

Leigh Baldwin & Co., LLC

**Regulation Best Interest
Investor
Disclosure
Brochure**

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Leigh Baldwin & Co., LLC (hereafter “LBC,” “the Firm,” “we,” “our,” or “us”) provides this Regulation Best Interest Investor Disclosure Brochure (the “Reg BI Disclosure,”) to our retail clients (hereafter “you” and “your”) to inform you about the services we offer and material facts related to our relationship with you so that you may learn more about the services and people of the firm. Regulation Best Interest (“Reg BI”) requires broker-dealers and their Financial Professionals (“FP”) to act in your best interest at the time a recommendation involving investment products, strategies or account changes (i.e. rollovers) is made, without placing the interests of the firm ahead of yours. This Reg BI Disclosure addresses the scope and terms of our relationship with you; the capacity in which we are acting; the type and range of our services; the fees and costs associated with your holdings, accounts, and transactions; the conflicts of interest that exist for us and our FP’s; and any material limitations on our services.

I SCOPE AND TERMS OF OUR RELATIONSHIP WITH YOU

I.1 General

Leigh Baldwin & Co., LLC is registered with the Securities and Exchange Commission as a broker/dealer and an investment adviser. Free and simple tools are available for you to research firms and FPs at investor.gov/crs, which also provides educational materials about investing in general. The Firm can assist you with brokerage services, investment advisory services, or both, depending on your needs and your investment objectives. There are important differences between brokerage and advisory services, including their costs, the services provided, and the rules that govern them. You should carefully consider these differences when deciding which type, or combination of types, of services and accounts are right for you. Information regarding the differences between our brokerage and advisory services is also available in our Form CRS, which is available at <https://www.leighbaldwin.com/form-crs/>. If you are unable to access a link throughout this document or prefer to have a hard-copy of this document sent to you, please contact your financial FP or call Leigh Baldwin & Co., LLC at 315.655.2964.

I.2 Our Relationship

All recommendations made by your FP regarding your BD accounts will be made in a broker/dealer capacity, and all recommendations regarding any account established under our advisory program will be made in an advisory capacity. In your FP’s capacity as a registered representative (“RR”), your FP will not monitor your portfolio or investments on an ongoing basis including those investments that are recommended to you. However, your FP may voluntarily without any agreement with you, review the holdings in your account for the purposes of determining whether to provide you with a recommendation. This voluntary review is not considered to be “account monitoring,” and does not create an implied agreement with you to monitor the account. In addition, your FP could be registered as an investment adviser representative (“IAR”) of a registered investment adviser (“RIA”) firm. If your FP is registered as an IAR, the FP may also be able to provide advisory services as well as the products and services mentioned above. When a FP is acting in an advisory capacity, you will receive that RIA firm’s Form ADV brochure.

Broker/Dealer Capacity In our capacity as a broker/dealer, we can recommend to buy, sell and hold securities (including investment funds and products) for you. When we act in our capacity as a broker/dealer, we must have a reasonable basis to believe that all recommendations made to a retail client is in their best interest and does not place the interest of the broker/dealer or FP ahead of yours at the time the recommendation is made.

We do not have any minimum account requirements for our brokerage accounts, but some of the investments you can purchase have minimum investment requirements or our FPs may choose to impose their own account minimum requirements.

Our FPs do not make investment decisions for you or manage your brokerage account on a discretionary basis, unless a separate discretionary agreement is in place with prior approval by LBC. If an FP does not have discretionary authority over your accounts, they cannot buy or sell investments in your account without first obtaining your consent. While our FP’s may recommend investments to you, you make the ultimate decision to buy or sell investments.

When we act in our capacity as a broker/dealer, we are subject to the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended, the rules of self-regulatory organizations such as the Financial Industry Regulatory Authority, Inc. (FINRA) and Municipal Securities Rulemaking Board (MSRB), and applicable state laws. The disclosures throughout this brochure relate to the Firm’s retail brokerage (commission-based) business unless otherwise noted.

