Moors & Cabot Regulation Best Interest Disclosures

This guide summarizes important information concerning the scope and terms of the brokerage services we offer and details the material conflicts of interest that arise through our delivery of brokerage services to you. We encourage you to review this information carefully, along with any applicable account agreement(s) and disclosure documentation you may receive from us.

As you review this information, we would like to remind you that we are registered with the U.S. Securities and Exchange Commission (SEC) as a broker dealer and an investment adviser, providing both brokerage services and investment advisory services. Our brokerage services are the primary focus of this guide. For more information on our investment advisory services and how they differ from brokerage, please review the Customer Relationship Summary (or Form CRS) available at www.moorscabot.com. Our Form CRS contains important information about the types of services we offer, both brokerage and investment advisory, along with general information related to compensation, conflicts of interest, disciplinary action and other reportable legal information.

Please carefully review and consider the information in each section below.

Brokerage Services

Moors & Cabot (M&C) is registered as both a broker-dealer and investment adviser. Provided here is a summary of our brokerage services. When you establish a brokerage account with us, you have the ability to buy, sell and hold investments within your account. While we may provide investment education, research, and recommendations, purchases and sales are executed on your behalf, and as directed by you. In providing brokerage services, M&C is subject to responsibilities under applicable federal and state securities laws, and regulations. We will obtain your investment profile, including your age, investment experience, time horizon, liquidity needs, risk tolerance, financial situation and needs, tax status, and investment objectives. Under SEC's Regulation Best Interest, we are have a responsibility to serve in your best interest when providing information about investments or making recommendations based on your investment profile. In addition, we will provide information about investments based on the nature of the security as well as its potential risks and rewards.

In a brokerage relationship we can trade with you for our own account or for another client, and we can earn a profit on those trades. The capacity in which we act, agent or principal, is disclosed on your trade confirmation. However, we are not required to communicate it in advance, obtain your consent, or inform you of any profit earned on trades. However, we are by FINRA and SEC rules to seek best execution by obtaining prices for trades that are fair and reasonable and make sure commissions and fees that you pay are not excessive.

Cash Brokerage and Margin Brokerage Accounts

We provide brokerage services through either a cash brokerage account or margin brokerage account, based on your eligibility and selection. In a cash brokerage account, you must pay for your purchases in full at the time of purchase in accordance with Regulation T. In a margin brokerage account, you must eventually pay for your purchases in full, but you may borrow part of the purchase price from our clearing firm, RBC Capital Markets (RBC). This is generally referred to as a “margin loan.” The portion of the purchase price that is loaned you is secured by securities in your account, also referred to as “collateral.” You will incur interest costs as a result of your margin activity. While many securities are eligible to be used as collateral for a margin loan, some assets are not available for margin collateral purposes.

Given that a margin-enabled brokerage account has specific eligibility requirements, unique costs, and governing regulatory requirements, our default brokerage option is our cash brokerage account. You must execute a separate margin agreement before engaging in any margin brokerage activity. Included with your margin agreement is a copy of the Margin Disclosure Statement. This statement contains important information you should understand and consider before establishing a margin brokerage relationship. For more information on margin brokerage services, contact a financial professional or refer to RBC’s Margin Disclosure Statement provided in Appendix A of the Credit Account Agreement and Application which is available upon request and available at https://www.moorscabot.com/.

Brokerage Account Types

We offer many different brokerage account types including Individual and Joint accounts, Custodial accounts, Education accounts, Delivery Versus Payment (DVP) accounts, Estate and Trust accounts, Corporate Accounts, Partnership accounts, Individual Retirement accounts and other types of retirement accounts as outlined in specific account agreement(s). You should refer to the account agreement(s) for more information concerning the account types or speak with a financial professional.

Incidental Brokerage Services, Recommendations and Account Monitoring

Within your brokerage account, we may also provide other incidental services such as research reports, and specific recommendations to buy, sell, or hold assets. When we make a securities recommendation, Account type recommendation, investment strategy recommendation or recommendation to rollover assets from your Qualified Retirement Plan (QRP) to an Individual Retirement Account (IRA), the recommendation is made in our capacity as a broker-dealer unless otherwise stated at the time of the recommendation. Any such statement may be made orally to you. Moreover, when we act in a brokerage capacity, we do not agree to enter into a fiduciary relationship with you.

It is important for you to understand that when our financial professionals make a brokerage recommendation to you, we are obligated to ensure the recommendation is in your best interest, considering reasonably available alternatives, and based on your stated investment objective, risk tolerance, liquidity needs, time horizon, financial needs, tax status, and other financial information you provide us. You may accept or reject any recommendation. It is also your responsibility to monitor the investments in your brokerage account, and we encourage you to do so regularly. We do not commit to provide on-going monitoring of your brokerage account. If you prefer on-going monitoring of your account or investments, you should speak with a financial professional about whether an advisory services relationship is more appropriate for you.

Please also consider that from time to time we may provide you with additional information and resources to assist you with managing your brokerage account. This may include but is not limited to educational resources, sales and marketing materials, performance reports, asset allocation guidance, and/or periodic brokerage account reviews. When we offer these services and information, we do so as a courtesy to you. These activities are not designed to monitor specific investment holdings in your brokerage account, they do not contain specific investment recommendations about investment holdings, and you should not consider them a recommendation to trade or hold any particular securities in your brokerage account. Upon your request, we will review such information and reports with you and may provide you with investment recommendations, but we are not under a specific obligation to do so.

