

■ Retirement Savings Bonds

What is a retirement savings bond?

Retirement Savings Bonds (RSBs) combine some of the features of zero coupon bonds, known as STRIPS, and Provincial Bonds in a package to provide an investor with an enhanced level of income at a future date, referred to as the Payout Date. In addition to the deferred income, the initial capital investment is also returned to the investor at maturity.

How are we paid for our services?

Secondary retirement savings bonds

Secondary retirement savings bonds are transactions involving previously-issued bonds. When you buy or sell, Edward Jones may act as either an agent or a principal. If we act as an agent, your trade confirmation will display the commission you pay, which may be up to 1.8% of the dollar amount you buy and up to .75% of the dollar amount you sell.

If you buy a bond from our inventory or sell a bond that we purchase directly from you, we act as a principal. You will see the markup or markdown, which is included in the price, displayed as a line item in the trade confirmation. The markup may be up to 1.8% of the dollar amount you buy and the markdown may be up to .75% of the dollar amount you sell. The price is also adjusted to reflect changes in interest rates and market prices that have occurred since we bought the security. As a result of these changes, Edward Jones may earn revenue or incur losses from buying or selling securities as principal.

How is your financial advisor compensated?

Your financial advisor receives a percentage of any commissions or charges for retirement savings bonds. Our revenue affects Edward Jones' overall profitability and thus may affect any branch bonus your financial advisor receives.