

PNC Investments

Overview of Products and Services

Effective June 30, 2020

PNC Investments (PNCI) Financial Advisors¹ work closely with you, taking time to understand your current financial situation, establish and prioritize short and long-term goals, determine tolerance for risk, and identify overall investment objectives. PNCI Financial Advisors utilize this advice and planning approach to exercise diligence, care and skill when making recommendations. Every client situation is different; therefore, securities recommendations made by PNCI Financial Advisors will reflect the uniqueness of your circumstances. While we perform standard due diligence on any products we recommend to you, you should be aware that any investment in securities carries risk, including the risk that you will lose money on your investment. You should also be aware that there are costs and expenses associated with each type of investment product and service.

This document is designed to provide you with an overview of the products and services offered by PNCI. It contains important information required by Regulation Best Interest, including: (1) account types available (including costs); (2) securities products we may recommend; (3) related costs, fees and commission structures; and (4) conflicts of interest, material limitations on the products and services we offer, and other things you should know about doing business with PNCI. You should have also received our Form β, a client relationship guide that provides a brief description of some of these topics. In addition, please reference the prospectus, Form ADV, and/or referenced disclosure documents to obtain the full details regarding a specific program or product.

¹ We use the term "Financial Advisor" to refer to PNCI branch-based and centralized Financial Advisors, as well as Advisor Direct Financial Advisors and Investment Service Consultants.

Please note: This document includes certain information previously provided in our Client Schedule of Commissions & Fees (Client Schedule). For the avoidance of doubt, this document and the disclosures, descriptions, and schedules within supersede the Client Schedule. Importantly, this document also provides you with new disclosures pursuant to Regulation Best Interest. Accordingly, any references in other documents to the Client Schedule should be read to refer to this document.

Important Investments Information: Brokerage and insurance products are:

Not FDIC Insured • Not Bank Guaranteed • Not a Deposit
Not Insured By Any Federal Government Agency • May Lose Value

PNCI offers both brokerage accounts and advisory accounts (also known as managed accounts). The best solution for you will depend on your individual situation and circumstances. Some things you may wish to consider are your preference for a fee-based or commission-based relationship, your preference for ongoing support and advice from your Financial Advisor, and how much trading activity you expect to take place in your account. Your PNCI Financial Advisor is available to discuss your goals and preferences and to help you determine which account type best fits your needs and objectives.

In a PNCI brokerage account, we act as your broker and provide you with investment guidance at your request. You pay a transaction charge each time you buy or sell a security. The more you trade, the more you will be charged, so it benefits us to encourage you to trade often. Brokerage customers may execute transactions based on the advice of one of our Financial Advisors, referred to as a solicited transaction, or may execute transactions without obtaining any advice from a Financial Advisor, referred to as an unsolicited transaction. Brokerage accounts are generally appropriate for customers who do not trade frequently, do not want active ongoing advice, and are adequately experienced and knowledgeable to make all investment decisions for their account, whether working with a PNCI Financial Advisor or independently. You may also make unsolicited trades online pursuant to the fee schedule outlined on page 19. While we do not receive a commission on online trades (other than trailing payments on some mutual fund share classes), not all products are available for online trading, and we will not provide any investment guidance or recommendations to you with respect to any online trades.

In a managed account, a PNCI Financial Advisor will work with you to develop a personalized strategy based on your goals, while providing professional asset management and advice. You will pay a single fee based on the value of your account and will not be charged fees for individual transactions. The more assets there are in your advisory accounts with us, the more you will pay in fees, so it benefits us to encourage you to increase the assets in your account. Managed account customers generally cannot enter unsolicited transactions.

You should be aware of key differences between broker-dealer and investment adviser standards of conduct. For example, investment advisers are subject to a fiduciary duty and are generally obligated to provide ongoing advice and monitoring, while broker-dealers are subject to no such duty under federal securities laws (unless they voluntarily agree to such a duty). Instead, broker-dealers must act in your best interest at the time a recommendation is made under the SEC's Regulation Best Interest ("Reg BI"). When you open a brokerage account with PNCI, we will not undertake a duty to monitor the performance of your account, but a Financial Advisor will be available to review your account upon your request.

This document is primarily designed to provide important information about products, services, and conflicts of interest related to your brokerage account, as required by Reg BI.

Capacity: When our Financial Advisors provide recommendations to you for your brokerage account, they are acting in the capacity as a broker-dealer with regard to the recommendation and are subject to Reg BI. Conversely, when they make recommendations for your advisory account, they are acting in the capacity of an adviser and are not subject to Reg BI.

BROKERAGE VS. ADVISORY ACCOUNT — KEY DIFFERENCES

BROKERAGE

- Per transaction charges
- Advisor recommended trades made pursuant to a best interest standard
- Client directed trades
- Generally appropriate for buy and hold investors who are not looking for ongoing advice and rebalancing
- **Neither PNCI nor PNCI Financial Advisors will monitor your account or provide ongoing advice**

ADVISORY

- A fee based on your account value
- Ongoing fiduciary advice based on your goals, objectives and risk tolerance
- PNC recommended asset allocation and investment selection
- Client directed trades generally not permitted
- Generally appropriate for investors looking for ongoing active advice and rebalancing
- Any recommendations are made pursuant to a fiduciary standard.

STANDARD OF CARE

Regardless of whether you select a brokerage account or an advisory account, we will not place the interest of PNCI or our Financial Advisors ahead of yours. That means that both recommendations we make for brokerage accounts and advice we give in our advisory programs will be made in what we believe is in your best interest. At the same time, the way we make money creates conflicts of interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you.

We offer several account registration types to help you meet your retirement and other savings goals, including non-qualified accounts, traditional IRAs and ROTH IRAs. We also offer accounts for education savings such as 529 accounts and those for gifts to minors such as UGMA/UTMA accounts. The right type of account will depend on your individual goals and your tax situation. Your Financial Professional can give you information about the types of accounts we offer, and whether they are available as managed accounts, or for brokerage clients only. You should be aware that PNC Investments does not provide legal, tax or accounting advice so it is important that you contact your tax and/or legal professionals.

Limitations on offerings in our accounts and securities that may be recommended to you:

As further described throughout this overview, we offer a broad range of investment products from a large number of third-party firms, including individual securities such as stocks and bonds; packaged products such as mutual funds and ETFs, annuities and structured products. While no firm offers every investment product, we believe we offer a full slate of products designed to meet the investment needs of our clients.

Material limitations on the products we offer are explained in more detail later in this overview in the “Conflicts of Interest and Material Limitations” section of this document. Our advisory programs include, and our PNCI Financial Advisors are permitted to recommend for brokerage customers, only those products that are included on the PNCI Product Eligibility List. For mutual funds and annuities, we only include in the PNCI Product Eligibility list mutual funds and annuities for which we receive revenue sharing payments. We further restrict mutual fund recommendations to certain approved share classes. You should understand that there may be similar products or services (including ones with lower costs) that will not be recommended to you for purchase in your brokerage account or included in any advisory account because they have not met this criteria. For more detailed information about these limitations, please see “Revenue Sharing and Mutual Fund/Annuity Compensation” and “Additional Limitations on Recommended Mutual Funds” beginning on page 17.

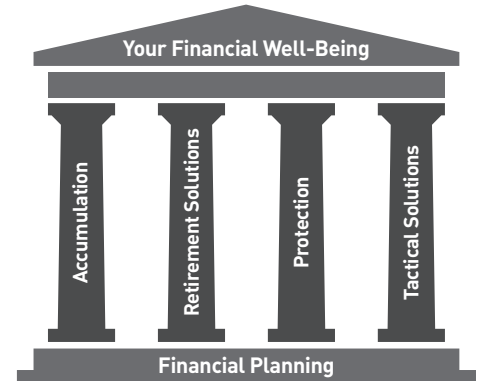
Brokerage customers may purchase or sell any product PNCI makes available on an unsolicited basis. There is no account minimum to open a brokerage account; however, we will only recommend a managed account to you if your account will meet applicable account minimums.

Important note about mutual funds:

Investors should carefully consider the investment objectives, risks, charges, and expenses of mutual funds before investing. This and other important information is contained in each fund’s prospectus, which can be obtained from a PNCI Financial Advisor and should be read carefully before investing. An investment in mutual fund shares involves certain risks, including the possible loss of principal. There can be no assurance that a fund’s investment objective will be achieved. Mutual fund shares are not deposits or obligations of, or guaranteed or endorsed by, any bank, and are not federally insured by the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board or any other agency.

