

# UMB Financial Services, Inc.

Member FINRA, SIPC

## Regulation Best Interest (Reg BI) Disclosures

### Capacity

We offer broker/dealer services and buy and sell securities with or without providing investment recommendations. We make recommendations regarding your brokerage account in a broker-dealer capacity. We make these recommendations in your best interest, without placing our financial or other interest ahead of your interests. As a broker/dealer, we have no obligation to revisit past recommendations or otherwise provide recommendations about your brokerage account.

If you also have an investment advisory account with us, we make recommendations regarding your investment advisory account in an advisory capacity. When we make a recommendation to you, we will tell you orally which account we are discussing.

### Fees and Costs

You may request a hard copy of our commission and fee schedules by calling 1-800-842-9999, or you may view them on-line at <https://www.umb.com/personal-banking/investing>. If your financial professional is also associated with our affiliate, Prairie Capital Management, please contact your financial professional to request more information about our fees.

Material fees and costs that apply to your transactions, holdings, and accounts can include the following:

- Commissions

We charge various commissions for stock transactions, depending upon whether you independently trade on the internet or on a mobile application, talk with a representative of our Investor Service Center, receive assistance directly from your financial professional, or are a customer of financial professionals who are also associated with our affiliate, Prairie Capital Management. We also assess a per-share charge on stock transactions. Please refer to the commission and fee schedules associated with your account for additional information.

- Markups/markdowns

We apply markups or markdowns on fixed income transactions. These markups and markdowns are determined by the type of bond (e.g., corporate, municipal, treasuries), time to maturity, and volume. Please refer to the markup/markdown parameters available on <https://www.umb.com/personal-banking/investing> for additional information.

- Product-level fees:

- Product-level fees vary, depending upon the product. These fees can include sales charges, management fees, distribution and/or service fees, custodial fees, creation and development fees, fees paid to states for 529 plan oversight and administrative services, mortality and expense fees, surrender charges and rider fees.
- The list above is not necessarily all-inclusive of product-level fees. For further information, please refer to the product's prospectus or similar disclosure document.

- Options fees and margin interest

- Option fees vary, depending upon whether you independently trade on the internet or on a mobile application or talk with a representative of our Investor Service Center. Option transactions are also assessed a per-contract charge. Please refer to the commission and fee schedules associated with your account for additional information
- The margin interest rate charged to your account will vary, depending upon the debit balance of your account and the current National Financial Base Lending Rate. Please refer to the Disclosure of Credit Terms on Transactions section included on your margin account application.

- Other service fees and IRA fees

Other fees are assessed on certain transactions or account types. Please refer to the commission and fee schedules associated with your account for additional information.

## Scope and terms of the relationship

We take a comprehensive and collaborative approach to your investment journey. As a broker/dealer, we review your financial profile from all angles, making recommendations that are in your best interest and based upon a variety of factors, including your financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, and risk tolerance. We use this approach to build an investment plan tailored to your specific risk tolerance and financial goals.

Risks associated with our recommendations can generally be categorized as business risks or market risks. Business risks include any risks associated with investing in a particular product, company, or industry. Market risk is the risk that an overall market decline will reduce the value of all investments, regardless of the investment's individual strengths or weaknesses. There are additional risks associated with investing in bonds or bond funds or other product types. Because of these risks, there is no guarantee of future returns, and you may lose money on your investment.

## Type and Scope of Services

All our recommendations must be suitable and in your best interest, and are limited to approved products among the following asset types: mutual funds, exchange traded funds, domestic and international equities, options, fixed income securities, certificates of deposit, unit investment trusts, limited partnerships, variable annuities, and life insurance products.

We do not recommend option transactions or margin trading, although you may open an option account or request margin privileges if you meet certain income levels and investment experience.

You must invest at least \$50,000 to receive assistance from our financial professionals. There is no minimum amount requirement for accounts where you select all security transactions, but some individual securities have minimum investment amounts.

We do not conduct ongoing monitoring of your brokerage account.

