NATIONWIDE
PLANNING ASSOCIATES, INC.
Member FINRA • SIPC

115 W. Century Road, Suite 360
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Phone (201) 476-0029 Fax (201) 476-0132

Revenue Sharing and Other Compensation

Through our national network of RRs, NPA Asset's affiliated broker/dealers NPA or NWD offer a broad selection of more than 13,000 mutual funds. Companies for some of the mutual funds we sell participate in activities that are designed to help facilitate the distribution of their products by making our Advisors, we believe, more knowledgeable about those companies' funds, such as marketing activities and educational programs (including, but not limited to, attendance by fund representatives at NPA Asset or any of its affiliated entities conferences, one-on-one marketing, and due diligence presentations to our Advisors).

In return for assistance in facilitating the activities described above, NPA Asset or any of its affiliated entities receive additional compensation, called revenue sharing, from these funds. These revenue sharing payments are in addition to commissions, annual service fees (known as 12b-1 fees), and other fees and expenses disclosed in a fund's prospectus fee table. These revenue sharing payments, however, are paid out of the investment advisors or other fund affiliate's assets – not from the fund's assets – and therefore would not appear as an item in a fund's expense table. No portion of these revenue sharing payments to NPA Asset is made by means of brokerage commissions generated by the fund.

It is important to understand that none of the revenue sharing payments received by NPA Asset or any of its affiliated entities are paid or directed to any Advisor who sells these funds. NPA Asset Advisors do not receive a greater or lesser commission for sales of mutual funds for which NPA Asset or any of its affiliated entities receive revenue sharing payments. Because NPA Asset Advisors receive no direct increase or change in compensation from selling shares of one fund over another, we do not believe that they are subject to a conflict of interest based on the amount of compensation each Advisor receives when recommending one fund's shares over another's. The marketing and educational activities paid for with revenue sharing, however, could lead our Advisors to focus more on those funds that make revenue sharing payments to NPA Asset – as opposed to funds that do not make such payments – when recommending mutual fund investments to their clients.

NPA Asset or its affiliated broker/dealers do not maintain a "preferred" list of mutual fund families based on participation in revenue sharing that it promotes (exclusively on its website or through its Advisors) but offers a selection of many funds.

While the revenue sharing arrangements with each fund family may vary, each fund family pay either a) up to 30 basis points (0.30%) of the gross amount of each sale; or b) up to 10 basis points (0.10%) of the gross amount of each sale, plus up to 6 basis points (0.06%) annually of the assets held at the fund family. For example, on a $10,000 transaction with a participating fund family, NPA Asset's affiliated broker/dealers NPA or NWD would receive a one-time $30 payment, or a one-time $10 payment, plus a $6 annual payment for the period during which the assets remain at that fund family.

Participating fund families may also be subject to a certain minimum payments each year in conjunction with the program if minimum amounts of sales or assets are not met, and they may also make additional payments to NPA Asset's affiliated broker/dealers NPA or NWD for attendance at various educational meetings hosted by NPA Asset or any of its affiliated entities.

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Some of the mutual funds we sell may also offset certain transaction costs that would otherwise be borne by an RR for those clients who choose to custody their assets with our clearing firm, Pershing – a wholly owned subsidiary of the Bank of New York.

These transaction charges are usually $19 per transaction in connection with each purchase of a mutual fund by a client, depending on the account and/or transaction type. We believe that this offset does not compromise the advice your Advisor gives you.

Additionally, Pershing offers a "No Transaction Fee" program with more than 1,200 no-load mutual funds. Participating mutual fund sponsors pay a fee to Pershing to participate in this program, and a portion of this fee is shared with NPA Asset's affiliated broker/dealers NPA or NWD. None of these additional payments are paid to any advisors who sell these funds.

Variable Insurance Programs
NPA Asset's affiliated broker/dealers NPA or NWD also offer hundreds of variable insurance options and assists insurance sponsors with conducting marketing activities and educational programs designed to increase the distribution of these products. NPA Asset's affiliated broker/dealers NPA and NWD also receive revenue sharing payments from certain insurance sponsors. None of these additional payments, however, are paid or directed to any advisor who sells these products. In addition, NPA Asset Advisor do not receive a greater or lesser commission for sales of variable insurance products from which NPA Asset or any of its affiliated entities receive revenue sharing payments.