Before making a recommendation to you, a PNC Investments Financial Advisor will review your individual facts and circumstances to create a profile of your goals, needs, and objectives. Using the information in your unique client profile, a Financial Advisor reviews available solutions in order to find products that are tailored to your needs. In doing so, your Financial Advisor will consider other solutions that might be reasonably available alternatives to determine which product your Financial Advisor believes is in your best interest. During this assessment, a Financial Advisor will review the features and benefits of available product solutions including performance, costs and risks among other factors to determine that they are offering a solution reasonably suited to your needs.

The grid below provides an outline of the primary categories represented within the PNC Investments Product Eligibility list. The Products are organized by PNC Investments' Core Pillars of Advice and Planning, and grouped with solutions that are considered reasonable available alternatives to one another. Additional information about these products, including costs, is provided later in this document.



ACCUMULATION			
Think of accumulation as the process of gathering the resources you need to finance a future goal, like retirement, education or another large purchase. Accumulation will likely involve ongoing, active money management, and may consist of a combination of managed account, brokerage account and more.			
ADVISORY		BROKERAGE	
Typically used with clients willing to pay an annual fee for advice and planning based on their goals, objectives and risk tolerance. Advisory accounts provide ongoing investment selection, asset allocation, rebalancing and monitoring.		Typically used for Buy and Hold clients, those clients looking for a tactical/thematic investment, or self-directed investors.	
DISCRETIONARY	NON-DISCRETIONARY	POOLED VEHICLES	INDIVIDUAL SECURITIES
Capital Directions	Portfolio Solutions NDA	Exchange Traded Funds (ETFs)	Equities/Stocks
PNC Directions		Mutual Funds	Fixed Income
Portfolio Solutions Allocated		Unit Investment Trusts (UITs)	
Portfolio Solutions Strategist		Variable Annuity – Investment Only VA	

RETIREMENT SOLUTIONS				
Retirement solutions includes various strategies designed to help create a stable source of Income as you transition from accumulating assets to living off of them. Your Financial Advisor will also look to provide you with insight into strategies that may allow for tax-deferral, guaranteed income and varying levels of principal protection.				
TRANSITION		INCOME		
Products designed for clients seeking retirement income in 5–10 years, allowing time for retirement assets to grow in the near term, then transition to income-producing in the future.		Products designed to generate an income stream within the next 12 months.		
FULL PRINCIPAL PROTECTION	PARTIAL PRINCIPAL PROTECTION	ACCESS TO PRINCIPAL	FULL GUARANTEE	MARKET PARTICIPATION
Equity Indexed Annuity	Structured Note (Buffered Note)	Fixed Income (Bond Ladder)	Income Annuity – DIA	Earnings Plan
Fixed Annuity	Variable Annuity – Registered Index Linked Annuity	Fixed Income (Brokerage CD)	Income Annuity – SPIA	
Structured Product (Market Linked CD)		Systematic Withdrawal Plan		
Structured Product (Principal Protected Note)		Variable Annuity – Traditional		

PROTECTION PLANNING

Protection planning typically involves utilizing various forms of insurance — life insurance, long-term care, etc. — to help safeguard your family and the assets you’ve worked to accumulate. Without these plans in place, an untimely accident or illness could have a significant impact on your financial future.

PERMANENT		TEMPORARY
Products designed to provide insurance benefits for a client’s entire lifetime.		Life insurance for a specific time period, at which point coverage will end.
HEALTH NEEDS	MORTALITY RISK	Insurance – Term
Insurance – Disability	Insurance- Index Universal Life (IUL)	
Insurance – Hybrid LTC	Insurance – Universal Life	
	Insurance – Variable Universal Life (VUL)	
	Insurance – Whole Life	

TACTICAL SOLUTIONS

This area of focus involves products and strategies designed to complement your core holdings. Tactical solutions are designed to help deliver diversification while also providing a combination of downside protection, defense against market volatility and even hedging strategies.

RISK MITIGATION		MARKET PARTICIPATION	
Typically used to help clients looking to complement their long-term investment strategy with downside protection to help mitigate their overall levels of risk.		Typically used to help clients looking to complement their long-term investment strategy with products that help clients manage risk, generate income, capitalize on market-driven themes and protect income or assets.	
FULL PRINCIPAL PROTECTION	PARTIAL PRINCIPAL PROTECTION	POOLED PRODUCT	INDIVIDUAL SECURITIES
Equity Indexed Annuity	Structured Note (Buffered Note)	Exchange Traded Funds (ETFs)	Equities/Stocks
Fixed Annuity	Variable Annuity – Registered Index Linked Annuity	Mutual Funds	Fixed Income
Structured Product (Marked Linked CD)		Unit Investment Trusts (UITs)	
Structured Product (Principal Protected Note)			

The descriptions below are an overview of the investment advisory programs we offer; for complete details, please consult the Form ADV brochure for the applicable program. While advisory programs are not subject to Reg BI, they are subject to the laws affecting investment advisors, including the Investment Advisers Act of 1940. Standard pricing schedules are shown for all programs. Your Financial Advisor may negotiate the Program Fee and, from time to time, we offer discounted pricing programs in our discretion. Additional fees applicable to managed accounts are described on page 20.¹

CAPITAL DIRECTIONS – UNIFIED MANAGED ACCOUNT (UMA)

Capital Directions is a flexible, discretionary UMA program in which professionally managed portfolios are combined within a single account constructed to align with your investment objectives and risk tolerance. Your Financial Advisor will work with you to select the investment manager models, mutual funds, and/or exchange traded funds (ETFs) to help meet your objectives.

FEE SCHEDULE

The Capital Directions fee is based on total assets under management and is billed quarterly in advance. As the market value of an account reaches a higher tier, the assets within that higher tier are charged a lower rate. The Capital Directions tiers and standard fee ranges are detailed in the table below. The actual fee charged will depend on a number of factors including the size of your account, the range of services provided, and the total amount you have invested with PNCI.

Capital Directions Fee Schedule	
Tier	Fee Range
First \$250,000	1.40%–2.00%
Next \$250,000	1.25%–1.75%
Next \$500,000	1.05%–1.50%
Next \$1,000,000	0.90%–1.25%
Next \$2,000,000	0.70%–1.00%
Over \$4 million	<Negotiable>

PROGRAM PROFILE

Capital Directions is designed for clients who:

- Would like to primarily outsource investment decisions to professional investment managers and use PNC’s asset allocation models
- Want access to asset allocation models that encompass PNCI’s thinking around the economy and markets tailored to a client’s investment needs
- Benefit from the expertise of outsourcing investment selection to institutional caliber investment managers in investment manager models, mutual fund or ETF vehicles
- Would like a portfolio that is reviewed and rebalanced on a regular basis to ensure that their unique plan is being followed
- Are comfortable turning over day-to-day investment decisions
- Want the ability to manage tax impacts including flexibility to offset, prevent or delay realized gains that might occur in the portfolio

A unified managed account (UMA) is a single account that is professionally managed to provide you with PNCI’s opinion on the markets and economy. This tailored asset allocation mix allows for flexible investment selection such as mutual funds, stocks, bonds and exchange traded funds to populate a portfolio that meets your particular needs. This investment portfolio is reviewed and rebalanced regularly to adhere to your unique investment plan.

PNC DIRECTIONS® – MUTUAL FUND AND ETF WRAP

PNC Directions is a discretionary managed account program utilizing mutual funds or ETFs. PNC Directions provides access to asset allocation strategies designed to support various investment objectives, as well as professional model management, while requiring only a relatively modest investment.

FEE SCHEDULE

The PNC Directions fee is based on total assets under management and is billed quarterly in advance. A flat percentage fee on assets under management is applied to all PNC Directions accounts.

