

# U.S. Bancorp Investments Client Relationship Summary

U.S. Bancorp Investments, Inc., member FINRA and SIPC (sipc.org), is registered with the Securities and Exchange Commission as both a broker-dealer and an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences.

Additional free and simple tools are available to research firms and financial professionals like ours at investor.gov/crs, which provides educational materials about broker-dealers, investment advisers and investing. If you have questions, please feel free to talk with your Financial Advisor.

## What investment services and advice can you provide me?

We offer both brokerage and investment advisory services to retail investors. Here are the primary differences you would see:

Brokerage services	Investment advisory services
<p>Our <b>brokerage</b> services include buying and selling mutual funds, stocks, bonds and other types of individual securities in our Full Service or Self Directed brokerage account types. More investment products are available in a Full Service account compared to a Self Directed account.</p> <p>Our Full Service account allows you to work with a Financial Advisor who will provide recommendations from time to time or at your request. With our Self Directed brokerage accounts, you place trades on your own, either online or by phone (for an additional fee) through the Wealth Management Advisory Service Center. Online tools and resources are available at no additional cost, but Financial Advisor recommendations are not provided online. Recommendations are provided by Financial Advisors for Full Service accounts held within our Wealth Management Advisory Center, exclusively by phone.</p> <p>We do not monitor your account or investments for you, or provide ongoing advice, unless we state otherwise in writing, so you should ensure you are reviewing the investments in your accounts.</p> <p>You make the ultimate decision regarding the purchase or sale of your investments. At U.S. Bancorp Investments, we do not offer discretionary brokerage accounts, in which your Financial Advisor manages your account.</p> <p>We have an evaluation process that considers the breadth and depth of products, and resources we make available to our brokerage clients.</p> <p><b>There is no account minimum for any of our brokerage accounts, though certain investment products have minimum investment amounts.</b></p>	<p>Our <b>advisory</b> services include investment advisory managed accounts (in the form of wrap accounts through the Personal Portfolios Program), automated investing (in the form of wrap accounts through Automated Investor) and, as part of our standard services, financial planning. Your Financial Advisor will provide ongoing monitoring and advice for your investments in advisory managed accounts. Automated Investing and financial planning are not monitored by a Financial Advisor.</p> <p>Investment advisory services are available on both a non-discretionary and discretionary basis. In non-discretionary accounts, you make the ultimate decision regarding the purchase or sale of your investments. If you choose a discretionary relationship, the Investment Advisory Agreement you enter into with U.S. Bancorp Investments grants us and your Financial Advisor the authority to make investment decisions on your behalf without discussing them with you. In certain circumstances, you may limit our discretionary authority. For example, we may agree to not purchase certain types of securities for your account. Of course, accounts with restrictions will perform differently than accounts without restrictions. We also offer discretionary accounts managed by third-party asset managers that are not affiliated with U.S. Bancorp Investments. We have an evaluation process that considers the breadth and depth of products and resources we make available to our investment advisory clients.</p> <p>We also offer automated investing through an online discretionary investment platform, named Automated Investor. Automated Investor uses the information you provide to invest your account assets in a proprietary model of exchange-traded funds selected by the Asset Management Group of our affiliate, U.S. Bank, N.A. Automated Investor only uses exchange-traded funds in its models.</p> <p>Our advisory accounts do have minimum amount requirements; please see the Personal Portfolios and Automated Investor Wrap brochures at <a href="https://adviserinfo.sec.gov/firm/brochure/17868">https://adviserinfo.sec.gov/firm/brochure/17868</a> for details.</p>

Investment and Insurance products and services including annuities are:

**NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY**

Whether you invest through a brokerage or an advisory account, we do not limit our platform to particular asset classes, proprietary investments or to investments that result in our receipt of third-party compensation. However, certain investment categories are limited to proprietary investments and we expect to receive third-party compensation with respect to most of the investments we sell. When we recommend that you open a brokerage account and provide recommendations and other services for your brokerage account, we will be acting as a broker-dealer. When we recommend that you open an advisory account and provide recommendations and advice for your advisory accounts, we will be acting as an investment adviser. When we provide financial planning services, we will be acting as an investment adviser.

