

# Ameriprise<sup>®</sup> SPS Advisor Client Agreement



## 1. Over view of Ameriprise Managed Accounts

Ameriprise Financial Services, LLC offers sponsors a wrap fee program offering several types of managed accounts (“Managed Accounts”) of which Ameriprise Financial Services, LLC (“Ameriprise Financial” or “Sponsor”) is the Sponsor and for which you will pay an Asset-based Fee (“Wrap Fee” or “Asset-based Fee”) for investment advisory services, the execution of transactions and related services, as well as other applicable fees and expenses. These services are offered through Ameriprise Managed Accounts Client Disclosure Brochure (“Disclosure Brochure”) or Ameriprise Managed Accounts and Financial Planning Service Disclosure Brochure (“Combined Disclosure Brochure”), as applicable. Strategic Portfolio Service Advisor (“SPS Advisor”) is one type of managed account Ameriprise Financial offers.

This Ameriprise SPS Advisor client agreement (“Agreement”) is part of the SPS Advisor Application (“Application”).

By signing this Agreement, you give each Ameriprise financial advisor authorized to use discretion (“SPS Discretionary Advisor”) explicit authority to purchase or sell securities on your behalf without your prior approval of each transaction. Your financial advisor may be a part of a team. In this scenario, you understand and agree there may be more than one SPS Discretionary Advisor authorized to use discretion on your Account. You agree that, in the instance your SPS Discretionary Advisor becomes unavailable or incapacitated, securities in your Account may temporarily be purchased and sold by a designated back-up SPS Discretionary Advisor for the individual or team.

Your servicing financial advisor may or may not be your SPS Discretionary Advisor. In the instance that your servicing financial advisor is not your SPS Discretionary Advisor, your SPS Discretionary Advisor will oversee the analysis and advice prepared for you. Only the SPS Discretionary Advisor will purchase and sell securities in your Account.

The Application and this Agreement form the contract governing your investment advisory Account(s) with Ameriprise Financial. The *Ameriprise* Brokerage Client Agreement, the Other Important Disclosures Document and the Schedule of Account & Service Fees are collectively referred to as the “Brokerage Agreement” and set forth the terms under which brokerage services are provided to you as part of your Agreement.

This Agreement is made between Sponsor and each of the client(s) (“Client”) who signs the Application. If any of the terms of this Agreement conflict with the terms of the Application, this Agreement will control. If there is any conflict in the description of the investment advisory service between this Agreement or the Application and the applicable Disclosure Brochure, the applicable Disclosure Brochure will control. When used in this Agreement, the terms “you”, “your” and “yours” refer to each of the client(s) named in the

Application and the term “Account” refers to each of your SPS Advisor accounts.

The authorization of your SPS Discretionary Advisor to purchase or sell securities on a discretionary basis in your Account does not include the ability to withdraw, disburse or transfer funds or securities from your Account, which will continue to require your prior authorization.

SPS Advisor is a discretionary service that enables your SPS Discretionary Advisor to purchase certain eligible securities and/or investment products, including, but not limited to mutual funds (including fund of funds), exchange-traded funds, equities (e.g., stocks, rights, warrants), bonds (e.g., corporate, government, agency) and options on indices and equities all within a single account on your behalf. Non-traded securities such as most interests in limited partnerships, real estate investment trusts (“REITs”), commodities, futures and precious metals as well as leveraged and inverse ETFs and other illiquid securities are not available in SPS Advisor. Short sales, and the purchase or sale of B and C share classes of mutual funds, Ameriprise Financial, Inc. securities, penny stocks, and initial public offering securities are prohibited. SPS Advisor is an investment advisory service for clients who seek investment advice on specific assets and are willing to pay for that advice.

As a courtesy, annuities and life insurance policies may be displayed on your Account statement however such annuities and life insurance policies are not held in your Account and any values provided by third parties are not validated by us. You understand you will not receive recommendations regarding annuities or life insurance policies as part of your SPS Advisor service. Non-advisory assets are no longer allowed to be held in SPS Advisor. Any non-advisory asset, other than annuities associated with the account primarily for statementing purposes, inadvertently transferred into your SPS Advisor Account will be transferred to an Ameriprise Financial Brokerage Account and the Brokerage Agreement will govern such non-advisory assets. Certain securities may be transferred into and held in the Account but may not be recommended by your financial advisor. Certain other Ineligible Investments, as further discussed in the Disclosure Brochure or Combined Disclosure Brochure, as applicable, will also be transferred to an Ameriprise Financial Brokerage Account after 180 days and the Brokerage Agreement will govern such assets. You understand and agree that for all transfers to an Ameriprise Financial Brokerage Account, if you do not have a brokerage account with the same account registration, beneficiaries, and other account level attributes as your SPS Advisor Account, a new Ameriprise Financial Brokerage Account will be opened with the same attributes. The Brokerage Agreement will govern your brokerage account relationship including fees charged in connection with maintaining a brokerage account, transaction fees

and applicable terms and conditions such as mandatory predispute arbitration.

SPS Advisor Accounts are not allowed to hold proprietary mutual funds and investment products, including third party securities for which Sponsor and their affiliates serve as sub-adviser. Any such proprietary products transferred into an SPS Advisor Account will be transferred to an Ameriprise Financial Brokerage Account.

Sponsor also offers a consolidated advisory fee service for which you will receive AFPS and at least one Managed Account service. This consolidated advisory fee service is offered through the Combined Disclosure Brochure. The combined services allow you to pay an annual Asset-based Fee. If you elect this option with a Managed Account, you will receive material elements of the financial planning process and the SPS Advisor service.

## 2. Appropriateness of SPS Advisor

Your SPS Discretionary Advisor will purchase and sell securities in your Account that are appropriate for you and consistent with your investment objectives, time horizon, financial situation and risk tolerance as reflected in your Client Information (as defined in this Agreement). You agree to promptly notify your financial advisor if your investment objectives, time horizon, financial situation and/or risk tolerance change.

**Neither your financial advisor nor Ameriprise Financial makes any implicit or explicit guarantees, projections or assurances regarding the investment returns or financial performance of the securities that may be held in your Account, or the general advisability of discretionary trading.**

Ameriprise monitors advisor trade activity and reserves the right to remove the Account from SPS Advisor if the SPS Discretionary Advisor engages in activities for which the Account is not intended. An SPS Advisor Account is not appropriate for day trading, highly active trading, or other excessive trading activity, including trading mutual funds based on market timing. An SPS Advisor Account may also not be appropriate if you have a long-term buy-and-hold investment strategy, or otherwise purchase mutual funds and other securities infrequently or plan to hold only a few mutual fund or securities holdings in your Account. In these foregoing instances, a transaction-based brokerage account may be more appropriate. Sponsor will determine whether an SPS Advisor Account is appropriate upon account opening and thereafter, and reserves the right to terminate this Agreement as described in Section 15 in the event it is determined that this program is no longer appropriate for you. You should also consider if SPS Advisor Account is appropriate for you at account opening and thereafter and you may terminate the Agreement at any time.

Before selecting, you should consider, among other things, the costs and potential benefits of a discretionary managed account, your investment objectives, and the types of investments you hold and intend to purchase. The cost you pay for an SPS Advisor Account may be more or less than if you were to purchase the investment advisory services and the investment products separately. The Sweep Program (as

defined below) may not be an appropriate long-term option for holding large amounts of cash, as other, higher-yielding investments are available to you. Trading activity and the costs and expenses associated with an investment product, among other things should be considered when deciding whether a Managed Account is appropriate for you. If you elect to engage in a consolidated advisory fee relationship, the cost that you pay for the combined service may be more or less than if you purchased AFPS separately. For more information regarding SPS Advisor Account fees, expenses, and the consolidated advisory fee, please carefully read the terms of this Agreement, including Sections 7, 8, 15, 16, and 23, as well as the Application and Disclosure Brochure or Combined Disclosure Brochure.