PNC Directions Fee Schedule
1.00% fee for all accounts (minimum annual fee \$80)

PROGRAM PROFILES

PNC Directions is designed for clients who:

- Want to outsource the asset allocation, investment management and portfolio management decisions to PNCI
- Seek a more simple investment approach than a UMA, with fewer investment categories and ongoing portfolio changes
- Would like to start with an investment of \$5,000 for ETFs and \$10,000 for mutual funds

¹ The fee charged by PNCI is in addition to mutual fund and ETF operating expenses or model provider fees, which will impact your rate of return. For more information on fees, refer to the applicable Form ADV wrap fee program brochure. This overview only includes a description of the programs currently available as of the date of this document and does not include products no longer open to new clients or in pilot.

PNC Directions is a registered trademark of The PNC Financial Services Group, Inc. and is a proprietary product of PNC Bank, National Association.

Portfolio Solutions Non-Discretionary Advisory (NDA) is a non-discretionary managed account program in which a PNCI Financial Advisor provides guidance, advice, and investment recommendations to you, and you authorize each transaction in the account.

Portfolio Solutions Allocated is a discretionary managed account program utilizing unaffiliated mutual fund and ETF families. Portfolio Solutions Allocated provides access to asset allocation strategies designed to support various investment objectives, as well as professional model management.

Portfolio Solutions Strategist is a discretionary managed account program in which professionally managed portfolios are combined within a single account constructed to align with your investment objectives and risk tolerance. Your Financial Advisor will work with you to select one or more unaffiliated third-party investment manager models, to help meet your objectives.

FEE SCHEDULE

The Portfolio Solutions fee is based on the total assets under management and is billed quarterly in advance. As the market value of an account reaches a higher tier, the assets within that higher tier category are charged a lower rate. The fee is subject to a standard range for each tier as detailed below, and the actual fee charged will depend on a number of factors including the size of your account, the range of services provided, and the total amount you have invested with PNCI.

Portfolio Solutions Fee Schedule	
Tier	Fee Range
First \$250,000	1.40%–2.00%
Next \$250,000	1.25%–1.75%
Next \$500,000	1.05%–1.50%
Next \$1,000,000	0.90%–1.25%
Next \$2,000,000	0.70%–1.00%
Over \$4 million	<Negotiable>

PROGRAM PROFILE

Portfolio Solutions NDA is suited for clients who:

- Seek the advice of a PNCI Financial Advisor in closely managing their portfolio
- Want to retain final authority in selecting and managing their investments
- Prefer an asset-based fee arrangement over per-transaction charges
- Have at least \$250,000 of investable assets

Portfolio Solutions Allocated is suited for clients who:

- Seek the advice of a PNCI Financial Advisor in closely managing their portfolio
- Want access to professionally screened investment managers
- Prefer an asset-based fee arrangement over per-transaction charges
- Have at least \$10,000 of investable assets

Portfolio Solutions Strategist is suited for clients who:

- Seek the advice of a PNCI Financial Advisor in closely managing their portfolio
- Prefer an asset-based fee arrangement over per-transaction charges
- Need to combine multiple investment strategies to meet more complex investment objectives
- Have at least \$250,000 of investable assets

ANNUITIES

Annuities are contracts underwritten by insurance companies designed to help meet retirement and other long-term goals by providing growth of assets or a steady stream of income. All issuers and products are subject to our due diligence process before they are made available for purchase through PNCI. PNCI can help assess whether an annuity is appropriate for you. All annuity guarantees are based on the claims-paying ability of the issuing insurance company. Some investors benefit from tax-deferred treatment of investment gains. However, there is no additional tax benefit to owning an annuity within a retirement account. You do not directly pay a commission for the purchase of annuities. Rather, the description of each annuity type below (income, fixed, equity indexed, and variable) outlines the commission schedule of how compensation is received by PNCI from the insurance company, a portion of which is paid to your PNCI Financial Advisor. We do not receive a commission for annuities purchased in managed accounts. While there is typically no explicit fee for fixed, indexed and income annuities other than the commissions noted below, you should understand that the expenses and profits of the issuer (including commissions paid to us) are borne from the rates and return limitations (like caps and participation rates) offered to you. The following are general descriptions of different types of annuities and costs associated with these annuities. For more information regarding annuities, please carefully review the applicable Annuity Acknowledgment and Disclosure document available through your Financial Advisor for the annuity type you are considering.

FIXED VS. VARIABLE ANNUITIES

With a traditional fixed, income or indexed annuity, the insurance company assumes most of the investment risk. Because of the risk trade-off, fixed returns of income will generally be relatively conservative.

In a variable annuity, the customer assumes the investment risk. The higher risk inherent with variable annuities allows for higher potential income and account accumulation for the client.

Traditional fixed annuities are deferred annuity products designed to provide a client with a conservative guaranteed interest rate in a tax-deferred investment. The declared interest rate is guaranteed for a range of time periods, and set at the time the contract is issued. Fixed annuities, as long as they are held through their Contingent Deferred Sales Charge (CDSC) period, are guaranteed by the insurance company not to lose value based on market performance. Withdrawing funds prior to the end of the CDSC period can result in penalties. The chart below lists the commissions paid to us by the insurance carriers issuing fixed annuities, depending on the CDSC schedule for the contract and the age of the purchaser.

Fixed Annuity Commission Schedule				
	Issue Age 0 – 80		Issue Age 81+	
	Upfront	Trail	Upfront	Trail
7–8 Year CDSC	3.50%	0.10%	1.50%	0.00%
5–6 Year CDSC	3.00%	0.05%	1.25%	0.00%
<5 Year CDSC	2.00%	0.025%	1.00%	0.00%

PRODUCT USE

Fixed annuities are generally used by clients who are looking for conservative growth for a period of time and a potential need for income in the future. Generally, clients are seeking to accumulate value for a period to exceed the CDSC period.

CONTINGENT DEFERRED SALES CHARGE (CDSC)

Insurance companies use the CDSC to pay for sales expenses such as commissions, promotions and sales materials. It is deducted from your cash value if you make withdrawals from your account (subject to allowable amounts) or surrender (terminate) your contract before the end of your surrender charge period. Be sure to check the length of your surrender charge period and applicable exceptions when evaluating a contract to buy, since it can vary. Depending on your contract, CDSC charges can be as high as 9% and typically decrease throughout the surrender charge period.

TRAIL COMMISSION

An ongoing commission based on the account value paid in ongoing intervals.

EQUITY INDEXED ANNUITIES

Equity Indexed Annuities (EIAs) are fixed deferred annuities with returns based in part on the performance of an underlying index. Because EIAs are fixed annuities, they are guaranteed by the insurance company not to lose value based on market performance as long as they are held through their CDSC period. Withdrawing funds prior to the end of the CDSC period can result in penalties. Generally, EIAs feature a return that is based on the performance of an index like the S&P 500® or Dow Jones Industrial Average® up to a maximum “Cap Rate” or subject to a “Participation Rate.”

Some EIA contracts allow clients to elect living benefit and/or death benefit riders for an additional fee. These optional riders provide for enhanced income, accumulation or death benefits.

The following chart provides a high-level illustration of the returns generated by a hypothetical EIA under negative, level, and positive market conditions:

EQUITY INDEXED ANNUITY RETURNS: HOW IT WORKS

Premium Amount	Index Return (Pt-to-Pt)	Cap Rate	Interest Credited	New Account Value
\$100,000	-2.0%	3.50%	0.0%	\$100,000
\$100,000	3.0%	3.50%	3.0%	\$103,000
\$100,000	5.0%	3.50%	3.50%	\$103,500

PRODUCT USE

EIAs are generally suitable for clients with a moderate risk tolerance who are looking for an investment that cannot lose value due to market conditions, if held through the term of the contract, but can provide for greater return potential than a traditional fixed annuity. EIAs typically have a surrender charge schedule of at least 5 years, and should be positioned as a long-term investment vehicle.

Equity Indexed Annuity Commission Schedule				
Ages	0-80		81+	
	Upfront	Trail	Upfront	Trail
7 Year CDSC	4.00%	0.25%	1.75%	0.10%
6 Year CDSC	3.50%	0.20%	1.50%	0.10%
5 Year CDSC	3.00%	0.15%	1.25%	0.05%
4 Year CDSC	2.50%	0.10%	1.00%	0.05%
3 Year CDSC	2.00%	0.05%	0.75%	0.05%

An income annuity is a tax-deferred product designed to maximize income in retirement. They are often referred to as single premium immediate annuities (SPIAs) or deferred income annuities (DIAs).