Clearing Services

We have entered into an agreement with RBC (also referred to herein as "Clearing Agent") to carry your account and provide certain back office functions. We and RBC share responsibilities with respect to your account as set forth in the "Responsibilities of Your Brokerage Firm and Clearing Firm" within the Customer's Agreement that was delivered to you upon opening of your account. Please refer to the "Responsibilities of Your Brokerage Firm and Clearing Firm" for more information on how such responsibilities have been allocated between us.

Understanding Risk

It is important for you to understand that all investment recommendations and activities involve risk, including the risk that you may lose your entire principal. Further, some investments involve more risk than other investments. Higher-risk investments may have the potential for higher returns but also for greater losses. The higher your "risk tolerance," meaning the amount of risk or loss you are willing and able to accept in order to achieve your investment goals, the more you may decide to invest in higher-risk investments offering the potential for greater returns. We align risk tolerances with investment needs to offer you different investment objectives from which to choose (see below). You should select the investment objective and risk tolerance best aligned with your brokerage account goals and needs.

Investment goals typically have different time horizons and different income and growth objectives. Generally, investment goals are on a spectrum, with "Preservation of Principal/Income" investors typically holding the smallest percentage of higher- risk investments, followed by "Balanced Growth" investors holding some higher-risk investments, and "Growth" investors holding a much greater portion of their portfolio in higher-risk investments. Finally, "Speculation" has the most significant portion of their portfolio in highest risk investment. Risk tolerance also varies and is generally on a continuum that increases from "Minimal" to "Low" to "Moderate," and finally "Maximum." See the chart on the following page for details.

Investment Objective	Investment Objective Description	Risk Tolerance	Risk Tolerance Definition
Preservation of Principal/Income	The investment goal is capital preservation and generation of current income.	Minimal	Minimal tolerance for risk and willing to accept the lowest possible returns which may not keep pace with inflation.
		Low	Low tolerance for risk and willing to accept some level of volatility to seek returns with less fluctuation in value.
		Moderate	Moderate tolerance for risk and willing to accept modest returns with potential for some fluctuation in value.
Balanced Growth	The investment goal is a balance between capital appreciation and wealth preservation.	Minimal	Minimal tolerance for risk and willing to accept the lowest possible returns which may not keep pace with inflation.
		Low	Low tolerance for risk and willing to accept some level of volatility to seek returns with less fluctuation in value.
		Moderate	Moderate tolerance for risk and willing to accept modest returns with potential for some fluctuation in value.
Growth	The investment goal is capital appreciation.	Moderate	Moderate tolerance for risk and willing to accept modest returns with potential for some fluctuation in value.
		High	Moderate to high tolerance for risk and willing to accept the potential for greater fluctuation in value to seek higher returns.
		Maximum	High tolerance for risk and willing to accept the potential for significant fluctuation or loss in value while seeking to maximize potential returns
Speculation	The investment goal is to maximize capital appreciation with a maximum risk tolerance.		

Our recommendations are based in part on your risk tolerance and investment objective as outlined above. We encourage you to carefully consider your investment objective and risk tolerance before investing.

Cash Sweep Program Feature

Our brokerage services offer a Cash Sweep Program feature from our Clearing firm, RBC. This program automatically sweeps un-invested cash from your account into RBC Insured Deposits, offering FDIC protection on cash balances up to $5,000,000 (FDIC coverage up to $10 million for joint accounts.) This permits you to earn a return on your cash balances until such balances are otherwise required to satisfy obligations arising in your account. The Cash Sweep Vehicles include interest-bearing deposit accounts, and if permissible, money market mutual funds or such other sweep arrangements made available to you.

The investment options included under RBC Insured Deposits include U.S. Government Money Market Fund Investor Class (TUIXX) and U.S. Government Institutional Class Two (TIMXX). RBC Insured Deposits is available for all accounts except self-trusteed pooled qualified plan and advisory retirement accounts. The RBC US Government Money Market Fund managed by RBC GAM (US) (non-institutional) is designated and only available as a secondary cash sweep option for cash balances in excess of the FDIC insurance threshold available through RBC Insured Deposits. The RBC U.S. Government Institutional Class 2 Money Market Fund has a minimum balance requirement of $1,000,000 per client.

In addition, RBC offers a Credit Interest Program, or CIP. This is an in-house cash investment alternative, allowing clients to earn interest on cash reserves between investments. CIP cannot be used with retirement accounts and is not available to clients living in Louisiana or Utah.

You will receive additional information concerning the Cash Sweep Program in your client account agreement. Please review that Disclosure Statement carefully. Additional information is available at https://www.moorscabot.com/ or upon request from you financial professional.

Account Minimums and Activity Requirements

There is no minimum initial account balance required to open a brokerage account. However, if you either fail to fund your account or do not return account opening documents as required, your account will be closed. In addition, some types of brokerage accounts may have minimum account activity requirements and/or minimum on-going balance requirements that must be maintained, or your brokerage account will be closed. These requirements are detailed in the account agreement(s) you receive when you open your brokerage account.

