



TERMS AND CONDITIONS  
PMA Financial Network, LLC  
PMA Securities, LLC

References in this Agreement to “we,” “our,” or “us” are to PMA Financial Network, LLC and/or PMA Securities, LLC, as the context requires, and references to “you” or “your” are to the account owner.

**General Account Terms**

1. *Applicable PMA Entity:* Securities and municipal advisory brokerage services, and investments cleared through our clearing firm are offered through PMA Securities, LLC, a broker-dealer and municipal advisor registered with the U.S. Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB), and a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investors Protection Corporation (SIPC). All other products and brokerage services are generally provided by PMA Financial Network, LLC.

Sections 1 through 23 of these Terms and Conditions, which are included “The General Terms and Conditions” heading, apply to any accounts maintained with PMA Financial Network, LLC or PMA Securities, LLC (collectively “PMA”), which are under common ownership. Sections 24 through 27, which are included under the heading “Terms Applicable to PMA Securities Accounts Only,” apply only to accounts maintained with PMA Securities, LLC. The Application & Agreement for the applicable PMA company, and these Terms and Conditions, constitute the “Agreement.”

2. *Account:* When we approve your Application, we will open a brokerage account for you to purchase and sell investments for your account and on your instructions. Certain of these accounts may constitute Municipal Advisor accounts which are subject to additional Terms and Conditions set forth in paragraphs 28 through 34). In either case, you acknowledge that the account is a non-discretionary account and we do not take discretion over the selection of investments in the account. You agree that you have the ultimate decision making authority over investments in the account and that all orders are based on your own investment decisions or the investment decisions of your duly authorized personnel. You understand that, except as provided by law, you are solely responsible for all orders entered, including, but not limited to, trade qualifiers, the number of trades entered, investment strategies and risks associated with each trade, and will not hold PMA nor any of its officers, directors, employees, agents or affiliates liable for those investment decisions.

Any account that you maintain with us is not an investment advisory account. For you to open an investment advisory account through PMA’s affiliate, Prudent Man Advisors, LLC, you must sign a separate agreement with that entity. If you have any questions as to whether an account is a brokerage account, municipal advisory account or investment advisory account, or the difference between these types of accounts, please contact us.

3. *No Legal or Tax Advice.* You acknowledge that we do not and will not provide legal or tax advice.

4. *Commissions and Fees:* You agree to pay our brokerage commissions, charges and other fees, as they exist from time to time and apply to your transactions and services you receive. You also acknowledge that where we act as principal in buying a security from you or selling a security to you we receive compensation in the form of a markdown, which is a decrease in the price paid to you below the price prevailing in the market, or a markup, which is an increase in the price charged to you over the price prevailing in the market. You also acknowledge that for deposit products, we act as your agent and offer you a net rate, with our fee being taken from the gross rate paid by the financial institution. From time to time, we execute transactions for deposit products with the assistance of a third party consultant or procure insurance. You agree to pay for the cost of such insurance or any fees charged by such third party consultant. You further agree to pay all applicable taxes, including, without limitation, state and local excise taxes.

5. *Rules and Regulations:* You acknowledge that this Agreement, any brokerage or other account(s) that you maintain with us and any transactions you make are subject to all applicable federal and state laws, rules, and regulations and the constitution, rules, regulations, customs, usages, rulings and interpretations of the exchange or market and its clearinghouse (if any) where such transactions are executed. You represent all transactions effected by us for you are in compliance with all laws governing your investments and by your investment guidelines.

6. *Payment, Settlement, and Liquidation:* We will not hold funds or securities for you. All transactions in your account will settle on a delivery versus payment/receipt versus payment basis. When you purchase securities or other investments on a cash basis, you agree to pay for the investments by settlement day.

We may require full payment before we accept your order. When you sell long investments, you must own the investments when you place the order. You also agree to make good delivery of the investments you are selling by settlement day. If you do not pay for a long investment by the settlement day, PMA may liquidate that position at market prices and charge you any actual fees or costs. PMA will use best efforts to notify you electronically before taking such actions but in all cases has the power to liquidate the position without your authorization.

