Trade Order Practices of Discretionary Third-party Managers in Edward Jones' Wrap Fee Program

Edward Jones Advisory Solutions® Unified Managed Account Models ("UMA Models") is a wrap fee program in which multiple investments may be combined in a single advisory account ("Wrap Fee Program"). This document provides information regarding the trading practices of discretionary third-party managers ("third-party managers") participating in this Wrap Fee Program.

Best execution responsibilities

In the Wrap Fee Program, the third-party managers have discretion over your account. The third-party managers participating in the Wrap Fee Program at Edward Jones are required to seek best execution on all trades, which means the third-party managers have full authority to execute trades with those broker-dealers that they believe are capable of providing the best qualitative execution under the circumstances. A third-party manager may determine that Edward Jones, as a broker-dealer, or another broker-dealer's execution capabilities provide the most favorable option under the circumstances.

In complying with its best execution obligation, the third-party manager will review several factors that reflect on the quality of the trade execution of the broker-dealer. The third-party manager may consider factors such as the nature of the security; the size and type of transaction; the nature and character of the markets involved; the executing broker's execution, clearance and settlement capabilities as well as its reputation; soft dollar arrangements; the importance of speed, knowledge, efficiency, consistency and anonymity provided by the executing broker; and additional investment opportunities. Additional trading costs associated with "trading away," as described below, may be one of several factors the third-party manager assesses when fulfilling its best execution obligations. Each third-party manager may consider different factors or may place different weight on the factors it uses to meet its best execution obligation. The third-party manager's best execution obligation does not require it to obtain the best price or the lowest available cost of trade orders. When Edward Jones executes trades at the direction of a third-party manager, Edward Jones acts solely as a broker-dealer, not as an investment advisor.

Trading away, step-out trades and additional trading costs

You will not pay additional trading costs when Edward Jones executes a trade order in your Wrap Fee Program account as broker-dealer. For this reason, the third-party managers may determine that Edward Jones' execution capabilities as broker-dealer provide the most favorable option for placing trade orders in your account. However, the third-party managers may choose to execute trades with another broker-dealer if the third-party managers reasonably believe another broker-dealer can obtain a more favorable execution under the circumstances. This practice is frequently referred to as "trading away," and these types of trades are frequently called "step-out" trades. Step-out trades are executed at another broker-dealer and cleared and settled at Edward Jones.

If the third-party manager executes trade orders with another broker-dealer, you may incur trading costs in addition to the fees charged to participate in the Wrap Fee Program ("Program Fees"). The broker-dealer executing the transaction may charge additional fees that may include commissions, markups, markdowns or "spreads" paid to market makers. Additionally, if a foreign currency transaction is required, a foreign broker-dealer may receive compensation in the form of a dealer spread, markup or markdown. There may be other exchange or similar fees, including but not limited to foreign ordinary conversion and creation of American Depositary Receipts ("ADRs") charged by third parties as well as foreign tax charges. All of these charges are in addition to the Program Fees.

Trade aggregation and trade rotation practices

A third-party manager may participate in a wrap fee program sponsored by firms other than Edward Jones. In addition, the third-party manager may manage institutional and other accounts that are not part of a wrap fee program. To avoid buying or selling the same security for all client accounts through multiple broker-dealers, the third-party manager may decide to aggregate all such client transactions into a block trade that is executed through one broker-dealer. This practice may enable the third-party manager to obtain more favorable execution, including more favorable pricing, than would otherwise be available if orders were not aggregated. Using block transactions may also assist the third-party manager in potentially avoiding an adverse effect on the price of a security that could result from simultaneously placing a number of separate successive or competing client orders. This practice generally results in "trading away" from Edward Jones, as described previously.