You should also understand that our financial professionals may establish their own minimum account balance requirements for the brokerage accounts they service. For example, a dedicated financial professional may choose to service only those brokerage account clients who satisfy account-specific or total household asset conditions. If applicable, minimum asset requirements will be disclosed to you orally by your financial professional.

Brokerage Service Models and Products

We offer a full-service brokerage model in which assigned financial professionals or their client associates will service your account(s). We do not offer a phone-based support model or self-directed accounts. All of our investment products are offered under the full-service brokerage model.

Brokerage Fees and Our Compensation

It is important to consider that while a brokerage relationship can be a cost-effective way of investing your assets, it is not for everyone given the fees and costs involved.

Transaction-Based Fees

You will pay transaction-based fees for trades you decide to enter into, such as buying and selling stocks, bonds, Exchange Traded Products (ETPs), mutual funds, annuity contracts, exercising options and other investment purchases and sale. These transaction-based fees are generally referred to as a "commission," "mark up," "sales load," or a "sales charge." Transaction-based fees are based on a number of factors, including, but not limited to:

- Underlying product selection
- Your brokerage service model and account type
- Size of your transaction and/or overall value of your account
- Frequency of your trade activity
- Available discounts and/or fee waivers

Account and Service Fees

You will pay fees for various operational services provided to you through your brokerage account. These fees are set at least annually and communicated to you through information included in your account statement and other notifications. These fees do not apply to all account types and may be waived under certain conditions.

Please understand that the same or similar products, accounts and services may vary in the fees and costs charged to you. For more information concerning our administrative and service fees, visit us at https://www.moorscabot.com/.

How We Are Compensated

We may receive direct and indirect compensation in connection with your accounts. Direct compensation is taken directly from the affected account. Indirect compensation is compensation paid in ways other than directly from the account and may impact the value of the associated investments in your account. The sections below describe the compensation that we receive in connection with various investments that are available to you. In certain cases, the descriptions that follow refer to a prospectus or offering documents.

Financial Professional Schedules

Commission Schedule for Equities and Options

The schedule below details the commission charged to you and received by us and your financial professional for trades of stocks, rights, warrants, and options.

Stocks Priced Under $1.00

Principal in Trade	% of Principal
$0 but less than $1,000	5% of Principal*
$1,000 but less than $10,000	5% of Principal*
$10,000 and above	5% of Principal*

See Note 1

Stocks Priced $1.00 and Above/100 Share Round Lot and Odd Lots

Principal in Trade	Commission	Odd Lot Subtract
$0 but less than $800	3.089% of Principal + $14.52	$3.09
$800 but less than $2,500	2.008% of Principal + $24.71	$3.09
$2,500 but less than $5,000	1.390% of Principal + $40.15	$3.09
$5,000 and above	1.453% of Principal + $41.98	$3.23

See Note 1

Stocks Priced $1.00 Multiple Round Lots

Principal in Trade	Commission	Plus 1-10 Round Lot	11 & Above
$0 but less than $2,500	2.008% of Principal + $26.25	$9.27	$6.18
$2,500 but less than $5,000	1.390% of Principal + $41.70	$9.27	$6.18
$5,000 but less than $20,000	1.453% of Principal + $43.59	$9.69	$6.46
$20,000 but less than $30,000	0.969% of Principal + $142.09	$9.69	$6.46
$30,000 and above	0.646% of Principal + $229.27	$9.69	$6.46

See Note 1

Option Rates Equity and Index

Options compensation is received as direct compensation, as described below.

Option Priced Under $1.00

Principal in Trade	Commission
$0 but less than $1,000	5% of Principal
$1,000 but less than $10,000	5% of Principal
$10,000 and above	5% of Principal

See Note 1

Option Priced $1.00 and above

Principal	Commission
$0 but less than $800	3.089% of Principal + $9.88
$800 but less than $2,500	2.008% of Principal + $18.53
$2,500 but less than $5,000	1.3090% of Principal + $33.98
$5,000 and above	1.453% of Principal + $35.52

See Note 1 and 2

Multiple Options Priced Above $1

Principal in Trade	Commission	Plus 1-10 Round Lot	11 & Above
$0 but less than $2,500	2.008% of Principal + $18.53	$9.27	$6.18
$2,500 but less than $5,000	1.390% of Principal + $33.98	$9.27	$6.18
$5,000 but less than $20,000	1.453% of Principal + $35.52	$9.69	$6.46
$20,000 but less than $30,000	0.969% of Principal + $132.40	$9.69	$6.46
$30,000 and above	0.646% of Principal + $229.27	$9.69	$6.46

See Notes 1 and 2

Note 1: Minimum charges: $50
Note 2: Maximum charges < $5000: -$96.52 per option Maximum charges > $5000 - $101.91 per option

*5% of Principle or the schedule minimum (Ex: $50), whichever is greater

- Minimums (including 5% “rule”) are calculated before discounts are applied
- If correspondent minimum is higher than 5% “rule” $50 minimum, where applicable, will override
- Commissions on sells cannot result in the Net Amount being less than zero and will be adjusted accordingly
- 5% “rule” applies to all executions in an order - total commission across all executions (odd-lots included) cannot exceed 5% or applicable Minimum and are applied to each execution based on a principal amount pro- rate
- Commission for each execution is calculated according to the applicable Tier for that execution

Fixed Income Securities

Fixed-income securities may include the following: Treasury Bonds, Agency Bonds, Corporate Bonds, Preferred Bonds, Mortgage Backed Securities (CMOs, RMOs, etc.), CDs, Structured CDs, Municipal Bonds, and other debt securities. We may apply a charge (i.e., markup or markdown) which varies depending on the maturity and type of fixed-income security. In any case, we will not charge greater than 2.5% of the amount of your secondary market transaction. Additionally, we may incur gains (or losses) on positions we hold in inventory in response to market movements or other events that impact the value of the securities we own.

