

2023 NFS Annual Custody and Recordkeeping (Inactivity) Fee

Fee Assessment Date - December 29, 2023

NFS charges an annual \$65 inactivity fee for brokerage accounts that meet the following criteria:

- Account is open
- Account holding a position or balance on December 29, 2023
- Account establishment date prior to January 1, 2023 (last 12 months)
- DVP/RVP accounts that have a balance on December 29, 2023
- No trading activity or margin interest during the period of January 1, 2023 to December 29, 2023

Note: Periodic investments and systematic withdrawals (PIPs, SWPs), no-transaction-fee funds (NTFs), mutual fund exchanges, and systematic equity dividend reinvestments are defined as trading activity. All trading activity (defined with a "BUY" or "SEL" mnemonic) must **SETTLE** on or prior to December 29, 2023 to exempt the account from the fee.

For the purposes of the Annual Custody Fee, the following transactions are NOT defined as trading activity:

- Mutual fund dividend reinvestments
- EFT transactions resulting from PIPs into or SWPS out of core money markets
- Unit investment trusts (UIT) tender rollovers

NFS does not charge a fee for the following accounts:

- Prototype and non-prototype retirement plans
- Grandfathered Brokerage Access with Debit Cards and Premier Access® Asset Management Accounts - product level 51(with card) and 52
- Fee-based (wrap) Accounts (product levels 53, 55, 57, 65, 66, 67, 68, 69, 70, 71, 72, 73, 94)
- 529 Accounts
- HSA Retirement Accounts
- Accounts with a combined balance of \$10,000 or more in Fidelity Money Market mutual funds, FCASH and BDSP Network Bank Sweep held in core and/or a drain position (Note: Any other BDSP program is not included in waiver)
- Accounts with an alternative investment position
- Account with margin activity
- Closed Accounts - "&" sign preceding the short name
- Abandoned Accounts - H1 restriction
- Deceased Accounts - U1 restriction

Your choices to avoid this fee are:

- Execute one trade in the client account for settlement by December 29, 2023

- Have the client transfer cash of \$10,000 or more in Fidelity Money Market mutual funds, FCASH and BDSP Network Bank Sweep held in core and/or a drain position
- Send the assets to the client and close the account before billing date (transfer and ship fees may apply)
- Have the client transfer their account out of KSI before billing date