SUMMARY

D.A. Davidson & Co. (“D.A. Davidson,” “we,” “us”) provides a cash management program to its clients. Under our cash management program, commonly referred to as a “sweep” program, cash balances in a client’s securities account are automatically transferred, or swept, into an interest bearing account at the end of each business day. Sweeps in client accounts occur due to, among other things, the sale of securities, dividend payments, interest credited from bonds, and cash balances. Except as noted in this Disclosure Statement or in your account agreements with us, your available cash in your D.A. Davidson accounts will be automatically deposited or swept in an account maintained at one or more participating third-party banks (“Program Banks” or “Banks”) through our Bank Insured Deposit Program (“BIDP”). As such, the funds will be eligible for federal deposit insurance from the Federal Deposit Insurance Corporation (“FDIC”) up to $250,000 per insurable capacity (e.g., individual, joint, etc.) per Program Bank. BIDP account funds are not protected by Securities Investor Protection Corporation (“SIPC”) coverage.

For ERISA advisory accounts, and other accounts as D.A. Davidson may designate from time to time, instead of the BIDP, cash balances are automatically swept into a money market fund (the “Money Market Fund”). Money market funds are not eligible for FDIC insurance, but are covered by SIPC coverage. See “ERISA Advisory Accounts – The Money Market Fund” beginning on page 5 below.

Through the BIDP or Money Fund, clients can access funds in their securities accounts in several convenient ways. They can request a check payable to the account owner; they can write checks; or funds can be automatically paid through the ACH (automated clearing house) procedure when authorized. For DADVANTAGE accounts, funds can also be accessed by debit card, electronic bill pay and bill presentation. Funds are also automatically withdrawn to satisfy purchases of securities. If there is not enough cash in a securities account to satisfy these transactions, funds will be withdrawn from the interest bearing “sweep” account.

Clients affirmatively consent to participation in D.A. Davidson’s Cash Management Program by signing our account agreement, but can revoke this consent at any time by contacting their D.A. Davidson financial professional. Participation in the Cash Management Program occurs when a client signs an account agreement with D.A. Davidson and elects to participate; no advice or recommendations are made concerning the client's decision to participate or to remain in the Cash Management Program. Other short-term, cash-equivalent investments are available to you for purchase through D.A. Davidson. These other short-term, cash-equivalent investments might be more appropriate for clients seeking a cash allocation as part of their investment strategy over longer periods of time. These other investments, however, which can provide for higher rates of return, are not part of the Cash Management Program, and will not offer an automatic cash sweep feature. Any cash awaiting investment or reinvestment not participating in the Cash Management Program will not earn interest.

For more information, please contact your D.A. Davidson financial professional. Clients can terminate their participation in the Cash Management Program at any time by contacting their D.A. Davidson financial professional.

IMPORTANT INFORMATION ABOUT OUR CASH MANAGEMENT PROGRAM; CONFLICTS OF INTEREST

D.A. Davidson receives compensation in connection with the BIDP. Any such compensation received is not shared with your D.A. Davidson financial professional. Such compensation, which is generally based on the amount of client cash balances in the BIDP, can represent a significant amount and also presents a conflict of interest in that it gives D.A. Davidson a financial incentive to have clients participate in the BIDP and to maintain cash balances in BIDP. To the extent permitted by law, clients with accounts that are charged an investment advisory fee will pay a fee on all of the assets in those accounts, including cash balances in the BIDP, which means that D.A. Davidson receives both the asset-based advisory fee on such cash balances and compensation under the BIDP on such cash balances. You can choose to maintain your cash balances in a brokerage account in which there is not an asset-based fee.

We do not receive compensation in connection with the Money Market Fund that is used for cash management purposes within ERISA Advisory Accounts (or other accounts as D.A. Davidson may designate from time to time).

As noted above, other short-term, cash-equivalent investments are available to you for purchase through D.A. Davidson. These other short-term, cash-equivalent investments generally consist of money market mutual funds (not to be confused with the Money Market Fund sweep vehicle that is only available to ERISA Advisory Accounts and other accounts designated by D.A. Davidson). These money market mutual funds can be used in lieu of our Cash Management Program (that is, in lieu of the BIDP) as a conservative investment for unused cash, but will not offer an automatic cash sweep feature. At any particular time, the amount of compensation D.A. Davidson receives from the BIDP can be greater or lower than the compensation we would receive if you select such money market mutual funds instead, depending on a number of factors such as the market interest rates then being paid by the Program Banks. Specific information about the compensation we would receive from a money market mutual fund is available in the fund’s prospectus. We encourage you to consider all of your options carefully before making these choices.

Summary Description of Our Compensation from the BIDP: Conflicts of Interest

D.A. Davidson receives compensation and benefits based on the cash that is swept within your account(s) in the BIDP, and the compensation (and other benefits) we receive depends on the amount of cash swept. For purposes of this Disclosure Statement, the term “Traditional BIDP” is sometimes used to refer to the treatment of all accounts participating in the BIDP other than Advisory IRA accounts.

Within the BIDP, the yield (interest) on swept cash that will be credited to your account(s), and the fees we receive, are described in greater detail in this Disclosure Statement under the heading “Interest on Balances in BIDP Accounts; Fees Associated with BIDP Accounts” beginning on page 4. If your account is in the Traditional BIDP, D.A. Davidson keeps most of the interest revenue from the Program Banks as our fees. Generally, though not always, the higher a client’s “Interest Rate Tier” is, the greater share of the Program Bank interest is credited to the client (and the less is retained by D.A. Davidson as our fees). Depending on the interest revenue paid to us by Program Banks from time-to-time, the compensation to us can significantly exceed the amount paid to clients as interest on their deposit account balances at the Program Banks. This can be, particularly true at lower Interest Rate Tier levels when the interest rate paid to clients among Interest Rate Tiers varies. Upon your request, your D.A. Davidson financial professional will provide you with additional information about your Interest Rate Tier.