If you have other obligations to us, which you do not satisfy on a timely basis, for our protection, or to satisfy your obligations to us, we may, at our discretion, without prior demand or notice but after using best efforts to notify you electronically, sell or otherwise liquidate all or any part of the securities and other property securing your obligations or close any or all transactions in your Brokerage Account. In this regard, we may transfer securities and other property that are now or in the future, held, carried, or maintained in or through the Brokerage Account and, to the extent of such account holder’s interest, any present or future brokerage account with us in which such an account holder has an interest. You are responsible for costs, commissions, and losses arising from any actions we must take to liquidate or close transactions in your Brokerage Account or from your failure to make timely, good delivery of securities.

7. *Restrictions on Trading:* You understand that we may at any time, in our sole discretion and without prior notice to you, prohibit or restrict your ability to trade securities or investments, or to substitute investments, in your Brokerage Account.

8. *Provision of Market Data:* We may convey to you through telephone, electronic, or other means last sale transaction data, bid and asked quotations, and other information relating to securities or other investments and the securities markets (collectively referred to in this section as “market data”).

We obtain market data from securities exchanges and markets and from parties that transmit market data (collectively referred to in this section as “the market data providers”). All market data is protected by copyright laws. We provide market data for your personal, non-commercial use; you may not sell, market, or redistribute it in any way, unless you’ve entered into written agreements with the appropriate market data providers. We may terminate your access to the market data at any time in our sole and absolute discretion.

We receive the market data from industry sources that are believed to be reliable. However, the accuracy, completeness, timeliness, or correct sequencing of the market data, and the availability of the market data without interruptions, can’t be guaranteed either by us or the market data providers. Neither we nor the market data providers will be liable to you or to any other person for any losses or damages arising from inaccuracies, errors, omissions, delays, non-performance, or interruptions in the availability of market data or your access to market data, whether or not due to any negligent act or omission by us or the market data providers. You acknowledge that the provision of such market data does not constitute a recommendation by us to purchase or sell any security or any financial, tax or legal advice by us. The market data is provided “as is” and on an “as available” basis. There is no warranty of any kind, express or implied, regarding the market data.

You are fully capable of evaluating securities, reading markets, and recognizing portfolio diversification. However, the market data and other analysis provided by PMA may assist in your investment decisions. Any quotations generated from market data will also be considered subject to availability.

9. *Orders/Confirmation of Transactions:* You agree not to use email or voicemail to transmit orders to purchase or sell a security or other investment and further agree that we are not liable for any actions taken or any omissions to act as a result of any email or voicemail message you send to us. Transactions entered into for your account shall be confirmed in writing where required by applicable law or regulation. You agree that transactions on your statements and confirmations shall be conclusively be deemed accurate, binding and authorized by you unless you notify us in writing within 10 days.

10. *Consent to Monitoring and Recording:* You understand that we may, in our sole and absolute discretion, monitor or tape record telephone conversations with you, and you consent to such monitoring and recording.

11. *Notification:* We will send all notices and communications relating to your Brokerage Account to you at the mailing address or, where applicable, the electronic mail address indicated in your Institutional Brokerage Account Application (“Application”), or to another address you specify to us in

writing. Any communication we send to such mailing address, whether by mail, courier, or otherwise, or to your electronic mail (email) address is considered delivered to you personally, whether or not you actually receive it. You agree to promptly notify us of any changes in your mailing address or e mail address.

12. *Email and Electronic Delivery.* If you have indicated in your Application that you consent to electronic delivery, you authorize us to deliver all communications to you by the following methods: **(i) by email at the address specified in the Application; (ii) by sending you an email that includes a hyperlink to the website or an address on the Internet where the information is posted, and can be read and printed; and (iii) by sending you a notice that directs you to an address on the Internet or a place within a website where the communication is posted and from which it can be read and printed.** This delivery will be effective whether or not you access or review the communication. Even if you have consented to electronic delivery, we may choose to send communications to you by other means, and if we do so that will not affect your consent. You must notify us of any change in your email address. Although we will not charge you for sending electronic communications, you understand that other online subscription fees or charges by Internet service providers may apply. You may revoke your consent to electronic delivery of communications and elect to receive documents in paper form.