Income Annuity Commission Schedule		
Income Payout Period	Lifetime	3.50% upfront
	15+ year	3.50% upfront
	10–14 year	3.00% upfront
	5–9 year	2.00% upfront
	<5 year	0.25% upfront

Income annuity products do not pay a trail commission.

PRODUCT USE

Income annuities provide clients with an income stream generated from a lump sum payment clients make to the account. The income may begin immediately (SPIA) or may be deferred (DIA) to a future time. The contracts are designed to provide income for the lifetime of a client (and joint insured), or for a specified period of time. Both SPIA and DIA products generally lack liquidity. Income annuities can provide a death benefit if elected by the contract owner at issue. Common death benefit provisions allow for a return of undistributed premium or payments left in the insurance company-guaranteed income stream. In relation to other fixed annuity contracts, income annuities will provide the highest level of income, as a trade-off for the lack of liquidity.

VARIABLE ANNUITIES

A Variable Annuity (VA) is a deferred annuity that provides investment returns based on the performance of market-based subaccounts. VAs are flexible contracts that can provide clients with a variety of solutions, including providing living and death benefits guaranteed by the insurance company. VAs can lose value based on market performance. Because VAs are designed to be long-term investments, if you withdraw money prior to the end of CDSC period, that could affect the value of your contract. Before purchasing a VA, please review the product’s prospectus in detail for all the features, risks, and benefits.

FEE STRUCTURE

All VA contracts pay Mortality, Expense & Administration (sometimes referred to as M&E or M&E&A) fees to the insurance company. These charges are assessed against the contract’s account value. M&E fees are explicitly outlined in each product’s prospectus and for VAs on our Product Eligibility List typically range between 0.75% and 1.30% annually, assessed on a quarterly basis.

Rider fees are also annual fees assessed quarterly, but the fee can be based on either an account value or a rider’s benefit base. The total cost you pay will depend on the riders you select, with the cost of each rider for VAs on our Product Eligibility List typically ranging from 0.40% to 1.20%. Additionally, investments made into the VA’s subaccounts are subject to the underlying fees of the investment options (similar to mutual fund expense ratios). All riders, subaccount investment fees and additional expenses are fully described in the product’s prospectus and should be thoroughly reviewed.

Product Objective	Variable Annuity Commission Schedule			
	0-80		81+	
	Upfront	Trail	Upfront	Trail
Traditional	4.00%	0.50%	1.75%	0.20%
Investment Only VA	4.00%	0.25%	1.75%	0.10%
Registered Indexed-Linked Annuity	4.00%	0.25%	1.75%	0.10%

PRODUCT USE

Because VAs are subject to market fluctuations and can lose value, VAs are most appropriate for clients with a risk tolerance that is moderate to aggressive. VAs can be generally assigned to three categories: Traditional, Investment Only and Registered Index-Linked.

Traditional VA

A traditional VA will generally feature riders that provide either enhanced living benefit riders or death benefits to the contract owner. Living Benefit riders are typically used for clients that are looking to retire in a short or intermediate time frame and who want market exposure and a guaranteed income stream for life.

Death Benefit riders are primarily designed for clients who have sufficient income to cover their needs, and desire to pass on assets efficiently to their beneficiaries.

Investment Only VA

An investment only VA is an accumulation-focused VA designed with a wide array of investment options for clients that are seeking investment diversification, but want either the tax deferral of an annuity or a death benefit guarantee to pass to beneficiaries.

Registered Indexed-Linked Annuity

A registered indexed-linked annuity is an annuity that provides returns based on an underlying index. Unlike an indexed annuity, the RILA can lose value based on the performance of an underlying index, but those losses are generally limited to either a maximum amount or subject to a “buffer,” meaning that the insurance company covers losses up to a specified percentage. Upside returns are generally limited by a “cap” or participation rate.

VARIABLE ANNUITY

- Market-based return
- No principal guarantees, can lose value
- Can provide flexible solutions to meet a variety of client needs (living or death benefits, accumulation, or protected growth)

RIDER

An optional feature available to be elected by the client for an additional fee that provides for enhanced income, accumulation or death benefits.

Insurance plays a key role in a well-balanced financial plan, and is especially useful in situations where a customer's traditional savings and investment accounts may not meet all of their needs. Insurance is intended to provide protection from the financial impact of death, disability or the costs of long-term care. Insurance policies are issued by the insurance company directly to the policy owner. All issuers and products are subject to our due diligence process before they are made available for purchase through PNCI. For more information regarding life insurance and hybrid life/long-term care insurance, please carefully review the applicable Life Insurance Acknowledgment and Disclosure document available through your Financial Advisor for the product type you are considering.

LIFE INSURANCE

Pays a lump sum benefit to named beneficiary(ies) at the death of the insured.

DISABILITY INSURANCE

Replaces a portion of an insured's earned income if he or she is unable to perform all duties of his or her occupation due to illness or injury.

LONG-TERM CARE INSURANCE

Covers expenses associated with nursing home or home health care if the insured is unable to perform certain activities of daily living due to an illness or injury.

FEE SCHEDULE

- Premium payments for insurance coverage are determined by the insurance company and are based on product, coverage amount and other factors related to insurability.
- Premium amounts are determined by the insurance company and include all applicable charges and fees.
- Customers pay no additional fees or charges to PNCI when purchasing insurance.
- Sales commissions to PNCI are paid by the insurance company, not the policy owner. They vary based on insurance company and product.
- If you cancel (surrender) your policy after it is issued, the cash surrender value may be less than the total premiums paid into the policy due to factors such as mortality charges and other fees deducted by the insurance carrier to provide the contractual insurance benefit, surrender charge schedule, and/or other administrative charges. The surrender value is determined by the specific terms and conditions of the insurance contract.

PRODUCT DESCRIPTIONS

MUTUAL FUNDS, ETFS, CLOSED-END FUNDS, UITs, AND EQUITIES

The following commission schedule applies to transactions in mutual fund "Clean Shares" (as described below) including money market mutual funds, exchange traded funds (ETFs), closed-end funds (CEFs), unit investment trusts (UITs), and equities made in brokerage accounts. The below commission schedule applies to transactions made through your Financial Advisor or by phone and does not apply to purchases and sales made in a managed account or made online. You should be aware that purchasing securities outside of PNCI (including purchasing mutual funds directly from a fund or agents of a fund), may cost less than purchasing them through an advisory account or brokerage account at PNCI. Your Financial Advisor can negotiate a commission that varies from the standard commission schedule below. All products must be approved through our due diligence process in order to be offered through our managed account programs or recommended to brokerage clients.

	Trade Amount	Commission
Buy / Purchase Mutual Funds, ETFs, Closed-End Funds, UITs, and Equities	\$0-\$99,999	3.00%
	\$100,000-\$249,999	2.50%
	\$250,000-\$499,999	2.00%
	\$500,000+	1.50%
Sell / Redeem¹	All Trade Amounts	1.50%

In addition to the applicable commission stated above, a \$4.95 trade service fee applies to mutual fund, ETF, CEF, UIT, and equity transactions. The trade service fee does not apply to Class A & C share mutual funds or online trades. For more information about fees related to online trades, see page 19.

Below is a more detailed description of the products we recommend, including additional costs that purchasers may incur. For specific information on a particular product's fees and costs, you should refer to that product's prospectus or other offering documents as applicable. Conflicts relating to our recommendations of these products, and any material limitations on our recommendations, are described under the heading "Important Information about Conflicts of Interest and Material Limitations on Recommended Products & Services" beginning on page 15. Additionally, if you purchase or sell a security through us, you will receive a confirmation after the trade has occurred with information about the fees and costs associated with that trade.

¹ There is an assessment of between \$0.01 and \$0.03 per \$1,000 of principal in addition to your commission that is added sell transactions (does not apply to mutual fund trades). This assessment is imposed on the financial services industry by the U.S. Securities and Exchange Commission to cover the government's cost of regulating the security markets and security professionals.

Mutual funds pool money from many investors to buy securities. Funds are managed by professional portfolio managers and allow you to diversify your portfolio by investing in asset classes such as equities, fixed income, international and alternative investments, as well as many combinations of these assets. Investors own shares of the mutual fund, but do not own the individual holdings in the fund. Each shareholder participates in the gain or loss of the fund. Mutual funds charge operating expenses, such as management fees, sub transfer agency fees, other expenses, and may include distribution and/or service fees (12b-1s) referred to as trails. Operating expenses are not paid directly by investors, but are deducted from the fund's assets, which reduce investment returns.