The Wrap Fees you pay reduce the overall value of your Account. In addition to the Wrap Fee, there may be underlying expenses associated with the investments held in your Account(s).

An Account is available for individual investors, corporate entities and certain tax-qualified accounts. Sponsor, in its own discretion, may offer certain account types to certain clients.

## 3. Use of Terms

**Household:** "Household" is defined as an individual, his or her spouse or domestic partner, and the unmarried children under age 21 who reside at the same address.

## 4. SPS Advisor Services and Other Relationship Services

**A. SPS Advisor Services** Sponsor will provide you with investment advisory services through one or more of its financial advisors ("financial advisor"). Your primary, or servicing financial advisor will present the Managed Account or Ameriprise Financial Planning Service ("AFPS"), if applicable, set the Wrap Fee, and oversee the analysis and advice prepared for you. Your financial advisor or their staff will (i) assist you in defining your financial and risk profile information ("Client Information") and any investment objectives that will help form the basis for the management of your Account(s); and (ii) at least annually, consult with you to determine whether there have been any changes in your Client Information, investment objectives, or any reasonable restrictions that you may have placed on your account. At least annually, your financial advisor will analyze, assess, and review your Account(s). You understand that certain duties of Sponsor are carried out through its employees and agents, including your financial advisor, and that your financial advisor will serve as a liaison for you in connection with your participation in an SPS Advisor Account.

**B. Financial Planning Services** In addition, if you elect to engage in a consolidated advisory fee relationship, your financial advisor will address your goals and needs through AFPS. Your financial advisor's initial analysis will include a basic review of your fundamentals, including your net worth and current cash flow, protection needs and basic estate planning needs. The initial recommendations may address only the areas that you have identified as your most immediate needs and priorities. Your financial advisor is not obligated to make any recommendations or give any financial

advice to you that, in the sole judgment to the financial advisor, would be impracticable, not appropriate, unattainable or undesirable. As part of your financial advisor's basic review of your fundamentals, you may receive, without charge, a life insurance analysis. Your financial advisor will receive no compensation for the life insurance analysis but may receive compensation for insurance products you actually purchase. More information about AFPS is described in the Combined Disclosure Brochure.

**C. Brokerage Services Provided by Sponsor and/or its Affiliates** Sponsor, through its affiliate, American Enterprise Investment Services Inc. ("AEIS"), will provide you with brokerage services in connection with your Account(s), as described in Section 8 and elsewhere in this Agreement.

### 5. Selection of Securities in Your SPS Advisor Account

Your SPS Discretionary Advisor will purchase and sell securities in your Account in consideration of an asset allocation strategy which is primarily based on the information you provide as part of your Client Information. The investment decisions may include information related to asset allocation analysis, prevailing market conditions and other factors deemed appropriate by the SPS Discretionary Advisor. Your SPS Discretionary Advisor will provide ongoing evaluation of investments, management of your Account and will review the Account with you at least annually. Before transferring a mutual fund into your SPS Advisor account, you and your SPS Discretionary Advisor should consider whether you have previously paid a sales charge or load on this investment or if the investment is subject to an early redemption fee.

### 6. Information and Instructions Provided by You

**A. Client Information** You agree to furnish Sponsor with certain biographical and identifying written information relating to you as well as your financial and risk profile information you define with your financial advisor ("Client Information"). You agree to inform Sponsor promptly in writing of any change to your Client Information.

**B. Client Instructions** Sponsor and your financial advisor are authorized to follow your instructions, i.e., liquidation, strategy changes, regarding withdrawals, disbursements or transfer of funds or securities from your Account, whether you provide them directly to Sponsor or through your financial advisor. Sponsor will take action with respect to the underlying securities and other assets in your Account(s) only according to instructions from you or your authorized agent. Sponsor may reject any instructions given by you or your authorized agent if, in Sponsor's judgment, implementing those instructions would: (i) violate any applicable federal or state law, or any applicable rule or regulation of any regulatory agency or self-regulatory body; or (ii) be inconsistent with any internal policy maintained by Sponsor, as amended from time to time, relating to effecting transactions with or for customers. You understand that Money Settlement Option ("Sweep Program") for which you are eligible, as described in Disclosure Brochure, is subject to the terms and conditions set forth in the Brokerage Agreement. You agree to give Sponsor prompt written notice if you believe any action taken with respect to the underlying assets in your Account is inconsistent with your or your duly authorized agent's instructions or your Client Information.

Only discretionary trades placed by your SPS Discretionary Advisor and client-directed sell orders are permitted in your Account. You may elect to forego all nondiscretionary trading activities in your Account. If you elect to have discretionary trading only, neither your financial advisor, nor Sponsor will accept non-discretionary orders from you except sell orders to terminate the account.

**C. Reasonable Restrictions** You acknowledge that you may impose reasonable security restrictions, including mutual funds, on the management of your Account ("Reasonable Restrictions"), as permitted by SPS Advisor program by working with your financial advisor. Restrictions are deemed "unreasonable" if they interfere with your SPS Discretionary Advisor's ability to make investment decisions in a timely manner or would compel investment decisions that would be inconsistent with your investment objectives, time horizon and risk tolerance.

You understand that any Reasonable Restrictions imposed on the management of the Account may cause your SPS Discretionary Advisor to deviate from investment decisions he or she would otherwise make in managing your Account(s) and, accordingly, may negatively impact or otherwise affect performance. You understand and agree that the Sponsor may choose not to accept your Account, in the event it determines that the restrictions you wish to impose are unreasonable or otherwise prevent your financial advisor from implementing the investment strategy in question. You agree to inform Sponsor promptly, in writing, of any change in your Reasonable Restrictions. Any change to your Reasonable Restrictions will not be effective until accepted by the Sponsor.

### 7. Fees and Expenses

**A. Asset-based Fees:** You understand and acknowledge that (i) all SPS Advisor Account(s) you currently own, and (ii) any SPS Advisor Account(s) you open in the future are subject to an updated component-based pricing framework in which the sub-components of the Asset-based Fee (referred to as "fee components") are separately itemized. The fee components are (i) a negotiable Advisory Fee of up to a maximum annual rate of 2.0%; and (ii) if you are engaged in the consolidated advisory fee service, an AFPS Fee.

The fee components will be displayed to you when you open a new SPS Advisor Account. Based on the investment strategy and services you choose, the fee components will vary. Each possible fee component that may apply to your SPS Advisor Account is described below. Additional details are included in the "Fees and Compensation" section of the current Disclosure Brochure and Combined Disclosure Brochure.

- **Advisory Fee:** The Advisory Fee rate is an ongoing Asset-based Fee negotiated between you and your financial advisor and covers services such as asset allocation, portfolio construction, creation of model portfolios, advisory service provider due diligence and oversight, investment recommendations and selection including applicable investment product due diligence, execution of transactions, custody of securities, and tax and account reporting including trade confirmations and client statements and services provided by your financial advisor for your account. The Advisory Fee is shared with your financial advisor.



• **Ameriprise Financial Planning Service Fee (“AFPS Fee”):**

If you choose to pay for your Ameriprise Financial Planning Service (“AFPS”) through the consolidated advisory fee service, a portion of your Asset-based Fee is allocated to cover the financial planning services you receive (“AFPS Fee”). The AFPS Fee rate is negotiated between you and your financial advisor, however the sum of the Advisory Fee and the AFPS Fee cannot exceed 2%.

In the component-based pricing framework the Asset-based Fee will be itemized by applying the Advisory Fee including, if applicable, the AFPS Fee. Once established, the Advisory Fee will not change unless (i) you renegotiate it as described below or (ii) the total value of your advisory assets across all Managed Account Programs, falls below the minimum to support the rate available to you as described in the “Changes in Fee Components” section below. If you have received notice that you have a Grandfathered Advisory Fee rate, which is an Advisory Fee rate that is lower than the minimum fee rate allowed for the applicable Advisory Tier (the “Grandfathered Advisory Fee rate”), you will retain that fee rate until you re-negotiate the Advisory Fee rate with your financial advisor, move to another Program, add the consolidated advisory fee service to that Account, or when processing certain ownership changes. Ask your financial advisor whether you have a Grandfathered Advisory Fee rate and consider this rate before re-negotiating your Advisory Fee rate or moving to another strategy.

