

Conflicts of Interest Worksheet

Department	Activity / Product	Conflict	Mitigate (Y/N/NA)	How Mitigated	Rule	Where Disclosed
Enterprise	General	Gifts and gratuities	Y	Review of gifts and gratuities log and credit card statements	3060	Procedures
Enterprise	General	Charitable Contributions	Y	Review charitable contributions to ensure not at client request in exchange for business	3060	Procedures
Enterprise	General	Travel and Entertainment	Y	Review to make sure not excessive and not in payment for business	3060	Procedures
Enterprise	General	Vendor Conflict- Misuse of confidential information	Y	Review of confidentiality policy and history and officers of vendor	NTM 05-48 3110 (effective 12/1/14)	Procedures
Enterprise	General	Revenue sharing	N/A	Written Disclosure to Client		Specific Disclosure At On-Boarding of Customer
Enterprise - Personnel	Business Activities	Outside business activities that could conflict with firm or clients	Y	Prior review and approval of outside business activities	3270	Procedures
Enterprise - Personnel	Business Activities	Outside securities activities that could conflict with firm or client	Y	Prior review and approval of outside securities activities. Monitoring of outside securities once approved.	3040	Procedures

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Enterprise - Personnel	Business Activities	Personal trading that could conflict with firm or clients or could result in insider trading	Y	Review of outside brokerage accounts and accounts at the firm of associated personnel	3050	Procedures
Enterprise - Personnel	Business Activities	Insider Trading	Y	Review of outside brokerage accounts and accounts at the firm of associated personnel	Rule 10b-5 of the Securities Exchange act of 1934	Procedures
Enterprise - Personnel	Business Activities	Registered representative omits a material fact that he/she is aware of	Y	Review monthly customer account activity	2111	Procedures
Enterprise - Personnel	Business Activities	Sale of products to less knowledgeable investors	Y	Review monthly customer account activity	2111	Procedures
Enterprise - Personnel	Business Activities	How does rep book of business coincide with the firm's business	Y	Prior to hiring representative review client accounts and commission runs		Procedures
Personnel	Business Activities	Concentration of one product in multiple customer accounts	Y	Monthly review of customer accounts		Procedures
Personnel	Compensation	Commission vs fee based	NA	Review of customer account activity to ascertain which platform is best for the customer. Written Disclosure to customer		Procedures & General On-Boarding Disclosure

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Personnel	Compensation	Hiring registered reps with disclosure	Y/N/NA	Prior to hiring, conduct a pre-hire check and verification of employment. Conduct heightened supervision if necessary.		Procedures
Personnel	Compensation	Hiring registered reps from disciplined firm	Y	Prior to hiring, conduct a pre-hire check and compare previous firm against listing of disciplined firm. Review reps discipline history.	3170 (effective 12/1/14)	Procedures
Personnel	Compensation	Threshold for sale of products (milestone for higher payout)	Y	Review reps sales near close of period		Procedures & General On-Boarding Disclosure
Personnel	Compensation	Registered rep recommending transactions regardless of suitability (churning)	Y	Review monthly customer account activity	2111	Procedures
Personnel	Compensation	Threshold for admission to President's Club	Y	Review reps sales when near threshold		Procedures
Personnel	Compensation	Compensation to branch managers	Y	Review of products sold at branch and overrides received by branch manager	3110(b)(6) Effective 12/1/14	Procedures
Personnel	Compensation	Bonus structure for hiring or retaining a rep.	Y	Disclosure (proposed rule) Evaluate potential harm to customers based on amount of bonus and its structure (i.e. claw back)		General On-Boarding Disclosure (?)

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Enterprise - Personnel	Compensation	Sale of one product over another due to commission payout	Y	Review monthly customer account activity. Written Disclosure to Customer	2111	Procedures & General On-Boarding Disclosure
Sales	All	Vetting of new products	Y	Products vetted by committee or different department then department that requests product	NTM 05-26 3110 (effective 12/1/14)	Procedures
Sales	All	Training on new products	Y	Review continuing education and query reps that want to sell new product	NTM 05-26	Procedures
Sales	All	Sale of Proprietary Products	Y/NA	Review of client accounts to ensure product is the most appropriate for the client at the best price. Written Disclosure to Customer		Procedures and Product Specific Disclosures
Sales	All	Discretionary Authority	Y/NA	Obtain written discretion. Review trades on a daily basis.	2510	Procedures and customer executed trading authority
Sales	Mutual Funds	Sale of A , B or C shares	Y	Written Disclosure to Customer	2830	Specific Product Disclosure
Sales	Mutual Funds	Non-cash compensation	Y	Written Disclosure to Customer	2830 I(5)	Prospectus & Specific Product Disclosure

