

I. Introduction

Summary

Through the Stifel Fixed Yield Program (the “Program”), Stifel, Nicolaus & Company, Incorporated (“Stifel,” “we,” or “us”) makes available to its eligible clients a time deposit account (each account, a “Time Deposit Account”) issued by one of the banks affiliated with Stifel (either Stifel Bank & Trust, Stifel Bank, Stifel Trust Company, National Association, or Stifel Trust Company Delaware, National Association (each, a “Bank” and collectively, the “Banks”)), whose deposits are insured by the Federal Deposit Insurance Corporation (“FDIC”). The Program is part of the broader securities brokerage and other services Stifel makes available to clients and is subject to applicable Stifel customer agreements for securities accounts.

The Time Deposit Accounts offered by the Banks from time to time may consist of varying maturities, initial deposit minimums, withdrawal limitations, and early withdrawal penalties as established by the Banks. Terms are available by contacting your Financial Advisor.

Stifel will act as your agent and custodian in establishing and maintaining the Time Deposit Accounts at one or more of the Banks. Although each Time Deposit Account is an obligation of the Bank and not Stifel, you will not have a direct relationship with the Bank. All deposits and withdrawals will be made by Stifel on your behalf. Information about your Time Deposit Accounts may only be obtained from Stifel, rather than from the Bank(s).

The Time Deposit Accounts are nontransferable and there will be no secondary market for the Time Deposit Accounts.

If you have granted investment discretion to an agent, including Stifel, in a manner approved by us, any references to “you” will be deemed a reference for your agent.

FDIC Deposit Insurance Available on the Time Deposit Accounts

The deposit insurance limit for most insurable capacities (e.g., individual, joint, IRA, etc.) is \$250,000 per owner, including principal and accrued interest per depositor when aggregated with all other deposits held in the same insurable capacity at each Bank.

You should review carefully the section below titled “XI. Information About FDIC Insurance.”

Any deposits (including deposit balances at the Banks maintained through the Stifel Insured Bank Deposit Program, the Stifel Insured Bank Deposit Program for Retirement Accounts, the Stifel Smart Rate Program, or Time Deposit Accounts (each an “Other Stifel Deposit Program”)) that you maintain in the same insurable capacity directly with the respective Bank(s) or through an intermediary (such as Stifel or another broker) will be aggregated with balances in your Time Deposit Accounts at the respective Bank(s) for purposes of the FDIC insurance limits. You are responsible for monitoring the total amount of deposits that you have with the respective Bank(s) in order to determine the extent of FDIC insurance coverage available to you.

Fees and Conflicts of Interest

The Program provides benefits to Stifel and the Bank(s). Stifel will receive direct or indirect compensation or other benefits in connection with the Time Deposit Accounts. These benefits create an incentive for Stifel (through itself and its Financial Advisors) to recommend investments in the Time Deposit Accounts of the Bank(s). For more information, please review the section below entitled “VIII. Information About Your Relationship With Stifel and the Banks.”

II. Eligibility for the Program

Stifel may establish, from time to time, eligibility criteria for clients to participate in the Program. Please ask your Financial Advisor for more details regarding eligibility.

III. Margins

Time Deposit Accounts may not be funded from the proceeds of a margin loan and will not count toward your margin equity. Please contact your Financial Advisor for more information regarding margin accounts and Stifel's provisions for margin.

IV. Other Terms and Conditions of Time Deposit Accounts

The maturities, rates of interest, and interest payment terms of the Time Deposit Accounts may vary from time to time. You should carefully review the trade confirmation and any supplement to this Disclosure Statement for a description of the terms of the Time Deposit Account.

The interest rates on the Time Deposit Accounts will be determined by the respective Banks, in their discretion, and are fixed during the term offered. Interest on a Time Deposit Account is not compounded.

A Time Deposit Account will mature on the date indicated on the trade confirmation. A Time Deposit Account will not be automatically renewed or rolled over, and interest on the Time Deposit Account will not continue to accrue after maturity. At maturity, the Time Deposit Account balances will be remitted by the Bank to Stifel and credited to your securities account with Stifel. If the maturity date is not a business day, the Time Deposit Account balance will be paid on the next succeeding business day. A "business day" is a day on which Stifel and the Bank are open for business.