**For additional information, see:**

- Regulation Best Interest Disclosure [usbank.com/best-interest](http://usbank.com/best-interest)
- See all our Form ADV Part 2 Brochures at <https://adviserinfo.sec.gov/firm/brochure/17868>
  - Part 2A of Form ADV (Financial Planning Services) — Advisory Business (Item 4) and Types of Clients (Item 7)
  - Part 2A Appendix 1 of Form ADV (Personal Portfolios Wrap Brochure) — Services, Fees and Compensation (Item 4) and Account Requirements and Types of Clients (Item 5)
  - Part 2A Appendix 1 of Form ADV (Automated Investor Wrap Brochure) — The Service (Item 4) and Account Requirements and Types of Clients (Item 5)



**CONVERSATION STARTERS**

*Here are questions to ask your Financial Advisor to help you understand the services you’ll receive:*

- Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

**What fees will I pay?**

Brokerage accounts	Investment advisory accounts
<p>In a brokerage account, you generally pay a commission for stock transactions (an amount charged to execute your trade), a markup/markdown for bond transactions (the difference between the market price and the amount you pay) and a sales charge for mutual fund transactions (an amount added to the market value of the shares). With annuities, we are paid by a direct payment from the insurance company. Because we earn revenue each time you trade in a brokerage account, we have a financial incentive when you trade more frequently and in larger amounts.</p> <p>Some types of investments, such as mutual funds and annuities, charge ongoing fees that will affect the money you make on your investment over time. We receive certain ongoing fees from mutual fund companies, such as 12b-1 fees, in connection with your investments.</p> <p>There are other fees charged to your account. Some examples include annual fees for brokerage and individual retirement accounts, transfer, wire fees and termination fees. Please refer to the fee schedules found below under the “For additional information” section.</p>	<p>In a Personal Portfolios advisory account you pay a negotiable “wrap” fee based on the value of the assets in your account (including cash), billed to your account quarterly. In an Automated Investor account, your wrap fee is not negotiable. As a firm, we are compensated for our advisory services by the asset-based wrap fee you pay. An advisory wrap account incorporates most of your transaction and administrative costs into one simple, quarterly fee. We’re also compensated by networking rebates, shareholder servicing fee invoice credits and revenue sharing arrangements. In addition, we receive 12b-1 fees from mutual fund companies as part of your advisory account investments, but we credit these fees back to your account.</p> <p>For the Personal Portfolio Program, depending on your investment selection, your asset-based wrap fee pays for third-party providers who manage your assets. The fee also compensates our firm and your Financial Advisor for the trading, monitoring and custodial services you receive. Therefore, a wrap fee is higher than a typical asset-based advisory fee that does not incorporate all your costs. The more assets that are in your account, the more you will pay us in fees. Therefore, we have an incentive to encourage you to increase the amount of assets in your account.</p> <p>There may be other fees charged, such as exchange fees and transfer taxes, and the costs of trades executed with or through third-parties. For a list of additional fees charged, please see the Personal Portfolios and Automated Investor Wrap brochures at <a href="https://adviserinfo.sec.gov/firm/brochure/17868">https://adviserinfo.sec.gov/firm/brochure/17868</a>. Some types of investments, such as mutual funds, charge ongoing fees that will impact the performance of your investment over time.</p>

**You will pay fees and expenses whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

[ 2 ] Important disclosures provided on page 4.

## For additional information, see:

- Full Service Brokerage Fee Schedule <https://www.usbank.com/dam/documents/pdf/wealth-management/usbi-full-service-fee-schedule.pdf>
- Self Directed Fee Schedule <https://www.usbank.com/investing/online-investing/self-directed-investing/brokerage-fees.html>
- Regulation Best Interest Disclosure [usbank.com/best-interest](https://www.usbank.com/best-interest)
- See all our Form ADV Part 2 Brochures at <https://adviserinfo.sec.gov/firm/brochure/17868>
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### CONVERSATION STARTERS

*Here's a question to ask your Financial Advisor to help you understand the fees you'll pay:*

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

## What are your legal obligations to me when providing recommendations as my broker-dealer or when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

**When we provide you with a recommendation as your broker-dealer or act as your investment adviser,** we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you.