We may recommend both active funds (where a fund manager makes investment decisions on how to invest mutual fund assets) and passive funds (where the fund manager invests mutual fund assets to track a market index). Actively managed funds are typically more expensive than passive funds. Mutual funds on our Product Eligibility List typically charge annual fees and operating expenses ranging between 0.10% and 3.36%. Please see the applicable mutual fund prospectus for specific fees of a mutual fund.

FEE AND COMMISSION SCHEDULE

PNCI Financial Advisors will only recommend that investors purchase mutual fund share classes that are eligible to charge the brokerage products commission schedule. The maximum commission is shown above. The actual fee charged is negotiable and will depend on a number of factors including the size of your account, the range of services provided, and the total amount you have invested with PNCI. Investors may purchase and/or redeem share classes eligible for the commission schedule listed above as well as other mutual fund share classes according to the funds' prospectus.

Mutual Fund Clean Shares

PNCI acts as your broker to execute mutual fund orders involving mutual funds that PNCI offers as "Clean Shares." Transactions involving share classes of mutual funds that, by prospectus, permit or otherwise do not restrict PNCI from charging investors a commission to effect transactions will be subject to the mutual fund commission schedule above. Purchases and redemptions pursuant to a periodic investment plan are not subject to a transaction charge. You may make unsolicited purchases of share classes that are not eligible for the commission schedule above but will be assessed a front-end sales load and/or contingent deferred sales charge, as well as any other fees that may be described in the fund's prospectus.

529 Share Classes

529 Plans are typically offered in 529 A and C share classes that do not meet PNCI's definition of a Clean Share. A PNCI Financial Advisor will recommend either an A or a C share, using your anticipated holding period of the investment as the primary consideration. Please see the 529 Plan Participant Acknowledgment and plan disclosures available from your Financial Advisor for more information about these plans, including applicable information about fees, loads, and trail commissions.

PNCI PRODUCT ELIGIBILITY LIST

PNCI utilizes a pre-screened list of mutual funds and ETF to help clients meet their investment objectives. Funds included in its Product Eligibility List are the only funds available in our managed account programs and the only funds that may be recommended to you by your Financial Advisor for purchase in a brokerage account. To be included, funds must meet strict criteria. Funds are evaluated based on a number of factors including, but not limited to, trailing returns, risk-adjusted performance, expenses, style consistency, and manager tenure. In addition, only mutual funds participating in our revenue sharing program (described on page 17) are considered for inclusion on our Product Eligibility List.

PRODUCT USE

Mutual funds can provide investors exposure to a large variety of asset classes such as equities, fixed income, international and alternative investments. They can also provide access to professional money managers and diversified investment portfolios for low minimum investment amounts. Investors can utilize individual mutual funds to implement a specific investment strategy or investment theme to complement a managed account portfolio or use a number of mutual funds from different asset classes to build a portfolio.

WHAT IS A MUTUAL FUND "CLEAN SHARE"?

"Clean Share" is a term PNCI uses to refer to classes of shares that generally have lower fees and more transparent fee structures.

With "Clean Shares," investors pay PNCI a commission for effecting transactions on their behalf. "Clean Shares" available at PNCI do not charge front-end sales loads or contingent deferred sales charges. Although operating expenses may include sub transfer agency fees, PNCI does not receive sub transfer agency fees. PNCI also does not receive 12b-1 fees on "Clean Shares." PNCI receives additional compensation, referred to as "revenue sharing," from the advisors or distributors of "Clean Share" mutual funds. See "Important Information about Conflicts of Interest."

Investors purchasing Class A or Class C shares of mutual funds may pay front-end sales loads or contingent deferred sales charges at different rates depending on the fund family or asset class and also be charged ongoing fees, such as 12b-1s, which are paid to intermediaries such as PNCI and creates a conflict of interest.

EXCHANGE TRADED FUNDS (ETFs)

ETFs are investment portfolios designed to mirror the performance of a specified index such as the S&P 500, MSCI World or NASDAQ Composite Index. ETFs trade on an exchange and their price can change throughout the day and can vary from the value of the underlying assets in the investment portfolio. Most ETFs publish their holdings daily. ETFs have internal operating expenses that reduce investment returns. Because most ETFs are not actively managed, ETFs typically have lower expenses than many mutual funds. These expenses for ETFs on our Product Eligibility List typically range from 0.03% to 0.94%. Please see the applicable prospectus for specific fees of an ETF.

PRODUCT USE

ETFs are generally designed to track market indexes and are potentially made up of thousands of securities, enabling broad diversification and exposure to an entire asset class, country, region or sector via a single investment. Investors can use ETFs to gain exposure to equity and fixed income asset classes to build a long-term asset allocation portfolio. Investors can also use ETFs to gain exposure to specific sectors such as technology, pharmaceuticals or manufacturing that can complement a long-term asset allocation portfolio.

CLOSED END FUNDS (CEFs)

CEFs pool money from many investors to buy securities, similar to a mutual fund, and are actively managed by a portfolio manager. Unlike mutual funds, CEFs offer only a fixed amount of shares and are traded and priced on an exchange throughout the day, similar to how stocks or ETFs trade. The price of a CEF fluctuates according to market forces, such as supply and demand, as well as the changing values of the securities held in the fund. CEFs invest in a variety of asset classes such as equities, fixed income, international and alternative investments. CEFs are not principal protected and are subject to market and credit loss. The operating expenses for CEFs on our Product Eligibility List typically range between 0.54% and 4.02%.

PRODUCT USE

CEFs are tactical investments that can be used to complement a client's long-term asset allocation portfolio. CEFs can be used to help manage risk, generate income and capitalize on perceived market opportunities.

UNIT INVESTMENT TRUSTS (UITs)

A UIT is a product that invests in a portfolio of bonds and/or equity securities according to a specific investment objective or strategy. UITs follow a "buy and hold" strategy, investing in a static portfolio of securities established at the inception date and held until termination of the UIT, typically between 2 and 5 years. UITs are not principal protected and are subject to market and credit loss. Investors have the opportunity to reinvest the proceeds of a UIT redemption into another UIT. UIT sponsors typically allow reinvestments within 30 days, at a reduced sales charge. Rolling between UITs will, unless in a fee-based account, involve an additional sales charge cost even though the sales charge cost is reduced. Investors should consult the UIT's prospectus for specific policies and sales charges for rollover transactions. You should consult a UIT's prospectus for specific policies and sales charges for rollover transactions. The operating expenses for UITs on our Product Eligibility List typically range between 0.15% and 3.75%.

PRODUCT USE

UITs are tactical investments that can be used to complement a client's overall asset allocation portfolio and utilized when a less expensive, less complex offering such as a mutual fund or ETF is not available for a particular investment objective. UITs are designed to provide diversification through a fixed portfolio that may include stocks, bonds, ETFs and other alternatives. Defined portfolios provide transparency to the individual holdings within the UIT and may assist in helping a client avoid concentrated positions and portfolio overlap.

EQUITIES / STOCKS

Stocks permit you to buy ownership shares in a specific company, which may offer dividends and capital gains.

- A stock is a type of security that signifies ownership in a corporation and represents a claim on part of the corporation's equity.
- Stocks allow investors to earn money in two ways: through dividends paid and capital gains generated as the stock appreciates in value.
- Stock ownership is an effective means of helping investors and retirees protect their portfolios from the effects of inflation. However, stocks tend to be more volatile than bonds and have a higher risk of loss of investment.

PRODUCT USE

Equities are primarily used for the growth portion of a client's overall investment allocation. They can provide capital appreciation and income from dividend payments. Types of equities include large- and small-capitalization, value, growth, and international. Equities can be used to build or complement a long-term asset allocation portfolio.

