

We Have Updated our Customer Agreement

Since the acquisition of Folio Investments, Inc. (“Folio”) by The Goldman Sachs Group, Inc. (“Goldman Sachs”) in September 2020, there have been exciting changes, newly added functionality, and enhancements to existing features. These changes required us to provide additional disclosures in the customer agreement about the new products, as well as your responsibilities when you transfer funds to someone other than yourself. We have made additional changes to the customer agreement and also reorganized it to group similar topics in the same sections.

Please note you also will start seeing the name Goldman Sachs Custody Solutions on communications from us. Folio has adopted this as our new “doing business as” name as an alternative for our legal name Folio Investments, Inc. Goldman Sachs Custody Solutions is now incorporated in the customer agreement as well.

The current version of the customer agreement can be found on the page where you log into your account.

Here are highlights of some of the changes to the customer agreement:

- **Relationship with Goldman Sachs** – We added references throughout to describe our relationship with Goldman Sachs, services we are able to offer through our relationships with Goldman Sachs, as well as disclosures regarding potential conflicts of interests we or our affiliates may have (*See e.g.*, Part VIII. Service Limitations; Part IX. Pricing, Fees, Other Compensation, Credits, Ownership Disclosure);
- **Direct Trades** – We now reserve the right to route orders of any size to other broker-dealers as “not held” (that means the receiving broker-dealer has time and price discretion in determining how to execute the order to receive a favorable price); previously we retained this right for orders above a certain size as determined by us. (*See e.g.*, Part VII. Transacting in Your Account);
- **Mutual Funds** – We now offer mutual funds that charge a sales commission or load and we added disclosures about the differences between load and no load funds (*See e.g.*, Part VII. Transacting in Your Account);
- **Payment Services Offerings** – We now offer additional functionality, including the ability to link a debit card to your account and make transfers between your account and a third party. We included the terms and conditions for using these services and streamlined our explanation of the suite of payment services available. (*See e.g.*, Part XI. Payment Services; Exhibit 3 Payment Services Supplement);
- **Pricing and Fees** – We provided additional information about how fees are assessed and authorized, identified instances in which we may charge or receive fees from service providers or affiliates, and eliminated certain administrative fees (*See e.g.*, Part IX. Pricing, Fees, Other Compensation, Credits, Ownership Disclosure);

Custody, clearing and certain brokerage services are offered by Folio Investments, Inc., d/b/a Goldman Sachs Custody Solutions (“GSCS”), an SEC-registered broker-dealer and member FINRA/MSRB/SIPC.

- **Indemnification and Limitation of Liability Terms** – We aligned these provisions with agreements we have with your investment advisor (*See e.g.*, Part XXI. Indemnification and Limitation of Liability);
- **Listed Options and Fixed Income Securities** – We explain that our role is limited to holding and servicing listed options and fixed income securities; we do not accept orders for execution, but we can hold these securities and reflect transactions executed with other broker-dealers, including our affiliate Goldman Sachs & Co. LLC. We also added disclosures we are required to make by certain rules that govern us (*See e.g.*, Part VII. Transacting In Your Account; Exhibit 5. Options-Related Disclosures);
- **Our Relationship with Your Advisor and Parties Who Provide Services to Your Advisor** – We may receive compensation and fees from third-party service providers, and provide credits, payments, and incentives to offer your advisor based on the value of your assets held with us (*See e.g.*, Part IX. Pricing, Fees, Other Compensation, Credits, Ownership, Disclosure);
- **Our Reliance On Your Appointment of an Advisor** – We provide additional examples of common situations where we have always relied on instructions from your advisor. We also expand our discussion as to how we will provide information about your account to you (*See e.g.*, Part I. Parties to the Agreement; Part II. Opening an Account with Us; Part IV. Revoking Account Access; Closing Account; Abandoned Account; Part V. Communication About Your Account; Part VIII. Service Limitations; XIII. Your Account Information);
- **Securing Your Obligations to Us** – We have always retained a lien and certain rights in the property you hold with us or our affiliates to secure your obligations to use (e.g., to pay for securities purchased). The description of these rights is now aligned with the description of these same rights as described in other agreements you may have with Goldman Sachs (*See e.g.*, Part X. Cash Management);
- **Fractional Shares** – We provide additional information about existing practices for fractional interests, such as how holding fractional shares impacts actions like voting and position transfers (*See e.g.*, Part VI. Fractional Shares; VII. Transacting in Your Account);
- **Dividend Reinvestment Program** – We provided additional information about how the program works (*See e.g.*, Part X. Cash Management); and
- **Cash Sweep Program** – We simplified the description of the program by, among other things, deleting certain mathematical equations. You can still obtain the equations upon request (*See e.g.*, Exhibit 2. Terms and Conditions of the Insured Bank Deposit Sweep Program).

For questions regarding the availability of products and services, please contact your advisor.