If you wish to include your AFPS Fee within your IRA’s Asset-based Fee, you understand that you will need to specify a nonqualified account to pay the entire Asset-based Fee.

The minimum annual Asset-based Fee is \$100, and will be prorated across all Managed Account(s) within a Household. If your Household balance in Managed Accounts is less than \$3,333, your effective Asset-based Fee will be in excess of 3%. SPS Advisor Accounts with a balance of less than \$3,333 will be charged an effective Asset-based Fee in excess of 3%. If your effective Asset-based Fee exceeds 3%, an advisory program may not be the most cost-effective investment option for you; similar products and services may be available for purchase for a lower overall fee through another investment program.

You can renegotiate your Advisory Fee and your AFPS Fee, if applicable, with your financial advisor at any time. If your Advisory Fee and /or AFPS Fee is renegotiated, your financial advisor will complete the appropriate documents reflecting the new Advisory Fee and you will be required to sign the document if the fee increases. Your financial advisor or Sponsor may, without obtaining your signature, (i) reduce your existing Advisory Fee; or (ii) reduce, reallocate or remove the AFPS Fee associated with your Account, provided the sum of the Advisory Fee and AFPS Fee does not exceed the current Advisory Fee rate for that Account. The Advisory Fee change will become effective at the start of the next billing period, following the period in which the written documentation is received and accepted by Sponsor. Sponsor will notify you of the change. The new Advisory Fee will be reflected as a component of your Asset-based Fee.

**Changes in Fee Components:** You understand and agree that your fee components are subject to change in the circumstances set forth below.

The Advisory Fee is subject to a minimum rate based on the total value of Managed Account assets held within a Household at Ameriprise Financial. If a withdrawal or decrease in value causes your Advisory Fee to be below the level of advisory assets required for that minimum fee rate, Ameriprise Financial Services will notify you that it will increase the Advisory Fee to the appropriate minimum fee rate for your new level of assets (a “Passive Advisory Fee Change”) unless you take action as set forth in the notification within any applicable grace period. You understand and acknowledge that if you do not take any action within the grace period, Ameriprise Financial will raise your Advisory Fee to the minimum Advisory Fee rate appropriate for your level of assets and provide confirmation of the new Advisory Fee rate to you. If you are in a consolidated advisory fee service, and the increase would result in the sum of the Advisory Fee rate and the AFPS Fee rate being above 2%, we will reduce your AFPS Fee rate until the sum of the Advisory Fee rate and AFPS Fee rate totals 2%.

**Householding of assets:** A feature of the component-based pricing framework is that it provides householding benefits across all Managed Account Programs and Managed Accounts. By default, a primary household will consist of a client, their spouse or domestic partner, unmarried children under the age of 21, and the Accounts owned by these people, which are categorized and displayed under one Group ID which will be found on your client statement. If you have more than one Group ID, you may be able to link the Group ID associated with your primary household group with the Group ID associated with an additional household group with which you have an eligible affiliation, such as the grantor of an irrevocable trust or owner of a corporation. Where eligible, this allows you to combine Managed Account assets across multiple household groups, which may help you qualify for a lower minimum Advisory Fee rate or, if applicable, to qualify for a single household minimum across all Accounts in the linked households. Pension and group retirement plans are not eligible for Advisory Fee Householding. In addition to your client statement, you can also find your Group ID online if you’re registered on the secure site at ameriprise.com. Contact your financial advisor to review whether your Group IDs are eligible to be linked for Advisory Fee householding benefits.

**i) Billing Cycle** The Asset-based Fee is calculated at the beginning of the billing period based on the value of your Account(s) assets as of the last business day of the preceding calendar month and deducted from your Sweep Program on the 14th day of each month, or, if the 14th is a weekend or holiday, the fee will be deducted the next business day. Additional events, such as withdrawals, suspended billing, or Account termination could change the date the Asset-based Fee is deducted as further described below. All SPS Advantage Accounts use a monthly billing cycle.

Your initial Asset-based Fee will be deducted from each Account the first business day after your Account reaches

the the investment minimum required for the Program the Account is accepted by Sponsor. This initial Asset-based Fee and will be based on the market value of the assets in the Account on the date on which the Account reaches the investment minimum and advisory services begin, adjusted proportionately to reflect the number of days remaining in the initial billing cycle, including the day your Account is accepted. Sponsor will calculate the Asset-based Fee for each subsequent billing period based on the market value of the Account assets, which includes cash held in your Sweep Program, on the last business day of the preceding billing period. If you or Sponsor terminate your Account during a billing period, Sponsor will deduct the monthly Asset-based Fee if it has not yet been assessed, prorate the Asset-based Fee based on the period of time during the billing period that the Account was open, including the day of the termination, and return any unused portion of the Asset-Based Fee, less any applicable distribution fee described in Section 16.

**ii) Wrap Fee Deduction** You and your financial advisor must maintain enough assets in your Sweep Program such that the cash value of your Sweep Program is sufficient to pay the Account's Asset-based Fee. If the value of your Sweep Program is not sufficient to pay your Wrap Fee, you authorize Sponsor, and Sponsor reserves the right, to sell shares of mutual fund or other securities holdings within your Account and to transfer the proceeds into the Sweep Program to meet this requirement. Because of mutual fund redemption minimums and other applicable minimums, Sponsor may be required to sell more shares than is necessary to cover the deficiency. Sponsor reserves the right to determine which mutual fund shares or other securities it will sell. Short-term trading activity may result in a short-term redemption fee from a mutual fund. You will continue to pay the Wrap Fee in the event Sponsor is engaged in bankruptcy or similar reorganization proceedings, or received a protective decree under the Securities Investor Protection Act of 1970, as amended.

Nothing in this section or any other section of this Agreement shall be construed to grant us any security interest or right of set-off as it relates to any qualified account. Any liability or indebtedness to us that relates to a qualified account can only be satisfied from property held within such qualified account except to the extent permitted by a prohibited transaction exemption. Any liability or indebtedness to us that relates to a non-qualified account cannot be satisfied from property held within a qualified account. For these purposes, the term "qualified account" shall include any account subject to the prohibited transaction rules found under Section 4975 of the Code as described below.

**iii) Account Valuation** For purposes of computing the Wrap Fee, Sponsor will determine the value of your Account assets (which includes cash held in your Sweep Program) in good faith to reflect their estimated fair market value. You understand that any short positions reduce the Account value shown on your client statement but do not reduce the billable value of the Wrap Fee. You understand and acknowledge that Sponsor may rely on a third party pricing service to

make these valuation determinations. If a daily value is not available, the most recent valuation will be used.

#### **Wrap Fees Associated with Additions and Withdrawals**

If you make a net deposit of additional assets into your Account of \$10,000 or more in a single day during a Wrap Fee period, you will pay an additional Wrap Fee on the market value of the additional assets, prorated for the number of days remaining in the Wrap Fee period. The additional Wrap Fee will be due on the date you deposit the additional assets into your Account. Sponsor will not make pro rata adjustments to or refund prepaid Wrap Fees for partial withdrawals of less than \$10,000 from your Account during any Wrap Fee period. However, if you make a net withdrawal amount in a single day from your Account of \$10,000 or more during a Wrap Fee period, you will receive a pro rata adjustment or refund of your prepaid Wrap Fee on the next business day. If the monthly Wrap Fee has not yet been deducted from your Account, it will be deducted on the same day as this rebate. You understand that when transferring assets from one Managed Account to a different Managed Account on the same business day, those assets will be included in the calculation of the Asset-based Fee for both Accounts for that day, provided that account minimums or addition and withdrawal thresholds have been met. You understand that you will not receive a rebate for a withdrawal from one Managed Account that does not meet the withdrawal threshold, even where you subsequently combine those assets with other assets to make a contribution into a different Managed Account that meets the addition threshold.