FIXED INCOME

Fixed income investments are debt securities that pay periodic interest payments to the owner with a return of principal at maturity. Fixed income security types include corporate bonds, municipal bonds, treasury bonds, Certificates of Deposit (CDs), collateralized mortgage obligations (CMOs), asset-backed and pass through securities. CDs offer FDIC Insurance protection (up to applicable limits) and are generally less risky than other types of bonds. CMOs, asset-backed and pass through securities are made up of a group of mortgage loans and are backed by the ability of the mortgage borrowers to make principal and interest payments. This differs from corporate and municipal bonds, which are backed by the individual issuers' ability to make principal and interest payments. Treasury bonds are backed by the full faith and credit of the United States government. Fixed income securities can be used to diversify your overall asset allocation and may reduce overall portfolio risk. You should be aware that the prices of fixed income securities move in the opposite direction of interest rates. Prices of fixed income securities generally decline as interest rates rise.

FEE AND COMMISSION SCHEDULE

Fixed Income purchase and sell transactions are priced individually and subject to transaction charges that are dependent on the type of security, the size of the transaction, and the maturity date of the security. Transaction charges range from 0.25% to 3.00% of principal amount for non-US Treasury Securities, and are subject to a \$75 minimum. Transaction charges on US Treasury Securities range from 0.00% to 1.00%, and are not subject to a minimum. You should consult with your PNC Financial Advisor to determine the charges applicable to your transactions. A portion of the transaction charge may be shared with our affiliate, PNC Capital Markets LLC, which executes many fixed income transactions on our behalf.

A \$4.95 trade service fee applies to secondary market transactions (i.e., the trade service fee does not apply to new issues).

PRODUCT USE

Fixed Income is a core asset class, which is used as a primary allocation in a client's portfolio. Fixed Income securities can be used to diversify a client's overall asset allocation and may reduce overall portfolio risk. They can also create a stream of income payments to investors through periodic interest payments.

STRUCTURED PRODUCTS

Structured products are debt securities in which returns are tied to the performance of an underlying reference asset such as a basket of stocks or a broad-based index like the S&P 500[®]. Structured products offer various levels of downside protection against losses and come in a variety of types such as market-linked CDs (full principal protection and FDIC insurance if held to final maturity and up to applicable limits), principal protected notes (full principal protection when held to final maturity and based on the credit paying ability of the issuer) and buffered notes (partial principal protection, based on a pre-determined level, when held to final maturity and based on the credit paying ability of the issuer). For more information regarding Structured Products, please carefully review the applicable Structured Product Acknowledgment and Disclosure document available through your Financial Advisor.

FEE AND COMMISSION SCHEDULE

Structured product transactions are subject to the sales commissions listed below. You do not pay these commissions directly to us. Instead, they are paid to us by the issuer of the structured product. The result, however, is that even though you purchase a structured product at par value, your monthly statement value is reduced to reflect the value of the commission, as well as due to factors such as performance, time to maturity, movements in interest rates, and fees (administration and distribution costs). Sales commissions differ by product type and maturity. Returns and principal payments at maturity are based on the full initial investment amount and are not based on an amount after fees. You should consult with your Financial Advisor for sales commissions and applicable fees related to your specific purchase.

Structured Product Commission Schedule	
6-7 Year Maturity	2.50%-3.50%
4-5 Year Maturity	2.00%-2.50%
<4 year Maturity	1.00%-2.00%

PRODUCT USE

Structured products can be used to provide downside protection against losses for a portion of a client's overall investment portfolio while also providing the opportunity for upside gains based on the performance of the underlying reference asset. Downside protection features include full principal protection, FDIC Insurance coverage (up to applicable limits) and partial downside protection against losses. Structured products are complex and can have limited liquidity, meaning they can be difficult to sell after purchase, and if you are able to sell prior to maturity, you might not be able to receive full value. Structured products are not suitable for all investors. You should discuss any structured products with a Financial Advisor to be sure you understand all features of the product before purchasing.

BANK DEPOSIT SWEEP PROGRAM

Unallocated cash held in your brokerage or advisory account will be automatically swept through the Bank Deposit Sweep Program (“BDSP”) into an interest-bearing deposit account (“Deposit Account”) at our affiliate, PNC Bank. BDSP is the only cash sweep option available in most cases. The only exception is in very limited situations where your account type is not eligible for BDSP (such as participant accounts of employer sponsored qualified plans or day trader accounts). You should be aware that although assets held in the Deposit Account are protected by FDIC insurance neither PNC Investments nor PNC Bank will monitor whether BDSP deposits, individually or in combination with other deposits you hold at PNC Bank, exceed FDIC insurance limitations. You should review your cash balance held in the Deposit Account and other PNC Bank accounts to ensure that cash balances do not exceed FDIC insurance coverage levels, or alternatively, in the event your cash balance exceeds FDIC insurance limitations, that you are comfortable with the risks associated with having uninsured cash. For complete information about BDSP, please carefully review the PNC Investments Proprietary Bank Deposit Sweep Program (BDSP) Disclosure Document available through your Financial Advisor.

COLLATERAL ACCOUNTS AND INVESTMENT LINE OF CREDIT

Under certain circumstances you may elect to pledge the assets in your non-IRA/ERISA account as collateral for a general purpose loan with our affiliate, PNC Bank (including the PNC Investment Line of Credit [“ILOC”], or other financial institution (collectively the “Lending Arrangements”). When your account assets are pledged or otherwise used as collateral in connection with Lending Arrangements, you give the lender certain rights and powers over the assets in the account. Importantly, lenders have the right to direct PNC Investments to sell or redeem any and all assets pledged as collateral for the loan. In the event of a collateral call on the account, securities will be liquidated from the account, which may be contrary to your interests and/or inconsistent with the investment strategy for the account because positions may be redeemed or liquidated more rapidly (and/or at significantly lower prices) than might be desirable. You or your Financial Advisor may not be provided with prior notice of the liquidation of the securities in the Account. Furthermore, you and your Financial Advisor may not be entitled to choose the securities to be liquidated. For managed accounts, after the execution of a collateral call, any remaining securities in the account may be lower in value than the investment minimums required for the account and may be subject to termination as described above. You may wish to discuss with your Financial Advisor how a collateral call could impact you if your pledged account makes up all, or substantially all, of your overall net worth or investible assets. Any action taken by us, or an affiliate, with respect to the assets held in your account pursuant to the Lending Arrangements will not constitute a breach of our fiduciary duties as an investment adviser or our best interest obligations with respect to recommendations in brokerage accounts. The costs associated with the Lending Arrangements are not included in account level fees or program fees for managed accounts. Your transaction costs may rise as a result of a collateral call, because securities may be liquidated under unfavorable market conditions. You should consult with your own independent tax adviser in order to fully understand the tax implications associated with the Lending Arrangements. The securities subject to the collateral call will not be liquidated in a manner that considers tax efficiency. PNC Investments does not provide legal, tax or accounting advice. You are encouraged to speak with your Financial Advisor to the extent you have questions about the Lending Arrangements.

IMPORTANT INFORMATION ABOUT CONFLICTS OF INTEREST AND MATERIAL LIMITATIONS ON RECOMMENDED PRODUCTS AND SERVICES

Although PNC Investments is committed to acting in the best interests of our clients, in some situations there are conflicts of interest between the firm's interests, our Financial Advisor's interests, and a client's interests, or there are conflicts in the interests of multiple clients. Many of these conflicts of interest are inherent in operating an investment advisory and broker-dealer business. Material conflicts and how we mitigate them are described below.

- ▶ **Proprietary Products and Affiliates:** PNC Investments is part of a broad financial services organization and is therefore affiliated with other entities engaged in a variety of financial services businesses. Financial Advisors sometimes recommend products managed by our affiliates. Because PNC Investments' affiliates make more money when they manage more assets, this creates an incentive for us to recommend products managed by an affiliate. Also, in some cases, the firm has business arrangements with its affiliates that are material to its brokerage and advisory clients and may present a conflict of interest with regard to recommendations that are provided to you. These situations are described in more detail below. PNC Investments has adopted policies and procedures that it believes are reasonably designed to help mitigate these conflicts of interest.
 - Your Financial Advisor may receive compensation for referring you to PNC Bank or other PNC Investments affiliates. Certain employees of PNC Bank's Wealth Management and/or Private Client Group, as well as employees of PNC's Retail Banking segment, receive compensation in connection with referrals to PNC Investments.
 - We recommend products managed by investment management affiliates of PNC Investments, which receive compensation for their investment advisory and other services. The services provided by our affiliates and the fees they collect for these services vary and are disclosed in each fund's prospectus and/or Statement of Additional Information. These fees are paid directly by the fund and affect the total return of a shareholder's investment.
 - PNC Investments may act as a broker in executing your purchase or sale for your account of a debt security from or to PNC Capital Markets, a brokerage affiliate. Such principal trades create a conflict because PNC Investments and our affiliates benefit when you trade with an affiliate, and our affiliate has an incentive to sell securities to you at the highest price possible and buy securities from you at the lowest price possible, consistent with legal and regulatory requirements. PNC Investments has implemented policies and procedures reasonably designed to ensure that PNC Investments' clients are not disadvantaged when trading with an affiliate of PNC Investments.