## Conflicts of Interest

Below is a list of the conflicts of interest that are associated with our recommendations, including any conflicts that might lead us, either consciously or unconsciously, to make recommendations that are not in your best interest. For these conflicts, we have described how we have mitigated that risk to ensure recommendations are made in your best interest. Any conflict of interest associated with your specific recommendation that is in addition to those listed below will be disclosed orally no later than at the time of the recommendation.

Conflict of interest	How we mitigate the conflict
We are in business to make a profit and could put our interests before the customer's interests.	Our supervisory practices confirm that our recommendations do not place our interests ahead of the customer's interests. Our home office reviews all trades to verify the consistent application of the best interest standard. Also, our senior management samples transactions to validate that our recommendations are in the customer's best interest.
We are incentivized to direct customers to a specific account type that will generate more income, rather than what is best for the customer. This includes investment accounts with affiliates.	Our home office evaluates all recommended account types during the new account review and approval process. Our financial professionals must explain how the new account will provide the appropriate services and products for the customer. Additionally, our commission schedule does not promote any specific account type, including investment accounts with affiliates.
As both a broker-dealer and an investment advisor, we could earn commissions on securities sold to customers, and then move these securities to an investment advisory account where quarterly fees are charged on the same securities.	Our home office evaluates the source of funds used to establish a new account to confirm that the new account is appropriate. This includes a review of any securities that were assessed a commission on the original purchase or subsequent sale. We do not allow our financial professionals to move assets from one account type to another without an adequate explanation. In addition, securities that were assessed a commission on the original purchase must be held for at least twelve months unless the customer makes an unsolicited request to open an advisory account. We do not charge a commission on any securities that are sold to fund an advisory account.

<p>We charge commissions and other transaction based fees. There is an incentive to allow excessive trading to generate more commissions.</p>	<p>Our home office conducts daily supervisory reviews that include an analysis of historical trading activity to prevent any excessive trading activity.</p>
<p>We are incentivized to recommend rollovers for all retirement plans, even if such rollovers are not in the customer's interest.</p>	<p>We do not recommend retirement plan rollovers; instead, all rollover decisions are directed by the customer. We provide educational materials to explain the advantages and disadvantages of available rollover options. These materials are not recommendations to transfer assets from an employer-sponsored plan.</p>
<p>We use thresholds that increase compensation to our financial professionals through incremental increases in production.</p>	<p>Our home office reviews all recommended trades to ensure they are in the customer's best interest, regardless of the applicable compensation threshold for our financial professionals.</p>
<p>We are incentivized to make recommendations for securities that cost us less.</p>	<p>We provide recommendations in the best interest of customers utilizing approved securities lists that cover a wide range of securities over various asset classes. Our costs are not considered when securities are added to the approved lists. Our financial professionals are not incentivized to recommend products with lower costs to us.</p>
<p>We are incentivized to offer products based on the best third-party compensation or concessions.</p>	<p>We provide recommendations in the best interest of customers utilizing approved securities lists that cover a wide range of securities over various asset classes. Third-party compensation and concessions are not relevant factors when securities are added to the approved lists.</p>
<p>We are incentivized to sell bonds to customers from an affiliate's inventory before looking at the outside market.</p>	<p>We follow best execution practices to ensure the bond price to the customer is as favorable as possible under prevailing market conditions, regardless of whether it was from our inventory or other market sources.</p>
<p>Our financial professionals are incentivized to sell products that have up-front concessions or higher payouts (e.g., variable annuities) .</p>	<p>We provide recommendations in the customer's best interest utilizing approved securities lists that cover a wide range of securities over various asset classes. Our home office reviews all recommendations to ensure they are in approved products and are in the customer's best interest.</p>
<p>Our financial professionals are incentivized to involve our customers in outside business activities.</p>	<p>Our financial professionals must disclose and receive approval for all outside business activities. These outside business activities cannot be in conflict or competition with us or our affiliates, and they must not have a significantly detrimental effect on our reputation or image. Additionally, our financial professionals must not make any recommendations for securities transactions with other businesses.</p>