Here are some examples to help you understand what this means:

1. **Proprietary products:** Our Financial Advisors may recommend First American Money Market Funds, mutual funds that are advised by U.S. Bancorp Asset Management, Inc., our affiliate. Mutual funds, including First American Money Market Funds, charge their own management and other fees. If a Financial Advisor recommends one or more of these proprietary products, U.S. Bancorp Investments or its affiliates will receive more compensation than if the advisor recommends non-proprietary products. This creates an incentive for us to promote the sale of proprietary products. Your Financial Advisor is not compensated more to sell proprietary funds. There are limitations related to using proprietary products in investment advisory accounts. Please see our Wrap Brochures at <https://adviserinfo.sec.gov/firm/brochure/17868> for additional information.
2. **Third-party payments:** As a broker-dealer, we receive compensation from third parties in the form of 12b-1 fees, shareholder servicing fees, networking rebates and invoice credits when we recommend or sell mutual funds. A portion of the 12b-1 fees received is shared with our Financial Advisors. We also receive volume concessions for unit investment trusts and structured products. This creates an incentive for us to recommend investments in products that pay us more third-party compensation over those that do not or that pay us lesser amounts.
3. **Revenue sharing:** As a broker-dealer, we receive mutual fund support fees from the advisers or distributors of mutual funds that have access to our investment professionals. We use these to support the marketing of our products, training and education of our Financial Advisors about the products available on our platform. This arrangement creates an incentive for us to offer and promote these products over others.
4. **Bank Sweep Program:** For brokerage accounts, our Bank Deposit Program is the default option for the uninvested cash in your account. With this option, our affiliated bank receives your otherwise uninvested cash as a deposit and can use it to generate revenue and other benefits for the bank. The bank pays us a fee based on the amount of such deposits. This creates an incentive for us to make recommendations or investments that generate uninvested cash that will be invested in our affiliated bank through the sweep program. Other cash management options may pay you more. You can ask your Financial Advisor about your options.



### CONVERSATION STARTERS

*Ask your Financial Advisor:*

- How might your conflicts of interest affect me, and how will you address them?

**For additional information, see:**

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**How do your financial professionals make money?**

Our Financial Advisors retain a portion of the fee for advisory services and commissions on brokerage transactions charged to you. Some Financial Advisors are eligible for special incentive compensation in the form of recruitment and retention bonuses based on client assets brought to the firm and revenue generation. Some Financial Advisors are eligible to receive compensation for referrals made to our affiliates. The referral fees paid to Financial Advisors do not entail an additional cost to you.

We and our Financial Advisors also receive non-cash compensation from certain product sponsors that can include occasional gifts, meals, tickets or other entertainment or sponsorship support of educational or training events (which include educational and appreciation events Financial Advisors arrange for clients and prospects).

These benefits can create a conflict of interest to recommend one product over another. In addition, some Financial Advisors are not compensated for transactions in your account if the combined account balances in your U.S. Bank, N.A. and U.S. Bancorp Investments relationship do not meet or exceed \$100,000. This can deter the Financial Advisor from recommending strategies that could be beneficial to you but do not result in a qualifying relationship balance that meets the threshold for compensation or may incent Financial Advisors to recommend a trade that is inconsistent with your financial situation but meets the threshold for compensation.

**Do you or your financial professionals have legal or disciplinary history?**

Yes. Visit [investor.gov/crs](https://investor.gov/crs) for a free and simple search tool to research us and our financial professionals.



*Ask your Financial Advisor:*

**CONVERSATION STARTERS**

- As a financial professional, do you have any disciplinary history? For what type of conduct?

If you would like additional, up-to-date information or a copy of this disclosure, please visit [usbank.com/crs](https://usbank.com/crs) or call the Wealth Management Advisory Service Center at 800-888-4700.



*Here are questions to ask your Financial Advisor to help you understand who will be working with your account:*

**CONVERSATION STARTERS**

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer?
- Who can I talk to if I have concerns about how this person is treating me?

U.S. Wealth Management – U.S. Bancorp Investments is a marketing logo for U.S. Bancorp Investments.

Brokerage and investment advisory products and services are offered by U.S. Bancorp Investments, an SEC-registered broker-dealer, investment adviser, member FINRA/SIPC, and subsidiary of U.S. Bancorp and affiliate of U.S. Bank, N.A.

Insurance products are available through various affiliated non-bank insurance agencies, which are U.S. Bancorp subsidiaries. CA Insurance License #0E24641. Products may not be available in all states.

U.S. Bancorp Investments and its representatives do not provide tax or legal advice. Each client's tax and financial situation is unique. Clients should consult their tax and/or legal advisor for advice and information concerning their particular situation.