- ▶ **General Compensation:** Financial Advisors are compensated based on factors such as the amount of client assets they service; the time and complexity required to meet a client's needs; the product sold (i.e., differential compensation); product sales commissions; and revenue the firm earns from the financial professional's advisory services or recommendations. When acting as your broker-dealer, our Financial Advisors are compensated with a portion of the transaction-based fee charged to you. This creates a conflict of interest because it encourages Financial Advisors to recommend and execute more transactions in client accounts to generate additional revenue.
 - **Product-based compensation.** In addition, Financial Advisors have an incentive to recommend more expensive product solutions (i.e., products for which you pay higher fees and costs) when a cheaper option may meet a client's needs and objectives because they receive more compensation for more expensive products. Accordingly, this creates a conflict of interest. We seek to mitigate this conflict of interest by leveling compensation within product classes, unless additional compensation for a particular product type is justified (for example based on the time and expertise required to sell a more complex product).
 - **Compensation for advisory and brokerage accounts.** Depending on how often you transact in your account, the compensation received by a Financial Advisor may be greater or less if a financial advisor recommends and you open and transact in a brokerage account (and pay separately for brokerage and other services) rather than in a managed account. PNC Investments has established policies and procedures reasonably designed to ensure that the account type recommended to you is aligned with your preferences and is in your best interest and that any transaction or series of transactions recommended is suitable for you and in your best interest. For certain managed account programs, PNC Investments will advance to Financial Advisors a portion of the first year's estimated fees for clients who invest in that program. In addition, Financial Advisor variable compensation is based on revenue generated over rolling 180-day periods, which reduces Financial Advisor incentive to recommend or execute any single transaction.
 - **Other compensation.** Financial Advisors participate in incentive programs that reward cash and/or non-cash compensation, such as deferred compensation. From time to time, PNC Investments initiates incentive programs for its employees including Financial Advisors. These programs include, but are not limited to, programs that compensate them for attracting new assets and clients, or for referring business to our affiliates (such as referrals for mortgages, trusts, or insurance services); programs that reward them for promoting investment advisory services, for participating in advanced training, and for improving client service; and programs that reward Financial Advisors who meet total production criteria. Financial Advisors who participate in these incentive programs are rewarded with cash and/or non-cash compensation, such as deferred compensation, bonuses, training symposiums and recognition trips. These programs may be partly subsidized by external vendors or our affiliates, such as mutual fund companies, insurance carriers or money managers. Therefore, our Financial Advisors have a financial incentive to recommend the programs and services included in these incentive programs over other available products and services that we offer.
- ▶ **Rollovers from Qualified Retirement Plans:** PNC Investments and our Financial Advisors have an incentive to recommend that clients rollover assets in employer-sponsored 401(k) or other qualified retirement plans to an Individual Retirement Account at PNC Investments. **You should understand that in most cases, fees will be higher if you roll over assets to a PNC account rather than leaving it in your plan.** Please review the PNC Investments Rollover Disclosure Guide for additional information and factors you should consider if you are considering a rollover to an account at PNC Investments for more information.

- ▶ **Revenue Sharing and Mutual Fund/Annuity Compensation:** PNC Investments receives additional compensation, referred to as revenue sharing, from the issuers, advisors or distributors of the mutual funds and/or annuity products offered by PNC Investments, which compensates us for administrative services we provide to them and is based on the amounts our customers invest in those mutual funds and/or annuities. Our independent due diligence process for selecting mutual funds that may be recommended to brokerage clients or included in advisory programs and annuities available for purchase through PNCI is designed so that mutual funds and annuities are selected based on objective, investment-related criteria. However, only mutual funds and annuities for which we receive revenue sharing are considered for inclusion in this due diligence process and, therefore, only these funds will be recommended to you or purchased for your accounts. This is a conflict of interest for us because mutual funds and annuities that may otherwise meet our investment criteria are not included in our advisory programs or made available for recommendation by our Financial Advisors because their issuers, advisors or distributors do not offer revenue sharing to PNC Investments. Funds for which we do not receive revenue sharing payments are however available for purchase on an unsolicited basis and are also available in allocations to third-party-managed models available in certain advisory programs. For details on revenue sharing received by PNC Investments from mutual fund and/or annuity advisors or distributors, please see the following link: <https://www.pnc.com/content/dam/pnc-com/pdf/personal/wealth-investments/PNCI/Additional-Compensation-Disclosure.PDF>

Additional Limitations on Recommended Mutual Funds: PNC Investments makes available for our advisory programs and for recommendation to clients in brokerage accounts only “Approved Share Classes” of mutual funds, which are share classes that make revenue sharing payments, as described above, to PNCI. PNCI will select Approved Share Classes that are either (i) share classes that trade on our custodian’s Institutional No-Transaction Fee platform (“INTF Eligible” share classes); or (ii) if no such INTF Eligible share class is available, the least expensive non-INTF Eligible share class available to us. PNC Investments uses INTF Eligible share classes in order to reduce PNC Investments’ overall program trading costs. Additionally, PNCI will limit the share classes we make available for purchase online on an unsolicited basis. These selection criteria represent a conflict of interest for us because our recommendation may result in you purchasing a share class that is more expensive than other share classes of the same fund for which you may be eligible had our recommendation criteria been different. **You should understand that the selection criteria we apply to the share classes we offer at PNCI are material limitations on the recommendations we make to you and that this can have a financial impact on your accounts.** A higher cost share class will adversely affect the investment performance of your account. Approved Share Classes do not typically charge shareholders 12b-1 fees or pay those fees to us or our custodian, which reduces costs to you, as compared to share classes that do pay 12b-1 fees. Some money market funds we recommend do charge 12b-1 fees. We will rebate any 12b-1 fees we receive for advisory accounts but not brokerage accounts. Please note that the mutual funds we recommend may provide compensation such as fees for omnibus accounting, sub-administration, shareholder services, recordkeeping, print mail services or other related fees (“Mutual Fund Compensation”). While we do not expect to receive such fees, PNC Investments will credit to your advisory account but not your brokerage account any Mutual Fund Compensation paid to us. Our custodian or other entities not affiliated with PNC Investments may receive Mutual Fund Compensation. PNC Investments is not a party to such arrangements, and we will not credit your Account for Mutual Fund Compensation received by such entities. You may elect to purchase share classes of funds that are not Approved Share Classes on an unsolicited basis. Additionally, we can, but are not obligated to, make exceptions to our share class policies if we determine that such exceptions are in your best interest. You should know that any 12b-1 fees received in relation to such transactions in brokerage accounts will be used to compensate PNCI and your Financial Advisor.

- ▶ **PNC Investment Line of Credit:** As described above, under certain circumstances you may elect to pledge the assets in your non-IRA/ERISA Account as collateral for a Lending Arrangement. You should be aware that PNC Investments and your Financial Advisor have a conflict of interest because PNC Investments and your Financial Advisor’s compensation is based on the assets held in your account (for managed accounts) or transactions made in your account (for brokerage accounts) and advisor compensation is partially tied to retention of client households and assets. As a result, we and your Financial Advisor benefit if you enter into a Lending Arrangement instead of withdrawing funds from your account. If you establish an ILOC account, you should be aware that PNC Investments and your Financial Advisor will be compensated based on the amounts you draw on the credit line. This is a conflict of interest for your Financial Advisor because he or she has an incentive to recommend the ILOC as opposed to other potential funding sources, because your Financial Advisor is not compensated for other options. In addition, PNC Bank generates revenue by charging interest on any loan underwritten by PNC Bank, revenue by charging interest on any loan underwritten by PNC Bank, which represents a further conflict of interest for PNC Investments.
- ▶ **Bank Deposit Sweep Program:** As described above, uninvested cash in your account will almost always be held in BDSP. PNC Bank earns revenue in connection with lending activity on assets held in the BDSP program. In addition, PNC Investments receives revenue from PNC Bank based on the assets in the BDSP. This revenue is in addition to and will not reduce any fees in your account. The revenue we receive is a conflict of interest for us, because we, and our affiliate, PNC Bank, obtain a financial benefit when you open an Account, as your unallocated cash is held through the BDSP in a Deposit Account. This financial benefit is greater than the financial benefit we would receive if your unallocated cash was held in your account. Account assets invested through the BDSP typically will earn less interest — and in some market conditions, much less interest — than they would if invested in alternative sweep vehicles that are available to PNC Investments such as a money market fund. Accordingly, you should not open an account with PNCI if you wish to automatically sweep your unallocated cash in another sweep vehicle.