Mutual Funds

We currently have access through various agreements to thousands of mutual funds varying in share class structure and investment style. As part of the RBC platform, you also have access to many different fund families offering No Transaction Fee (NTF) Funds and Exchange Traded Funds (ETFs). The RBC NTF mutual fund program offers over 7,000 load and no-load mutual fund without transaction fees or ticket charges.

If you invest in mutual funds, we may receive direct and indirect compensation in connection with such mutual fund investments, as described below.

12b-1/Shareholder Service Fees

Annual 12b-1 fees, also known as trails, are paid by the fund and paid to us out of fund assets under a distribution and servicing arrangement to cover distribution expenses and sometimes shareholder service expenses that we may provide on the fund’s behalf. Shareholder servicing fees are paid to respond to investor inquiries and provide investors with information about their investments.

These fees are asset-based fees charged by the fund family. These fees range from 0.00% to 1.00%, but the majority of these fees are generally below 0.85%. These fees may be passed on to us and may in turn be passed on to your Financial professional as a commission.

Front-End Sales Charge Fees/Contingent Deferred Sales Charges (CDSC)

Front-end sales charge fees may be charged and paid to us, including your Financial professional, when you purchase a fund. The front-end sales charge is deducted from the initial investment on certain share classes. This charge normally ranges from 0.00% to 5.75%. Some purchases may qualify for a reduced front-end sales charge due to breakpoint discounts based on the amount of transaction and rights of accumulation. In addition, some purchases may qualify for a sales charge waiver based on the type of account, and/or certain qualifications within the account. You should contact your Financial professional if you believe you are eligible for sales charge waivers.

Contingent Deferred Sales Charge (CDSC) is a charge you pay upon withdrawal of money from a fund prior to the end of the fund's CDSC period. CDSC charges range from 0.00% to 5.50%. CDSC periods can range from zero to seven years. This charge typically exists only on share classes that do not have a front-end sales charge. It is sometimes referred to as the back-end load. CDSCs are not charged when you purchase a fund from a certain share class. The fee charged will depend on the share class purchased by the investor. A CDSC is not passed on to your Financial professional. You can find a description of the amount and payment frequency of all fees and expenses charged and paid by the fund in the fund's prospectus. Fees and expenses disclosed in the fund's prospectus are charged against the investment values of the fund. Please note that 12b-1s and similar fees or compensation received in connection with funds are not received, or are rebated, on Retirement assets held in Investment Advisory Program accounts.

Exchange Traded Funds (ETFs)

An exchange-traded fund (ETF) is an investment fund traded on stock exchanges, much like stocks. An ETF holds assets such as stocks, commodities, or bonds and generally operates with an arbitrage mechanism designed to keep it trading close to its net asset value, although deviations can occasionally occur. Most ETFs track an index, such as a stock index or bond index. ETFs may be attractive as investments because of their low costs, tax efficiency, and stock-like features. An ETF is a method for investors to pool their money in a fund that makes investments in stocks, bonds, or other assets. Exchange-traded funds (ETFs) are sold by prospectus. Retail investors may purchase and sell ETF shares only in market transactions (i.e., they may not purchase from the sponsor) similar to equities. Clients pay brokerage commissions (see commission schedule) or advisory fees if held in an advisory account.

Annuities

Our annuities consist of fixed, index and variable annuities. Under arrangements with insurance companies, we receive upfront commissions from the insurance companies for the sale of annuities and also trail commissions. Commissions and trails paid to us vary by share class and may vary by insurance carrier. Within variable annuities there are usually multiple commission options a Financial professional can select. The annual fees and charges on the contract that will be paid in the aggregate are not affected by the commission option selected by your Financial professional. In general, the greater the commission paid, the lower the trail; and the lower the commission; the greater the trail. For specifics regarding the exact option chosen for a particular annuity, contact your Financial professional.

For all currently offered fixed, index and variable contract annuities, commission options range from variable .5% to 7.25% while trail commission options range from 0% to 1.0%.

Alternative Investments, REITS, and Direct Participation Programs

Alternative investments (often referred to as private placements), Real Estate Investment Trusts (REITS), and Direct Participation Programs (DPPs) are complex products that represent a very small portion of our overall securities business. In accordance with our policies and procedures, Financial professionals that recommend or solicit these investments to a retail client must obtain approval from Compliance for the specific offering. These products are generally suitable only for Accredited Investors and those clients that have a speculative investment objective with a maximum risk tolerance.

Any transactions in these products require due diligence requirements prior to completion of each transaction. Compensation may vary depending on the specific sponsor and may generally be higher than other products offered. These investments are typically sold by Subscription Agreement which describes the costs and risks associated with the investment.