All email sent to and from us is subject to monitoring, review by or disclosure to someone other than your intended recipient. You acknowledge that there may be delays in email being received by your intended recipient. You agree to hold us harmless for any delay in email delivery regardless of whether the delay was caused by us or a third party. Email sent to and from an address of PMA will be retained by our corporate email system. Electronic communications with us via our website or a wireless device are also subject to monitoring, review by or disclosure to someone other than the recipient and we will retain these communications as may be required by law.

13. *Losses Due to Extraordinary Events; Limitation of Liability:* We shall not be liable for losses caused directly or indirectly by conditions beyond our control, including, but not limited to, war, strikes, natural disasters, terrorist acts, government restrictions, exchange or market rulings, suspensions of trading, interruptions of communications or data processing services, or disruptions in orderly trading on any exchange market.

14. *Warranty Disclaimer; Damage Limitation:* Neither we nor any third party makes any representations or warranties express or implied, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose in respect of any services provided in connection with your Brokerage Account. Both parties to this Agreement agree that the only appropriate measure of damages for any breach of this Agreement are compensatory damages and that in no event shall either party be entitled to incidental, special, indirect, punitive or consequential damages.

15. *Hold Harmless:* You hereby agree to hold PMA and its officers, directors, employees, agents and affiliates harmless from any liability, financial or otherwise, or expense (including attorneys’ fees and disbursements), as incurred, as a result of any losses or damages you may suffer with respect to any such decisions, instructions, transactions or strategies employed in

your brokerage account by you or the Authorized Persons identified in your Application, or as a result of any breach by you of any of the covenants, representations, acknowledgments or warranties herein.

16. **Anti-Money Laundering Requirements:** The USA PATRIOT Act is designed to detect, deter, and punish terrorists and others who engage in money laundering or disguising illegally obtained funds so that the funds appear to come from legitimate sources or activities. All brokerage firms are required to have anti-money laundering programs. As part of our program, we may require you to provide various identification documents or other information to verify your identity and/or your institution's identity. Until you provide the information or documents we need, we may not be able to open an account or effect any transaction for you.

You represent that neither you nor any other person who has an ownership interest in, or authority over, your account is or has been a Politically Exposed Person, also known as a senior foreign political figure, or an immediate family member or close associate of a senior foreign political figure, within the meaning of the U.S. Department of the Treasury's Guidance on Enhanced Scrutiny for Transactions That May Involve the Proceeds of Foreign Official Corruption and as referenced in the USA PATRIOT Act. In addition, you represent that neither you nor any other person who has an ownership interest in, or authority over, your account is a corporation, business or other entity that is beneficially or majority owned or controlled by the senior foreign political figure. If you, any other owner of or authorized person on your account is or has been such a figure, you agree to disclose that fact to us and provide the necessary information required by law to open and/or to service your account. You also represent that your account will not be used for any transactions with, or for the benefit of, any person, entity or country that is the subject of any sanctions administered or enforced by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC), including, but not limited to, any person, or entity designated on OFAC's List of Specialty Designated Nationals. For the purpose of this section, a "Politically Exposed Person" is a current or former senior official in the executive, legislative, administrative, a military or judicial branch of a foreign government (whether elected or not) or a senior official of major foreign party, a senior executive of a foreign government-owned corporation or a corporation, business or other entity formed by or for the benefit of such a figure. The term "politically exposed person" includes a current or former senior foreign political figure's "immediate family" which includes, but is not limited to, parents, siblings and in-laws or a "close associate," which means a person who is widely and publicly known to maintain an unusually close relationship with a senior foreign political figure, including a person in a position to conduct substantial domestic and international financial transactions on behalf of such figure. For a discussion of the preceding terms and definitions, see <http://federalreserve.gov/boarddocs/srletters/2001/sr0103/hrm>.

17. **Termination:** You may terminate this Agreement and any account that you maintain with us at any time by giving us written notice, after paying any obligations you owe to us. We may terminate any account that you maintain with us and any or all services rendered under this Agreement at any time and for any reason in our sole and absolute discretion. Closing an account or terminating services will not affect rights and obligations incurred or arising prior to closure or termination. This Agreement will survive termination of your account(s) and

will continue to apply to any disputed or other remaining matters arising from our relationship.

