

## Revenue Sharing Disclosure

Sigma Financial Corporation (“Sigma”, “we” or “our”) offers its customers a wide variety of securities and investment products including mutual funds, variable and group annuities, variable life insurance, alternative investments, and retirement plans. We collectively refer to the companies that offer these securities and investment products as “Product Sponsors”.

Sigma has created a tiered sponsorship program whereby participating Product Sponsors enter into a revenue sharing agreement with Sigma. These agreements provide Product Sponsors with certain benefits which include, but are not limited to, the following: greater access to our registered representatives, and presentation opportunities at our corporate conferences. Tier sponsorship payments present a conflict of interest by creating an incentive for Sigma to steer customers and registered representatives toward participating Product Sponsors over non-participating Product Sponsors by promoting, touting, and otherwise favoring participating Product Sponsors in Sigma’s communications and marketing efforts. Furthermore, the fact that these payments can differ in amount from company to company presents a conflict of interest by creating an incentive for Sigma to steer customers and registered representatives toward participating Product Sponsors that pay more to Sigma than others. Please note that our registered representatives do not receive any portion of the payments that Sigma receives from Product Sponsors. All such payments are remitted by the Product Sponsor directly to Sigma and are not derived from customer funds or assets. The current participating Product Sponsors and their payments (as of August 1, 2021) are listed below according to the various categories of available securities and investment products.

### Variable Annuities, Mutual Funds, and Retirement Plans

#### Tier I:

\$35,000 (or listed amount) paid in aggregate to Sigma Financial Corporation and Parkland Securities, LLC.

- Prudential
- Sammons Retirement Solutions/Midland National Life
- CUNA Mutual/Members Life
- Great American
- Janus Mutual Funds (\$10,000)

#### Tier II:

\$25,000 (or listed amount) paid in aggregate to Sigma Financial Corporation and Parkland Securities, LLC

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- Allianz
- Athene
- Transamerica
- Brighthouse
- Jackson National
- Lincoln Financial
- Equitable
- Global Atlantic
- New York Life
- Delaware Life (\$18,750)
- Mutual of Omaha (\$13,000)
- Ameritas (\$10,000)
- Gleaner (\$7,500)

Additionally, in some cases Product Sponsors may provide additional educational and/or marketing payments to Sigma and/or its registered representatives to cover the expenses associated with attending conferences, acquiring financial planning software or education, or to reimburse them for costs incurred in connection with seminars or customer appreciation events.

For additional information regarding a particular security’s or investment product’s compensation arrangements and practices, please refer to that security’s or investment product’s prospectus, offering documents, or statements of additional information.

## CLEARING FIRM

National Financial Services LLC (“NFS”) is the clearing firm utilized by Sigma. In 2019, Sigma renewed its Fully Disclosed Clearing Agreement with NFS for an additional five (5) years. In connection with this renewal, Sigma will receive the following compensation from NFS:

- Sigma will receive annual Business Development Credits from NFS in the following amounts:

\$550,000 (2019)	\$540,000 (2020)	\$230,000 (2021)
\$145,000 (2022)	\$135,000 (2023)	

- For non-Fidelity mutual funds, NFS has entered into a No Transaction Fee (“NTF”) Revenue-Sharing Program with Sigma, according to which Sigma receives the following compensation:

AVERAGE AGGREGATE BALANCES	BASIS POINTS EARNED
\$0 to \$10 million	0 basis points
\$10 million to \$25 million	4 basis points
\$25 million to \$50 million	6 basis points
\$50 million to \$100 million	8 basis points
More than \$100 million	10 basis points

- Sigma receives a monthly payment on all eligible Fidelity Money Market Sweep Fund balances. This is calculated at an annualized rate of the average net assets (calculated daily) of customers’ beneficially owned shares in the Capital Reserve Class and Daily Money Class of eligible Fidelity core sweep funds:

AVERAGE FUND BALANCES	CAPITAL RESERVE CLASS	DAILY MONEY CLASS
\$1 million to \$5 million	25 basis points	10 basis points
\$5 million to \$50 million	35 basis points	15 basis points
\$50 million to \$100 million	45 basis points	20 basis points
More than \$100 million	50 basis points	25 basis points

- Sigma receives a monthly revenue share from the Network Bank Deposit Sweep Program as set forth in the table below. This amount is inclusive of any interest to be passed through to customer accounts (i.e., customer interest). Sigma’s share is calculated against average daily program assets on deposit at all depository institutions for the given calendar month:

TARGETED FED FUNDS RATE (“TFF”)	REVENUE SHARE
0.00% to 0.25%	1 basis point
0.25% to 0.50%	2 basis points
0.50% to 0.75%	4 basis points
0.75% to 1.00%	30 basis points
1.00% to 1.50%	55 basis points
1.50% to 2.00%	100 basis points
2.00% to 3.00%	150 basis points
3.00% or higher	TFF less 50 basis points

- Sigma has marked up some of NFS’s standard miscellaneous account fees disclosed on the Miscellaneous Fee Schedule. NFS collects these fee markups for Sigma and remits them back to Sigma. The following miscellaneous fees have been marked up by the following amounts: full transfer of accounts delivery (ACAT exit fee) by \$25; transfer and ship (DRS eligible) by \$10; trade and margin extension by \$13; mailgram by \$5; bounced check by \$10; stop payment by \$10; Select Access Cash Management Account with Visa Classic Debit Card by \$10; annual custody and recordkeeping (inactive brokerage) fee by \$25; and IRA maintenance fee by \$15.

Sigma also renewed its Technology Products and Services Agreement with NFS for an additional five (5) years. In connection with this renewal, Sigma will receive annual Technology Credits from NFS in various amounts.