Unit Investment Trusts (UITs)

UITs consist of Equity and Fixed-Income UITs. We, along with our financial professionals, are compensated in ways that vary depending on the type and terms of the UIT portfolio selected. The types of fees received by us are described below and are disclosed via the prospectus issued by the UIT provider. Your financial professional can provide you a copy of the most recent prospectus. The UIT provider deducts fees as direct compensation from the proceeds available for investments for marketing and distribution expenses, which may include compensating us as described in each UIT prospectus.

Equity UITs

Sales charges and our compensation can vary according to the term of the trust. Trust terms are typically 13-15 months, 2 years, and 3-5 years. Maximum sales charges for these trusts are typically 2.95%, 3.95%, and 4.95%, respectively. Our compensation for these trusts is typically 2.25%, 3.15%, and 3.6%, respectively.

Your purchase may qualify for breakpoint discounts based on the amount of transaction. See the trust prospectus for details.

Fixed Income UITs

Sales charges and our compensation can vary according to the term of the trust. Trust terms are typically 13-15 months, 2 years and 3-5 years. Maximum sales charges for these trusts are typically 2.95%, 3.95%, and 4.95%, respectively. Our compensation for these trusts is typically 2.25%, 3.15%, and 3.6% respectively.

Your purchase may qualify for breakpoint discounts based on the amount of transaction. See the trust prospectus for details. A UIT unit is similar to a share of a mutual fund or stock.

For additional information, please see contact your Financial Professional.

Cash Sweep Deposit Program

The Cash Sweep Deposit Program is offered through our Clearing provider, RBC, and consists of interest-bearing accounts at several banks, each a depository institution regulated by bank regulatory agencies under various federal banking laws and regulations.

We benefit financially from cash balances held in the Cash Sweep Deposit Program. As with other depository institutions, the profitability is determined in large part by the difference or “spread” between the interest paid on deposits and the interest or other income earned on loans, investments and other assets. Banks may pay rates of interest on the Cash Sweep Deposit Program that are lower than prevailing market interest rates. The participation Cash Sweep Bank Deposit Program may result in increased deposits and, accordingly, overall profits.

Deposits in the Cash Sweep Deposit Program are not segregated from other deposit funds and the interest rate fluctuates. Earnings on the float (or the corresponding reduction in borrowing, depending on anticipated funding needs) depends on numerous factors such as current interest rates, Federal Funds rates, credit risk, and the duration of the particular debt instrument. We receive a percentage of fees from our Clearing provider, RBC, in connection with the Cash Sweep Deposit Program.

Additional information about the Cash Sweep Program, including current rates, is available by contacting your financial professional.

Training and Education

We work closely with many product and service providers who provide training and education compensation to offset or reimburse us for costs incurred in conducting comprehensive training and educational meetings for our financial professionals. These meetings or events are held to educate financial professionals on product characteristics, business building ideas, successful sales techniques, suitability as well as various other topics. In addition, certain vendors provide free or discounted research or other vendor products and services, which can assist our financial professionals with providing brokerage services.

We offer multiple ways to provide training and education to our financial professionals. This training and education may be offered in local branch offices or in larger group settings, including at the national level. Certain product providers have agreed to dedicate resources and funding to provide this training and education at our nationally organized events. This commitment could lead our financial professionals to focus on the products offered from these providers versus the products offered by the providers not offering this level of training and education support. We select the product providers that participate in the training and education events based on a variety of qualitative and quantitative criteria. The subset of the providers that offer this support and participate in national organized training and education events may change periodically.

Likewise, from time to time, product providers will reimburse us for expenses incurred by individual branch offices in connection with conducting training and educational meetings, conferences or seminars for financial professionals and participants. Also, financial professionals may receive promotional items, meals or entertainment or other non-cash compensation from product providers. Financial professionals may receive a maximum value of $100 worth of gifts from each product provider per year.

Although training and education compensation is not related to individual transactions or assets held in client accounts, it is important to understand that, due to the total number of product providers whose products are offered by us, it is not possible for all companies to participate in a single meeting or event. Consequently, those product providers that do participate in training or educational meetings, seminars or other events gain an opportunity to build relationships with Financial professionals; these relationships could lead to sales of that particular company's products.

Operational and Other Fees

With respect to any brokerage services offered through your brokerage account, the firm utilizes RBC Capital Markets (RBC), to perform trade execution, clearing, and other related services. Other fees charged by to your account (s) with M&C that are held in custody at RBC do not include customer handling, commissions or any other trade related fee as those fees are disclosed on each trade confirmation.

These fees are summarized as follows:

- The following services have fees ranging from $10 to $650: account pledge, alternative investment transaction fee, alternative transaction maintenance fee, annual account fee, ACH stop payment fee, bank wires, Direct Registration System (DRS) fees, Dividends & Reorgs fee, Escheatment, Extensions, Legal deposit/Transfer, NSF fees, Account Transfer fees, Overnight Check fee, Safekeeping fee, Physical Certificate fee, Physical Certificate Reject fee, Retirement Account fees, Security Transfer Fee, and Transfer on Death charge fee, Returned Check fee, Rule 144/ Restricted Stock Deposit fee.
- Certain services fees are dependent on the number of documents, securities or positions involved with the transaction: Cost Basis Service fees, Partial Transfer fees, etc.
- Other service fees are variable costs such as: duplicate confirm (paper), duplicate statement (paper), duplicate tax documents, Prepayment fee, etc.

