

Teckmeyer Financial Services, LLC Broker-Dealer Best Interest Disclosure

6.26.20

This disclosure provides information about the business practices, compensation and conflicts of interest related to the brokerage business of Teckmeyer Financial Services, LLC (referred to as “we,” “us,” or “TFS”). Additional information about TFS and our financial professionals is available on FINRA’s website at <http://brokercheck.finra.org>.

ITEM 1 INTRODUCTION

TFS Broker-Dealer and Investment Adviser Services

TFS is registered with the Securities and Exchange Commission (SEC) as a broker-dealer and is a member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). TFS is also registered as an investment adviser firm with the state of Nebraska, Iowa, Kansas and other states as required by law. In addition, TFS is an insurance agency qualified to sell insurance products. As a broker-dealer, TFS transacts business in various types of securities, including mutual funds, exchange-traded funds (ETFs), stocks, bonds, variable annuities, and other investment products.

TFS Brokerage Services through RBC Correspondent Services - TFS is an introducing broker-dealer and we have a clearing brokerage agreement with RBC Clearing & Custody, a division of RBC Capital Markets, LLC, to serve as our clearing firm (collectively referred to as “RBC”), a SEC registered broker-dealer, and a member of FINRA and SIPC. RBC provides clearing brokerage services to TFS and compensates TFS for introducing clients to RBC. RBC also provide custody and investment adviser services to TFS and TFS clients.

- **Error Correction** - If a client holds an account at TFS and a trade error caused by TFS occurs in the account, TFS will cancel the trade and remove the resulting monetary loss to a client from the account. If a trade correction is required as a result of a client (e.g., if a client does not make full payment for purchases or fails to deliver negotiable securities for liquidations before trade settlement), TFS will cancel the trade and any resulting monetary loss will be borne by the client. In the case of a trade that requires a correction and that resulted in a monetary gain to the client, such gain may be removed from the account and may result in a financial benefit to TFS.
- **Principal Trading** - We do not buy from or sell securities to you on a principal basis from our own inventory. However, our clearing broker-dealer, RBC does buy and sell securities on a principal basis from their own inventory.
- **Proprietary Products** - TFS does not offer any of our own proprietary products. However, our clearing broker-dealer, RBC and their affiliates do offer a limited number of proprietary products that may be offered through TFS.
- **Direct Fee Charges at RBC** - If you hold an account at RBC, RBC charges miscellaneous fees directly to your account and are not shared with TFS or our financial professionals. These direct fees and charges are set out in the Client Account Fee List on our website at: www.teckmeyerfinancial.com.
- **Sweeps Program** – The RBC sweep programs for otherwise uninvested cash creates a conflict of interest for us because we have an incentive for you to maintain and direct otherwise uninvested cash in your account to deposits of RBC’s affiliated banks, where they can use such deposits to generate additional revenue that RBC may share with us. This creates an incentive for us to recommend or direct investments that result in cash being invested through our sweep programs. Our financial professionals do not receive any of this compensation and therefore do not have the same conflict.

TFS is not affiliated with RBC or any other financial services companies.

ITEM 2 COMMISSIONS, FEES AND OTHER TYPES OF SALES COMPENSATION

Commissions and Sales Charges

TFS receives upfront commissions when it executes transactions that result in the purchase or sale of a security. A commission, which also may be called a sales load, sales charge or placement fee, is typically paid at the time of the sale and can reduce the amount available to invest or can be charged directly against an investment. Commissions are often

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based on the amount of assets invested. TFS receives the sales charge or commission and shares it with your financial professional. In some cases, a portion of the sales charge or commission is retained by the investment's sponsor. Commissions vary from product to product, which creates an incentive to sell a higher commission security rather than a lower commission security. The maximum and typical commissions for common investment products are listed below. For more information about other commissions that apply to a particular transaction, please refer to the applicable investment's prospectus or other offering document.

- **Equities and Other Exchange Traded Securities.** The maximum commission charged by TFS in an agency capacity on an exchange traded security transaction, such as an equity, ETF, exchange traded note (ETN) or closed-end fund (CEF), is 5.0% of the transaction amount. The commission amount decreases as the size of the transaction amount increases and is almost always well below the maximum. In addition, the financial professional can decide to discount the commission amount to a minimum of \$25 per transaction.
- **Mutual Funds and 529s.** The maximum commission or sales charge permitted under applicable rules is 8.5%, although the maximum is typically 5.75%.
- **Annuities.** The maximum upfront commission paid for new sales of annuities is typically 5.5%, but varies depending on the required holding period, and type of annuity, such as fixed or variable.
- **Unit Investment Trusts (UITs).** The maximum upfront sales charge paid typically ranges from 1.85% to 3.95%, and can depend on the length of the term of the UIT.