PNC Investments has adopted a Code of Ethics, which consists of certain general principles, including the following:

- Personnel must place client interests before their own.
- The personal securities transactions of our personnel must avoid even the appearance of a conflict with client interests.
- Our personnel must avoid actions or activities that allow, or appear to allow, them to profit or benefit from their position with respect to clients, or that would otherwise bring into question their independence or judgment.
- From time to time, PNC Investments personnel may accept training, business entertainment or gifts of diminished value from product vendors. PNC Investments has adopted policies and procedures reasonably designed to ensure any such activity does not impact our personnel's ability to act in the best interests of our clients.

In addition, the Code of Ethics requires our employees to report their personal securities transactions and holdings. A copy of our Code of Ethics will be provided to any client or prospective client upon request. Our employees are also subject to the PNC Employee Conduct Policies, which cover matters including compliance with law, conflicts of interest, insider trading, outside activities and safeguarding confidential information.

PNC Investments Financial Advisors may engage in business activities outside of their employment with PNC Investments. Financial Advisors' outside business activities are subject to review and approval by the firm; however, some outside business activities may create a conflict between your interests and the interests of our Financial Advisors. You may request and review the Form ADV Part 2b brochure for any of our Financial Advisors to review any reported outside business activities for your Financial Advisor.

PNC Investments offers the services of a PNCI Financial Advisor, as well as administrative support. Quarterly statements, custodial services and consolidated 1099 Forms provide for accurate accounting of your assets. Commissions and processing fees apply to all transactions made within the account. Below are fees that are charged for some of the associated services. The fees represented below may or may not apply to accounts with investment advisory programs and annuity positions. Contact your PNCI Financial Advisor for additional detail.

PNC INVESTMENTS ACCOUNT SCHEDULE OF SERVICES AND FEES

	PNC Brokerage Non-Retirement	PNC Brokerage Retirement
Annual Service Fee (balance ≤ \$2,000)	\$50	\$50
Annual Service Fee (balance >\$2,000)	\$75	\$75
Account Termination/Transfer Fee ^{1,2}	\$125	\$125
Transfer on Death Distribution Set Up ^{1,2}	\$75	N/A

Online Trading	Commission/Service Fee	Trails
Equities / Stocks	\$0	N/A
Exchange Traded Funds ("ETFs")	\$0	N/A
Closed-End Funds	\$0	N/A
No Load Mutual Funds ³	\$0	0.00%-0.25%
No Transaction Fee "NTF" Mutual Funds and ETF ³	\$0	0.00%-0.25%

Broker Assisted Mutual Funds ²	Sales Loads and Commissions		Trails	Service Fee
Mutual Fund "Clean Shares" (see page 11)	Commission	1.50%-3.00%	<None>	\$4.95
A Share Mutual Fund Trades ³	Front Load	0.00%-5.75%	0.00%-0.25%	<None>
C Share Mutual Fund Trades ³	Level Load	<None>	0.00%-1.00%	<None>
No Load Mutual Fund Trades ³	<None>	<None>	0.00%-0.25%	\$4.95
No Transaction Fee "NTF" Mutual Funds ³	<None>	<None>	0.00%-0.25%	<None>

Individual Retirement Account Processing	
Lump Sum Distribution ¹	At Cost
Private Placement Processing Fee — At Cost ¹	Subsequent Purchases — At Cost
Initial Public Offering Processing Fee — At Cost ¹	Subsequent Purchases — At Cost

Fund Transfer Charges	
Automated Transfer	Free
Non-Retirement Domestic Wire ^{1,2}	\$25
Retirement Domestic Wire ¹	\$15

Mail/Postage Fees	
Overnight ¹	At Cost
Statement Copies ^{1,2}	\$50
Lost Certificate ¹	At Cost
Transfer & Ship Certificate ¹	\$10

¹ Fees also apply to investment advisory accounts (managed accounts).

² PNC Investments retains all or a portion of this fee.

³ Mutual fund trading fees are representative of common fees and expenses. Reference the funds' prospectus for details.

Miscellaneous Fees	
Cash Management Premier Access	\$100
Direct Registration System – Reject Fee ¹	At Cost
Foreign Transfer ¹	At Cost
Physical Reorganization ^{1,2}	\$40 per certificate
Physical Transfer ¹	\$30
Legal Transfer ¹	\$80
Limited Partnership Transfer ¹	At Cost
Stop Payment Issued Check ^{1,2}	\$31
Insufficient Funds ^{1,2}	\$31
Private Placement Processing Fee ¹	At Cost
Initial Public Offering Processing Fee ¹	At Cost
IRS Form 990-T Filing Fee ¹	\$300
Alternative Investments	
Registered Alternative Investment Products ¹	\$35 per position
Non-Registered Alternative Investment Products ¹	\$125 per position
Maximum Alternative Investment Custody & Valuation ¹	\$500 per account per year
Alternative Investment Transfers/Re-registrations Fee ¹	\$50 per transaction

ANNUAL SERVICE FEE

The Annual Service Fee is charged to all eligible accounts. Eligible accounts include most brokerage accounts that own a mutual fund, exchange traded fund (ETF), closed-end fund (CEF), unit investment trust (UIT) and/or equity/stock. Managed accounts, 529 accounts, uniform gifts to minors accounts (UGMA) and uniform transfer to minors accounts (UTMA) are not charged the Annual Service Fee. The Annual Service Fee may appear on your statement as multiple transactions and may be described as “Retirement Fee,” “IRA Fee,” “Administrative Fee” or “Service Fee.” The account balance used to determine the fee level is based on each account’s balance on a single day each year chosen by PNCI in its discretion, generally to occur in the month of September.

SMALL BALANCE FEE

Any account that has taken a full distribution of assets and subsequently receives the residual funds will be assessed a fee of \$5.00 if the account falls below an account value of at least \$5.01 for more than 30 days. If the balance in the account is less than \$5.01, the fee will be assessed up to the balance amount. Retirement accounts are subject to applicable IRS rules and restriction limits.

SALE OF ASSETS

If cash available in your account is not sufficient to satisfy any fees or charges, PNCI in its sole discretion may sell any or all of the assets in your account to cover the fees/charges. PNCI shall not incur any liability on account of its sale of assets under such circumstances.

¹ Fees also apply to investment advisory accounts (managed accounts).

² PNC Investments retains all or a portion of this fee. This is a conflict of interest for us because PNCI has an incentive to utilize a clearing firm that allows us to mark up designated fees.

S&P 500 Index

An unmanaged capitalization-weighted index of 500 stocks designated to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries

MSCI World Index

A free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed markets

NASDAQ Composite Index

The market capitalization-weighted index of approximately 3,000 common equities listed on the NASDAQ stock exchange

PNC Investments reserves the right to change or waive fees at our discretion, subject to notification in accordance with applicable laws and regulations.

Questions can be directed to: 800-622-7086

Important Investments Information: Brokerage and insurance products are:

**Not FDIC Insured • Not Bank Guaranteed • Not a Deposit
Not Insured By Any Federal Government Agency • May Lose Value**

Securities products, brokerage services and managed account advisory services are offered by PNC Investments LLC, a registered broker-dealer and a registered investment adviser and member FINRA and SIPC. Annuities and other insurance products are offered through PNC Insurance Services, LLC, a licensed insurance agency.

Bank deposit products and services offered by PNC Bank, National Association, Member FDIC.

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