We receive a small portion of these various operational services and administrative charges described above. With the exception of fees that are "pass through", "at cost", "prorated", "interest charged", or that provide a range as a guideline, the fee charged is the highest amount that will be charged for the service provided. Fees may change at any time as permitted by applicable regulations and the terms of the clearing agreement between Moors & Cabot, Inc. and RBC.

For more information regarding client fees for brokerage services, please see: https://www.moorscabot.com/.

Revenue Sharing

With the exception of payments from Cash Sweep Deposit Program (see section above) and mutual fund companies (see section entitled Compensation We Receive From Third Parties), we do not receive any other revenue sharing from third parties.

Trade Corrections

In accordance with securities laws and regulations, M&C maintains written policies and procedures regarding trade errors. Trade errors must be immediately reported to the Desk Supervisor for correction. Financial professionals are not be permitted to correct errors themselves. M&C will not cover losses for investors by treating transactions as errors when, in fact, they are not errors. Although a client may request an accommodation in exchange for future business, absorbing losses is a violation of FINRA rules and is not permitted.

M&C maintains an error account used exclusively to process erroneous transactions where M&C assumes or acquires the position resulting from the error. This includes errors where there is an erroneous transaction (wrong side of market, wrong security, etc.) and where M&C failed to execute a held order in the prevailing market (missed the market). If the error is corrected at a better price, the better price is always offered to the client.

If the client refuses the better price, a record is made on the error record. If the error is corrected at an inferior price, it may be resolved by the use of a difference check at the discretion of the client, representing the difference between the execution price and the price the client should have received. A client may accept the error, in which case the transaction takes place in the client's account. M&C is required to maintain a record that the client accepted the erroneous transaction.

Compensation for Termination of Services

Other than any contingent deferred sales charge for a fund (as described under the Mutual Funds section above, if applicable), IRA termination fees (when applicable), and account transfer fees, the firm would not receive any additional compensation in connection with the termination of its services. If you have questions or need additional copies, contact your financial professional.

Brokerage – Excluded Advisory Assets

As described above, our brokerage services differ from our advisory services. However, in some limited instances we may allow an advisory client to trade what are referred to as "excluded assets" within their advisory services account. Excluded assets are not subject to our advisory program fees. Instead of our advisory fees, these excluded assets are subject to our standard brokerage charges when traded.

Conflicts of interest

Conflicts of interest exist when we provide brokerage services to you. A conflict of interest is a situation in which we engage in a transaction or activity where our interest is materially adverse to your interest. The presence of a conflict of interest does not imply that harm to your interests will occur, but it is important that we acknowledge the presence of conflicts. Our regulatory obligations require that we establish, maintain, and enforce written policies and procedures reasonably designed to address conflicts of interest associated with our recommendations to you.

Our conflicts of interest are typically the result of compensation and other financial arrangements between us, our financial professionals, our clients and third parties. We offer a broad range of investment services and products and we receive various forms of compensation from our clients, non-affiliated product providers and money managers, and other third parties as described above. Securities rules allow for us, our financial professionals, and our affiliates to earn compensation when we provide brokerage services to you. However, the compensation that we and our financial professionals receive from you varies based upon the product or service you purchase, which creates a financial incentive to recommend certain investment products and services that generate greater compensation to us and our financial professionals.

We are committed to taking appropriate steps to identify, mitigate and avoid conflicts of interest to ensure we act in your best interest when providing brokerage recommendations to you. Below you will find additional information related to our conflicts of interest. This information is not intended to be an all-inclusive list of our conflicts, but generally describes those conflicts that are material to your brokerage relationship. In addition to this disclosure, conflicts of interest are disclosed to you in your account agreement(s) and disclosure documents, and other information we make available to you.

Operational and Other Fees

Transaction-Based Conflicts

In your brokerage account you pay certain fees (commissions and sales charges) in connection with the buying and selling of each investment product, including mutual funds, variable annuities, alternative investments, exchange traded funds, equity securities, and bonds. Where these fees apply, the more transactions you enter into, the more compensation that we and your financial professional receive. This compensation creates an incentive for us to recommend that you buy and sell, rather than hold, these investments. We also have an incentive to recommend that you purchase investment products that carry higher fees, instead of products that carry lower fees or no fees at all.

Markups and Markdowns for Principal Transactions

When you buy or sell securities in a brokerage account, and in accordance with industry regulations, we may impose a markup (increase) or markdown (decrease) in the price of transactions we execute on a principal basis. We are compensated based upon the difference (markup) between the price you pay for securities purchased from us and the price we sell such securities to you over the prevailing market price, or the difference (markdown) between the price you sell securities to us and the price we purchase such securities from you over the prevailing market price. We maintain policies and procedures reasonably designed to help ensure compliance with the markup and markdown industry rules.

Account Maintenance and Other Administrative Fees

For the services we provide or make available to you with respect to your brokerage account, we charge certain account maintenance and other administrative fees, including transfer, wire, or other miscellaneous fees, as described in our fee schedule. See section above entitled Operational and other fees.