**B. Other Fees and Expenses** Sponsor will assess an annual asset-based Investments and Infrastructure Support Fee of 0.03% of the total advisory assets in your Account. The Investments and Infrastructure Support Fee will be assessed quarterly and calculated based on the closing market value of your Account as of the last business day of the calendar quarter. If you do not have an SPS Advisor Account balance as of the last business day of the calendar quarter you will not be assessed the Investments and Infrastructure Support Fee. You will be charged an Investments and Infrastructure Support Fee for the entire calendar quarter if you have an SPS Advisor Account balance on the last business day of the calendar quarter (i.e., no proration). The Investments and Infrastructure Support Fee is in addition to your Wrap Fee and helps support the cost of maintaining and servicing the SPS Advisor Program.

You understand and acknowledge that the Wrap Fee does not include, and you will be responsible and charged separately for, transaction fees relating to any foreign securities other than American Depositary Receipts ("ADR"), ADR issuance and annual depository fees, voluntary reorganization fees, a tax filing service fee if IRS Form 990-T is filed on behalf of a retirement account; fees and expenses associated with the underlying money market instrument (if eligible) used as the Sweep Program; and other costs or charges imposed by third parties, including odd-lot differentials, transfer taxes, exchange fees, and other fees or taxes required by law including a nominal transaction fee on sales of all equity and most option positions. You also understand and acknowledge

that you may also be subject to additional fees, depending on the optional products, services or features that may be available in connection with your Account(s) from time to time. You understand that investment products you purchase or hold within your Managed Accounts have their own fees and expenses including, if applicable, the underlying money market instrument used as the Sweep Program.

### **C. Other Fees Received by Sponsor/Financial Advisor**

Sponsor receives several types of payments in connection with SPS Advisor Accounts, in addition to the Wrap Fee. You understand that certain investment products available through or in connection with SPS Advisor Accounts are affiliated with Sponsor (“Affiliated Products”) and that Sponsor and its affiliated companies receive fees for providing services to the Affiliated Products, including acting as investment adviser and administrator to affiliated mutual funds or collecting interest on credit extended in a margin account (as set forth in their respective prospectus or disclosure document). Affiliated Products, including third party securities for which Sponsor or its affiliates serve as sub-adviser, are not available in SPS Advisor Retirement Accounts.

Sponsor’s affiliate, AEIS, receives payments for marketing and distribution support when you purchase shares of mutual funds that participate in our program as either Full Participation or Distribution Support firms. To participate in our program, mutual fund families agree to pay AEIS a portion of the revenue generated from the sale and/or management of mutual fund shares. Full Participation firms pay at a higher rate than do other firms. AEIS receives payments when you purchase products for which we, or our affiliates, have similar financial arrangements, such as unit investment trusts, structured CDs and notes, and alternative investments (hedge fund offerings and managed futures funds). In addition, AEIS receives sub-transfer agency or networking payments from mutual funds for recordkeeping and other servicing and account maintenance services it provides to the mutual funds.

The sources and amounts of mutual fund payments, as well as descriptions of payments from other products, can be found at [ameriprise.com/guide](http://ameriprise.com/guide). Review the Disclosure Brochure or Combined Disclosure Brochure, as applicable, for more information about these payments, conflicts of interest and incentives.

Sponsor will cause its affiliate, AEIS, to credit to clients all sub-transfer agency fees and networking fees AEIS receives from mutual funds firms. This Investments and Infrastructure Support Credit will be calculated on a proportionate basis based on the revenues earned over the course of the applicable calendar quarter, divided by SPS Advisor Account assets as of the closing market value of each client’s SPS Advisor Account(s) as of the last business day of the calendar quarter. Clients who do not have an Account balance as of the last business day of the calendar quarter will not be eligible to receive the Investments and Infrastructure Support Credit. Clients who open an Account during the calendar quarter will receive a full credit (i.e., no proration) if they have an SPS Advisor Account balance on the last business day of the calendar quarter. The Investments and Infrastructure Support Credit will be allocated without regard to the value

of mutual fund positions held in any particular client’s SPS Advisor Account. Although Sponsor intends to credit these sub-transfer agency fees and networking fees back to clients, AEIS reserves the right, in its discretion, to cease to collect these sub-transfer agency fees and networking fees at any time and cease crediting client Accounts.

**D. Sweep Program and Expenses:** You understand and agree that cash balances in your Managed Account(s) will be held in the money settlement option made available to you by Ameriprise Financial and that you agreed to in your application. These money settlement options are further described in the Disclosure Brochures and include a free credit balance held in your Account or a program that provides for the automatic deposit or “sweep” of uninvested cash balances in your Account (each, a “Sweep Program”).

You understand we offer a Sweep Program as a short-term feature that is intended to hold cash for the purposes described in the Disclosure Brochures. You agree that you will not maintain a cash balance in your Managed Account(s) solely for the purpose of receiving interest or obtaining FDIC insurance or SIPC coverage. You understand that Ameriprise Financial offers other investments products that offer capital preservation with a higher rate of return than a Sweep Program and are a more appropriate place to invest cash than maintaining a significant cash balance in your Account for an extended period. You understand and acknowledge that if your Sweep Program consists of money market mutual funds then your Sweep Program will have its own expenses. You further understand and acknowledge that the banks that participate in the FDIC insured interest-bearing bank deposit Sweep Programs offered by our affiliated clearing firm, AEIS, compensate AEIS for deposits placed at the bank(s) or reimburse AEIS for expenses it incurs in providing the Sweep Program, and that our affiliate, Ameriprise Bank, FSB, is a participant in these programs. If your Account uses Ameriprise® Bank Insured Sweep Account (ABISA) as its Sweep Program, Ameriprise Bank, FSB earns spread revenue, the difference between what it pays in interest and what it earns on its investments. AEIS receives marketing support payments from the underlying money market mutual funds, if eligible, used as the Sweep Program for your Account. You further authorize Sponsor or its affiliates to invest, directly or indirectly, in deposits of itself or its affiliates, including Ameriprise Bank, FSB, that bear a reasonable rate of interest, determined solely by Sponsor, to facilitate money settlement option services, and understand that Sponsor’s affiliate, AEIS, is reimbursed for expenses it incurs related to the Sweep Program. The availability of each Sweep Program depends on your Account type and ownership. You acknowledge that you have received and have had the opportunity to review the (i) Sweep Program and Expenses section of the Disclosure Brochures; (ii) Money Settlement Options section of the Ameriprise Brokerage Client Agreement, and (iii) Other Important Brokerage Disclosures document, which fully describe our insured bank deposit programs. You can always obtain the current version of the Disclosure Brochures, Brokerage Client Agreement and the Other Important Brokerage Disclosures by visiting our website at [ameriprise.com/disclosures](http://ameriprise.com/disclosures) or by calling our service line at 800.862.7919.



**E. Fractional Shares and Liquidation Process** A fractional share is defined as less than one full share of an equity or ETF. Fractional shares are not eligible for purchase in your Account(s). You acknowledge and agree that when you direct Ameriprise Financial Services to reinvest equity and ETF dividends into your Account(s), where allowed, you are directing us to purchase additional shares on your behalf in an amount equal to the amount of the dividend proceeds and this will generally result in us purchasing a fractional share of the applicable equity or ETF on your behalf.

You understand that for all Accounts certain transactions and circumstances can result in fractional shares being deposited into your Account, such as equity and ETF positions transferred in-kind and accepted for deposit in connection with an Account or contributing to an existing Account, life events and corporate actions. You authorize such deposits and direct us to accept any fractional shares into your Account(s) in such circumstances.

You acknowledge and understand that fractional shares may be held in your Account(s), if appropriate, but due to their nature may not be purchased or sold on an agency basis through AEIS as described in sub-section B, **“Execution Services”**. You understand that the liquidation of fractional shares requires us to purchase a full share and divide the share while acting as principal for our inventory account in order to pay you the proceeds of the value of the fractional share you own. By entering into this Agreement, you authorize Ameriprise Financial, from time to time and as described below, directly or indirectly through AEIS, to effect fractional share transactions on your behalf, and in your Account(s) while acting as principal for our own account (“Principal Transactions”).