Investment Adviser Capacity As an investment adviser, we provide investment advice to you about securities or investing for a fee through various managed account programs. When we act in our capacity as an investment adviser, we will generally do so pursuant to a written agreement which describe the advisory services you will receive and the fees you will pay. When we act as an investment adviser to you, we have a fiduciary relationship with you under the Investment Advisers Act of 1940.

More information about our investment advisory services, fees and costs, account minimums, and conflicts of interest is available in our Form ADV Part 2A brochure, which is available at <https://www.leighbaldwin.com/assets/pdfs/adv-part-2.pdf>

1.3 Services Provided

We provide a variety of services related to investments in securities, including processing client orders, executing securities trades, providing general information and ongoing advice regarding your investments.

This document is focused on describing a brokerage service to you, but you may still find the information below helpful in evaluating which relationship is best for you, as we offer both broker-dealer and advisory services:

Brokerage vs. Advisory Services		
Brokerage Services		Advisory Services
Broker-Dealer	<i>Affiliation</i>	Registered Investment Advisor
Registered Representative	<i>Relationship Manager</i>	Investment Advisor Representative
Commission	<i>Compensation</i>	Fee
Pay when you transact	<i>Payment Timing</i>	Pay a fee, usually based on a percentage of the value of your assets under management
Requires your approval for each transaction (unless sub discretionary agreement is in place)	<i>Investment Discretion</i>	Can make discretionary investment decisions for you based upon your prior guidance, goals and risk tolerance

Brokerage Services Our brokerage services include making recommendations on whether to buy, sell, or hold securities, recommendations of investment strategies involving securities, and recommendations of account types, and rollovers, or transfers of assets, such as rolling over retirement plan assets into an IRA. Our brokerage services may include certain margin account services where you are extended credit (a loan) against the value of eligible securities in your account.

Advisory Services Our Advisory services and programs are designed to accommodate a wide range of client investment philosophies, goals, needs, and investment objectives. Our investment Advisory services and programs consist of LBC Managed Account program, wealth management and retirement consulting services, and third-party asset management services.

Account Types In order to receive any of our brokerage services described above, you must first open an account with us. We offer an array of account types with different features to meet the goals and objectives of our clients. You may choose different options or account types for your brokerage account, including accounts held with our clearing firm; directly held accounts; education accounts (e.g., college savings plans); retirement accounts (e.g., IRA accounts); and certain specialty accounts (e.g., margin and option accounts). In addition, our accounts offer certain cash management features, including the option to hold cash in a cash sweep vehicle. This allows you to hold your cash in interest-bearing money market funds or cash accounts. We also offer margin accounts. You will want to discuss our account options with your FP to decide which account type best for you.

Investment Services LBC's philosophy is to provide its FP's with access to a diverse array of investments to support client investment profiles, including, but not limited to, mutual funds, variable insurance products, fixed index insurance products, 529 plans, and unit investment trusts ("UIT") (collectively "Packaged Products"), and stocks and bonds. Packaged Products have sponsors which distribute and manage their underlying investments. An important component of our investment philosophy involves performing due diligence on those sponsors to ensure the investments they offer are managed by experienced, cost conscious, and financially and organizationally strong companies.

An LBC Financial Professional will consider your investment objectives and needs, as well as time horizon and risk tolerance, when formulating a recommendation. It is important to note that no investment strategy is guaranteed to be successful or profitable. We encourage you to contact your FP if you have questions about a particular recommendation or your FP's overall investment philosophy. We require our FP's to have a reasonable basis, taking into account the potential risks, rewards, and costs associated with a recommendation, to believe each recommendation made to you is in your best interest and does not place the interests of LBC or your FP ahead of your own at the time the recommendation is made. The FP relies on information that includes, but is not limited to, your age, other investments you have disclosed to us, personal financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, risk tolerance, and other information that you may disclose to your FP.

1.3.1 Material Limitations

Since we do offer a wide range of services, we do not have many material limitations on the securities or investment strategies that may be recommended to you. We do not limit our investment offerings to specific asset classes, have material limitations on the menu of securities or investment strategies available or limit our investment offerings to a select group of issuers.