You may not make any deposits to your Time Deposit Account. Early withdrawals may be permitted, subject to time restrictions. The Bank may limit the number of early withdrawals permitted or may limit early withdrawals to the full balance in your Time Deposit Account. Exceptions may apply. **Early withdrawal penalties will be assessed and reduce the amount of interest earned on your balances. The early withdrawal penalty will be equal to the lesser of 90 days' interest or half the interest earned to the date of the withdrawal. Please refer to the term sheet provided at the time of deposit for final terms.**

Balances in a Time Deposit Account are not included in the "Combined Asset Value" as defined in your Stifel Account Agreement and may not be used to satisfy debits from checks and debit cards.

V. Changes to the Program

Stifel may modify the Program at any time by changing the terms and conditions of the Program. You will receive notification of material changes in advance.

VI. Information About Your Time Deposit Accounts

Statement Information

All transactions in your Time Deposit Accounts will be reflected on your periodic securities account statement.

For each statement period, your securities account statement will reflect:

- The balances of the Time Deposit Accounts at each Bank (as applicable)
- The interest rate and interest earned on Time Deposit Account balances

Stifel, and not the Bank(s), is responsible for the accuracy of information relating to your Time Deposit Accounts on your statement. Your Financial Advisor can assist you in understanding your Securities Account statement and can answer any questions you may have about your statement.

You may obtain information about your Time Deposit Accounts, including balances and the current interest rates, by calling your Financial Advisor or by accessing your Securities Account through www.stifel.com.

Important Investment Considerations

Buy and Hold. Time Deposit Accounts are most suitable for purchasing and holding to maturity.

Compare Features. You should compare the rates of return and other features of the Time Deposit Accounts to other available investments before deciding to purchase a Time Deposit Account. The rates paid with respect to the Time Deposit Accounts may be higher or lower than the rates on deposits or other instruments available directly from the Bank or through Stifel.

Insolvency of the Banks. If a Bank becomes insolvent, the FDIC will manage the Bank's affairs. The FDIC may, in its discretion, pay off the Time Deposit Accounts prior to maturity or transfer the Time Deposit Accounts to another depository institution. If the Time Deposit Accounts are transferred to another institution, you may be offered a choice of retaining the Time Deposit Accounts at a lower interest rate or having the Time Deposit Accounts paid off. See the subsections headed "Deposit Insurance: General" and "Payments Under Adverse Circumstances" under the section headed "Information About FDIC Insurance."

Reinvestment Risk. If your Time Deposit Account is paid off prior to maturity as a result of the Bank's insolvency or a voluntary early withdrawal, you may be unable to reinvest your funds at the same rate as the original Time Deposit Account. Stifel is not responsible to you for any losses you may incur as a result of a lower interest rate on an investment replacing your Time Deposit Account.

SEC Investor Tips. The Securities and Exchange Commission periodically publishes tips for investors in various financial products, including Time Deposit Accounts, on its website. You may access these investor tips at www.sec.gov.

VII. Notices

Stifel may provide notices to you by means of a letter, an entry on your Securities Account statement, an insert to your Securities Account statement, or by other means. You will be notified of the coming maturity of a term via your Securities Account statement.

VIII. Information About Your Relationship With Stifel and the Banks

Relationship With Stifel

Stifel is acting as your agent in establishing, and as your custodian in holding, the Time Deposit Accounts at the Bank(s), depositing funds into the Time Deposit Accounts, and withdrawing funds from the Time Deposit Accounts. Time Deposit Account ownership will be evidenced by a book entry on the account record of the respective Bank and by records maintained by Stifel as your custodian. No evidence of ownership, such as a passbook or certificate, will be issued to you. The ownership title and address of your interest in the Time Deposit Account will be the same as the linked Securities Account.