Compensation We Receive from Third Parties

Third-party payments we receive may be based on new sales of investment products, creating an incentive for us to recommend you buy and sell, rather than hold, investments. In other cases, these payments are made on an ongoing basis as a percentage of invested assets, creating an incentive for us to recommend that you buy and hold investments (or continue to invest through a third-party manager or adviser).

The total amount of payments we receive varies from product to product, and varies with respect to the third-party investment management products we recommend. It also varies from the compensation we receive in connection with other products and services we may make available to you, including advisory services. We have an incentive to recommend investment products and services that generate greater payments to us. This compensation generally represents an expense embedded in the investment products and services that is borne by investors, even where it is not paid by the Product Sponsor and not directly from the investment product or other fees you pay.

The types of third-party compensation we receive include:

Revenue Sharing: M&C may receive payments known as revenue sharing from certain mutual fund companies, 529 plan program managers and insurance companies (collectively referred to as “product partners”). Nearly all transactions relating to mutual funds, 529 plans and annuity products involve product partners that pay revenue sharing. We do not receive revenue sharing payments on assets within investment advisory programs. This receipt of revenue sharing payments creates a potential conflict of interest in the form of an additional financial incentive and financial benefit to the firm, our financial professionals and equity owners in connection with the sale of products from these product partners.

Revenue sharing involves a payment from a mutual fund company’s adviser or distributor, a 529 plan program manager, or an insurance company or the entity that markets an annuity contract. It is not an additional charge to clients. These payments are in addition to standard sales loads, annual sales fees, expense reimbursements, and sub-transfer agent fees for maintaining client account information and for providing other administrative services for mutual funds (shareholder accounting and networking fees). These payments are also in addition to fees for maintaining technology and providing other administrative services for insurance products (inforce contract service fees), and reimbursements for education, marketing support and training-related expenses.

Mutual fund and 529 plan product partners a fee based on the value of assets under management, known as an asset-based fee. For example, if you made a $10,000 purchase of an investment, held it for a year, and its value remained the same, we would be paid 0.075% by the product partner or 7.5 basis points. That would translate to a $7.50 payment from the product partner to us for the $10,000 investment in your account. For every subsequent year you held that $10,000 investment in the account, the product partner would make a $7.50 payment to us, assuming no change in the value of your investment. Asset-based payments will increase or decrease from year to year with changes in the value of the related assets held in a client’s account. Variable annuity product partners pay a one-time fee based on the amount of the product sold. This approach is referred to as a sales-based fee and is based on the dollar value of the initial purchase and any subsequent contributions made to the contract. For example, the product partner may pay us up to 0.25% or 25 basis points for each dollar you invest or use to purchase a product. Therefore, if you made a $10,000 investment, the product partner would pay us $25 for that transaction.

Many product partners that pay revenue sharing have a broad or strategically aligned spectrum of investment and annuity solutions designed to meet a variety of our client needs. We may provide certain product partners greater access to certain information about our business practices. In addition, these product partners may have frequent interactions with our financial professionals to provide training, marketing support and educational presentations. With regard to annuities, our financial professionals may have limited access to the products and services of other insurance carriers. Additionally, while our financial professionals may sell, and our clients are free to select, funds from many mutual fund families, we may promote certain mutual fund product partners.

For additional information on a particular product partner's payment and compensation practices, please review the applicable prospectus, statement of additional information or offering statement.

Detailed information and disclosures concerning revenue sharing received from product partners are available upon written request.

Trail Compensation. Ongoing compensation from Product Sponsors may be received by us and shared with our financial professionals. This compensation (commonly known as trails, service fees or Rule 12b-1 fees in the case of mutual funds) is typically paid from the assets of the investment product under a distribution or servicing arrangement and is calculated as an annual percentage of invested assets. The amount of this compensation varies from product to product. We have an incentive to recommend that you purchase and hold interests in products that pay us higher trails.

Additional Compensation from Product Sponsors and Other Third Parties

We and our financial professionals, associates, employees, and agents may receive compensation from Product Sponsors and other third parties including:

- Gifts and awards, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings or marketing or advertising initiatives, including services for identifying prospective clients.
- Payment or reimbursement for the costs associated with education or training events that are attended by our employees, agents, and financial professionals, and for conferences and events that we sponsor.
- Reimbursement from Product Sponsors for research and technology-related costs, such as those to build systems, tools, and new features to aid in servicing clients.

Note: The amount of these payments is not dependent or related to the level of assets you or any other of our clients invest in or with the Product Sponsor.

Product Share Classes

Some Product Sponsors offer multiple structures of the same product (e.g., mutual fund share classes) with each option having a unique expense structure, and some having lower costs to you as compared to others. We are incentivized to make available those share classes or other product structures that will generate the highest compensation to us.

Payment for Order Flow/Best Execution

We ***do not*** receive payments in return for routing client orders in equity and option securities. Through our routing arrangements with our clearing firm, RBC, and other order entry provider, Valdi OMS, we seek best execution evaluated on the basis of price improvement performance, liquidity enhancement, and speed of execution. Our clearing firm uses a third-party vendor, S3 Execution Services, to provide metrics to meet our best execution requirements under FINRA rules. Under SEC Rule 606, broker-dealers are required to make publicly available quarterly reports that present a general overview of routing practices. These reports are available at:

https://www.moorscabot.com/privacy-and-disclosures

Compensation Related to Proprietary Products

Brokerage recommendations can include a recommendation to invest in a product or service that is managed, issued or sponsored a firm or its affiliates. In this case, a brokerage firm and its affiliates will receive additional compensation or economic benefits from investments in such products, including, but not limited to, management credits, service fees and similar revenue sharing arrangements. The compensation related to these may be greater than similar products provided by third parties. Thus, there may be an incentive for some firms to recommend investments in proprietary/affiliated products.