Within the Traditional BIDP, as of the Effective Date of this Disclosure Statement, due to low market interest rates substantially all of the interest paid by Program Banks is being retained by D.A. Davidson, or paid to our third-party BIDP provider, as our fees. Under most market conditions, the
share of the interest paid by the Program Banks that we keep as our fees (or pay to our third-party BIDP provider as its fees) generally ranges from a
majority of the interest revenue for clients at the highest Interest Rate Tier levels up to substantially all of the interest for clients at the lowest
Interest Rate Tier levels.

If your account is in the BIDP and is an advisory IRA (a “BIDP IRA Advisory Account”), instead we receive a monthly level fee determined partially
on a “per account” basis, and partially based on certain interest rates. Please refer to the subsection titled “BIDP IRA Advisory Accounts” beginning
on page 4.

In both the Traditional BIDP and for BIDP IRA Advisory Accounts, our fees, and those paid to our third-party BIDP provider, reduce the interest rates
that are credited to client accounts under the BIDP as described above.

THE BANK INSURED DEPOSIT PROGRAM

Introduction

The BIDP consists of FDIC-insured, interest-bearing deposit accounts (each, a “Deposit Account”) at one or more of the Program Banks. Through
the BIDP, the available cash balances in your eligible securities accounts at D.A. Davidson are automatically deposited into the Deposit Account.
The Deposit Account will be eligible for federal deposit insurance from the FDIC as more fully described below.

By having a number of FDIC-insured banks participating in the BIDP, D.A. Davidson can spread your cash balances among these banks, providing
the potential for FDIC coverage greater than which you would have if your cash deposits were held only in a single bank. The number of
depository institutions participating in the BIDP will change from time-to-time. An increase in the number of FDIC-insured banks participating in the
BIDP in the future could increase the potential FDIC coverage; however there can be no assurance that additional banks will be added. The Program
Banks are organized into a number of priority lists (“Priority Lists”) in order to manage the distribution of deposit balances among the Program Banks,
as more fully described below.

D.A. Davidson will deposit the available cash in your brokerage account into Deposit Accounts in each Bank on the Priority List up to the deposit
limit of $246,500 ($493,000) for joint accounts of two or more) (the “Applicable Deposit Limit”) in order to permit your funds to be eligible for the
greatest possible FDIC insurance coverage. Once funds equal to the Applicable Deposit Limit have been deposited in each Bank on the Priority List,
any additional funds above such deposit limits will be deposited in a Deposit Account at designated “Excess Bank”. Such additional funds deposited
into an Excess Bank will not be eligible for FDIC insurance coverage.

The information in this Disclosure Statement applies, unless otherwise indicated, to each account for which you are a client of record,
whether as an individual, joint tenant, trustee, executor, custodian or in any other capacity, and is furnished to you in each of such
capacities in respect of all such accounts.

Eligibility to Participate in the BIDP

The BIDP is available to individuals, trusts (where beneficiaries are natural persons), sole proprietorships and entities organized and operated to
make a profit, such as corporations, partnerships, associations, business trusts and other organizations. The BIDP treats Individual Retirement
Accounts (“IRAs”) that are in one of our advisory programs (“Advisory IRAs”) differently, in certain respects, than other accounts (including IRAs that
are in a brokerage account as opposed to an advisory account) that participate in the BIDP as described below. ERISA and 403(b) accounts that
are managed on a discretionary basis cannot participate in the BIDP. For purposes of this Disclosure Statement, the term “Traditional BIDP” is
sometimes used to refer to the treatment of all accounts participating in the BIDP other than Advisory IRA accounts. The term “BIDP IRA Advisory”
is sometimes used to refer to the treatment of all IRA Advisory Accounts participating in the BIDP. Both the Traditional BIDP and BIDP IRA Advisory
accounts are collectively referred to in this document as “BIDP Account” or “BIDP Accounts” but will be referred to by specific program name when discussing
a feature that is unique to a particular BIDP sweep program.

Priority List

The Priority List of Banks into which your funds will be deposited is available on our website www.dadavidson.com. Other clients can be assigned
different Priority Lists. You can identify the Priority List applicable to you by your state of residence or, in some instances, by the type of account you
maintain. The Banks appear on the Priority List in the order in which the BIDP Accounts will be opened for you and where your funds will be
deposited. You should review the Priority List carefully.

The Priority List will also include one or more Excess Bank. Such Excess Banks will accept your funds without limit and without regard to the
$250,000 FDIC insurance coverage eligibility if all Banks on the Priority List have received funds up to the Applicable Deposit Limit. If all of your
funds are withdrawn from an Excess Bank, the next time your funds are available for deposit in an Excess Bank your funds might be deposited in a
different Excess Bank.

You cannot change the order of the Banks on the Priority List. However, you can, at any time, designate a Bank, as ineligible to receive your funds.
This will result in your funds being deposited into BIDP Accounts at the next Bank on the Priority List. In addition, you can at any time instruct us to
remove your funds from a Bank, close your BIDP Accounts with the Bank and designate the Bank as ineligible to receive future deposits. Unless
you direct us to place your funds in a different investment, your funds from a closed Deposit Account will be deposited in BIDP Accounts at the first
available Bank set forth on the Priority List, as amended by you.