Unless you establish the Time Deposit Accounts directly with one of the Banks, as described below, all transactions with respect to your Time Deposit Accounts must be directed by Stifel and all information concerning your Time Deposit Accounts can only be obtained from Stifel. The Banks have no obligation to accept instructions from you with respect to your Time Deposit Accounts or provide you with information concerning your Time Deposit Accounts.

Stifel may, in its sole discretion, terminate your use of the Program through Stifel. Similarly, you may decide to terminate your participation in the Program (without closing your Securities Account) by instructing your Financial Advisor to withdraw all funds from your Time Deposit Accounts or by establishing a direct depository relationship with the Bank(s).

If Stifel terminates your use of the Program through Stifel, or if you decide to terminate your participation in the Program, you may establish a direct depository relationship with the Bank(s), subject to its rules with respect to maintaining deposit accounts. Should you establish a Time Deposit Account directly with one of the Banks, that account may pay interest at a rate that is different than what you would have otherwise earned in the Program, including a zero percent rate, or no interest.

Establishing your Time Deposit Accounts in your name at a Bank will separate the Time Deposit Accounts from your Securities Account. In that event, your Time Deposit Account balances will no longer be reflected in your Securities Account statement, and Stifel will have no further responsibility concerning the Time Deposit Accounts. Special rules and considerations apply to Time Deposit Accounts held through retirement accounts, such as an Individual Retirement Account.

Relationship With the Banks

As described above, under the Program, you will not have a direct account relationship with the Banks. However, the Time Deposit Accounts constitute obligations of the respective Banks and are not directly or indirectly obligations of Stifel. You can obtain publicly available financial information concerning the Banks at <https://www.ffiec.gov/NPW> or by contacting the FDIC Public Information Center by mail at L. William Seidman Center, Virginia Square, 3501 North Fairfax Drive, Arlington, Virginia 22226 or by phone at (703) 562-2200. Stifel does not guarantee in any way the financial condition of the Banks or the accuracy of any publicly available financial information concerning the Banks.

Fees to Stifel

You do not have to pay any fees, but you should be aware that Stifel will receive direct or indirect compensation or other benefits in connection with client deposits in Time Deposit Accounts. While the Banks do not currently pay Stifel a direct fee in connection with the Program (or Time Deposit Accounts), the Banks reserve the right to begin paying fees and compensation directly to Stifel in connection with the Program at any time and without prior notice. To the extent permitted under applicable law, such payments could take the form of per-account fees or asset-based compensation on deposit balances. In either case, the payment of such fees represents an additional conflict of interest for Stifel. Upon written request, Stifel will provide you with information about Stifel's receipt of compensation in connection with client deposits in Time Deposit Accounts.

Compensation to Your Financial Advisor

Your Financial Advisor will receive compensation in connection with the Program based on the amounts in your Time Deposit Accounts. The payment of such compensation represents a conflict of interest for us in that it creates a financial incentive for your Financial Advisor to make recommendations based on the additional compensation to be received rather than solely based on your financial needs. You should expect that these compensation arrangements ultimately affect the interest rates paid under the Program and, therefore, can reduce the interest rate you receive on your Time Deposit Accounts. Upon written request, Stifel will provide you with information about Stifel's compensation arrangements with your Financial Advisor.

Other than applicable fees imposed by Stifel on your Securities Account, there will be no charges, fees, or commissions imposed on your Securities Account with respect to the Program.

Benefits to Stifel and the Banks

Stifel and the Banks are each separate but affiliated companies and wholly owned subsidiaries of Stifel Financial Corp.

The Program provides financial benefits to both Stifel and the Banks. In addition to any fees that Stifel receives from the Banks, discussed above, the Banks may receive substantial deposits from Stifel clients through the Program at a price that can be expected to be less than other alternative funding sources available to it. Deposits in the Time Deposit Accounts at the Banks, together with the other Stifel Deposit Programs, provide a stable source of funds for the Banks. The Banks intend to use the funds in the Time Deposit Accounts to support a variety of activities, including, but not limited to, lending activities. As with other depository institutions, the profitability of the Banks is determined in large part by the difference between the interest paid and other costs incurred by them on the Time Deposit Accounts, and the interest or other income earned on their loans, investments, and other assets, in each case, to the extent applicable. It is expected that the borrowing costs incurred to fund the business activities of the Banks through the client deposits under the Program will be less than alternative funding sources and a benefit to the Banks. Because the Banks and Stifel are wholly owned subsidiaries of Stifel Financial Corp., each of the Banks and Stifel stand to benefit, directly or indirectly, from arrangements that benefit the other.