We do not sponsor, manage, issue, or offer proprietary products. As a result, there is no compensation received by us or our affiliates.

Compensation Related to Our Affiliates

Moors & Cabot, Inc. is registered and licensed as an investment advisor with the U.S. Securities and Exchange Commission (SEC) and a securities broker dealer with the SEC and the Financial Industry Regulatory Authority (FINRA) and Securities Investors Protection Corporation (SIPC). Moors & Cabot Insurance Agency is an affiliate that offers insurance products. All compensation received is consolidated at the parent company level. The Robert W. Morey Jr. Revocable Trust is the majority shareholder of Moors & Cabot, Inc.

The Research We Provide

We do not prepare our own research. Through our clearing provider, RBC, we do have access to independent third party research. This is available at no cost and includes reports from RBC Capital Markets, Argus, Credit Suisse, Morningstar, and The Street.

Through the MarketScope Advisor Platform, our financial professionals also have access research from CFRA that includes Global Equity, Mutual Fund, ETF, Bond, Option, and Industry Research as well as portfolio management tools they can use to stay abreast of the market and deliver insights to clients.

Compensation Received by Financial Professionals

Financial professionals are compensated in a variety of ways based on the percentage of revenue generated from sales of products and services to clients and/or total assets under advisement, including brokerage account activity. This compensation may vary by the product or service associated with a brokerage recommendation. In addition to upfront-transaction based compensation, some products feature on-going residual or “trail” payments. Thus financial professionals are incentivized to recommend products that have higher fees as well as those with on-going payments.

Typically, a financial professional’s payout schedule (periodically adjusted by us at our discretion) increases with production and asset levels. The same payout schedule is reduced when financial professionals discount certain client fees and commissions, or client relationship asset levels are below minimums established by us from time to time. Financial professionals also may be eligible for annual or ongoing bonuses based upon a variety of factors that may include reaching certain production levels, client product mix, asset gathering, etc.

As a result, financial professionals have an incentive to provide brokerage recommendations that result in selling more investment products and services, as well as investment products and services that carry higher fees. Financial professionals also have an incentive to provide brokerage recommendations to gather more assets under management and to increase brokerage trading activity, and to reduce the amount of discounts available to you.

Financial professionals have an incentive to recommend you rollover assets from a Qualified Retirement Plan (QRP) to a brokerage Individual Retirement Account (IRA) because of the compensation they will receive. We maintain policies and procedures designed to ensure that rollover recommendations are in your best interest.

Brokerage accounts, unlike advisory accounts, do not feature an on-going fee based on assets under management. Financial professionals are incentivized to recommend you transition your brokerage services account to an advisory account to generate on-going revenue where your brokerage account has minimal activity. Further, financial professionals are incentivized to recommend you transition your brokerage account to an advisory account after you have already placed purchases resulting in commissions and/or other transaction-based brokerage fees. We have controls established to identify and mitigate this risk. Financial professionals also have an incentive to provide higher levels of service to those clients who generate the most fees.

Recruitment compensation is provided to financial professionals who join our firm from another financial firm. This compensation, which may vary by financial professional, often includes either an upfront or backend award based upon new client assets to the firm and/or revenue generated from such client assets. This creates an incentive for the financial professional to recommend the transfer of assets to the firm, including brokerage assets, in order to earn this compensation.

Non-cash compensation is provided to financial professionals in the form of credits toward business expense accounts and certain titles. Financial professionals are also compensated in the form of education meetings and recognition trips. Portions of these programs is subsidized by external vendors and affiliates, such as mutual fund companies, insurance carriers, or money managers. Consequently, product providers that sponsor and/or participate in education meetings and recognition trips gain opportunities to build relations with financial professionals, which could lead to sales of such product provider’s products. Financial professionals also receive promotional items, meals, entertainment, and other non-cash compensation from product providers limited to $100 per year.

Other Financial Professional Activities

Financial professionals may be motivated to place trades ahead of clients in order to receive more favorable prices than their clients. We maintain policies and controls in place to identify, prevent, and address such potential conflicts.

Financial professionals who are transitioning through a succession plan may be incentivized to make brokerage recommendations designed to increase the value of their "book of business" through asset accumulation or brokerage trades that are not in your best interest. Financial professionals who receive clients from a retiring financial professional are incentivized to meet growth goals and may make recommendations not in your best interest.

In some case, internal campaigns and recognition efforts incentivize financial professionals to engage in activities to reach incentive goals.

Additional Resources

Title	Web address
Form CRS	https://www.moorscabot.com/
Legal Disclosures	https://www.moorscabot.com/
Cash Sweep Program	https://www.moorscabot.com/
Investment Objectives and Risk Tolerance	https://www.moorscabot.com/
Margin Disclosure	https://www.moorscabot.com/