ITEM 3 THIRD PARTY COMPENSATION

TFS and financial professionals receive compensation from investment product sponsors and other third parties in connection with investments that TFS clients make in securities such as mutual funds, annuities, and other investments. Some types of third party compensation are received by TFS and shared with financial professionals, and other types are retained only by TFS.

Trail Compensation

TFS and our financial professionals receive ongoing compensation from certain investment products such as mutual funds, annuities and alternative investments. This compensation (commonly known as trails or Rule 12b-1 fees) is typically paid from the assets of the investment product under a distribution or servicing arrangement with the investment sponsor and is calculated as an annual percentage of assets invested by TFS clients. The more assets you invest in the product, the more we will be paid in these fees. Therefore, we have an incentive to encourage you to increase the size of your investment. The amount of trails received varies from product to product. This creates an incentive to recommend a product that pays a higher trail rather than a lower trail. We also have an incentive to recommend a product that pays trails (regardless of amount) rather than products that do not pay trails. For more information about trail compensation received with respect to a particular investment, please refer to the prospectus or offering document for the investment.

- **Mutual Funds and 529s.** The ongoing payment depends on the class of shares but is typically between 0.25% and 1% of assets annually.
- **Annuities.** TFS receives a trail payment from an annuity issuer for the promotion, sale and servicing of a policy. The amount and timing of trail payments vary depending on the agreement between TFS and the issuer, and the type of policy purchased. The maximum trail payment for annuities is typically 1.5%, and varies depending on the type of annuity.

Life Insurance

TFS receives compensation from issuers of life insurance (universal, variable universal, whole life, and term) and other insurance contracts that are available to brokerage clients. The compensation includes commissions and trails, and may include payments for administrative services that TFS provides and/or payments made in connection with TFS's marketing and sales-force education and training efforts. TFS receive commissions in the range of 4% to 100% of first-year commissionable premiums. TFS may also receive a renewal payment in the range of 1% to 25% of subsequent premiums, if any. The amount of commission varies depending on the issuer, coverage and the premium amount. Financial professionals receive a percentage of the commissions and trailing commissions insurance companies pay to TFS. TFS

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and financial professionals also receive additional compensation from certain insurance companies when TFS's sales of the companies' products exceed premium thresholds specified in selling agreements with TFS.

Non-Cash Compensation

TFS, TFS employees and financial professionals receive non-cash compensation from investment sponsors that is not in connection with any particular client or investment. Compensation includes such items as gifts valued at less than \$100 annually, an occasional dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, client workshops or events, or marketing or advertising initiatives, including services for identifying prospective clients. Investment sponsors also pay, or reimburse TFS and/or our financial professionals, for the costs associated with education or training events that may be attended by TFS employees and financial professionals and for TFS sponsored conferences and events.

ITEM 4 PRODUCT COSTS AND RELATED CONFLICTS

Financial professionals provide recommendations with respect to a broad range of investment products, including stocks, bonds, ETFs, mutual funds, annuities and alternative investments. Each type of investment product carries unique risks, and many investment products charge fees and costs that are separate from and in addition to the commissions and fees that TFS and financial professionals receive. You can learn more about these risks and the fees and costs charged by an investment product by reviewing the investment product's prospectus, offering memorandum, or other disclosure documents.

Set out below is the typical range of expenses of the various investment products we sell. In most cases, these expenses are in addition to the commissions and fees that TFS receives for its brokerage services.

- **ETFs.** The expense ratios range from 0.05% to 1.0%, with an average expense ratio of around 0.44%.
- **Mutual Funds.** Expense ratios can vary based on the type of mutual fund purchased. The average expense ratio for actively managed funds is 0.5% to 1.0% (and could be higher depending on share class), for passive index mutual funds the average is 0.2%.
- **Annuities.** The typical range of annual expenses associated with annuities is 0.60% to 5.00% dependent upon the combination of options selected by the investor including type of annuity (variable annuities have a mortality and expense fee whereas fixed index annuities do not), optional riders elected (living and/or death benefits) and investment options where applicable (subaccounts or models for variable annuities).
- **UITs.** Typical annual operating expenses for UITs range from 0.20% to 4.00%. Equity UITs usually comprise the low end of the range while UITs whose trust consist of a basket of CEFs typically comprise the high end of the range.