You understand that AEIS and Ameriprise Financial mitigate any potential conflicts of interest in effecting fractional share Principal Transactions by acting in the best interest of our clients and that neither Ameriprise Financial nor AEIS will receive any selling concession or other compensation or benefits and you will not be charged a markup or markdown in connection with fractional share Principal Transactions.

You acknowledge and agree that fractional shares can be liquidated from your Account(s) in circumstances such as the following: (i) your Ameriprise financial advisor with discretionary authority decides to sell an entire equity or ETF position that includes a fractional share; (ii) you decide to sell an entire equity or ETF position that has a fractional share or to transfer such position to an account held outside Ameriprise Financial; and (iii) Ameriprise Financial identifies an equity or ETF position that consists solely a fractional share in your Account. You understand and agree that when you decide to sell or transfer your entire position in an equity or ETF held in your Account, you are also directing us to liquidate any corresponding fractional shares.

In addition to granting your authorization to participate in fractional share Principal Transactions, by retaining Account(s) covered by this Agreement, you also specifically authorize and direct Ameriprise Financial Services and its affiliate, AEIS, to sell and liquidate fractional shares as a client-directed Principal Transaction on your behalf. You

understand and agree that when fractional shares are sold or transferred out of your Account(s) the following liquidation process will apply. You consent to and instruct us to follow this process for all applicable future fractional share Principal Transactions and accordingly direct us to liquidate such shares as follows:

- Whole shares will be executed as a discretionary transaction on an agency basis.
- Fractional shares will be executed as client-directed Principal Transaction.
- When your Account transacts in more than one share:
  - For transactions in Accounts that are placed in one aggregated trade order (“block trade”), you will receive the same execution date and price for both the fractional and whole shares.
  - For transactions in Accounts that are placed in a block trade, the price applied to the fractional share will be the previous day’s closing price.
- When your Account transacts in less than one share, the price applied to the fractional share will be the previous day’s closing price.

**E. Investment Minimums** You understand and acknowledge that SPS Advisor Accounts have a required (i) initial investment minimum; and (ii) maintenance minimum. Management of an Account(s) and the assessment of the initial Wrap Fee will not begin until the Account reaches the initial investment minimum. If an Account later falls below the ongoing maintenance minimum, we will suspend billing, deduct the monthly Wrap Fee if it has not yet been assessed, return any unused portion of the Wrap Fee paid in advance, and provide notice to add funds to the Account to return to the initial investment minimum. We will resume billing the Wrap Fee on the first business day after returning to the initial investment minimum, adjusted pro rata for the remaining days in the month, including the day the Account reaches the investment minimum. If your Account does not reach the required investment minimum after 45 days, we will transfer the Account to an Ameriprise Brokerage Account. Sponsor reserves the right to adjust the required minimum and/or to suspend any withdrawal that would cause the account to fall below the required minimum. For more information about the investment and maintenance minimums, refer to the Disclosure Brochure or Combined Disclosure Brochure, as applicable.

## **8. Brokerage, Custody and Execution Services; Dividend Distributions**

**A. Custody of Securities** AEIS will act as custodian of SPS Advisor Accounts and will provide custody and safekeeping services for your Account assets. Sponsor will not take possession of any assets, except to the extent otherwise provided by you in a written notice to Sponsor.

**B. Execution Services** You authorize Sponsor, as introducing broker, to effect purchase and sale transactions in your Account on an agency basis through AEIS. You understand that the negotiated Wrap Fee for each Account covers brokerage commissions on transactions effected on an agency basis by Sponsor through AEIS. You understand and acknowledge that your direction to Sponsor to trade through AEIS may result in less advantageous execution,

including greater spreads (the difference between the bid and the offer price) and less favorable net prices, than if an unaffiliated broker-dealer were to execute the transaction.

**C. Transaction Procedures** Sponsor will generally effect all securities transactions as your agent. AEIS provides execution and clearing capabilities as clearing broker for Sponsor. Unless you direct otherwise, Sponsor and AEIS have an agreement in which Sponsor introduces customer accounts to AEIS on a fully disclosed basis. Sponsor opens, approves, and monitors accounts and accepts securities orders. AEIS provides execution, recordkeeping, and all other clearing functions for Managed Accounts. All discretionary trades placed by your SPS Discretionary Advisor in your Account will be executed on a “best efforts” basis.

**D. Dividends/Interest and Distributions** Dividends and distributions received on your investments held in your Account may be reinvested, where allowed, if selected by you or your SPS Discretionary Advisor. Where reinvestment is not allowed or selected, your dividends and distributions will be deposited in your Sweep Program.

## **9. Confirmations and Reports**

Sponsor will send you transaction confirmations and consolidated statements at least quarterly. Your Wrap Fee (which will include consolidated advisory fees, if applicable) will appear in the SPS Advisor Account transaction section of the consolidated statement. You may elect to waive the right to receive transaction confirmations upon the completion of each transaction in your SPS Advisor Account. If you make this election, you will be able to view information regarding such transactions in the consolidated statements provided to you and on the secure site on ameriprise.com. Your Wrap Fee will not change as a result of this election and your decision to make this election is not a condition of entering into, or continuing participation in SPS Advisor. You may rescind this election at any time by providing Sponsor with a new written election. It remains your responsibility to promptly review all trade confirmations and SPS Advisor account statements, and to promptly notify your financial advisor and/or Sponsor of any questions or concerns you may have about the amount of trading activity, the type of securities traded in your Account, or the investment performance in your Account.

On at least a quarterly basis, written notice will be sent through your Account statement or other means of written communication to remind you to notify us if your financial situation and investment objectives have materially changed. This written communication also reminds you that you should review whether you wish to maintain or change the Reasonable Restrictions, if any, that you have placed on your Account. You agree to notify your financial advisor promptly of any changes to such information.

## **10. Deposits and Distributions upon Withdrawal or Termination**

Sponsor will deposit all cash into your Sweep Program, if received and approved by 3 p.m., Central time. You can make additional mutual fund investments in your Account(s) at any time in amounts of \$500 or more, or \$100 if you establish a systematic investment arrangement, subject to

applicable mutual fund investment minimums. Additionally, the Sponsor may not allow additional contributions into certain otherwise available funds. You may deposit any amount into your Sweep Program. You may make partial withdrawals from your Sweep Program on a systematic basis in an amount of not less than \$100 upon notice to Sponsor. With respect to partial withdrawals or terminations, you may request that Sponsor distribute assets from your Account in the form of cash or securities. However, no partial withdrawals should reduce the market value of an Account below \$1,000 or the value of all Accounts within a Household below \$100,000. You, either directly or through your financial advisor, may make partial withdrawal requests in writing, by telephone or online. You, either directly or through your financial advisor, may make termination requests in writing or by telephone. Sponsor will generally distribute cash by check within two (2) weeks following receipt of your request. For distributions of securities, Sponsor will request that the transfer agent forward the securities according to your instructions within thirty (30) days. However, the amount of time required to complete securities transfers varies and some securities cannot transfer. Sponsor is not responsible for any delay, damages or out of pocket costs that you may suffer during the time it takes to complete a securities transfer. Investment advisory services will cease when you request full liquidation of the account and Sponsor will deduct the monthly Wrap Fee if it has not yet been assessed, prorate the Wrap Fee based on the period of time during the billing period that Account was open and return any unused portion of the Wrap Fee as described in Section 16.

## **11. Service for Other Clients**

You understand and agree that Sponsor and its affiliates (i) perform advisory services for other clients and may take action with respect to any of its other clients that may differ from action taken, or from the timing or nature of action taken, with respect to your Account(s), provided their policy, to the extent practical, is to allocate investment opportunities among clients over a period of time on a fair and equitable basis; and (ii) have no obligation to purchase or sell for your Account(s) any security that they or their officers or employees may purchase or sell for their own accounts or the account of any other clients, if in their opinion, such transaction or investment appears not appropriate, impractical or undesirable for you.