Third-party managers may also use a trade rotation process in which one group of clients may have a transaction effected before or after another group of clients. Third-party managers implement their trades with certain clients, custodians or sponsors using a trade rotation process to minimize the impact of their trading on the securities or markets in which they trade. These trade rotation practices may result in a transaction being effected for your account near or at the end of the Overlay Manager's or Executing SMA Managers' rotation, resulting in your account bearing the market price impact, if any, of those trades executed earlier in the rotation. This may result in you receiving a less favorable net price for the trade. However, the third-party manager's trade rotation policies are typically designed to ensure clients are treated equitably and fairly over time.

Please be aware that some third-party managers have historically placed all or substantially all of their client trades as step-out trades with another broker-dealer for execution. Frequently, these trades have been for fixed-income, foreign and small-cap equity strategies. As a result, these types of third-party managers and their strategies could be more costly to a client than third-party managers that primarily place trades with Edward Jones for execution. The third-party managers are solely responsible for ensuring they comply with their best execution obligations to you. You should review the third-party manager's Form ADV Part 2A Brochure for more information about its soft dollar, trade aggregation and trade rotation practices, and any related conflicts of interest. You should also inquire about the third-party manager's trading practices and consider that information carefully before choosing to invest in a Wrap Fee Program or selecting a third-party manager. In particular, you should carefully consider any additional trading costs you may incur.

Edward Jones wrap fee program trade away information

The following table lists the strategies in which third-party managers exercised their discretionary authority to trade away from Edward Jones during 2023. The table outlines the percentage of step-out trades the third-party managers engaged in by strategy, and any additional costs associated with those trades. The information provided below is an approximation and is based solely upon the information provided to Edward Jones by the third-party managers. Edward Jones has not independently verified the information and does not make any representation as to the information's accuracy. A third-party manager's past trade-away practices are not a guarantee that the third-party manager will follow the same practice in the future. It is possible that the third-party managers listed below, as well as any future third-party managers participating in the Wrap Fee Program, will trade away from Edward Jones more frequently and possibly at a higher cost to the client in the future. Thus, a client's trading costs relating to step-out trades could be greater than what is shown below.

EQUITY STRATEGIES

Manager	Strategy	Program	Dollar-weighted percentage of client trades stepped out	Additional cost incurred by clients participating in those trades[1]
Natixis Advisors, LLC (Natixis Advisors)	AIA S&P 500	UMA	0%	NONE

FIXED-INCOME STRATEGIES

Manager	Strategy	Program	Dollar-weighted percentage of client trades stepped out	Additional cost incurred by clients participating in those trades[1,2]
Gannett, Welsh & Kotler, LLC (GW&K)	Intermediate municipal bond	UMA	100%	NONE
Loomis, Sayles & Company, L.P.	Intermediate municipal bond	UMA	100%	4–7.65 bps
Loomis, Sayles & Company, L.P.	Medium municipal bond	UMA	100%	4–7.65 bps
Nuveen Asset Management LLC	Municipal limited maturity	UMA	100%	1–10 bps
Nuveen Asset Management LLC	Intermediate high-quality muni	UMA	100%	1–10 bps
Nuveen Asset Management LLC	Long-term muni	UMA	100%	1-10 bps
Pacific Investment Management Company LLC (PIMCO)	Short municipal bond ladder	UMA	100%	NONE
Pacific Investment Management Company LLC (PIMCO)	Intermediate municipal bond ladder	UMA	100%	NONE

UMA OVERLAY MANAGER

Manager	Strategy	Program	Dollar-weighted percentage of client trades stepped out	Additional cost incurred by clients participating in those trades[1]
Natixis Advisors, LLC (Natixis Advisors)	Equity overlay manager	UMA	0%	NONE
Natixis Advisors, LLC (Natixis Advisors)	Fixed income overlay manager	UMA	0.04%	3–25 bps

1 Additional cost is shown by an average or range of cents per share (“cps”).

2 For many, if not all, bond transactions, there will be no disclosed markup/markdown. In these instances, the undisclosed markup or markdown is netted into the price the client receives.

This page is intentionally left blank.