Share Class and Fund Selection

TFS offers various share classes of mutual funds and 529s. As an example, certain mutual fund share classes, often referred to as Class A shares, charge an upfront sales charge and an ongoing trail. For other mutual fund share classes, often titled Class C shares, there is no upfront sale charge paid, however, there is an ongoing trail payment and a contingent deferred sales charge to the investor if there is a redemption within a certain period of time after purchase. Depending on the length of the holding period for the mutual fund or 529, and other factors, one share class may be less expensive to the investor than another, and TFS and the financial professional may earn more or less in compensation for one share class than another. Because of their characteristics and sales load structure, mutual funds generally are longer term investments. Frequent purchases and sales of mutual funds can result in significant sales charges unless the transactions are limited to exchanges among mutual funds offered by a sponsor that permits exchanges without additional sales charges. TFS maintains policies and procedures that are designed to detect and prevent excessive mutual fund switching, but you should monitor your account and discuss with your financial professional any frequent mutual fund purchases and sales.

Some share classes or funds we offer do not charge or pay to us an upfront sales charge, and pay us ongoing trails of 0.25% or less annually ("no-load funds"). TFS makes no-load funds available only to certain clients or through certain of our programs. Because of the limited compensation from no-load funds, we have an incentive to limit the availability of no-load funds we offer and to recommend you invest in funds that impose sales charges and trails.

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TFS also offers various mutual funds and ETFs, some of which have similar or identical investment strategies but differing fee structures. For example, a mutual fund that is designed to track an index of securities, such as the S&P 500 Index, may have higher or different types of fees than an ETF that is designed to track the same index. Whether a fund or ETF is more expensive than another fund or ETF with a similar or identical investment strategy may depend on factors such as length of holding, size of the initial investment and other factors. TFS and a financial professional may earn more compensation for one fund or ETF than another, giving TFS and the financial professional an incentive to recommend the product that pays more compensation to us.

ITEM 5 CLIENT REFERRALS, OTHER COMPENSATION AND OTHER CONFLICTS

Payment for Referrals

TFS has a fully disclosed Clearing Agreement with RBC. Under the agreement RBC compensates TFS for introducing clients to RBC. TFS may also establish relationships with unaffiliated registered investment advisers that offer a variety of investment advisory programs and services that include asset management programs, separate account portfolio management programs, asset allocation programs, wrap fee programs, and financial planning services. If a client is referred to one of these unaffiliated registered investment advisers TFS and TFS's financial professional may receive referral fees from the unaffiliated registered investment adviser. TFS currently has an agreement with RBC to refer clients into the RBC Unified Portfolio Program. For further details on RBC's Unified Portfolio Program please review the RBC Disclosure Document and Form ADV Part 2.

Arrangements with Banks

TFS has entered into a financial services agreement with Wahoo State Bank to provide broker-dealer and insurance products to bank clients for broker-dealer and insurance commissions and fees. Wahoo State Bank is a banking institution licensed with the Nebraska Department of Banking. TFS and Wahoo State Bank are not affiliated companies. Wahoo State Bank is compensated by TFS for this access. This relationship is disclosed to the bank clients and is in compliance with applicable federal and state regulations.

Rollovers

If a client decides to roll assets out of a retirement plan, such as a 401(k) plan, and into an individual retirement account (IRA), we have a financial incentive to recommend that a client invests those assets with TFS, because we will be paid on those assets, for example, through commissions, fees and/or third party payments. A client should be aware that such fees and commissions may be higher than those the client pays through the plan, and there can be custodial and other maintenance fees. As securities held in a retirement plan are generally not transferred to an IRA, commissions and sales charges may be charged when liquidating such securities prior to the transfer, in addition to commissions and sales charges previously paid on transactions in the plan. For more information about rollovers talk to your financial professional.

Limitations on Investment Recommendations

TFS and financial professionals offer and recommend investment products only from investment sponsors with which TFS has entered into selling and distribution agreements. Other firms may offer products and services not available through TFS, or the same or similar investment products and services at lower cost. In addition, TFS may only offer certain products in a brokerage account, even though there is a version of the product that may be offered at a lower cost through an advisory account, and vice versa.

The scope of products and services offered by certain financial professionals may also be more limited than what is available through other financial professionals. A financial professional's ability to offer individual products and services depends on his/her licensing and training. For example, a financial professional maintaining a Series 6, Series 63 and Life Insurance Agent license is limited to providing investment company securities, such as mutual funds and UITs and variable annuity contracts. A financial professional maintaining a Series 7, Series 63 and Life Insurance Agent license is able to provide solutions including all securities available for sale by a Series 6 representative as well as individual stocks, bonds, and alternative investments, among others. All TFS financial professionals are Series 7 licensed. As another example, a financial professional may only be licensed to provide brokerage services, and not advisory services, or vice versa. To

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provide investment advisory services, a financial professional is often required to be registered as an investment adviser representative (IAR) with the state in which he/she has a place of business.