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Sales	Mutual Funds	Receipt of trailers by the firm and representatives	Y	Written Disclosure to Customer		Specific Product Disclosure
Sales	Mutual Funds	Know history of distributor including background of principals	Y	Management reviews history of fund and officers. Firm vets product		Procedures
sales	Mutual Funds	Breakpoint sales	Y	Written Disclosure to Customer	2342	Specific Product Disclosure
Sales	Mutual Funds	Market mutual funds offered by different sponsors with differing compensation payouts.	Y	Written Disclosure to Customer		General On-Boarding Disclosure
Sales	Equities	Best execution	Y	Written Disclosure to Customer	5310	General On-Boarding Disclosure
Sales	Equities	Sale of penny stocks	Y	Written Disclosure to Customer & Review of customer sales and order tickets	Rule 15g of the Securities Exchange Act of 1934	Specific Product Disclosure
Sales	Equities	Mark up/down	Y	Review of transactions and Written Disclosure to Customer	2121.01	Procedures & Confirms
Sales	Equities	Cross trades –Is the price as favorable to both parties as if the trade was done in the open market	Y/NA	Review of Transaction pricing at the time of the cross and Written Disclosure to Customer		Procedures & General On-Boarding Disclosure

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Sales	Fixed Income	Mark up/down	Y/NA	Review of transactions and Written Disclosure to Customer	2121.02	Procedures & General On-Boarding Disclosure
Sales	Municipal Securities	Political contributions	Y/NA	Written disclosure to firm	MSRB Rule G 37	Specific disclosure by municipal financial professionals
Research	Research Reports	Ownership and material conflict of interest	Y/NA	Written Disclosure to Customer	2711(h)	Specific Service Disclosure
Research	Research Reports	Receipt of compensation from investment banking	Y/NA	Written Disclosure to Customer	2711(h)	Specific Service Disclosure
Research	Research Reports	Position of officer or director	Y/NA	Written Disclosure to Customer	2711(h)	Specific Service Disclosure
Research	Research Reports	Firm acts as market maker	Y/NA	Written Disclosure to Customer	2711(h)	Specific Service Disclosure
Research	Research Reports	Research analyst not permitted to be supervised by investment banking department	Y/NA	CCO reviews organizational structure	2711(b)	Procedures
Research	Research report	Communication with subject company	Y/NA	Research director oversees communications	2711(c)	Procedures
Research	Research report	Compensation of research analysts	Y/NA	Compensation committee cannot contain a member of the investment banking department	2711(d)	Procedures

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Research	Research reports	Restrictions on trading of research analysts	Y/NA	Compliance department oversee personal trading	2711(g)	Procedures
Research	Research Reports	Timeliness of dissemination. One client may receive research ahead of another	Y/NA	Review of correspondence		Procedures
Research	Research Reports	Pressure from investment banking to issue a favorable report or change ratings to encourage investment banking activity	Y/NA	Comparison of research reports with financial advisory and investment banking transactions		Procedures
Research	Research Reports	Issuer could pressure investment banking for favorable research in exchange for investment banking business	Y/NA	Comparison of research reports with financial advisory and investment banking transactions		Procedures
Research	Research Reports	Research could be biased to support sales and trading activities	Y/NA	Comparison of research reports with proprietary trading activity		Procedures
Research	Research Reports	Soft dollars do not meet safe harbor provisions	Y/NA	Review soft dollar arrangements and actual items paid for		Procedures
Investment Banking	Financial Advisory	Advising one bidder for a company while financing another	Y/NA	Written Disclosure to Customer		Specific Service Disclosure (Engagement Agreement or Subsequent Disclosure)

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Investment Banking	Financial Advisory	Advising on both sides of a deal	Y/NA	Written Disclosure to Customer		Specific Service Disclosure (Engagement Agreement or Subsequent Disclosure)
Investment Banking	Financial Advisory	Advising a seller while financing a buyer	Y/NA	Written Disclosure to Customer		Specific Service Disclosure (Engagement Agreement or Subsequent Disclosure)
Investment Banking	Financial Advisory	Advising on the buy or sell side where the firm has an interest in one or more involved parties	Y/NA	Written Disclosure to Customer		Specific Service Disclosure (Engagement Agreement or Subsequent Disclosure)