## **12. Assignment**

Sponsor will not assign, as defined under Section 202 of the Investment Advisers Act of 1940, as amended, (“Advisers Act”), this Agreement without your consent.

## **13. Change in Membership**

Ameriprise Financial is a domestic limited liability company and its sole member is AMPF Holding Corporation. We will notify you of any change in the membership of Ameriprise within a reasonable time after such change.

## **14. Retirement Account Considerations**

Retirement plans subject to Employee Retirement Income Security Act of 1974 (“ERISA”) are not permitted to use this Service. The following provisions apply with respect to



an individual retirement account subject to the prohibited transaction provisions of the Internal Revenue Code of 1986, as amended (“Code”) and a “plan” as defined in the Code (e.g., an IRA) (all such plans and accounts hereinafter referred to as a “Plan” and the portion of such Plan invested in an Account is hereinafter referred to as your “Retirement Account”):

**A. With Respect to Your Retirement Account** You acknowledge and agree that: i) you are capable of exercising control and management of the assets of the Retirement Account and are capable of making an independent and informed decision concerning the opening and maintenance of the Account(s); and ii) you share responsibility for determining whether and to what extent an Account is appropriate for you.

You represent, warrant and covenant that:

- Any securities transactions executed in your Account(s) through AEIS and the Wrap Fee you have agreed to pay Sponsor are for the exclusive purpose of providing benefits to participants and beneficiaries of your Retirement Account;
- Any securities transactions executed in your Account(s) through AEIS and the Wrap Fee you have agreed to pay Sponsor shall not constitute, or cause Sponsor, its affiliates or your financial advisor to be engaged in any transaction described in Section 4975 of the Code;
- The compensation received by Sponsor (including the portion allocated to your financial advisor) and their respective affiliates is reasonable;
- You are independent of us, our affiliates (if you are employed by us, you would still generally be considered to be independent);
- You will not be permitted to open or maintain a margin account with AEIS or any other broker or dealer, or otherwise pledge or assign any assets with respect to a Retirement Account;
- Sponsor, your financial advisor, and their respective affiliates, are not responsible for plan administration or, except to the extent otherwise agreed to in writing by Sponsor, your financial advisor, or any of their respective affiliates and you, for performing any other duties that are not expressly set forth in this Agreement;
- For Retirement Accounts where Ameriprise Trust Company acts as custodian, AEIS shall act as an agent or sub custodian of Ameriprise Trust Company with respect to custody of assets; and
- Affiliated Products, including third party securities for which Sponsor or its affiliates serve as a sub-adviser, are not allowed to be purchased or held in SPS Advisor Retirement Accounts. You authorize Sponsor to transfer these securities to an Ameriprise Financial Brokerage Account and the Brokerage Agreement will govern. This applies to these types of securities transferred into the Account.
- Sponsor, its affiliates and/or your financial advisor may rely on one or more exemptions from the prohibited transaction restrictions of ERISA and the Code with respect

to transactions involving your Retirement Account. Sponsor and/or your financial advisor may provide you with certain additional information about your Retirement Account or about fees or other compensation paid to your financial advisor and may require that you acknowledge receipt of such information and agree to certain actions in order to comply with the requirements of those exemptions or applicable law. You acknowledge and agree that Sponsor may terminate this Agreement if you do not provide such acknowledgements or agreements.

- Sponsor and/or your financial advisor are not responsible for any assets of your Plan held outside your Account. You remain responsible for ensuring appropriate diversification for all the assets in your Plan.

You further represent, warrant and covenant that the assets credited to the Account are not assets of an “employee benefit plan,” as defined in Section 3 of ERISA. With respect to any mutual fund of which Sponsor or an affiliate are the investment adviser, you acknowledge and agree that Sponsor and your financial advisor may not recommend such mutual funds to your SPS Advisor Retirement Account(s).

In the event of your breach of any portion of this Section 14, Sponsor may immediately terminate this Agreement.

#### **15. Amendment of Agreement/Modification of Services**

Sponsor may amend or otherwise modify this Agreement, including any features of a SPS Advisor Account, and the information included in related disclosures and documents, as applicable, in its sole discretion, by mailing you a written notice of the modification or change or a new Agreement or other document to you at your address as reflected on the application or other postal or electronic address you provide to us or, if you have agreed to use the electronic services provided by us, by posting such modifications or changes online.

Any such amendment or modification will be effective as of the date Sponsor establishes as outlined in the notice. Unless you terminate this Agreement pursuant to Section 16 below, your continued enrollment in an SPS Advisor Account after the effective date of such amendments shall constitute your acknowledgement and agreement to be bound thereby. This Agreement is not subject to any oral modification.

Modifications to the Program may also be described in updates to the Disclosure Brochure or Combined Disclosure Brochure, as applicable. You further acknowledge that we will provide you updated disclosures as our products and services change from time to time and you agree to promptly review notices of such updates. You may always access the current versions of your Agreement or the related disclosures at [ameriprise.com/disclosures](http://ameriprise.com/disclosures) or by contacting your financial advisor.

Additionally, if you engaged in a consolidated advisory fee relationship, this Agreement, together with any future fee amendment form(s) signed by you and your financial advisor, represents the entire Agreement between you and Sponsor. The total of your Advisory Fee and AFPS Fee will not be increased unless you sign the appropriate documents to increase the Wrap Fee. You must re-engage in a consolidated

advisory fee relationship if: (1) you and your financial advisor determine to restart the initial year of the financial planning service; (2) if there is a change in owners or parties; or (3) there is a lapse of a prior Agreement.

**16. Effective and Termination Dates of Agreement** This Agreement will take effect when it is accepted by Sponsor. A welcome letter will be sent to you upon Sponsor's acceptance.

Sponsor will accept your termination of discretionary trading authorization, or your request to close your Account, via telephone. If you wish to terminate your discretionary trading authorization or close your Account, please call an Ameriprise Financial Service Associate at 800.297.7378. In such circumstance, Sponsor will cease accepting discretionary transactions from your SPS Discretionary Advisor and will instead require your authorization of each transaction until your Account can be closed. The Wrap Fee will be charged until account is closed.

You may also contact us by phone to remove your current SPS Discretionary Advisor from your Account and appoint another SPS Discretionary Advisor approved to offer discretionary trading by Sponsor. Sponsor will attempt, but is not obligated, to assign another SPS Discretionary Advisor approved for discretionary trading to your Account. Pending appointment of a new SPS Discretionary Advisor, it will be your responsibility to authorize all transactions in your Account prior to execution. This also applies if your SPS Discretionary Advisor resigns, is terminated, or is no longer able to participate in the SPS Advisor service for any reason.

You may terminate this Agreement by contacting your financial advisor or you may call an Ameriprise Financial client service representative at 800.862.7919, enter the information requested and say "Representative" at the main menu.

This Agreement will terminate automatically when you enter into an Ameriprise® Custom Advisory Relationship Agreement ("Relationship Agreement") and the Relationship Agreement will govern all Managed Accounts included in the Custom Advisory Relationship. If you choose to terminate your Account, depending on the manner of distribution, you may be charged applicable fees as set out in the Brokerage Agreement.

Sponsor may, in its sole discretion and at any time, terminate this Agreement and/or discontinue or terminate the Account or any of the services upon thirty (30) days prior written notice to you. In this case, Sponsor will transfer your assets into a non-discretionary SPS Advantage Account or Ameriprise Financial Brokerage Account, which will require that you give your financial advisor prior approval for all securities transactions. If your account is transferred to an SPS Advantage Account, the SPS Advantage Client Agreement will govern your relationship with Ameriprise Financial. Please review the Disclosure Brochure for more information about the SPS Advantage account or contact your financial advisor for a copy of the SPS Advantage Client Agreement. If your Account is transferred to an Ameriprise Financial Brokerage Account, the Brokerage Agreement will govern your relationship with Ameriprise Financial. Sponsor

may also transfer certain assets in the Account to an Ameriprise Financial Brokerage Account if it determines, in its sole discretion, that the assets are inappropriate for the Account.

