

DISCLOSURE DOCUMENT

This document is intended as a supplement to Northern Trust Securities, Inc.'s (NTSI) Form CRS to provide a further explanation of the way in which your Financial Advisor provides recommendations to you, the fees you pay for products and services made available to you and potential conflicts of interest that exist in connection with any recommendations made to you by your NTSI Financial Advisor.

Your Financial Advisor can provide both broker-dealer and advisory services to you. You may receive recommendations from your Financial Advisor in either capacity, depending on the type of account or accounts you established at NTSI. Recommendations are made in a broker-dealer capacity unless otherwise expressly stated at the time of the recommendation, and any such statement will be made orally to you at the time of the recommendation.

If you establish an advisory account with NTSI, you will pay an annual investment advisory fee based on a percentage of the market value of the assets we manage for you. Your annual fee will be deducted from your advisory account monthly, in advance, on the first business day of each calendar month. The fee schedule that applies to your account is detailed in the Form ADV, Part 2A you will receive from us when you open the account. Individual investments held in your advisory account are subject to product level fees that are separate from and in addition to the advisory fee you will pay to us for managing your assets. Product level fees vary depending on the assets, any third party investment managers used to provide services and the strategy in which the account is invested. Minimum account balances apply to each advisory account program and are stated in the Form, ADV, and Part 2A. Mutual funds and exchange traded funds held in your advisory account may impose internal administrative charges and other fees or expenses. Certain fees may not be billed to you directly, but may affect the returns on individual mutual funds or exchange traded funds held in your advisory account. You should consult the applicable prospectus or statement of additional information related to your underlying investments for more information.

If you establish a brokerage account with NTSI, the fee you pay is based on the specific transaction and not the value of your account. As part of the brokerage account opening process, you will choose a bank deposit sweep program or a money market fund ("Sweep Vehicle"). Cash balances in your brokerage account are automatically swept to the Sweep Vehicle. We are responsible for choosing the menu of Sweep Vehicles available for our brokerage accounts. The applicable commission paid for stocks or exchange traded funds purchased or sold in your brokerage account can be obtained from your Financial Advisor and will be detailed in the confirmations you receive from us for each trade. Your commission is used to pay for clearance and settlement of your trades as well as serving as the way in which we are compensated for acting as your broker. For bonds, you will be assessed a mark-up or mark-down that is determined at the time of the transaction and is based on the difference between the amount we pay another dealer to either purchase or sell the bond and the amount we charge you. Mark-ups and mark-downs vary for each security, typically range between 1% to 5% of the original bond's face value and are determined, in part, by the quantity of bonds you wish to purchase or sell as well as the availability of that particular bond. If you purchase mutual funds, depending on the mutual fund share class, the fund family may pay an amount to us as compensation based upon the amount of your purchase. If you purchase no-load funds, you may be charged a flat fee to cover clearance and settlement of the trade. If your mutual fund includes a contingent deferred sales charge, you would pay a fee to the mutual fund family if you redeem your shares within certain time holding periods. The fund distributor's payment practice is described in the fund's prospectus and statement of additional information (SAI) which is available online. If you have difficulty in finding the prospectus or SAI relating to a particular fund, please consult with your Financial Advisor. We also receive shareholder servicing fees from a fund family's distributor as long as you hold those fund's shares in a NTSI account. Additional fees, such as annual custodial fees and, for retirement accounts, account maintenance fees and termination fees are included in a fee schedule provided to you when you open a brokerage account. These fees are subject to change and we are required to provide you prior notice if

any of these fees have a material change. CONFLICTS: NTSI will "sweep" uninvested cash balances accounts to a proprietary money market fund, which pays management and other fees to NTSI (and its affiliates). The selection of a proprietary money market fund as the sweep option presents a conflict of interest because the receipt of fees by NTSI (and its affiliates) means that NTSI has a financial incentive to select this fund as the sweep option. We mitigate this conflict of interest by disclosing it, and by ensuring that the proprietary money market fund provides a competitive yield as compared to other similar unaffiliated money market funds.

These financial benefits create an incentive to encourage you to maintain or increase your cash balance to increase our revenue. You should consider the compensation we receive in connection with your Sweep Vehicle when evaluating the reasonableness of the fees and costs associated with our brokerage services. NTSI may remove or replace the bank deposit sweep program or a money market fund as a Sweep Vehicle option upon advance notice. Please refer to your brokerage agreement for additional information regarding these limitations. The selection of the Bank Deposit Sweep Program as the sweep option also presents a conflict of interest because the receipt of fees by NTSI and its affiliates means that NTSI has a financial incentive to select this fund as the sweep option. For more information, please see the Bank Deposit Sweep Program Disclosure Document:

<https://www.northerntrust.com/content/dam/northerntrust/pws/nt/documents/wealth-management/bank-deposit-sweep-program-disclosure.pdf>.

Our Financial Advisors may make recommendations to you regarding purchases or sales of securities in your brokerage account or certain managed portfolios in your advisory account. When determining brokerage account recommendations, your Financial Advisor will take into account market information concerning issuers of securities and market trends as well as your risk profile and investment objectives. Your Financial Advisor will utilize information you provide to us regarding your investment objectives, risk profile, overall net worth and financial experience in making these recommendations. We analyze a variety of factors in determining mutual fund family recommendations including the length of track record, short and long term performance of the funds offered, the size of assets under management and the level of interest and demand from clients. While we will take reasonable care in developing and making recommendations to you, securities involve risk and you may lose money. There is no guarantee that you will meet your investment goals or that our recommended investment strategy will perform as anticipated. Please consult any available offering documents for any security we recommend for a discussion of risks associated with the product. We are a full service broker dealer and provide financial advice and the ability to trade stocks, bonds, mutual funds and exchange traded funds as well as certain affiliated private placement offerings to higher net worth clients. We do not provide allocations of initial public offerings to retail clients.

Details of conflicts of interest applicable to compensation paid to NTSI and Financial Advisors in an advisory account are specified in the Form ADV, Part IIA. For brokerage accounts, Financial Advisors compensation is discretionary. With the exception of affiliated private placement products, we do not pay financial professionals additional salary or incentive compensation for selling affiliated products nor do we pay them differing levels of compensation for any third party products. We do receive increased commissions for higher volumes of trades executed by clients and receive higher levels of sales charges and servicing fees from some fund families. Due to the fact Financial Advisors' compensation is based, in part, on revenues generated for our firm, Financial Advisors would typically receive more compensation the more securities you purchase or sell through us and for purchases of mutual funds from fund families that pay us higher levels of compensation. Our Financial Advisors may recommend affiliated investment products because they align with our forward-looking views and we have familiarity with the investment and operational processes, as well as a shared risk and compliance philosophy. Financial Advisors do not receive higher levels of compensation for selling affiliated mutual funds and exchange traded funds. However, affiliates will receive a management fee for managing these funds and certain product level fees and other expenses may be paid by investors in those funds to our affiliates. Due to that

compensation received by affiliated companies, we have a conflict of interest when Financial Advisors recommend affiliated mutual funds and exchange traded funds. Financial Advisors are paid incentive compensation for revenue generated through the sale of affiliated private placement products, specifically hedge funds and private equity funds, which increases based on the amount of assets invested in such funds. As such, a conflict of interest exists when a Financial Advisor sells affiliated private placement products.

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