

2018 Annual Notice to Clients

(1) Non-Bank Affiliate of BB&T

BB&T Scott & Stringfellow is a division of BB&T Securities, LLC, which is a registered broker/dealer and a wholly owned non-bank subsidiary of BB&T Corporation.

(2) Disclosure of Financial Condition

BB&T Securities, LLC makes available periodic reports of its Statement of Financial Condition. The Statement is available via our internet site at www.bbtscottstringfellow.com in the About Us section or you may request a copy from your Financial Advisor.

(3) Net Capital Requirement

On December 31, 2017 BB&T Securities, LLC had regulatory net capital of \$147,364,603 which was 99.00% of the aggregate debit balances. Its net capital was \$144,387,675 in excess of the minimum requirement of \$2,976,928.

(4) Important Information about Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you – when you open an account, we will ask you for your name, address, date of birth and other information that will allow us to identify you. We may ask to see your driver's license or other identifying documents.

(5) Margin Disclosure Statement

Securities purchased on margin are BB&T Securities, LLC collateral for the loan to you. If you are a current margin account holder, it is important that you understand the risks involved in trading securities on margin. Such risks include, but are not limited to:

- The market value of the securities you pledge as collateral may decline
- The possibility of losing proxy voting rights for securities held in margin accounts
- Receiving payments-in-lieu of dividends on securities that are loaned out.

If the equity of the market value falls below the required minimum, it falls into a margin call status. BB&T Securities will require additional collateral or you will be required to liquidate some or all of the assets in the account to restore the correct ratio of equity to debit balance. BB&T Securities can liquidate your securities in any account without prior notice in order to meet a maintenance (margin) call. The firm can also increase its "house" maintenance margin requirements at any time without prior notice.

You are not entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call and are not entitled to an extension of time. In addition, if you have a margin debit balance, BB&T Securities has the right to lend shares of the securities held in margin accounts whereby you, as the margin customer, may lose the ability to vote the securities held in such margin accounts. Margin customers are at risk of receiving payments-in-lieu of dividends on shares that are lent past the ex-dividend date (the last date the seller/loaner of the stock would be entitled to the recently announced dividend payment). BB&T Securities is required to report to the IRS such payments as ordinary income, which may cause customers with taxable accounts to lose the benefit of preferential tax rates on dividends. Please consult with your professional tax advisor for specifics.

(6) Electronic Fund Transfers–Error Dispute Notification

In case of errors or questions about your checkwriting and debit card electronic transactions, please call or write BB&T at the following phone number or address:

Tell us as soon as you can, if you think your statement or receipt is wrong, or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and deposit account number (if any)
- Describe the error or the transfer about which you are unsure, and explain as clearly as you can why you believe it is an error or why you need more information
- Tell us the dollar amount of the suspected error

If you tell us orally, we may require that you also send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days after we hear from you, and we will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question for ATM transactions made within the United States and up to ninety (90) days for new accounts, foreign initiated transactions and Point-of-Sale transactions. If we decide to do this, we will re-credit your account within ten (10) business days for the amount you think is in error, minus a maximum of \$50.00, so that you will have the use of the money during the time it takes us to complete our investigation. For new accounts, we may take up to twenty (20) business days to re-credit your account for the amount you think is in error, minus a maximum of \$50.00. If we ask you to put your complaint in writing, and we do not receive it within ten (10) business days, we may not re-credit your account and you will not have use of the money during the time it takes us to complete our investigation. If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

Clients who use UMB for cash management services should call/write UMB at: UMB Bank, PO Box 419734, Kansas City, MO 64141, 1-800-449-9176. <http://bbtscottstringfellow.com/aboutus/annualnoticestoclients>

(7) FINRA BrokerCheck Brochure

An investor brochure is available from FINRA that describes its BrokerCheck Program (formerly the Public Disclosure Program). The brochure may be obtained by calling FINRA at 800-289-9999. You may also visit the FINRA website at <http://www.finra.org>.

(8) Customer Account Information

In order to properly service your account, it is important that we have current information on file regarding your investment objectives and financial situation. Please notify your Financial Advisor promptly of any material changes in your account information so that we can update our records.