IX. Nontransferable Time Deposit Accounts

You may not transfer the Time Deposit Accounts. If you choose to close your securities account, you may separately establish an account directly with a Bank, subject to the Bank's account opening requirements, as discussed above. Once you close your securities account, all funds will be sent to you (minus any applicable early withdrawal penalty) unless you separately open an account with one or more of the Banks.

X. Retirement Accounts

When your Individual Retirement Account (“IRA”), including SEP or SIMPLE account, holds cash balances at the Bank, such deposits will bear a “reasonable rate of interest” as required under the exemption provided by Section 408(b)(4) Employee Retirement Income Securities Act of 1974, as amended (“ERISA”), or Section 4975(d)(4) of the Internal Revenue Code, which permits the investment of retirement client assets in deposits of affiliated banks.

Other than SEP and SIMPLE IRAs that may receive contributions through plans subject to ERISA, the Program is not currently available to accounts of ERISA covered plans.

Time Deposit Accounts held through a Stifel custodied IRA may not be eligible for establishing a direct relationship with the Banks.

XI. Information About FDIC Insurance

Deposit Insurance: General

The Time Deposit Accounts are insured by the FDIC, an independent agency of the U.S. Government, up to \$250,000 (including principal and accrued interest) for all deposits held in the same insurable capacity. Any deposits that you may maintain directly with a Bank, or through any other intermediary, in the same insurable capacity in which the Time Deposit Accounts are maintained will be aggregated with the Time Deposit Accounts for purposes of the \$250,000 FDIC insurance limit. Interest is determined for insurance purposes in accordance with federal law and regulations.

As further set forth above in the section titled “Insolvency of the Banks,” the FDIC’s regulations impose special conditions for obtaining FDIC insurance coverage for deposits held through agents, such as Stifel. These conditions include recordkeeping requirements applicable to Stifel as your agent and custodian and other requirements applicable to the Banks.

Under certain circumstances, if you become the owner of deposits at a Bank because another depositor dies as a result of a survivorship feature of the account, such as a joint account or a “payable on death” account, the FDIC provides a six-month “grace period” after the death of the other depositor during which time your deposits are eligible for the pre-death insurance coverage. This grace period permits you to restructure your deposits to obtain the maximum amount of deposit insurance for which you are eligible.

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

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

The application of the \$250,000 FDIC insurance limit is illustrated by several common factual situations discussed below.

Individual Customer Accounts. Deposits of a Bank held by an individual are added together with other deposits owned by the individual and insured up to \$250,000 in the aggregate. An individual may hold deposits through an agent or nominee (such as the Time Deposit Accounts held through Stifel) or through a custodian (for example, under the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act). In such cases, the individual’s deposits will be added together with other deposits owned by individual and insured up to \$250,000 in the aggregate. Deposits held through a qualified tuition savings program (529 Plan) will be insured as deposits of the participant and aggregated with other deposits of the participant if the arrangement and the name of the participant are identified on Stifel’s account records.

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

Trust Accounts. Deposits of any one Issuer held pursuant to any of the following trust arrangements established by the same grantor are insured for up to \$250,000 per eligible beneficiary, multiplied by the number of beneficiaries, up to a maximum of five eligible beneficiaries:

- Informal revocable trusts, which include accounts in which the grantor evidences an intent that, at his or her death, the funds shall belong to one or more specified beneficiaries. These trusts may be referred to as a "Totten trust" account, "payable upon death" account, or "transfer on death" account. Each beneficiary must be included in the Firm's account records.
- Formal revocable trusts, which are written trust arrangements in which the grantor retains ownership and control of the assets and designation of beneficiaries during his or her lifetime and the assets pass to the beneficiaries upon the death of the grantor. The trusts may be referred to as "living" or "family" trusts.
- Irrevocable trust accounts, which are trust arrangements established by statute or written trust agreement. Coverdell Education Savings Accounts are irrevocable trust accounts.

