. Some market centers may execute orders at prices superior to the publicly quoted market. Although you can give instructions with a written order (though not an order placed through any telephone, electronic, or online trading system) that the order be sent to a particular marketplace, NFS’s order-routing policies are designed to result in transaction processing that seeks to obtain best execution.

Note that we and NFS may receive monetary payments or other consideration (such as financial credits or reciprocal business) for directing equity trades to particular broker/dealers or market centers for execution. The source and nature of any compensation received in connection with your transaction will be disclosed upon request.

Credit-Related Information

For the name and address of any credit reporting agency from whom we or NFS has obtained information about you, send a written request to us or the card issuer, as applicable.

Money Market Fund Investments

An investment in a money market fund is neither insured nor guaranteed by the FDIC or any other U.S. government agency. Although a money market fund seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in a money market fund. The fund sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.
Disclosure of Account Information

Information concerning your account and transactions processed on your behalf may be disclosed to our affiliates and, in the following circumstances, to third parties:

- When necessary to complete the processing of transactions or to resolve errors involving transactions;
- To verify the existence and status of your accounts upon the request of a third party such as a credit bureau or merchant;
- To comply with a government agency or court order or with other legal process;
- To comply with the request of a foreign government, or its agent, that has elected to audit your records, if you own certain foreign securities.

USA PATRIOT Act Notice

To help the government fight money laundering and the funding of terrorism, federal law and contractual obligations between NFS and us require us to obtain your name, date of birth, address and a government-issued identification number before opening your account, and to verify the information. In certain circumstances, we or NFS may obtain and verify comparable information for any person authorized to make transactions in an account or beneficial owners of certain entities. Further documentation is required for certain entities, such as trusts, estates, and other organizations. Your account may be restricted if we or NFS cannot obtain and verify this information.

NFS does not permit bearer-share entity accounts known to NFS on its platform. If it comes to NFS’ attention that an entity account has issued or is permitted to issue bearer shares, NFS will restrict the account to permit liquidations only.

Commissions

We will charge you for buying or selling securities or property according to the USAA Brokerage Commission and Fee Schedule in effect at the time of the transaction, the terms of which are incorporated into this Agreement by reference. The USAA Brokerage Commission and Fee Schedule shall be determined by your Broker/Dealer in its discretion and is subject to change without prior notice to you. You may view the current USAA Brokerage Commission and Fee Schedule at usaa.com or you may request a current USAA Brokerage Commission and Fee Schedule by calling Broker/Dealer.

Please see Appendix A, page A-1, for important information regarding the pre-dispute arbitration clause.
Resolving Disputes - Arbitration

This agreement contains a pre-dispute arbitration clause. Under this clause, which becomes binding on all parties when you sign your account application, You, your Broker/Dealer, and NFS agree as follows:

A. All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.

B. Arbitration awards are generally final and binding; a party’s ability to have a court reverse or modify an arbitration award is very limited.

C. The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.

D. The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.

E. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.

F. The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.

G. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

All controversies that may arise between me, my Broker/Dealer and NFS concerning any subject matter, issue or circumstance whatsoever (including, but not limited to, controversies concerning any account, order or transaction, or the continuation, performance, interpretation or breach of this or any other agreement between me, You and NFS whether entered into or arising before, on or after the date this account is opened) shall be determined by arbitration in accordance with the rules then prevailing of the Financial Industry Regulatory Authority (FINRA) or any United States securities self-regulatory organization or United States securities exchange of which the person, entity or entities against whom the claim is made is a member, as I may designate. If I designate the rules of a United States self-regulatory organization or United States securities exchange and those rules fail to be applied for any reason, then I shall designate the prevailing rules of any other United States securities self-regulatory organization or United States securities exchange of which the person, entity or entities against whom the claim is made is a member. If I do not notify you in writing of my designation within five (5) days after such failure or after I receive from you a written demand for arbitration, then I authorize you and/or NFS to make such designation on my behalf. The designation of the rules of a United States self-regulatory organization or United States securities exchange is not integral to the underlying agreement to arbitrate. I understand that judgment upon any arbitration award may be entered in any court of competent jurisdiction.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.