

Information Regarding Broker-Dealer Services through Gradient Securities, LLC (GS)

Our brokerage services include buying and selling securities at your direction. From time to time, or when you ask, we also provide you with investment recommendations, research, financial tools and investor education. When making such a recommendation to you, we do not have a fiduciary obligation to you, but we must act in your best interest at the time we make the recommendation without placing our financial or other interests ahead of yours.

Brokerage services are offered through GS in collaboration with our clearing and custody partner, RBC Capital Markets, LLC (RBC). Through this brokerage platform your Financial Professional (FP) can offer a wide range of investments including but not limited to: mutual funds, stocks, bonds, exchange-traded fund (ETFs), fixed income securities, certificates of deposit (CDs) and unit investment trusts (UITs).

Additionally, some brokerage products can be purchased and custodied directly with the investment company. Examples of products that could be purchased direct include variable annuities, mutual funds and non-traded Real Estate Investment Trusts (REITS).

Monitoring: GS and their FPs are not required to conduct ongoing monitoring of your portfolio or investments. Irrespective of an obligation to monitor your account, an FP may voluntarily review the holdings in your account for the purpose of determining to make a recommendation. This should not be construed as an agreement to conduct ongoing monitoring. This means you are ultimately responsible for reviewing your account and investments to make sure your investment mix is appropriate for you and for deciding whether to follow your FP's recommendations.

Investment Authority: GS does not permit affiliated FPs to exercise discretion on your behalf for accounts you hold with GS. This means you, the retail investor, make the ultimate decision regarding the purchase or sale of your investments.

Account Minimums and Limitations: GS does not impose account minimums to open a brokerage account, however, some investments you may purchase through us may have minimum investment requirements. The prospectus or offering documents for such investments will contain and minimums that are imposed.

Limited Investment Offerings: As described above, GS offers a wide range of investments. We do not limit investment recommendations to a specific type of investment, product or asset class.

Your FP's Registrations

It is important to understand what registrations your FP holds as their registration dictates what investments they can recommend to you. In order to obtain a registration, a FPs must pass a qualification exam which is administered by the Financial Industry Regulatory Authority, Inc, also referred to as FINRA. All FPs with GS have earned either a Series 6 – Investment Company and Variable Contracts Product Registration or a Series 7 – General Securities Representative Registration.

Below is a summary of what investment products an FP can offer through GS based on which registration they hold.

Series 6 – Investment Company and Variable Contracts Product – Mutual Funds (open-end funds offered through an investment company), Variable Annuities, Variable Life Insurance, Unit Investment Trusts (UITs) and Municipal Fund Securities

Series 7 – General Securities Representative – All investments referenced under Series 6 plus; Stocks, Bonds, Rights, Warrants, Mutual Funds, Exchange-traded Funds, Real Estate Investment Trusts (REITs) and Government Securities

Additional Ways Gradient Securities (GS) and our Financial Professionals (FP) Make Money

In addition to earning a portion of commissions from transactions that your FP executes on your behalf, GS and it's FPs also earn revenue through other means explained below.

Revenue Sharing

GS may align with product companies to focus on and deliver marketing and training initiatives. These initiatives are intended to educate and support the administration and marketing efforts of GS, GS employees and FPs.

GS may enter into an agreement where certain product sponsors (or their affiliates) share the revenue they earn when you invest in the sponsor's products through GS. These revenue sharing allowances are typically based on a percentage of aggregate gross sales that FPs of GS sell of the sponsor company's products. As such, GS has an incentive to recommend products that share their revenue with GS, over products of sponsors or fund managers that do not share revenue.

It is important to understand that, although a conflict exists with the above referenced revenue sharing agreement, it does not increase the cost to you, nor does it increase the compensation received by your FP for selling such investment products. These agreements can indirectly benefit the FP since GS earns additional revenue to help support infrastructure, marketing and training needs of the Firm.