(9) Advisory Accounts

BB&T Securities, LLC, a registered investment advisor under the Investment Advisers Act of 1940, urges all advisory clients to compare any account-related statements received directly from the firm with account statements received from your qualified custodian. A qualified custodian is a bank or savings association, broker-dealer, or futures commission merchant holding assets in customer accounts, or a foreign financial institution that customarily holds client assets in segregated accounts. Please refer to Investment Advisers Act Rule 206(4)-2 for a complete definition. If you currently have a Standing Letter of Authorization (SLOA) form on file, you are giving BB&T Securities authorization to send funds at a specified interval. BB&T Securities, as custodian, is following your directions in the SLOA. You, and not your investment advisor, retain sole control over the instructions contained in the SLOA. You may change or cancel the instructions in the SLOA at any time by providing us with written directions.

(10) Important Information Relating to the Firm's Privacy Notice:

Financial Advisors may change brokerage and/or investment advisory firms, and the nonpublic personal information collected by us and your advisor may be provided to the new firm, so your advisor can continue to service your account(s). If you do not want your financial advisor to

provide this information to the new firm, please call 877-679-5463 to opt out of this sharing. Opt-in states, such as California and Vermont and others, require your affirmative consent before the advisor can provide your nonpublic information to the new firm. You can provide or withdraw this consent at any time by contacting 877-679-5463.

(11) Account Inquiries

All inquiries regarding your account or its activity should be directed to your Financial Advisor. Please report any inaccuracy or discrepancy in your account in writing to the Complex Manager of the office servicing your account and to BB&T Securities, LLC, 8006 Discovery Drive, Suite 200, Richmond, Virginia 23229. If you have any concerns about your account, or if you have a complaint, contact BB&T Securities, LLC's Compliance Department, 901 East Byrd Street, Suite 210, Richmond, Virginia, 23219, 1-877-679-5463. BB&T Securities, LLC is registered with the U.S. Securities and Exchange Commission ("SEC") and Municipal Securities Rulemaking Board ("MSRB"). More information on the MSRB can be found at www.msrb.org. An investment brochure is available on the MSRB's website and it describes the protections that may be provided by the MSRB's rules and how to file a complaint with an appropriate regulatory authority.

(12) Relationship with Third Parties

Like many securities firms, BB&T Securities, LLC, receives payments from third parties whose products we distribute, including mutual fund companies, money market funds, and insurance companies. Payments from mutual fund, money market fund, and insurance companies may include sales loads, rule 12b-1 fees, reimbursements for education, and expenses related to marketing support and training.

In addition, BB&T Securities has entered into a "revenue sharing" arrangement with the adviser and distributor of the money market funds used for cash management services. BB&T Securities believes that all payments are in accordance with industry rules and regulations as currently in effect. The maximum aggregate payment that BB&T Securities receives from money market funds (including an adviser or distributor thereof) ranges from 0.0% to 0.86% annually, depending on fund type and share class.

Please contact your Financial Advisor if you have any questions regarding such relationships, payments, or the extent to which your Financial Advisor benefits from such payments. You should also refer to the prospectuses and Statements of Additional Information of the mutual funds, money market funds, and insurance products in which you invest for further information regarding these payments.

Mutual Fund Omnibus and Networking Fees - BB&T Securities receives payments from mutual funds or their affiliated service providers for providing certain recordkeeping and related services to the funds. BB&T Securities processes some mutual fund business with fund families on an omnibus basis, which means clients' trades are consolidated into one daily trade with the fund. We receive omnibus fee payments as compensation for the services we provide when trading mutual funds on an omnibus basis. We trade other fund families on a networked basis, which means we submit a separate trade for each individual client and may receive networking fee payments for each client mutual fund position we hold with the fund.

BB&T Securities also receives fees for services provided in connection with the Insured Deposit Program (The Program). As with the purchase of money market mutual funds, BB&T Securities may receive compensation based on their clients' deposits in The Program. For Program Deposits into affiliated depository institutions, the balances provide a relatively low cost source of financing for the lending and other investments of the depository institution which allows the depository institution to earn a spread between the cost of funds and the assets of the depository institution.

(13) Account Protection

All accounts carried by BB&T Securities, LLC are protected by the Securities Investor Protection Corporation (SIPC) up to \$500,000 per eligible account, subject to a \$250,000 limit on cash balances pending investment. BB&T Securities carries insurance coverage issued by Lloyd's of London in excess of the standard SIPC coverage with a maximum

limit per customer of \$50,000,000 and a \$200,000,000 total aggregate over all customers and every situation during the policy period. Further information about SIPC, including the SIPC brochure, may be obtained by calling SIPC at (202) 371-8300 or by visiting the SIPC website at www.sipc.org.