If you wish to designate a Bank as ineligible to receive your funds, please contact your D.A. Davidson financial professional. You cannot, however,
designate all of the Excess Banks as ineligible to receive your funds. The Priority List can change from time-to-time. Please review the section
“Changes to the Priority List” beginning on the next following page.

Types of BIDP Accounts

D.A. Davidson makes available to you a money market deposit account (“MMDA”) – a type of savings deposit – and a linked transaction account
(“TA”) at one or more of the Banks. The MMDAs and TAs are non-transferable.

The TA can be a negotiable order of withdrawal (“NOW”) account or a demand deposit account (“DDA”). Pursuant to Federal law, a business entity
is not eligible to own a NOW account. If the TA is a NOW account, D.A. Davidson will only deposit the funds of individuals, not for profit entities and
government entities in that Bank. Ineligible customers will not have Banks offering only NOW accounts on their Priority List.

If the TA is a DDA then there are no eligibility restrictions and Banks offering DDAs will appear on any customer’s Priority List.
Deposit Procedures

When funds in your account with D.A. Davidson are first available for deposit, as your agent, D.A. Davidson will open a MMDA and a linked TA on your behalf at one or more of the Banks on the then-current Priority List in the order set forth on the Priority List. Once your funds in the BIDP Accounts at a Bank reach the Applicable Deposit Limit, D.A. Davidson, as your agent, will open a MMDA and TA for you at the next Bank on the Priority List and place your additional funds in that Bank.

In the event that you have deposits equal to the Applicable Deposit Limit in the BIDP Accounts at each of the available Banks on the Priority List, excess funds will be swept into an Excess Bank that will accept your funds. Such additional funds deposited into an Excess Bank will not be eligible for FDIC insurance coverage. The Excess Bank might be a bank on the Priority List that has received funds up to the Applicable Deposit Limit, or a Bank that acts solely as Excess Bank. It is your obligation to monitor your funds deposited at Excess Bank. You can, at any time, direct your financial professional to withdraw funds from an Excess Bank and places them in another investment.

As your agent, D.A. Davidson will deposit available cash balances from your brokerage account into your MMDA at each Bank as set forth above. As necessary to satisfy withdrawals, funds will be transferred from your MMDA to the related TA at each Bank and withdrawals will be made from the TA. The Bank and D.A. Davidson in their discretion are permitted to determine a minimum, or “threshold,” amount to be maintained in your TA to satisfy debits in your brokerage account.

Managing Your Deposits

If you have more than one account with D.A. Davidson in the same capacity (e.g., more than one brokerage account in your own name, more than one brokerage account held jointly with the same person, etc.), D.A. Davidson can offer you an option for managing funds in your account for FDIC insurance purposes. You can elect to identify your accounts held in the same insurable capacity with D.A. Davidson (“Combined Insurable Accounts”). At your request, D.A. Davidson will deposit the available cash from the Combined Insurable Accounts into BIDP Accounts so that the aggregate amount of funds in the Combined Insurable Accounts that are deposited into BIDP Accounts in each Bank on the Priority List do not exceed the Applicable Deposit Limit. If you elect to identify your Combined Insurable Accounts to D.A. Davidson you are still responsible for monitoring the total amount of deposits that you have with each Bank, in order to determine the extent of FDIC deposit insurance coverage available to you.

Withdrawal Procedures

All withdrawals necessary to satisfy debits in your account with us will be made by D.A. Davidson as your agent. A debit is created to satisfy a securities purchase or a request for a withdrawal of funds from your brokerage account and, if applicable, when you write a check on your brokerage account, make payments via the online bill pay service or withdraw funds through your debit card. Checks written on your brokerage account are not drawn directly against the BIDP Accounts established for you at the Banks.

All withdrawals will be made from your TA. If a withdrawal of funds from your BIDP Accounts is necessary to satisfy a debit, funds will be withdrawn from your TAs at the Banks on the Priority List beginning with any funds at an Excess Bank and then with the lowest priority Bank on the Priority List at which your funds have been deposited. If there are insufficient funds at that Bank, funds will be withdrawn from each Bank in the sequence (lowest priority to highest priority) until the debit is satisfied. If funds in the TA at a Bank from which funds are being withdrawn are insufficient to satisfy a debit, funds in the related MMDA at that Bank will be transferred to the TA to satisfy the debit, plus funds to maintain any TA threshold amount. If there are insufficient funds in the BIDP Accounts at the Banks on the Priority List to satisfy the debit, D.A. Davidson will withdraw funds from other available sources as described in your brokerage account agreement.

Pursuant to federal banking regulations, the Banks must reserve the right to require seven days’ prior written notice before you withdraw or transfer funds from a NOW account or an MMDA. DDAs are not subject to this restriction. The Banks have informed us that they do not currently intend to exercise this right against NOW accounts or MMDAs.

Changes to the Priority List

One or more of the Banks included on the Priority List may be replaced with a Bank not previously included on the Priority List, a Bank might be deleted from the Priority List or the order of Banks on the Priority List might change. We intend to post any changes to the Priority List to our website www.dadavidson.com in advance of making such changes. In general, you will receive notification of changes that result in the addition of a Bank to the Priority List or a change in the sequence of the Priority List through our website or your periodic account statement and have an opportunity to designate a Bank as ineligible to receive your deposits if you do not wish funds to be deposited into or remain in a new Bank. The current Priority List will always be available on our website or from your financial professional.

