

Recommendation Disclosure Statement

This Recommendation Disclosure Statement (Disclosure) provides You with additional, important information You should consider when reviewing any recommendation from Me to You. The Disclosure should be read in conjunction with the BCG Securities, Inc. (BCGS) Customer Relationship Summary (Relationship Summary) and product-specific documentation, including but not limited to a prospectus or summary prospectus, contract and product brochures. References to “Me,” “I,” and “My” refer to the registered representative of BCGS providing this Disclosure to You. References to “You” or “Your” refer to the retail customer.

Depending on My licensing status, I can act in multiple capacities in providing services to You, but I am delivering this Disclosure because I am making a recommendation to You in My capacity as a registered representative of BCGS.

What types of products can I recommend to You?

As a registered representative of BCGS, I am registered and can make recommendations pertaining to transactions involving a broad range of securities products. When I make a recommendation to You, it means I believe that recommendation is in Your best interest.

I can recommend the following securities products in My capacity as a registered representative (check all that apply):

- Mutual funds through BCGS’s clearing relationship with Pershing LLC.
- 529 plans through BCGS’s clearing relationship with Pershing LLC.
- Equity securities (including ETFs, ADRs, etc.) through BCGS’ clearing relationship with Pershing LLC.
- Fixed income securities (including corporate bonds, municipal bonds, treasury bonds) through BCGS’ clearing relationship with Pershing LLC.
- Variable annuities issued by third-party insurance companies.
- Variable universal life insurance issued by third-party insurance companies.

If an item above is not checked, that means I cannot recommend that product to You. My inability to recommend a product is a material limitation on the services that I can provide.

What is the basis for My Recommendation?

The BCGS investment philosophy is to offer personalized brokerage services to retail customers through independent registered representatives associated with BCGS and provide the retail customer with access to a broad range of securities products complementing the investment profile of the retail customer to help meet the retail customer’s investment objectives. Consistent with this philosophy, BCGS does not offer proprietary securities products to retail customers. I follow this same investment philosophy. My recommendations are limited to the products I am authorized to offer by BCGS. My recommendations are determined by Your investment profile (e.g., Your investment objectives, time horizon, risk tolerance, etc.). My recommendations may be further influenced by other factors, such as Your age, marital status, investment experience, and existing investment portfolio. Therefore, it is important for You to provide Me with a full picture of Your financial situation.

What services do I and BCGS provide in connection with My recommendation?

Prior to making any recommendation, I will work with You to determine Your investment objectives, risk tolerance, financial circumstances, and needs, and will discuss My recommendation with You to help ensure that You have a complete understanding of the recommendation and that it meets Your needs. You will make the ultimate decision regarding any given transaction when I am acting in My capacity as a registered representative of BCGS.

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It is important to remember that when I act as a registered representative, I will **not** be responsible for monitoring Your investments or Your account. Once My recommendation is made, My service as a registered representative is complete.

In connection with My recommendation, You may also receive product-specific benefits (for example, access to variable annuity subaccount investment options or special insurance riders under a variable universal life insurance policy) and services (for example, quarterly statements and newsletters, customer service assistance, systematic withdrawals under an annuity product, or dollar cost averaging with a securities product) – these product-specific benefits and services are described more fully in the product-specific documentation.

Please also review the Relationship Summary for additional information concerning services provided by BCGS and Myself.

What types of fees and costs might You be subject to by opening an account with BCGS?

If You open an account with BCGS, You will be subject to the following types of fees and costs:

- Brokerage commission, which are deducted from Your account following each transaction
- Brokerage servicing and processing fees, such as surcharges for paper mail delivery, which are deducted from Your account at the time of the transaction occurrence
- If You open an IRA, an IRA custodial fee, which is deducted from Your account annually

What types of fees and costs might You be subject to when I make a recommendation?

There are a range of fees and costs that can vary by each product listed below. The full range of fees and costs and how the fees and costs are paid for each product are shown in their respective prospectuses and should be read in connection with this Disclosure.