ITEM 6 FINANCIAL PROFESSIONAL COMPENSATION, FEES AND RELATED CONFLICTS

TFS Financial Professionals -TFS maintains a team of financial professionals, referred to as “financial consultants”, who offer brokerage services, investment advisory services, insurance services or all three, depending on their licenses. TFS may compensate financial professionals pursuant to independent contractor agreements or as employees of TFS. Some of TFS’s financial professionals are registered representatives, investment adviser representatives (IARs) and/or insurance agents of TFS. **When you are discussing services with a financial professional, you should ask what capacity the financial professional is acting or will be acting – as a broker-dealer registered representative, IAR and/or insurance agent – when providing services to you.**

This disclosure discusses important information regarding financial professionals who act as registered representatives of TFS’s broker-dealer. For more information about TFS and the services financial professionals provide when they act as IARs, please see TFS’s Form ADV disclosure brochures available on : www.teckmeyerfinancial.com. For additional information on which type of investment account is right for you, please see TFS’s Form CRS (Client Relationship Summary) at: www.teckmeyerfinancial.com.

Like all financial services providers, TFS and our financial professionals have **conflicts of interest**. TFS and our financial professionals are compensated directly by clients and indirectly from the investments made by clients. When clients pay us, we typically get paid an upfront commission or sales load at the time of the transaction and in some cases a deferred sales charge. If we are paid an upfront commission, it means that we are paid more the more transactions a client makes. When we are paid indirectly from the investments made by clients, we receive ongoing compensation, typically called a “trail” payment, for as long as a client holds an investment. In addition, we receive compensation from the sponsors of some of the investment products that clients purchase through us. The amount we receive varies depending on the particular type of investment a client makes. The compensation described in this disclosure represents the maximum gain or profit we receive on an investment, before subtraction of our expenses.

Financial Professional’s Outside Business Activities - Financial professionals are permitted to engage in certain TFS approved business activities other than the provision of brokerage and advisory services through TFS.

Additional information about your financial professionals and their outside business activities is available on the FINRA Broker/Check system at <http://brokercheck.finra.org>.

Cash Compensation

TFS typically pays a financial professional a percentage of the revenue he/she generates from sales of products and services. The percentage received can vary depending on his or her agreements with TFS and the investment product or service recommended, and can be more or less than what he/she would receive at another brokerage firm. The payments can include a bonus that is based on the amount of assets serviced or revenue generated by the financial professional. When compensation is based on the level of production or assets, the financial professional has a financial incentive to meet those production or asset levels.

Other Benefits

Financial professionals are eligible to receive other benefits based on the revenue he/she generates from sales of products and services. These benefits present a conflict of interest because the financial professional has an incentive to remain a registered representative of TFS in order to maintain these benefits. These benefits include eligibility for practice management support and enhanced service support levels that confer a variety of benefits, conferences (e.g., for education, networking, training, and personal and professional development), and other non-cash compensation. Such benefits also include free or reduced-cost marketing materials, reimbursement or credits of fees that financial professionals pay to TFS for items such as administrative services or technology.

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Fees Charged to Financial Professionals

TFS charges our financial professionals various fees for, among other things, trade execution, administrative services, insurance, certain outside business activity related supervision, technology and licensing. Depending on the situation, these fees make it more or less profitable for the financial professional to offer and recommend certain services or products over others. In certain cases, these fees are reduced based on the financial professional's overall business production or the amount of assets serviced by the financial professional, which gives the financial professional an incentive to recommend that you invest more in your account or engage in more frequent transactions. Transaction fees charged to your financial professional can also vary depending on the specific security that the financial professional recommends. As an example, the transaction fees a financial professional must pay to TFS to purchase or sell a mutual fund for your account may differ between funds, which creates an incentive for your financial professional to recommend the fund that carries the lowest transaction charge.

ITEM 7 ADDITIONAL INFORMATION

Information about our firm and services is available at our website: www.teckmeyerfinancial.com. Additional regulatory information about our firm and financial professionals is available at the following websites - brokerage service: <https://brokercheck.finra.org/>. and - investment adviser services: <https://www.sec.gov/check-your-investment-professional>. For additional up-to-date information or a copy of this Broker-Dealer Best Interest Disclosure, Our Form CRS Client Relationship Summary, or our other disclosure documents, you may call us at (402) 331-8600.

TFS may not notify you when these changes are made, so you should consult the website to learn about any changes that have been made.