People's Securities, Inc.®
A subsidiary of People's United Bank®

CONFLICTS OF INTEREST DISCLOSURE

A Conflict of Interest is defined as "an interest that might incline a broker, dealer, or a natural person who is an associated person of a broker or dealer—consciously or unconsciously—to make a recommendation that is not disinterested." As a broker dealer, People's Securities, Inc. ("PSI"), must act in your best interest and not put our interest ahead of yours when we provide you with investment recommendations. However, the way we make money creates some conflicts with your interests. This disclosure outlines the material Conflicts of Interest the we have with retail investors. You should understand these conflicts, and the steps PSI takes to mitigate them, because they can affect the recommendations we provide you.

Commissions

When a Financial Professional ("FP") of PSI makes an investment recommendation(s) they have an inherent conflict of interest because the FP has an incentive to recommend investment products based on the commissions the FP will receive, rather than a particular client's financial needs and objectives. To mitigate this Conflict of Interest, PSI has designed policies and procedures related to the incentive programs of its FPs. PSI does not permit variable compensation to its FPs based upon sales contests, sales quotas, bonuses, or non-cash compensation, which are based on the sales of specific securities or types of security within a limited period of time. Further, PSI does not allow FP incentives which would cause the FP to favor one type of account over another, or to favor one type of product over another. PSI does not offer proprietary products.

Cost Sharing Arrangements

There are hundreds of investment products available in the marketplace. PSI has entered into selling agreements with dozens of providers in order to make a diverse array of investment solutions available to our clients. Our sales efforts largely focus upon a limited group of approved providers ("Approved Providers") which we have a reasonable basis to believe, after having conducted due diligence, offer products which would be suitable for our retail investors. A select group of PSI Approved Providers have direct cost-sharing arrangements with PSI ("Select Approved Providers"). These direct cost-sharing arrangements take the form of payments to PSI that are based upon the sale of the Select Approved Providers' products to our clients. The amounts of these payments vary by the type of product and by Select Approved Provider, but are typically between $2,500 and $20,000 annually from each provider. PSI uses these payments for the general education of, product specific training for, and business meetings with, its FPs. PSI may also use a portion of the payments for internal and external marketing purposes. As a result, the Select Approved Providers receive greater access to PSI, including exposure to our FPs and other employees during training events, conference calls, and sales meetings. The Select Approved Providers receive heightened visibility with our FPs through the distribution of sales literature and newsletters, and by means of links, information, and lists posted on PSI's intranet pages. To mitigate these Conflicts of Interest, PSI does not permit its FPs to directly receive any portion of, or any additional compensation as a result of, any direct cost-sharing arrangements that PSI has formed with the Select Approved Providers. PSI reasonably expects the following Select Approved Providers to make direct cost-sharing payments in the next 12 months:

- AIG
- American Funds
- AXA Equitable
- Deutsche Asset & Wealth Mgmt
- Dreyfus
- Eaton Vance
- Federated Investors
- Franklin/Templeton
- Global Atlantic
- Invesco Aim
- Jackson National Life
- Liberty Life of Boston
- MFS Financial
- Nationwide
- Oppenheimer Funds
- Pacific Life
- PIMCO
- Principal Financial
- Putnam Funds
- Vantis Life

When distributing mutual funds, PSI incurs expenses related to the delivery of statements, confirmations, and tax reporting documents for many of its mutual fund positions. To offset the impact of these expenses, the mutual fund providers typically reimburse 0.25% of the assets where PSI serves as broker-dealer. These reimbursements are sometimes referred to as "trailing commissions" or "12b-1 fees". PSI may use a portion of the revenue from these reimbursements to supplement the compensation of its FPs. This represents a Conflict of Interest because PSI and its

FP have an incentive to encourage clients to remain invested in these mutual funds in order to continue to receive this revenue. PSI mitigates this Conflict of Interest by reviewing the buy, sell, and hold recommendations of its FPs to help ensure that they are in the best interests of their clients.

Any other payments from product providers are generally described in investment disclosure documents, such as prospectuses. These disclosure documents may be obtained from your FP, directly from the product provider's website, or by calling us at (800) 392-3009. Customers should carefully review these disclosures for further information regarding the costs, fees and expenses of investing in any investment product.

FDIC Insured Bank Deposit Sweep Program

PSI is a wholly owned subsidiary of People's United Bank, N.A. ("Peoples United Bank"). People's United Bank is a provider through PSI of a FDIC insured Bank Deposit Sweep Program ("BDSP"). The BDSP creates financial benefits for People's United Bank. The revenue generated by the BDSP for People's United Bank may be greater than revenues generated by other sweep options, and the interest paid to the client may be lower than other investment vehicles available to retail investors. PSI mitigates this Conflict of Interest by freely allowing clients to select other sweep options, and by providing a detailed BDSP disclosure document to every investor before they decide to participate in the BDSP. Further, PSI does not earn any direct revenue from the BDSP.