Because NPA Asset's Advisor's receive no direct increase or change in compensation from selling one product over another, we do not believe that they are subject to a conflict of interest based on the amount of compensation each Advisor receives when recommending one product over another. The marketing and educational activities paid for with revenue sharing, however, could lead our Advisors to focus more on those insurance products that make revenue sharing payments to NPA Asset – as opposed to insurance sponsors that do not make such payments – when recommending insurance products to their clients.

While revenue sharing arrangements with each insurance company may vary, each insurance company may pay either a) up to 30 basis points (0.30%) of the gross amount of each sale; or b) up to 10 basis points (0.10%) of the gross amount of each sale, plus up to 5 basis points (0.05%) annually of the assets held at the insurance company. For example, on a $10,000 transaction with a participating insurance company, NPA Asset's affiliated broker/dealers NPA or NWD would receive a one-time payment of $30, or a one-time payment of $10, plus a $5 annual payment for the period during which the assets remain at that insurance company.

Participating insurance companies may also be subject to certain minimum payments each year in conjunction with the program if minimum amounts of sales or assets are not met, and they may also make additional payments to NPA Asset's affiliated broker/dealers NPA or NWD for attendance at various educational meetings hosted by NPA Asset or any of its affiliated entities throughout the year.

529 College Savings Plans
NPA Asset's affiliated broker/dealers NPA or NWD also offer several 529 college savings plans to our brokerage customers through their Advisors. 529 plan assets are included in the amount of total mutual

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fund assets upon which revenue sharing is paid but are not separately accounted for by NPA Asset's affiliated broker/dealers NPA or NWD and the product sponsors. As with the mutual funds, none of these additional payments, however, are paid or directed to any Advisor who sells these plans. In addition, NPA Asset's Advisors do not receive a greater or lesser commission for sales of 529 plans from which NPA Asset or any of its affiliated entities receive revenue sharing payments.

Variable Universal Life, Universal Life, and Long-Term Care Insurance Programs
NPA Asset's affiliated broker/dealers NPA and NWD, as well as affiliated general insurance agency NPA Insurance Agency, Inc., also offer variable universal life ("VUL"), universal life ("UL"), and long-term care ("LTC") insurance products and assists insurance sponsors with conducting marketing activities and educational programs designed to increase the distribution of these products. NPA Asset's affiliated broker/dealers NPA and NWD, as well as affiliated general insurance agency NPA Insurance Agency, Inc., in addition to receiving commissions on the sale of these insurance products, receive payments from certain insurance sponsors for marketing, training, and distribution support. None of these addition payments, however, are paid or directed to any Advisor/insurance agent who sells these products. In additional, NPA Asset's Advisors/insurance agents do not receive a greater or lesser commission for sales of these insurance products from which NPA Asset or any of its affiliated entities receive revenue sharing payments.

Because NPA Asset's Advisors/insurance agents receive no direct increase or change in compensation from selling one product over another, we do not believe that they are subject to a conflict of interest based on the amount of compensation each Advisor/agent receives when recommending one life insurance product over another. The marketing, educational, and distribution activities paid for with revenue sharing, however, could lead our Advisors/insurance agents to focus more on those insurance products that make revenue sharing payments to NPA Asset or any of its affiliated entities – as opposed to insurance sponsors that do not make such payments – when recommending insurance products to their clients.

While the arrangements with each insurance company may vary, each VUL and UL insurance company may pay up to 6% on target premiums and each LTC carrier may pay up to 6.5% of the gross amount of each sale based on annual production.