If I recommend You purchase or make additional contributions to:

- Mutual funds and 529 plans within a brokerage account via our clearing firm, Pershing LLC., the fees and costs associated with this product recommendation, are fully described in the applicable prospectuses as well as the brokerage account agreement and, depending on the product, include:
 - Operating expenses (which include management fees, distribution and/or 12b-1 fees and other expenses)
 - Upfront sales charges
 - Contingent deferred sales charges
 - Mutual Fund Buy/Sell Sales charge (varies by fund and specified in the fund prospectus)
 - Mutual Fund Exchange fee
- Equity and Fixed Income Securities accounts:
 - Commissions on equity trades and markups on fixed income trades
- An individual variable annuity, the fees and costs associated with this product recommendation are fully described in the applicable prospectuses and typically include:
 - Mortality and Expense Fees (M&E)
 - Maintenance fee
 - Operating expenses of underlying subaccounts investing in mutual funds, the value of which vary depending on the individual variable annuity purchased. Operating expenses generally include mutual fund investment management fees, distribution fees, 12b-1 fees and other expenses.

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- A variable universal life policy, the fees and costs associated with this product recommendation are fully described in the applicable prospectuses and typically include:
 - Premium charges
 - Administrative charges
 - Risk charges
 - Specified amount charges
 - Various riders, some of which may be optional; for a full list of all riders and their applicable charges, please ask Me.
 - Operating expenses of underlying subaccounts investing in mutual funds, after waiver and reductions, if any

If I recommend You surrender

- An existing annuity, the fees and costs associated with this recommendation will consist of:
 - Market value adjustments when assets are withdrawn, or
 - Surrender charges depending on the contract provisions.
- An existing variable universal life policy, the fees and costs associated with this recommendation will, depending on the language of the contract, consist of surrender charges, the value of which are determined by issue age, policy year, gender and rate class.

Please keep in mind that You will also pay the contributions You make to Your annuity contract or insurance policy or other account, as applicable

What is the minimum You need to open an account, investment or policy?

- BCGS does not have a minimum investment requirement to open a brokerage account.
- The product I recommend may have a minimum investment requirement that would be disclosed in the product specific prospectus.

What are the risks associated with a recommendation?

While I will take reasonable care in developing and making recommendations to You, all securities involve risk and You may lose money. There is no guarantee that You will meet Your investment goals, or that My recommended investment strategy will perform as anticipated. Please consult any available offering documents for any security I recommend for a discussion of risks associated with the product. I can provide those documents to You or help You to find them. Below are examples of types of risks. These are provided *for illustrative purposes only* and are not an exhaustive list of all risks associated with a recommendation.

- **Risks related to the market or associated benchmarks.** For example, securities markets can be influenced by unexpected changes to the national (or global) economic and political landscape.
- **Risks related to individual investments not performing as expected.** For example, the performance of growth-oriented securities is influenced by unexpected changes in business technology or customer purchasing activity. The prices of bonds and other income-oriented securities are heavily influenced by interest rates; as rates increase, the value of income-oriented securities generally decrease. Certain types of retirement accounts offer tax advantages which are dependent upon national and state regulatory authorities; changes in the political and regulatory environment could reduce or eliminate those advantages.

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- **Risks associated with investment diversification.** Many of the risks tied to individual investments discussed previously could be reduced by spreading Your investment dollars across different types of investments.
- **Risks that investment performance may not keep pace with inflation.** While conservative portfolios may preserve the amount You invest, the value or purchasing power of Your principal could be reduced by the effects of inflation.
- **Risks that investment performance may not keep pace with product or account expenses.** For example, while the value of the securities held in the separate accounts of an annuity contract or mutual fund could remain stable, the value of Your investment could still be reduced due to the ongoing management and distribution expenses associated with that contract or fund (these expenses are discussed in the prospectus).

What compensation is received by BCGS as a result of My recommendation and how am I paid as a result?

It's important for You to understand how I'm paid in connection with recommendations I make. Depending on the product You purchase, hold, sell, or additional contributions You make, BCGS will be paid a commission or a fee, a portion of which is paid to Me by BCGS. You should ask Me about how I'm paid and how much I will be paid should You act on My recommendation.