18. **Arbitration:** This Agreement contains a predispute arbitration clause. By signing this Agreement, the parties agree as follows:

- All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award.
- The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.
- The arbitration proceeding will be held at such location as may be required by applicable regulations.

You agree to settle by arbitration any controversy, dispute, claim or grievance between you or your officers, directors, employees or agents, and us, any of our affiliates or our or their shareholders, officers, directors, employees or agents arising out of, or relating to, this Agreement, your Brokerage Account or account transactions, or in any other way arising from your relationship with us. Such arbitration will be conducted before and in accordance with the rules then prevailing of the American Arbitration Association, unless (i) the rules of FINRA, (ii) another United States securities self-regulatory organization or United States securities exchange of which the person, entity or entities against whom the claim is made is a member or (iii) an order of court require that the arbitration be conducted under differing rules. The results of any arbitration proceeding shall be final and may be enforced by a court of competent jurisdiction. Either of us may initiate arbitration by serving or mailing a written notice to the other. The notice must specify which rules will apply to the arbitration, and such specification will be binding on both of us. Any award the arbitrator makes will be final and binding, and judgment on it may be entered in any court of competent jurisdiction.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement

**except to the extent stated herein.**

19. *Entire Agreement, Amendment, and Waiver:* This Agreement, any attachments hereto, our privacy policy, business continuity policy, and terms contained on statements and confirmations sent to you, as amended from time to time, contains the entire agreement between you and us with respect to the subject matter hereof.
20. *Governing Law:* This Agreement is governed by the laws of the State of Illinois (without regard to its conflict of law provisions), as applied to contracts entered into and completely performed within the State of Illinois.
21. *Assignment:* You may not assign your rights and obligations under this Agreement without first obtaining our prior written consent. We may transfer your Brokerage Account and assign our rights and obligations under this Agreement to any subsidiary, affiliate, or successor by merger or consolidation without notice to you, or to any other entity after 30 days prior written notice to you. This Agreement is binding upon, and inures to the benefit of, your and our successors and permitted assigns, if any.
22. *Severability:* If any provision or condition of this Agreement shall be held to be invalid or unenforceable by any court, or regulatory or self-regulatory agency or body, such provision shall be deemed modified or, if necessary, rescinded in order to comply with the relevant court, or regulatory or self-regulatory agency or body. The validity of the remaining provisions and conditions shall not be affected thereby, and this Agreement shall be carried out as if such invalid or unenforceable provision or condition was not contained herein.
23. *Amendments and Waivers.* We may amend this Agreement and if we do so will give notice to you before the changes take effect. In the event you do not agree to an amendment, we may close and liquidate your Brokerage Account in an orderly manner. No amendment of any nature will affect either of our obligations incurred prior to the effective date of the amendment.

A waiver shall be effective only for the specific purpose for which given. Our failure, at any time, to require strict compliance by you with any provision of this Agreement shall not constitute a waiver, or affect or diminish our right to demand strict compliance by you with any other provision of this Agreement.

#### **Terms Applicable to PMA Securities Accounts Only**

24. *Consent/Official Communications Regarding Securities:* You authorize the disclosure of your name, security position(s) and contact information, for purposes of receiving official communications concerning municipal securities, if relevant, to: (i) an issuer of municipal securities; (ii) a trustee for an issue of municipal securities in its capacity as trustee; (iii) a state or federal tax authority; or (iv) a custody agent for a stripped coupon municipal securities program in its capacity as custody agent. You further authorize the disclosure of your name, security position(s) and contact information for purposes of receiving official communications relating to non-municipal publicly traded securities from an issuer of such securities.
25. *FINRA Public Disclosure Program:* As a member of FINRA,

PMA Securities, LLC is required to disclose the availability of BrokerCheck, an online tool that provides information on FINRA-registered firms. To access BrokerCheck or download a brochure, go to [www.finra.org](http://www.finra.org). You can also call the BrokerCheck Hotline at (800) 289-9999.