The Insured Deposit Program (The Program) balances are insured by the Federal Deposit Insurance Corporation (FDIC), an independent agency of the federal government backed by the full faith and credit of the U.S. government, up to \$250,000 per depositor per Program Bank for each category of legal ownership. To provide additional coverage, The Program uses a network of Program Banks in a manner designed to provide you with a maximum deposit insurance limit of \$2,500,000 per depositor for each category of legal ownership. As of the publication of this notice, the participating Program Banks are:

Branch Banking and Trust Company, Winston-Salem, NC
Associated Bank, Green Bay, WI
BankUnited NA, Miami Lakes, FL
Central Bank of Oklahoma, Tulsa, OK
Central Bank of the Ozarks, Springfield, MO
Deutsche Bank Trust Company Americas, New York, NY
East West Bank, Pasadena, CA
Huntington Bank, Columbus, OH
Independent Bank, McKinney, TX
Israel Discount Bank, New York, NY
Sterling National Bank, Montebello, NY
TriState Capital Bank, Pittsburgh, PA
Umpqua Bank, Roseburg, OR
United Community Bank, Blairsville, GA

If you have or make deposits on your own with a Program Bank, BB&T Securities would not be aware of these deposits. You are responsible for monitoring the total amount of all deposits you have at each Program Bank for purposes of calculating your FDIC insurance coverage. If your total funds on deposit at any individual Program Bank exceed the maximum deposit insurance limit, the FDIC will not insure your funds in excess of the limit.

For additional information and any other questions about FDIC Deposit Insurance Coverage, you may wish to seek advice from your own legal advisor. You may also obtain information by contacting the FDIC, Division of Supervision and Consumer Protection, by letter (550 17th Street, N.W., Washington, D.C. 20429), by phone (877-275-3342, 800-925-4618 (TDD)), by e-mail (dcainternet@fdic.gov), or by accessing the FDIC Web site at www.fdic.gov.

(14) Business Continuity Plan

BB&T Securities, LLC maintains a Business Continuity Plan (BCP), which documents the procedures the Firm and its employees will follow when responding to a wide variety of business disruption possibilities. The BCP specifies that the Business Recovery Management Team (BRMT) assess the severity of any disruption and activate recovery procedures accordingly.

BB&T Securities maintains a back-up data and communications facility that is geographically separated from our primary facility. Should there be a disruption to our primary facility or business district, BB&T Securities can relocate critical systems and infrastructure to the backup facility to maintain communication with clients and provide prompt access to cash and securities. Furthermore, we have coordinated advanced preparations in case one branch is unavailable, another branch and their respective Financial Advisors and Complex Manager can assume their responsibilities until the affected branch is able to resume normal operations.

If a business disruption occurs, BB&T Securities intends to continue its business and minimize the recovery time necessary to resume normal operations. In the unlikely event that the BRMT determines that BB&T Securities is unable to continue business following a significant disaster, the BRMT would implement procedures to ensure clients have prompt access to funds and securities.

Modifications to the BCP will be made as warranted based on changing circumstances and needs. Any resulting revisions to this disclosure will be

included on our website at www.bbtscottstringfellow.com, within the About Us section. Alternatively, clients may request a copy of the most recent business continuity disclosure by mail.

In the event that BB&T Securities must implement its BCP, clients should first contact their Financial Advisor, secondly seek information at our website, www.bbtscottstringfellow.com, and thirdly locate a Client Crisis hotline that will be posted on our website during an emergency.

(15) Compensation on Order Flow

Consistent with securities industry practice, BB&T Securities, LLC may receive payment for order flow in the form of monetary compensation per share or reciprocal business from other dealers or market centers. Absent specific instructions from you, orders are routed to such dealers or market centers that execute orders at prices consistent with their obligation to provide the best execution of all client orders. The source and nature of any compensation received in connection with your orders will be provided upon written request.

In accordance with SEC Rules 605 and 606, BB&T Securities makes publicly available monthly reports on the Firm's execution quality and quarterly reports on the Firm's order routing practices, respectively. These reports are available on www.bbtscottstringfellow.com. A written copy will be furnished upon request.