In the event that the order of Banks on the Priority List is changed, on the day on which the revised Priority List is effective your previously deposited funds will be reallocated among the Banks on the revised Priority List in accordance with the deposit procedures described above under “Deposit Procedures.” Deposits and withdrawals of your funds made after a change to the Priority List will occur as described above under “Deposit Procedures” and “Withdrawal Procedures,” respectively.

On any day, a Bank may be closed for business or temporarily unable to accept your funds. In such event, your funds will be placed at the next Bank on the Priority List or, in the case of a change in the order of the Priority List, not be re-allocated in accordance with the new sequence. When the Bank that could not accept your funds is again able to accept your funds, available cash balances in your account will be placed in that Bank.

If a Bank at which you have BIDP Accounts no longer makes the BIDP Accounts available, you will be notified by D.A. Davidson and given the opportunity to establish a direct depository relationship with the Bank, subject to its rules with respect to establishing and maintaining deposit accounts. If you choose not to establish a direct depository relationship with the Bank, your funds will be transferred to the next available Bank on the Priority List. The consequences of maintaining a direct depository relationship with a Bank are discussed below under “Information About Your Relationship with D.A. Davidson and the Banks - Relationship with D.A. Davidson.”

Interest on Balances in BIDP Accounts; Fees Associated with BIDP Accounts

Each Program Bank pays interest based on a percentage rate of the daily deposit balances for eligible accounts at that bank. This rate regularly differs between Program Banks and is generally based on either the Federal Funds effective rate or the London Interbank Offer Rate (“LIBOR”), subject to certain adjustments. Rates and overall balances can change daily. Fees are paid to a third party service provider from the interest paid by the Program Banks, and is based on a target percentage of the average daily deposit account balances each month in all accounts that have funds swept through BIDP.
The interest rates paid with respect to the BIDP Accounts at a Bank will be higher or lower than the interest rates available to depositors making deposits directly with the Bank or other depository institutions in comparable accounts, and for investments in other cash equivalents and investment products, such as money market mutual funds. You should compare the terms, interest rates, required minimum amounts, and other features of the Deposit Account Sweep option with other accounts and alternative investments.

The interest paid by the Program Banks minus the fees to the third party service provider and minus the fees paid to D.A. Davidson, as discussed below, equals the yield to clients with eligible accounts in the BIDP. The yield provided to clients participating in the BIDP is based on industry comparables (selected by D.A. Davidson) of the yields of other broker dealers, it is not based on the yields provided by other cash or cash equivalents such as money market funds.

You can contact your financial professional or access our website to get information on the current yields on BIDP Accounts, as well as information about other cash equivalent investments available through D.A. Davidson. The yield may change daily and will be available on the business day the rates are set. Interest will accrue on BIDP Account balances from the day funds are deposited into the BIDP Accounts at a Program Bank through the business day preceding the date of withdrawal from the BIDP Accounts at the Program Bank. Interest will be compounded daily and credited monthly.

**Traditional BIDP.** Fees are paid to D.A. Davidson from the interest paid by the Program Banks for management, accounting, recordkeeping and other services associated with the BIDP, based on a percentage of the average daily deposit balance in your BIDP Accounts at the Program Bank. The fee paid to D.A. Davidson can be up to 100% of the amount the Program Bank is willing to pay with respect to funds in Traditional BIDP Accounts. The fee will vary from Program Bank to Program Bank. In its discretion, D.A. Davidson can reduce its fee and vary the amount of the reductions between clients. The amount of fees received by D.A. Davidson will affect the yield on your Traditional BIDP Accounts. Particularly at the lower Interest Rate Tiers (defined below), while there are different rates paid based on Interest Rate Tiers, the amount of interest D.A. Davidson we keep as our fees (along the portion payable to the third party service provider) significantly exceeds the interest paid to client accounts.

Generally, the yield on Traditional BIDP accounts, equal in the aggregate to the gross interest paid by the Program Banks minus the third party service provider fee and minus the D.A. Davidson fee, will be established based on the Interest Rate Tier. You can link your account to other accounts held by yourself or members of your household as described below. The aggregate balance of all “linked” accounts is referred to as your “Household Balance.” Your Household Balance determines the level of interest paid based on the Interest Rate Tier. In general, clients with greater Household Balances will receive a higher interest rate than clients with lower Household Balances. D.A. Davidson will determine your Household Balance each month. The previous month’s Household Balance will determine your eligibility for a particular Interest Rate Tier.

D.A. Davidson is not responsible for identifying accounts that are eligible to be linked for purposes of determining your Household Balance. It is your obligation to notify D.A. Davidson of accounts that should be linked. You can contact D.A. Davidson for more information or to give D.A. Davidson instructions with respect to linking eligible accounts. Be sure to ask your D.A. Davidson financial professional to do this. Normally a “household” will consist of the accounts owned by you, including joint accounts, as well as those of your spouse or domestic partner living with you, children and parents. D.A. Davidson in its sole discretion reserves the right to grant exceptions to its general householding policy. Please note that treating accounts as part of a single household relationship does not result in the commingling of any assets held in your accounts.

The Program Banks are not obligated to pay different interest rates on different tiers, and the Interest Rate Tiers can be changed by D.A. Davidson at any time without notice.