A beneficiary's interest in any trust account will be aggregated with the beneficiary's interest in all other trust accounts created by the same grantor at the same Issuer and insured up to \$250,000. If there are more than five beneficiaries, the trust account is insured up to the greater of: (1) five times \$250,000; or (2) the total of the interests of each beneficiary, with each such interest limited to \$250,000.

Deposit Insurance: Retirement Plans and Accounts

Retirement Plans and Accounts – Generally. The amount of deposit insurance available on time deposits of a Bank held through one or more retirement plans or accounts will vary depending on the type of plan or account. It is therefore important to understand the type of plan or account holding the deposits. The following sections generally discuss the rules that apply to deposits held by retirement plans and accounts.

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

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

Payments Under Adverse Circumstances

As with all deposits, if it becomes necessary for federal deposit insurance payments to be made on the Time Deposit Accounts, there is no specific time period during which the FDIC must make insurance payments available. You should be prepared for a delay in obtaining insurance payments.

As explained above, the \$250,000 federal deposit insurance limit applies to the principal and accrued interest on the Time Deposit Accounts and other deposit accounts maintained by you at the Bank in the same insurable capacity. The records maintained by the Bank and Stifel regarding ownership of the Time Deposit Accounts would be used to establish your eligibility for federal deposit insurance payments. In addition, you may be required to provide certain documentation to the FDIC and to Stifel before insurance payments are released to you.

For example, if you hold Time Deposit Accounts as trustee for the benefit of trust participants, you may also be required to furnish an affidavit to that effect; you may be required to furnish other affidavits and provide indemnities regarding an insurance payment.

If deposit insurance payments become necessary for your Time Deposit Account, the FDIC is required to pay the original par amount of the Time Deposit Account plus accrued interest to the date of the closing of the relevant Bank, as prescribed by law, and subject to the \$250,000 federal deposit insurance limit. No interest is earned on deposits from the time a Bank is closed until insurance payments are received.

As an alternative to a direct deposit insurance payment from the FDIC, the FDIC may transfer the insured deposits of an insolvent institution to a healthy institution. Subject to insurance verification requirements and the limits on deposit insurance coverage, the healthy institution may assume the Time Deposit Accounts under the original terms or offer you a choice between paying the Time Deposit Account off and maintaining the deposit at a different rate. There may be a delay in receiving notification from the healthy institution, and the healthy institution may lower the rate on the Time Deposit Accounts prior to providing notice. Stifel will advise you of your options in the event of a deposit transfer as information becomes available.

Stifel will not be obligated to you for amounts not covered by deposit insurance, nor will Stifel be obligated to make any payments to you in satisfaction of a loss you might incur as a result of (i) a delay in insurance payouts applicable to your Time Deposit Account, (ii) your receipt of a decreased interest rate on an investment replacing your Time Deposit Account as a result of the payment of the principal and accrued interest of a Time Deposit Account prior to its scheduled maturity, or (iii) payment in cash of the principal and accrued interest of your Time Deposit Accounts prior to maturity in connection with the liquidation of a Bank or the assumption of all or a portion of its deposit liabilities. Also, Stifel will not be obligated to credit your account with funds in advance of payments received from the FDIC.

Questions About FDIC Deposit Insurance Coverage

If you have questions about basic FDIC insurance coverage, please contact your Financial Advisor. You may wish to seek advice from your own attorney concerning FDIC insurance coverage of deposits held in more than one insurable capacity. You may also obtain information by contacting the FDIC:

- By Mail: Deposit Insurance Outreach, Division of Depositor and Consumer Protection
550 17th Street, N.W. | Washington, DC 20429
- By Phone: (877) 275-3342 or (800) 925-4618 (TDD)
- By E-Mail: Via the FDIC's Online Customer Assistance Form, available at <https://www2.fdic.gov/starsmail/index.asp>