To compensate Me for the services I provide in connection with a recommendation, BCGS pays compensation to Me. The amount paid to Me is generally intended to compensate Me for services provided to You at the point of the recommendation (for example, describing the features and costs of the recommended product, the benefits provided by the product, general retirement planning concepts and how the product may fit into Your retirement planning). Depending on the product I recommend, BCGS will receive either annual trail compensation based on the value of Your account assets or an upfront commission based on amounts received, a portion of which is paid to Me by BCGS. Commissions are a percentage of amounts paid or amounts held in the account and vary according to the length of time the account has been active and the how the money is paid (pre-scheduled amounts, unscheduled lump sum amount, or an increase in a pre-scheduled amount). Additionally, BCGS receives ongoing 12b-1 distribution fees from mutual fund issuers, and I receive a portion of these fees.

By being registered to sell securities products, I am eligible to attend an educational business conference hosted by BCGS. The value of the trip is paid by BCGS and will depend on the hotel, travel, dining and entertainment expenses associated with the applicable trip. This eligibility is not tied to any specific product recommendation or sale.

If a recommendation relates to a securities product the prospectus(es) for that product will be delivered to You at or before the time of the sale.

What conflicts of interest exist concerning a recommendation made by Me?

A conflict of interest between You and BCGS can arise when an interest (such as an economic benefit) might incline BCGS or a registered representative, such as Myself, to make a recommendation to You that is not in Your best interest. We are required to disclose to You all material facts relating to conflicts that are associated with a recommendation.

The material facts relating to these conflicts are as follows:

- **BCGS various compensation methods**
BCGS and I generate revenue through products sold with a commission (e.g., an upfront charge deducted from the amount You invest) or ongoing, periodic fees deducted from the account/investments. Generally,

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commissions generate more immediate revenue for the firm and compensation for Me while reducing the amount of Your purchase. Fees generate more revenue over longer periods of time while increasing the expenses deducted from Your investments.

BCGS and I generate additional revenue from revenue sharing arrangements the firm has with mutual fund issuers. The value of the revenue sharing arrangements varies by the mutual fund sponsor. BCGS and I are incented to sell You mutual funds with greater revenue sharing revenue because we receive more in compensation as a result.

- **Class A vs. Class C mutual funds**

When recommending mutual fund investments, I can recommend either Class A or Class C shares. These different classes are distinguished by their commission charges and expenses (discussed more fully in the mutual fund prospectus). It is not in Your best interest to recommend a particular share class that does not consider Your investment profile, particularly Your investment time horizon, due to the timing of the fees associated with the particular share class.

- **Products I'm qualified to sell vs. those I am not (but My firm does)**

BCGS offers the products listed at the beginning of this Disclosure. However, I may not be qualified or approved to offer the full range of products offered by BCGS or other BCGS representatives (the products that I am able to offer at the top of this Disclosure Statement). When I am not able to recommend a securities product, service or account-type related to a product, that is considered a material limitation on the services I can provide. When there is a material limitation on the securities product, services or account type I can offer, I have an incentive to recommend that You invest in and use investments, services, and accounts type that I am authorized to offer, even if an investment, service or account type I am not authorized to offer might be better suited to Your circumstances, since I will only be compensated if You do so.

- **Products I can recommend that are in Your best interest**

As noted above, BCGS offers a broad menu of products. I have an obligation to explain the features, risks, costs, and other material information related to the investments I recommend, but due to this broad menu I cannot consider every investment available to You through the platform. This requirement limits the products I can discuss at the time of a given recommendation.

- **Rollovers vs. leaving assets at Qualified Retirement Plans (QRPs) like 401(k)s, Pension Plans, etc.**

I am financially incentivized to gather assets and sell investment products. This creates a conflict when discussing distributions from Your employer's QRP and rollovers to a new account through BCGS. Any recommendation for a new account or switching to new investments creates a conflict of interest.

If You have questions about conflicts of interest, please let Me know.

How to learn about Me?

To learn more about Me please use the following link: <https://brokercheck.finra.org/>

Broker Check will provide You with information about Me, including, but not limited to any disciplinary actions.