In the case of undeliverable/returned mail, Sponsor will stop actively managing your Account while your financial advisor works with you to update your mailing address. If your financial advisor is unable to reach you, Sponsor will attempt to contact you by letter, continue to hold on your Account and temporarily stop assessing the Wrap Fee. If you provide us with a valid address within 45 days of the letter, we will remove the hold from your Account and the Wrap Fee will resume. If we do not hear from you, Sponsor will terminate the Agreement and/or Account on the date indicated in the notice, will transfer the Account assets to an Ameriprise Financial Brokerage Account and the Brokerage Agreement will govern your relationship with Ameriprise Financial.

In the event Sponsor terminates the Agreement and/or Account, it will charge any final Account fees and/or rebate Wrap Fees as described in Section 7. Immediately upon termination of this Agreement, your eligibility to receive the services (including financial planning services through a consolidated advisory fee relationship) will cease, but termination of your Agreement will not, by itself, close your Account or terminate your Brokerage Agreement. Following termination of the Agreement and/or Account(s), each of your Accounts will be maintained and governed by your Application and your Brokerage Agreement and any portions of this Agreement that survive such termination. Such accounts will not be assessed a Wrap Fee, nor will you receive investment advisory services.

If the Account is not funded within a reasonable period, Sponsor in its sole discretion may terminate the Account, without prior written notice to you.

If you are engaged in a consolidated advisory fee relationship, when your AFPS is terminated, either by you or by Sponsor, you will no longer be charged a consolidated advisory fee. This will not terminate your SPS Advisor Account, nor will it terminate your Wrap Fee and other costs associated with your SPS Advisor Account.

## **17. Receipt by You of Disclosure Documents**

**A. Sponsor's Disclosure Brochures** You acknowledge that you have received a copy of the Sponsor's Disclosure Brochure or Combined Disclosure Brochure, as applicable. Contact your financial advisor if you would like another copy of the Disclosure Brochure or Combined Disclosure Brochure.

**B. Additional Disclosure Documents** Additionally, important information with respect to many of the products and securities is contained in their respective disclosure documents, including prospectuses or other offering or disclosure documents (collectively referred to as the "prospectus" or "prospectuses"); please review any prospectuses provided, and keep these disclosure documents for future reference. As a part of the Service, your advisor will provide you with the applicable prospectuses.

## **18. Representations, Warranties and Covenants of Client**

All of the information you provide in this Agreement and the Application (including the Client Information) is accurate and complete, and you will notify Sponsor promptly of any changes in the information you have previously provided. The Reasonable Restrictions (as amended) do not and will not violate any applicable state or federal law or the terms of your governing documents, if applicable. You have the requisite legal capacity and authority to execute, enter into, deliver and perform any and all of your obligations under this Agreement. If this Agreement is entered into by a trustee or other fiduciary, such trustee represents that he/she is authorized to enter into this Agreement and that the arrangement is proper and permissible pursuant to any plan, trust and/or applicable law. If the Client is a corporation or partnership, the signatory or signatories represent that the execution of this Agreement has been duly authorized by all necessary corporate, partnership or other applicable action, and that the arrangement is proper and permissible pursuant to applicable documents and laws.

You are and will continue to be the owner of all your Account assets, and unless you enter into a separate agreement with the Sponsor (for example, to add options trading), there are and will continue to be no restrictions on the pledge, hypothecation, transfer, sale or public distribution of such assets.

You will promptly notify Sponsor in writing if any of the representations or warranties made in this Agreement change or become untrue for any reason.

You authorize Sponsor and/or its affiliates to accept telephonic, electronic (including, but not limited to, email and facsimile) instructions for exchanges, transfers, redemptions and surrenders from your financial advisor or your financial advisor's registered support staff.

## **19. Acknowledgements of Client**

Your SPS Discretionary Advisor or Sponsor may be limited in its investment activities due ownership restrictions imposed by an issuer (i.e., a legal entity that sells common stock shares to the general public) or a regulatory agency. These ownership restrictions are based upon the level of beneficial ownership in a security. For purposes of determining whether a particular ownership limit has been reached, Sponsor may be required to aggregate holdings across an entire group of affiliated companies, meaning that all shares held on a discretionary basis for the account of the firm and its affiliates or for the benefit of their respective clients are taken into account for purposes of determining the maximum amount that may be held under the ownership restrictions.

Your SPS Discretionary Advisor and Sponsor and its affiliates are subject to these limitations. As a result, you may be limited or prevented from acquiring securities of an issuer that your SPS Discretionary Advisor and Sponsor may otherwise prefer to purchase in your account because your SPS Discretionary Advisor or Sponsor has discretionary authority. It is possible that these ownership limitations could cause performance dispersion among accounts of clients who have chosen the same investment strategy.

Similarly, certain accounts may hold less shares of a certain security than other accounts following the same investment strategy depending on when purchases of that security were restricted. In addition, purchases of certain securities may be restricted from purchase by client accounts of your SPS Discretionary Advisor or Sponsor and its affiliates for risk management reasons.

Advisory, institutional or other share classes that do not have a sales-load and do not assess 12b-1 shareholder servicing fees (collectively "Advisory Shares") are offered in all Ameriprise Managed Accounts as the primary mutual fund share class, where available to us through a selling agreement. Sponsor offers for purchase one share class per mutual fund in our Managed Accounts Programs, either (i) an Advisory Share class or, in rare circumstances, (ii) Class A shares that may pay a 12b-1 shareholder servicing fee ("12b-1 fee"); or (iii) a no-load share class that does not have a sales-load but that may pay a 12b-1 fee. The share class offered by Sponsor for a particular mutual fund is the only share class eligible for additional purchase within your Account. Advisory Shares held in your Account are less expensive than most other share classes because they typically do not pay a 12b-1 fee or assess a sales charge, but are not always the least expensive share class offered by a particular mutual fund. If a mutual fund begins to offer a lower-cost share class in the future, Sponsor may choose not to offer that share class as the applicable Advisory Share class offered for purchase in our Managed Accounts. You authorize Sponsor to convert Class A and Class C mutual funds, as well as other mutual fund share classes that pay a 12b-1 fee, to an equivalent Advisory Share class. Such shares will convert to an Advisory Share class where one is available to Sponsor through a selling agreement and the mutual fund company allows the conversion to be processed on a tax-free exchange basis. This includes mutual fund shares that you transfer into your Account. We will not assess transaction fees or other charges in connection with conversions to Advisory Shares. Class A share and Class C share positions, as well as other share classes that pay a 12b-1 fee will not be converted if Sponsor determines they are subject to a short-term redemption fee or deferred sales charge. Instead, to the extent identified by Sponsor, such shares will generally be transferred to an Ameriprise Financial Brokerage Account and the Brokerage Agreement will govern such assets. Similarly, Class C share positions that Sponsor is unable to convert to an Advisory Share class for any reason will be transferred to an Ameriprise Financial Brokerage Account. Any share positions pending transfer to an Ameriprise Financial Brokerage Account will be subject to the Wrap Fee, except as described below.

To the extent that Sponsor receives 12b-1 fees for Non-Advisory Share classes in any Managed Accounts, they will be rebated to clients.

You understand and acknowledge that: Transactions in your Account and/or distributions from your account may have tax consequences to you. You are responsible for all tax liabilities arising from transactions and/or other aspects of the Account and you are urged to seek the advice of qualified tax professionals. Payment of an Asset-based Fee may



produce accounting, bookkeeping and/or income tax results different from those resulting from the payment of securities transaction commissions or other charges on a transaction-by-transaction basis. Although you may be provided with certain tax related information from time to time, neither Sponsor nor your financial advisor gives tax advice. The discretionary services described in this Agreement for SPS Advisor will be provided solely by your assigned Ameriprise SPS Discretionary Advisor. The services performed pursuant to this Agreement will have no effect on assets not in your Account, and neither Sponsor nor your financial advisor will have responsibility for such other assets under this Agreement.