**BIDP IRA Advisory Accounts.** D.A. Davidson receives a level monthly fee for each IRA Advisory account in the BIDP (“IRA Advisory Sweep Fee”). The monthly IRA Advisory Sweep Fee is determined based upon a charge of $1.00 per account plus $0.08 times the Federal Funds target interest rate (“FFT Rate”) expressed in basis points, subject to a maximum of $15.00 per account. D.A. Davidson’s fees will be paid from the total amounts paid by the Program Banks. The FFT Rate is determined by the Federal Open Market Committee of the Federal Reserve System, and is the Committee’s target for the rate charged by banks on unsecured loans from the banks’ reserve balances at the Federal Reserve Banks. The current FFT Rate can be found at [www.federalreserve.gov/monetarypolicy/openmarket.htm](http://www.federalreserve.gov/monetarypolicy/openmarket.htm). In any given month the FFT Rate might be a range of rates. In such case, the FFT Rate will be the mid-point of the range, rounded to the nearest basis point. For purposes of calculating the IRA Advisory Sweep Fee, the FFT Rate is converted to basis points. A basis point is equal to 0.01%, such that a 1.0% FFT Rate equals 100 basis points.

The IRA Advisory Sweep Fee will be calculated each month based on the number of IRA Advisory accounts in the BIDP IRA Advisory and the prevailing FFT Rate. The aggregate of the calculated IRA Advisory Sweep Fees owed by all the accounts that have elected BIDP IRA Advisory as a sweep investment will be applied against the interest paid by the Program Banks. In its discretion, D.A. Davidson can waive all or a portion of its fee.

In any month in which the aggregate interest paid by the Program Banks, minus the IRA Advisory Sweep Fees and minus the interest paid on the BIDP IRA Advisory Accounts is inadequate to pay the fee to the third party service provider (“Target Service Provider Fee”), the interest rate on the Deposit Accounts will be lowered the following month to permit the third party service provider to collect the full amount of the Target Service Provider Fee. Similarly, in any month in which the third party service provider is paid in excess of the Target Service Provider Fee, the interest rate on the BIDP IRA Advisory Accounts will be increased the following month. If there are any excesses or shortages with respect to the third party service provider fee that accumulate over time despite the adjustments described above, the interest rate on the BIDP IRA Advisory Accounts will continue to be adjusted in subsequent months to account for such accumulated excesses or shortfalls.

**Information About Your BIDP Accounts**

You will not receive trade confirmations. All transactions in your BIDP Accounts will be confirmed on your periodic brokerage account statement. All activity with respect to your BIDP Accounts will appear on your brokerage account statement. For each statement period, your brokerage account statement will reflect:

- All deposits to and withdrawals from your BIDP Accounts
- The opening and closing balances of the BIDP Accounts at each Bank
- The interest rate and interest earned on BIDP Account balances

D.A. Davidson is responsible for the accuracy of your statement, not the Banks. Your financial professional can assist you in understanding your brokerage account statement and can answer any questions you have about your statement.

You can obtain information about your BIDP Accounts, including balances and the current interest rates, by calling your financial professional or, if applicable, by accessing your brokerage account through our website.
Notices

All notices described in this Disclosure Statement can be made by means of posting a notice on D.A. Davidson’s website, a letter, an entry on your account statement, an entry on a trade confirmation or by other means.

INFORMATION ABOUT YOUR RELATIONSHIP WITH D.A. DAVIDSON AND THE BANKS

Your Relationship with D.A. Davidson

D.A. Davidson is acting as your agent in establishing the BIDP Accounts at each Bank, depositing funds into the BIDP Accounts, withdrawing funds from the BIDP Accounts and transferring funds among the BIDP Accounts. BIDP Account ownership will be evidenced by a book entry on the account records of each Bank and by records maintained by D.A. Davidson as your custodian. No evidence of ownership, such as a passbook or certificate will be issued to you. Your brokerage account statements will reflect the balances in your BIDP Accounts at the Banks. You should retain the brokerage account statements for your records. You can, at any time, obtain information about your BIDP Accounts by contacting your financial professional.

Unless you establish the BIDP Accounts directly with a Bank as described below, all transactions with respect to your BIDP Accounts must be directed by D.A. Davidson and all information concerning your BIDP Accounts can only be obtained from D.A. Davidson. The Banks have no obligation to accept instructions from you with respect to your BIDP Accounts or provide you with information concerning your BIDP Accounts.

D.A. Davidson can, in its sole discretion, terminate your use of the BIDP Accounts as a sweep investment option. If D.A. Davidson terminates your use of the BIDP Accounts as a sweep investment option, you can establish a direct depository relationship with each Bank, subject to its rules with respect to maintaining deposit accounts.

Similarly, if you decide to terminate your participation in the BIDP, you can establish a direct relationship with each Bank by requesting to have your BIDP Accounts established in your name at each Bank, subject to each Bank’s rules with respect to establishing and maintaining deposit accounts.

Establishing your BIDP Accounts in your name at a Bank will separate the BIDP Accounts from your brokerage account. Your BIDP Account balances will no longer be reflected in your brokerage account statement and D.A. Davidson will have no further responsibility concerning your BIDP Accounts.