(16) Extended Trading Hours

BB&T Securities does not offer extended trading hours. The following risks, however, are assumed when trading during extended trading hours:

Risk of Lower Liquidity. Liquidity refers to the ability of market participants to buy and sell securities. Generally, the more orders that are available in a market, the greater liquidity. Liquidity is important because with greater liquidity it is easier for investors to buy or sell securities, and as a result, investors are more likely to pay or receive a competitive price for securities purchased or sold. There may be lower liquidity in extended hours trading as compared to regular market hours. As a result, your order may receive an inferior price.

Risk of Higher Volatility. Volatility refers to the changes in price that securities undergo when trading. Generally, the higher the volatility of a security, the greater its price swings. There may be greater volatility in extended hours trading than in regular market hours. As a result, your order may only be partially executed, or not at all, or you may receive an inferior price in extended hours trading than you would during regular market hours.

Risk of Changing Prices. The prices of securities traded in extended hours trading may not reflect the prices either at the end of regular market hours, or upon the opening the next morning. As a result, you may receive an inferior price in extended hours trading than you would during regular market hours.

Risk of Unlinked Markets. Depending on the extended hours trading system or the time of day, the prices displayed on a particular extended hours trading system may not reflect the prices in other concurrently operating extended hours trading systems dealing with the same securities. Accordingly, you may receive an inferior price in an extended hours trading system than you would in another extended hours trading system.

Risk of New Announcements. Normally, issuers make news announcements that may affect the price of their securities after regular market hours. Similarly, important financial information is frequently announced outside of regular market hours. In extended hours trading, these announcements may occur during trading, and if combined with lower liquidity and higher volatility, may cause an exaggerated and unsustainable effect on the price of the security.

Risk of Wider Spreads. The spread refers to the difference in price between what you can buy a security for and what you can sell it for. Lower liquidity and higher volatility in extended hours trading may result in wider than normal spreads for a particular security.

(17) Stop Orders in Fast Moving Markets

A stop order is an order to buy or sell a stock once the price of the stock reaches a specified price, known as the stop price. When the specified price is reached, the order becomes a market order. Buy stop orders are used when buying stock to limit a loss or protect a profit on short sales. The order is entered at a price that is always above the current market price. Sell stop orders are used to help avoid further losses or protect a profit that exists if a stock price continues to drop. A stop order to sell is always entered below the current market price. There are risks associated with stop orders. The disadvantage is that the stop price could be activated by a very short term fluctuation in a fast moving market that could result in an execution that is far away from the desired stop price.

(18) What is EMMA?

EMMA, the Electronic Municipal Market Access system, is a website (www.emma.msrb.org) that provides free public access to information about individual municipal securities, including official statements, continuing disclosures and real-time trade data. Investors can access and download for free all documents and data on EMMA, and also obtain educational information geared toward retail investors. EMMA is operated by the Municipal Securities Rulemaking Board, the regulatory agency that protects investors and ensures a fair and efficient municipal bond market.

Information Available on EMMA

- Official statements and advance refunding documents (Investors can still obtain a printed copy of an official statement by requesting it from their broker/dealer)
- Continuing disclosures, including annual financial statements and notices of material events
- Real-time and historical trade data
- Interest rates and auction results for municipal auction rate securities
- Interest rates for variable rate demand obligations
- Daily market statistics and educational material about municipal bonds.

How to Find Official Statements and Continuing Disclosures on EMMA

The easiest way to search for an official statement or continuing disclosure document associated with a particular security on EMMA is to use the "Muni Search" tab and enter a CUSIP number – a unique 9-character identifier with numbers and letters, for example, "123456AAB." CUSIP numbers for an investor's security appear on a trade confirmation or brokerage statement. Investors can also search for a particular security by entering the name of the bond issuer into EMMA's "Muni Search" function or by entering other parameters such as issue description, state name, maturity date and date of issuance into EMMA's "Advanced Muni Search" function. However searching by a CUSIP number produces the best results.

Learn More about EMMA

Go to EMMA's home page and click on the video tutorial located in the lower-left corner of the page.

(19) European Financial Transaction Taxes

France introduced a financial transaction tax (FTT) on August 1, 2012. The French FTT includes a tax on the acquisition of shares in listed French companies with a market capitalization of over 1 billion Euros. In addition, Italy also enacted separate financial transaction tax that may affect some investors. The tax situation in Europe continues to develop and clients are invited to discuss what impact (if any) these developments have on their accounts with their broker.