Mutual funds offered through Managed Accounts may be available for purchase directly from the mutual fund's respective fund family without incurring the Wrap Fee, although such purchases may involve sales charges. You are discouraged from transferring mutual funds on which you paid a sales-load, commission or concession or that are subject to a contingent deferred sales charge into an SPS Advisor Account. The securities, services, features and bank-deposit products available in an SPS Advisor Account typically have their own fees, expenses, terms, conditions, disclosure documents and service agreements. For example, a mutual fund may charge fees for a small position or a position redeemed after a short period of time. In the event of a conflict between the terms of this Agreement and any other such agreement, this Agreement will control with respect to an SPS Advisor Account and such other agreement shall control with respect to the products and securities. Additionally, important information with respect to many of the products and securities is contained in their respective disclosure documents (including prospectuses, strategy or portfolio profiles). Please read these documents carefully before participating or investing in these products and securities and keep them for future reference. The Sponsor may also bar further trading or terminate an Account at any time.

Neither your financial advisor nor Sponsor shall have any liability for your failure to promptly inform your financial advisor of material changes in your financial and economic situation, your investment objectives, and any restrictions you wish to propose that may affect the development of your financial plan.

## **20. Market Data**

Sponsor may provide you with market data, or access to data relating to securities and securities markets. Sponsor does not guarantee the accuracy, completeness or timeliness of such information, nor does it imply any warranty of any kind regarding the market data. Sponsor assumes no responsibility for the accuracy, completeness or regulatory compliance of the representations, disclosures and other information contained in any material or information supplied to Sponsor and authorized for use by any third party prior to dissemination for use as or in marketing, including performance marketing, sales literature, contracts, forms and other documents relating to SPS Advisor Accounts.

## **21. Proxies and Corporate Actions**

You have the right to vote proxies on the securities held in your Managed Account(s) or you may delegate the authority to vote proxies on your behalf to another person. Sponsor and your financial advisor do not take any action or give advice regarding the voting of proxies solicited by or with respect to the issuers of securities in which your Account assets may be invested. Sponsor will forward to you all proxy solicitations and materials related to other corporate actions that are received by Sponsor with respect to assets in your Account(s) in accordance with this Section 21. Neither Sponsor nor your financial advisor is responsible for any other corporate actions relating to the Account(s) including administrative filings such as proofs of claims related to bankruptcy or claims in class actions.

## **22. Notice**

Notices shall be in writing and effective when delivered to Sponsor at: Ameriprise Financial Services, LLC, 70100 Ameriprise Financial Center, Minneapolis, MN 55474, and to you at the address set forth in the Application or a postal or electronic mail address you provide to Ameriprise Financial or our affiliates or, if you have agreed to use the electronic services provided by us, by posting such modifications or changes online. You agree that it is your obligation to promptly inform us of any change to your U.S. postal and/or electronic mail address(es) of record.

## **23. Limitation of Liability**

Neither Sponsor nor any of their respective directors, officers, partners, principals, employees or agents (collectively, "Agents") shall be liable for any acts, omissions or for any loss suffered by you in connection with an Account or investments and/or products purchased, sold or held in the Accounts, unless such loss is due to their bad faith, intentional misconduct or gross negligence in regard to the performance of their respective duties under this Agreement. The Sponsor and its Agents shall be entitled to rely, and shall be protected from liability in relying, upon any information or instructions furnished to it (or any of them as individuals) believed in good faith to be accurate and reliable.

You understand and acknowledge that Sponsor does not warrant any rate of return, market value or performance of any Account assets. Sponsor shall not be responsible for any loss caused by any act or omission of any broker-dealer; provided, however, that with respect to any broker-dealer selected by Sponsor, Sponsor has acted prudently in such selection. The federal securities laws impose liabilities under certain circumstances on persons who act in good faith and, therefore, nothing herein shall constitute a waiver of any right that you may have under such laws or regulations.

## **24. Arbitration Agreement for Investment Advisory Services**

Any controversy or claim arising out of the investment advisory services offered or delivered pursuant to this Agreement shall be resolved solely by arbitration on an individual basis in accordance with the Rules of the American Arbitration Association ("AAA"), and the arbitrator(s) will decide all issues related to any such controversy or claim, including whether any controversy or claim is subject to this arbitration agreement. Judgment upon the award rendered by the arbitrator(s) may

be entered in any court having jurisdiction thereof. The parties agree that venue and personal jurisdiction for such an action upon the arbitration award is proper in Minneapolis, Minnesota. Unless otherwise agreed to by all of the parties to the arbitration (including without limitation Ameriprise Financial and you), AAA shall be the sole venue for resolving claims arising out of or relating to the investment advisory services, and all of the parties to the arbitration (including without limitation Ameriprise Financial and you) irrevocably waive trial by jury or by judge in any action, proceeding or counterclaim, whether at law or in equity.

Federal and state statutes of limitation, repose, and/or other rules, laws, or regulations impose time limits for bringing claims in federal and state court actions and proceedings, and the parties agree that such time limits shall apply to any arbitration proceeding filed pursuant to this provision. The parties agree that the time limits applicable to the arbitration will be the time limits that would be applied by the courts in the state in which the arbitration hearing will be held. However, if you do not reside in the United States, the statutes of limitation, repose, and/or other rules, laws or regulations imposing time limits applicable to the arbitration will be those that would be applied in the state where the Ameriprise Financial office servicing your account(s) is located. Any disputes related to these time limits will be determined by the arbitrator(s). This paragraph does not constitute a waiver of any right of private claim or cause of action provided by the Advisers Act.

All parties to this Agreement are giving up the right to sue each other in court, including any right to trial by jury. Arbitration of a claim under this Section 24 shall be only on an individual basis. **There shall be no right or authority for any claims to be arbitrated or litigated on a class action basis or bases involving claims brought in a purported representative capacity on behalf of the general public, clients or other persons similarly situated.** The arbitrator's authority to resolve claims is limited to claims between the parties to the arbitration (including you and Ameriprise Financial) alone, and the arbitrator's authority to make awards is limited to the parties to the arbitration (including to you and Ameriprise Financial) alone. Furthermore, claims brought by you against Ameriprise Financial, its employees or independent contractors, or by Ameriprise Financial against you, may not be joined or consolidated in arbitration or in a court action with claims brought by or against someone other than you, unless agreed to in writing by both you and Ameriprise Financial. The parties agree that this predispute arbitration provision is governed by the Federal Arbitration Act.

## 25. Anti-Money Laundering

Sponsor is required by law to obtain certain personal information from you for purposes of verifying your identity. If you do not provide Sponsor with the necessary information, Sponsor may not be able to open the Account on your behalf. In addition, to the extent the Account has already been opened for you, Sponsor reserves the right to close the Account at any time, or take such other steps as Sponsor deems reasonable, if Sponsor is unable to verify your identity.

## 26. Miscellaneous

**A. Governing Law** Except to the extent superseded by applicable federal law or elsewhere in this Agreement, this Agreement shall be governed by the laws of the State of Minnesota without reference to its conflicts or choice of laws principles.

**B. Counterparts** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which, when taken together, shall constitute one and the same Agreement.

**C. Severability** If any term of this Agreement is found to be invalid or unenforceable, all other provisions will remain in full force and effect. Sponsor's failure to insist on strict compliance with this Agreement is not a waiver of Sponsor's rights under this Agreement.

**D. Headings** All section and paragraph headings are for convenience of reference only and do not form part of this Agreement.

**E. Force Majeure** No party to this Agreement will be responsible for nonperformance resulting from acts beyond their reasonable control, provided that such party uses commercially reasonable efforts to avoid or remove such causes of nonperformance, and continues performance under this Agreement with reasonable dispatch as soon as such causes are removed.