Your Relationship with the Banks

As described above, you will not have a direct account relationship with the Banks. However, (i) each BIDP Account constitutes an obligation of a Bank and is not directly or indirectly an obligation of D.A. Davidson; (ii) your Client Account statement will show which Bank(s) hold your cash deposits and the amount held at each Bank and (iii) in the unlikely event of a D.A. Davidson failure, the Banks(s) may become a direct obligor to you because your BIDP Account is insured up to applicable FDIC limits at each Bank. You can obtain publicly available financial information concerning each Bank at www.ffiec.gov/nicpubweb/nicweb/nichome.aspx or by contacting the FDIC Public Information Center by mail at L. William Seidman Center, Virginia Square, 3501 North Fairfax Drive, Arlington, Virginia 22226 or by phone at 703-562-2200.

In accordance with the Program requirements, all participating Banks must meet certain high financial standards in order to accept your deposits. D.A. Davidson does not guarantee in any way the financial condition of the Banks or the accuracy of any publicly available financial information concerning such Banks.

ERISA ADVISORY ACCOUNTS – THE MONEY MARKET FUND

ERISA and 403(b) accounts managed by D.A. Davidson on an advisory basis are not eligible to participate in the BIDP. Uninvested cash balances in these accounts will be automatically invested in the Money Market Fund, the Dreyfus Government Cash Management – Institutional Shares (DGCXX).

The shares of the Money Market Fund will be automatically purchased and redeemed through your account whenever you order liquidation of the shares or you have an obligation in your account that requires liquidation of shares of the Money Market Fund. D.A. Davidson's Cash Management Program automatically sweeps cash balances in your account into the Money Market Fund on the business day after funds are received provided the funds are received prior to the cashing deadline. If you have pending transactions or obligations that require satisfaction from your account such amounts are deducted from any amount to be swept to the Money Market Fund. Shares are purchased at the current net asset value of the Money Market Fund. Dividends received with respect to the shares in the Money Market Fund will be automatically reinvested in shares of the Money Market Fund and credited to your account as reflected on your periodic D.A. Davidson account statement.

The terms and conditions and the type of yield offered by the Money Market Fund in the Cash Management Program are described within the prospectus for the fund. The Money Market Fund has varying investment risks and as securities there is no guarantee provided by the Money Market Fund or D.A. Davidson regarding any return of principal or interest. D.A. Davidson reserves the right to change the Money Market Fund available through the Cash Management Program at any time and will provide you with notice prior to any such change as well as the alternatives available to you upon any such change. Although the Money Market Fund attempts to preserve the value at $1 per share, as with any investment, the valuation of shares in the Money Market Fund may fluctuate in value and could be valued at less than $1 at any time.

Although not a part of our Cash Management Program or subject to an automatic sweep feature, D.A. Davidson offers a number of other money market mutual funds that can be purchased for client accounts. This means that if you want to add or withdraw cash from these money market funds you will have to have your financial professional enter a trade to accomplish such action and you can incur a commission or other fee in connection with that transaction. Please contact your D.A. Davidson financial professional for more information. These money market mutual funds may be more appropriate than the Cash Management Program for clients who have a cash allocation as part of their investment strategy or otherwise in tend to maintain a significant cash balance over longer periods of time.

An investment in a money market mutual fund is not insured or guaranteed by the FDIC or any other government agency, but is protected by SIPC coverage. See “Information About FDIC Insurance and SIPC” below. Although money market mutual funds typically seek to preserve the value of an investment at $1.00 per share, there can be no assurance that will occur, and it is possible to lose money should the fund value per share fall. Most money market mutual funds are required to maintain a stable $1.00 net asset value per share, but some are not.

INFORMATION ABOUT FDIC INSURANCE AND SIPC

Deposit Insurance, Generally

Most money market mutual funds are required to maintain a stable $1.00 net asset value per share, but some are not.
The BIDP Accounts, other than deposits made into an account at an Excess Bank (including principal and accrued interest) are insured by the FDIC, an independent agency of the U.S. Government, up to $250,000 for all deposits held in the same insurable capacity at any one Bank. Generally, any accounts or deposits that you maintain directly with a particular Bank, or through any other intermediary, in the same insurable capacity in which the BIDP Accounts are maintained would be aggregated with the BIDP Accounts for purposes of the $250,000 federal deposit insurance limit. In the event a Bank fails, the BIDP Accounts, other than deposits held in an account at an Excess Bank are insured, up to $250,000, for principal and interest accrued to the date the Bank is closed.

Under certain circumstances, if you become the owner of deposits at a Bank because another depositor dies, beginning six months after the death of the depositor the FDIC will aggregate those deposits for purposes of the $250,000 federal deposit insurance limit with any other deposits that you own in the same insurable capacity at the Bank. Examples of accounts that can be subject to this FDIC policy include joint accounts, “payable on death” accounts and certain trust accounts. The FDIC provides a six-month “grace period” to permit you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

You are responsible for monitoring the total amount of deposits that you hold with any one Bank, directly or through an intermediary, in order for you to determine the extent of deposit insurance coverage available to you on your deposits, including the BIDP Accounts. D.A. Davidson is not responsible for any insured or uninsured portion of the BIDP Accounts or any other deposits.

In the event that federal deposit insurance payments become necessary, payments of principal plus unpaid and accrued interest will be made to you. There is no specific time period during which the FDIC must make insurance payments available, and D.A. Davidson is under no obligation to credit your account with funds in advance of payments received from the FDIC. Furthermore, you can be required to provide certain documentation to the FDIC and D.A. Davidson before insurance payments are made. For example, if you hold deposits as trustee for the benefit of trust participants, you might be required to furnish affidavits and provide indemnities regarding an insurance payment.