26. *SIPC and Other Insurance Coverage:* You understand that PMA Securities, LLC is a member of the Securities Investor Protection Corporation (“SIPC”) and that SIPC currently protects the securities in your PMA Securities, LLC Brokerage Account up to \$500,000, with a limit of \$250,000 for cash balances, which are being held for purposes of investment. Cash balances not held for investment purposes (e.g. the sole purpose is to collect interest) may not be covered by SIPC. You acknowledge that these SIPC protections do not cover fluctuations in the market value of your securities. A brochure with the details of SIPC’s protections is available at [www.sipc.org](http://www.sipc.org) or by calling (202) 371-8300.
27. *Restrictions on Ability to Sell Securities:* Before instructing us to sell any securities that are “restricted securities” or securities of an issuer of which you are an “affiliate” as those terms are defined in Rule 144 under the Securities Act of 1933, or securities that are otherwise not freely transferable as the result of an agreement with the issuer of such securities or otherwise. You will advise us as to the status of such securities, obtain clearance from us as to the salability of such securities, promptly furnish whatever information and documents (including opinion of legal counsel) that we may reasonably request and not sell, pledge, assign or transfer such securities unless you first provide any such required or requested documents.

#### **Terms Applicable to Municipal Advisor Accounts—Investment of Bond Proceeds**

28. *Identification of Municipal Advisory Accounts.* You agree that if you request our services with respect to proceeds of an offering of municipal securities, you will identify the proceeds as such and designate the proceeds for a municipal advisory account, and that you will not designate any funds or security other than municipal bond proceeds for a municipal advisory account. When performing municipal advisory activities relating to the investment of proceeds of an offering of municipal securities for you as a municipal entity client or an obligated person client, we are acting as a municipal advisor and any accounts with bond proceeds are deemed municipal advisory accounts subject to these provisions. For operational purposes, a municipal advisory account will be a sub-account, but for all other purposes will be treated as a separate account.
29. *Scope of Services.* Upon opening a municipal advisory account, we will work with you in an effort to determine suitable investment options for the investment of your proceeds of municipal securities, given the timetable, cash flow and permitted investments you have presented. You acknowledge that any municipal advisory account is a non-discretionary account and we do not take discretion over the selection of investments in the account. You agree that you have the ultimate decision making authority over investments in the account and that all orders are based on your own investment decisions or the investment decisions of your duly authorized personnel. If all proceeds from the issuance were invested through PMA, if requested, PMA will also assist you in bond proceeds management/arbitrage reporting for

compliance with provisions of the Internal Revenue Service, subject to review by your legal and accounting professionals.

30. *Municipal Advisor Disclosures.* You acknowledge that we have provided you with the PMA Securities, LLC Municipal Advisor Disclosure Statement, which contain important disclosures on matters such as all material conflicts of interest and all legal and disciplinary events that are material to a client's evaluation of us relevant to our provision of municipal advisory services. This disclosure document also will specify the date of the last material change or addition to the legal or disciplinary event disclosures, if any, on any Form MA or Form MA-I that we file with the SEC and a brief explanation for the materiality of the change or addition.
31. *Limitations on Engagement or Scope of Services.* Nothing in this Agreement should be construed as altering or limiting our duties as a municipal advisor. However, we may limit the scope of our engagement, duties and services with respect to any municipal advisory account by subsequent agreement with you.
32. *Information Required in Connection with Recommendations.* For any recommendation for a municipal advisor account, we will seek to provide suitable recommendations based on information obtained through the reasonable diligence of the firm. You agree to provide such information to assist in this process.
33. *Fee Schedule.* You acknowledge receipt of our standard fee schedule applicable to transactions in your account, unless we have agreed to a different fee schedule which shall supersede the standard fee schedule. The confirmation will provide information relating to fees or sufficient information to determine the markups or markdowns charged for such transaction.
34. *Form MA and MA-I.* As a municipal advisor, we have filed a Form MA for the firm and a Form MA-I for each person conducting municipal advisory activities associated with the firm. Forms MA and MA-I require the disclosure of information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation regarding a municipal advisory firm and its associated persons who engage in municipal advisory activities. You may access these forms regarding the firm through the SEC Edgar system located at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for English Concepts, LLC, which is our formal corporate name.