Third Party Payments and Other Cash Non-Cash Compensation

GS and our FPs also receive additional compensation from products sponsors like mutual fund and insurance companies, that is not related to individual transactions. This money is paid, in accordance with regulatory rules, to offset up to 100% the costs of training and education of our FPs and employees. In some instances, mutual fund and insurance companies pay a flat fee in order to participate in our training and educational meetings. These meetings or events provide our FPs with comprehensive information on products, sales materials, customer support services, industry trends, practice management education, and sales ideas.

In addition, GS and its FPs can occasionally receive the following forms of cash and non-cash compensation from product sponsors: meals, offsite training meetings, business entertainment, marketing/seminar support and nominal valued gifts or promotional items.

GS has instituted policies and procedures in accordance with regulatory guidance to help mitigate the conflicts that exist with these forms of compensation by requiring certain reporting and establishing limits as the frequency and dollar amount of the compensation. Additionally, we must also place your interests ahead of our own when making investment recommendations.

Fees

Below is a list of fees that may be charged to your account(s) with Gradient Securities (GS) that are custodied at RBC Correspondent Services, a division of RBC Capital Markets, LLC (RBC CS). The list of fees below are customary fees which are material to the ownership of your account. The fees below do not include customer handling, commissions or any other trade related fee as those fees are disclosed on each trade confirmation. The fee listed is the highest amount that will be charged for the service provided. Fees may change at any time as permitted by applicable regulations and the terms of the clearing agreement between Gradient Securities and RBC CS.

Fee schedules which include less commonly charged fees, are available through your Financial Professional or directly through RBC at www.investor-connect.com where, upon logging in, a list of fees is included in the most recent electronic statement insert section for the periods ending March, June, September or December. You may also contact GS directly at **866-991-1539** for any questions about fees.

Account Fees for Accounts Custodied by RBC Correspondent Services		
Fee Name	Fee Amount	Fee Frequency
Non-IRA Annual Account Fee	\$50.00	Annual (1)
Retirement - IRA Annual Account Fee	\$35.00	Annual
403(b) Annual Account Fee	\$45.00	Annual
Document Copies Paper (tax, confirm, statement)	\$1.75	Per Request
Outgoing Retail Non-IRA Account Transfer Fee (ACAT)	\$90.00	Per Request
Outgoing Retail IRA Account Transfer Fee (ACAT)	\$120.00	Per Request
Check - Overnight Delivery	\$13.00	Per Check
Check - Returned Check Fee	\$50.00	Per Check
Automated Clearing House (ACH) Stop Payment Fee	\$20.00	Per Request
Bank Wire -Domestic	\$25.00	Per Wire
Bank Wire -Foreign	\$75.00	Per Wire
Investment Access Account Annual Fee	\$125.00	Annual (2)
Investment Access Account Related Fees	Refer to Account Agreement (3)	

- (1) The annual fee for Non-IRA accounts is eligible for a waiver if certain conditions are met. If the overall value of accounts held with RBC through GS exceeds \$100,000 and/or certain paperless elections are made regarding notices, statements and confirmations generated through your accounts, you may be eligible for a waiver. Please consult with your Financial Professional for additional information.
- (2) The annual fee for an Investment Access Account is waived for accounts over \$200,000.
- (3) The Investment Access Account application contains a fee schedule that outlines fees related to an Investment Access Account (checking related fees, wire transfer and ACH fees, and VISA gold check card fees)

Not a Deposit • Not FDIC Insured • Not Insured by Any Federal Government Agency • Not Guaranteed by Any Bank or Credit Union • May Lose Value

Gradient Securities, LLC (offering Investment Advisory Services d.b.a. Gradient Wealth Management)
 ♦ 4105 Lexington Avenue North, Suite 380 ♦ Arden Hills, Minnesota 55126
 Tele: (866) 991-1539 ♦ Fax: (651) 379-8040 ♦ info@gradientsecurities.com ♦ Member FINRA / SIPC•

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Additional Resources

We encourage you to review information and resources that are available to investors to better understand what you can expect when making a decision to invest.

The following websites from FINRA and the SEC provide information on important topics such as personal finance, investing, investment products, fee calculators and researching firms and financial professionals.

<https://www.finra.org/investors#/>

<https://www.investor.gov/CRS>

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