Non-publicly Traded Products
NPA Asset's affiliated broker dealer NWD offers several non-publicly traded products, including non-listed real estate investment trusts ("REITs"), limited partnerships ("LPs"), business development companies ("BDCs"), closed-–end funds, Interval Funds, 1031 exchange programs, hedge funds and fund of funds, managed futures, tax credit programs, oil and gas programs, venture capital funds, and private equity funds. Some of the issuers of the non-publicly traded products that we offer engage in activities that are designed to help facilitate the distribution of their products; some of these issuers assist our advisors in becoming more knowledgeable about their products by engaging in marketing activities and offering educational programs (including, but not limited to, attendance by sponsor representatives at NWD conferences and events, one–on–one marketing, and due diligence presentations). Consistent with prudent product approval practices, NWD conducts or causes to be conducted a due diligence analysis of these products prior to making them available to the public through its advisors.

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In return for assistance in facilitating the activities described above, NWD receives due diligence fees as well as additional compensation, called revenue sharing, from certain product issuers. These revenue–sharing payments are in addition to commissions and other fees and expenses disclosed in the product's private placement memorandum and other offering documents.

Although the arrangements with each sponsor may vary, each product sponsor may pay a due diligence, stockholder servicing, or marketing allowance fee of either a) up to 70 bps (0.70 percent) annually on assets held at the sponsor; or b) up to 200 bps (2percent) on the gross amount of each sale, depending on the product. None of these additional payments, however, is paid or directed to any advisor who sells these products. NWD's advisors do not receive a greater or lesser commission for sales of these products from which NWD receives revenue–sharing payments. Because NWD's advisors receive no direct increase or change in compensation from selling one product over another, we do not believe that they are subject to conflicts of interest arising from the due diligence and/or revenue–sharing payments to NWD. The marketing and educational activities paid for with revenue sharing, however, could lead our advisors to focus more on those products whose sponsors make revenue–sharing payments to NWD—as opposed to products whose sponsors do not assist advisors in becoming familiar with their products—when recommending non-publicly traded products to their clients.

Investment Adviser/Asset Management Programs
NPA Asset or any of its affiliated entities and/or its Advisors may receive reimbursement, marketing and distribution allowances, due diligence fees, or other compensation based on deposits and/or assets under management directly from third-party asset managers (collectively "Program Sponsors") for the costs of marketing, distribution, business and client development, educational enhancement, and/or due diligence reviews incurred by NPA Asset or by its affiliated broker/dealers NPA or NWD and/or the Advisor relating to the promotion or sale of the Program Sponsor's products or services.

Payments to NPA Asset Advisors
Consistent with prudent product approval practices, NPA Asset conducts or causes to be conducted a due diligence analysis of these Program Sponsors in making them available to the public through its Advisors. Additionally, NPA Asset receives distribution allowances, due diligence fees, and other payments from certain Program Sponsors. While the arrangements NPA Asset has with each sponsor vary, a Program Sponsor may pay NPA Asset additional compensation for marketing expenses, distribution allowances, due diligence, or other compensation. These additional payments are retained, and none of these additional payments are paid or directed to any NPA Asset Advisor. In addition, NPA Asset Advisors do not receive a greater or lesser asset-based fee for provided investment advice or referrals of these Program Sponsors' services as a result of NPA Asset's receipt of these additional payments. Because NPA Asset Advisors receive no direct or indicted differential compensation for selecting one advisory program over another, we do not believe NPA Asset Advisors are subject to a conflict of interest when selecting a particular asset management program that makes additional payments to NPA Asset over a program that does not.

In all cases, such reimbursements, marketing allowances or other compensation will be paid to NPA Asset and/or the Advisor from the Program Sponsor's own resources and not from client funds or assets. Such arrangements will have no impact on the fees being charged to clients by NPA Asset, the Advisor, or the Program Sponsor.

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Custody and Clearing Arrangements

NWD's business relationship with Pershing provides NWD considerable revenue–sharing benefits. In particular, NWD receives substantial monthly revenue–sharing payments from Pershing no–transaction–fee ("NTF") funds that participate in Pershing's NTF program.

Additionally, NWD receives continuous revenue–sharing payments from Pershing that are derived from certain types of transactions, positions, and assets in client accounts held at Pershing. NWD also maintains a Sweep Program with Pershing. This program creates substantial financial benefits for NWD.

None of the revenue-sharing payments received from Pershing is paid or directed to any of our advisors who sell mutual funds to their clients.