If your BIDP Accounts or other deposits at the Bank are assumed by another depositary institution pursuant to a merger or consolidation, such deposits will continue to be separately insured from the deposits that you might have established with the acquirer until (i) the maturity date of any time deposits that were assumed, or (ii) with respect to deposits that are not time deposits, the expiration of a six month period from the date of the acquisition. Thereafter, any assumed deposits will be aggregated with your existing deposits with the acquirer held in the same capacity for purposes of federal deposit insurance. Any deposit opened at the Bank after the acquisition will be aggregated with deposits established with the acquirer for purposes of federal deposit insurance.

The application of the $250,000 federal deposit insurance limit is illustrated by several common factual situations discussed below. Please review the section headed “Deposit Insurance: Retirement Plans and Accounts” for the application of the $250,000 federal deposit insurance limit to retirement plans and accounts.

**Individual Customer Accounts.** Deposits of any one Bank held by an individual in an account in the name of an agent or nominee of such individual (such as the BIDP Accounts held through D.A. Davidson) or held by a custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act) are not treated as owned by the agent, nominee or custodian, but are added to other deposits of such individual held in the same insurable capacity (including funds held in a sole proprietorship) and are insured up to $250,000 in the aggregate. Deposits held through a qualified tuition savings program (529 Plan) will be insured as deposits of the participant and aggregated with other deposits of the participant if the arrangement and the name of the participant are identified on D.A. Davidson’s account records.

**Joint Accounts.** An individual’s interest in deposits of any one Bank held under any form of joint ownership valid under applicable state law can be insured up to $250,000 in the aggregate, separately and in addition to the $250,000 allowed on other deposits individually owned by any of the co-owners of such accounts (hereinafter referred to as a “Joint Account”). For example, a Joint Account owned by two persons would be eligible for insurance coverage of up to $500,000 ($250,000 for each person), subject to aggregation with each owner’s interests in other Joint Accounts at the same Bank. Joint Accounts will be insured separately from individually owned accounts only if each of the co-owners is an individual person and has a right of withdrawal on the same basis as the other co-owners.

**Revocable Trust Accounts.** Deposits at any one Bank held in a “revocable trust” are generally insured up to $250,000 per beneficiary if the beneficiary is a natural person, charity or other non-profit organization. There are two types of revocable trusts recognized by the FDIC. Informal revocable trusts include accounts in which the owner evidences intent that at his or her death the funds shall belong to one or more specified beneficiaries. These trusts might be referred to as a “Totten trust” account, “payable upon death” account or “transfer on death” account. Each beneficiary must be included in the D.A. Davidson’s account records.

Formal revocable trusts are written trust arrangements in which the owner retains ownership and control of the assets and designation of beneficiaries during his or her lifetime. The trusts might be referred to as “living” or “family” trusts. The beneficiaries of a formal revocable trust do not need to be included in the D.A. Davidson’s account records.

Under FDIC rules, FDIC coverage will be up to $250,000 per beneficiary, multiplied by the number of beneficiaries, regardless of the proportional interest of each beneficiary in the revocable trust. However, if the trust has more than $1,250,000 in deposits at any one Bank and more than five beneficiaries, the funds will be insured for the greater of $1,250,000 or the aggregate amount of all beneficiaries’ proportional interest, limited to $250,000 per beneficiary.

Deposits in all revocable trusts of the same owner – informal and formal – at the same Bank will be aggregated for insurance purposes. A revocable trust established by two owners where the owners are the sole beneficiaries will be treated as a Joint Account under applicable rules and will be aggregated with other Joint Accounts.

**Irrevocable Trust Accounts.** Deposits of any one Bank held pursuant to one or more irrevocable trust agreements created by the same grantor (as determined under applicable state law) will be insured for up to $250,000 for the interest of each beneficiary provided that the beneficiary’s interest in the account is non-contingent (i.e., capable of determination without evaluation of contingencies). According to the FDIC, Coverdell Education Savings Accounts will be treated as irrevocable trust accounts for deposit insurance purposes. The deposit insurance of each beneficiary’s interest is separate from the coverage provided for other accounts maintained by the beneficiary, the grantor, the trustee or other beneficiaries. The interest of a beneficiary in irrevocable trust accounts at a Bank created by the same grantor will be aggregated and insured up to $250,000.

**Medical Savings Accounts.** Deposits of any one Bank held in a Medical Savings Account, sometimes referred to as an Archer Medical Savings Account, will be eligible for deposit insurance as an individual account, a revocable trust account or an employee benefit plan. You may wish to consult with your attorney or the FDIC to determine the available deposit insurance coverage.

**Deposit Insurance: Retirement Plans and Accounts**
Retirement Plans and Accounts – Generally. The amount of deposit insurance for which deposits of any one Bank held through one or more retirement plans or accounts will be eligible, including whether CDs held by each plan or account will be considered separately from or aggregated with deposits held by other plans or accounts, will vary depending on the type of plan or account. It is therefore important to understand the type of plan or account holding the deposits. The following sections generally discuss the rules that apply to deposits held by retirement plans and accounts.

**Individual Retirement Accounts ("IRAs").** Deposits of any one Bank held in an IRA will be insured up to $250,000 in the aggregate. However, as described below, the deposits of any one Bank held by an IRA will be aggregated with the deposits of the same Bank held by certain employee benefit plans in which the owner of the IRA has an interest. Thus, the owner of an IRA will only be eligible for insurance of $250,000 for deposits at any one Bank held in plans and accounts that are subject to aggregation.