(20) Allocation Procedures for Securities Subject to Call or Redemption

The lottery process for a partial call, pre-refund or defeasement is a random process designed to allocate called securities on a fair and impartial basis. The lottery process is based on a mathematical formula to randomly select accounts for allocation. For calls that are deemed favorable to the security-holder, firm accounts, as well as accounts of associated persons of broker-dealers are excluded until all client positions have been allocated. A favorable call occurs when the call price exceeds the current market price reflected in the back office application. If no price is available in the back office system, the call is presumed favorable. If a call is not deemed favorable to the security-holder, firm and associated persons' accounts are included in the lottery. Additional details concerning the lottery process will be provided upon request. (www.bbtscottstringfellow.com/aboutus/disclosures)

Schedule of Operational and Other Service Fees

Please read the below fee schedule carefully. Any charges incurred are the responsibility of the account owner(s). BB&T Scott & Stringfellow may change this fee schedule at any time. In addition to these fees, please note that certain other operational or other fees or charges may apply. If you have any questions regarding the applicability of these fees, please contact your Financial Advisor.

Account Services	
Account Transfers	
Incoming Account Transfer	No charge
Outgoing Account Transfer	\$95
Annual Account Fee (standard brokerage) ¹	\$60
Asset Management Account (AMA through UMB)	\$40 annually
Asset Management Account (AMA through BB&T) ²	\$30 monthly
Collateral Loan Setup	\$50
Form 990-T, Exempt Organization Business Income Tax Return	Filing fees vary by account
IRA	
Annual Custody	\$60
Termination	\$95
Transfer of Securities on Death (TOD)	
Setup	\$45
Modifications	\$25
Distributions (external)	\$100
Cash Management	
Automated Clearing House (ACH) Transfers	
Incoming ACH Transfer	No charge
Outgoing ACH Transfer	No charge
Late Payment for a Trade	Broker call rate + 2.875%
Money Market Early Redemption	
Monday – Thursday: \$20,000 and over	Daily interest
Friday & Holidays: \$5,000 and over	
Prepayment of the proceeds of a trade prior to settlement date	\$18 plus interest (minimum interest of \$2)
Returned Items (Insufficient Funds)	\$35
Stop Payment	\$25
Wire Transfers	
Incoming	No charge
Outgoing Domestic	\$25
Outgoing International	\$40
Securities Processing	
Foreign Security Conversion (Ordinary to ADR)	All agent fees
Foreign Security Transfers	\$250
Physical Certificates Rejects	\$125
Legal Transfers into Streetname	No charge
Non-Transferable Securities Custody	\$11 per security per month
Outgoing Direct Registration System (DRS) Transfers	\$10
Physical Certificate Custody & Safekeeping	\$5 per security per month
Physical Certificate Deposit/Transfer Agent Fee	All agent fees
Restricted Legal Transfers	\$50 plus all agent fees
Deposit & Withdrawal At Custodian (DWAC Gifting/Delivery/Deposit)	All agent fees
Transaction Processing	
Corporate Action Redemptions/Exchanges (when registered in Client Name)	\$90
Corporate Action Withdrawal of Previously Tendered Shares	\$77
Dividend Reinvestment	
Purchases	No charge
Liquidation of Fractional Shares	No charge
Processing & Handling ³	\$5

¹ BB&T Scott & Stringfellow offers clients many options to avoid annual fees. Account fees are waived for clients holding \$250,000 or more in brokerage assets, accounts enrolled in fee-based advisory programs, clients holding \$15,000 or more in open-end mutual funds or annuities, and many more situations. Please contact your Financial Advisor for more details.

² The \$30 monthly fee will be waived for clients with \$50,000 in combined Deposit and/or Investment balances, or \$100,000 in combined balances in Deposits, Investments, and/or Retail Loans/Lines, at BB&T, BB&T Scott & Stringfellow, or BB&T Investment Services.

³ The fee does not apply to transactions in new issues, mutual funds, or insurance products, Delivery-Versus-Payment (DVP) accounts, automatic investment plans, or fee-based accounts (with the exception of trades involving ineligible assets). The transaction fee is charged to all other transactions, including but not limited to equities, bonds, UITs and options.