**Pass-Through Deposit Insurance for Employee Benefit Plan Deposits.** Subject to the limitations discussed below, under FDIC regulations a participant’s non-contingent interests in the deposits of any one Bank held by many types of employee benefit plans are eligible for insurance up to $250,000 on a “pass-through” basis. This means that instead of the deposits of one Bank held by an employee benefit plan being eligible for only $250,000 of insurance in total, each employee benefit plan participant is eligible for insurance of his or her non-contingent interest in the employee benefit plan up to $250,000, subject to the aggregation of the participant’s interests in different plans, as discussed below under “Aggregation of Retirement Plan and Account Deposits.” The pass-through insurance provided to an employee benefit plan participant is separate from the $250,000 federal deposit insurance limit allowed on deposits held by the individual in different insurable capacities at the same Bank (e.g., individual accounts, joint accounts, etc.).

The types of plans for which deposits may receive pass-through treatment are employee benefit plans, as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 (“ERISA”) (including Keogh plans, whether or not they are technically “employee benefit plans” under ERISA) and eligible deferred compensation plans described in Section 457 of the Internal Revenue Code of 1986, as amended (the “Code”). For purposes of Section 3(3) of ERISA, employee benefit plans are broadly defined to include most employee benefit plans, including most defined benefit plans and most defined contribution plans.

**Defined Benefit Plans.** The value of an employee’s non-contingent interest in a defined benefit plan will be equal to the present value of the employee’s interest in the plan, evaluated in accordance with the calculation ordinarily used under such plan. Deposits of any one Bank held by a defined benefit plan that is eligible for pass-through treatment are not insured for an amount equal to the number of plan participants multiplied by $250,000. For example, a plan has on deposit $500,000 of deposits of any one Bank. The employee benefit plan has two participants, one with a non-contingent interest of $425,000 and one with a non-contingent interest of $75,000. In this case, the employee benefit plan's deposits would be insured only up to $325,000; the plan would be eligible for up to $250,000 for the participant with the $425,000 non-contingent interest and up to $75,000 for the participant with the $75,000 non-contingent interest.

Overfunded amounts, which are any portion of a plan’s deposits not attributable to the interests of beneficiaries under the plan, are insured, in the aggregate, up to $250,000 separately from the insurance provided for any other funds owned by or attributable to the employer or a plan participant.

**Defined Contribution Plans.** The value of an employee’s non-contingent interest in deposits of any one Bank held through a defined contribution plan will be equal to the amount of funds on deposit attributable to the employee’s account with the plan, regardless of whether the funds on deposit resulted from contributions made by the employee, the employer, or both.

Portions of deposits of any one Bank held by an employee benefit plan that are attributable to the contingent interests of employees in the plan are not insured on a pass-through basis. Contingent interests of employees in an employee benefit plan are interests that are not capable of evaluation in accordance with FDIC rules, and are insured up to $250,000 per plan.

**Aggregation of Retirement Plan and Account Deposits.** Under FDIC regulations, an individual’s interests in plans maintained by the same employer or employee organization (e.g., a union) that are holding deposits of the same Bank will be insured for $250,000 in the aggregate. In addition, under FDIC regulations, an individual’s interest in the deposits of one Bank held by (i) IRAs, (ii) deferred compensation plans for certain employees of state or local governments or tax-exempt organizations (i.e., Section 457 Plans), (iii) self-directed “Keogh Plans” of owner-employees described in Section 401(d) of the Code, and (iv) self-directed defined contribution plans, will be insured for up to $250,000 in the aggregate whether or not maintained by the same employer or employee organization.

**Questions About FDIC Deposit Insurance Coverage**

If you have questions about basic FDIC insurance coverage, please contact your financial professional. You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one insurable capacity. You can also obtain information by contacting the FDIC, Deposit Insurance Outreach, Division of Depositor and Consumer Protection, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342 or 800-925-4618 (TDD)), by visiting the FDIC website at www.fdic.gov/deposit/index.html or by e-mail using the FDIC’s On-line Customer Assistance Form available on its website.

**SIPC Coverage**

SIPC is a non-profit membership corporation created by the Securities Investor Protection Act of 1970, funded primarily by its member securities brokerage firms registered with the U.S. Securities and Exchange Commission. SIPC provides protection against custodial risk to clients of securities brokerage firms, like D.A. Davidson, in the event such firms become insolvent. SIPC does not insure against the loss of your investment. Nor does SIPC insurance insure the quality of investments or protect against a decline or fluctuations in the value of your investment. SIPC protects each client’s securities and cash held in a client’s brokerage account at an insolvent brokerage firm. SIPC protects against the loss of customer securities and cash up to a total of $500,000 (of which up to $250,000 can be cash) per customer in each separate capacity under SIPC rules. Additional amounts can be covered by additional SIPC-like coverage obtained by D.A. Davidson.

Money market fund shares are considered to be securities for purposes of SIPC coverage. Balances maintained in the BIDP Accounts at each Bank are not protected by SIPC or excess coverage, if any, purchased by D.A. Davidson.

If you have questions about SIPC coverage and additional SIPC-like coverage, please contact your D.A. Davidson financial professional. You can also obtain information about SIPC coverage, including a brochure that describes SIPC and SIPC insurance, by accessing the SIPC website at www.sipc.org.

**TAX INFORMATION**

For most clients, interest earned from the BIDP Accounts will be taxed as ordinary income in the year it is received. A Form 1099 will be sent to you each year showing the amount of interest income you have earned in your BIDP Accounts. You should consult with your tax adviser about how the BIDP affects you.