Notwithstanding the wide range of our offerings, there are certain material limitations on the products and services that our FPs may be able to recommend to you. These limitations are set forth below:

- *Financial Professional Limitations:* Not all our FP's can offer the full range of investments and services we offer. For instance, while most of our FP's are registered to offer both brokerage and advisory services to their retail clients, some of our FP's are registered to offer broker-dealer services only. In addition, some of our FP's are licensed to offer only certain types of investments. Your FP is licensed as either a Series 6 or a Series 7 Financial Professional. Series 6 is a securities license entitling a RR of a broker-dealer to sell mutual funds, UITs, 529 savings plans, variable annuities and variable life insurance. Holders of the Series 6 license alone are not permitted to sell corporate or municipal securities or options. Series 7 is a securities license entitling a RR of a broker-dealer to sell all types of securities products and investments (i.e., stocks, Exchange Traded Funds ("ETF"), options, bonds and other individual fixed income investments, annuities, mutual funds). Holders of the Series 7 license alone are not permitted to sell commodities or futures. Additionally, some of our FP's are not licensed to sell insurance products, which include variable annuities. Some may only be insurance licensed in specific states and this would make them unable to offer you products based on your state of residence. These are material limitations on the securities or investment strategies that your FP may recommend to you, and you should discuss any such limitations with your FP. Your FP will explain what products he/she is able to offer, and you can log onto FINRA's [BrokerCheck](#), to review your FP's licenses and financial industry background as well.
- *Investment Limitations:* Although we offer a very wide range of securities and investment strategies, there are certain types of investments we do not offer. For instance, we do not offer *all* mutual funds from every mutual fund company issuer, every exchange-traded fund, every variable insurance product or education savings plan. This means that our FPs are limited to recommending only those securities that we authorize them to offer. This is a material limitation on the securities or investment strategies that our FPs may recommend to you.
- *Account Monitoring:* LBC does not monitor investments held in brokerage accounts after effecting a securities transaction for you, including those investments our financial professionals recommend. However, your FP may voluntarily, and without any agreement with you, review the holdings in your account for the purposes of determining whether to provide you with a recommendation. This voluntary review is not considered to be "account monitoring," and does not create an implied agreement with you to monitor the account. This is a material limitation on our brokerage services and the services of our FPs.
- *Discounted Commissions:* We are a full-service brokerage firm. While some of our FPs choose to discount their commissions, some do not. This is a material limitation on the services you may receive from specific FPs at LBC.

1.4 Fees and Costs

This section provides information about the material fees and costs associated with your account, transactions, and holdings. Because our fees vary depending on the specific transaction or service provided, the information below first describes the fees and costs associated with your account in general, and then those associated with transactions and holdings our FPs may recommend.

1.4.1 Fees and Costs Associated with Account

Our platform offers many different types of accounts with features that address the different needs and objectives of our clients.

Depending on the type of account you open, you will pay certain fees that are in addition to the Fees and Costs Associated with Transactions and Holdings in section 1.3.2. below. The frequency of the fees you pay will depend on the specific account type, service, or transaction. Below are the material fees and costs associated with your account. These fees do not include commissions, markups, or Advisory fees, or fees that are charged by third parties, such as investment sponsors or money managers. Some of these fees do not apply to all account types, while others are waived under certain conditions.

Account Maintenance Fees: You will pay annual maintenance fees that vary based on the account type for maintaining your brokerage account with us.

Cash Management Fees: We offer brokerage account clients checkwriting and debit card services. We also offer overnight delivery of funds services and federal funds wire services. Clients who opt to use these services will pay annual or per-transaction fees in association with the cash management services they use.

Physical Certificate Fees: You will pay legal transfer fees, reorganization fees, delivery fees, and restricted stock clearance fees when you process transactions involving physical certificates or restricted stock.

Margin Fees: Our clearing firm can extend credit (a loan) to you based on your account balance. Margin fees, which is the interest associated with the margin loan you pay, compensate our clearing firm and us for the cost and risk of lending money to you.

Additional information on use of margin can be found in the Margin Disclosure <https://www.leighbaldwin.com/about/disclosure.php>

Account Transfer Fees: We generally charge you a one-time “account transfer fee”. The account transfer fee includes fees associated with the Automated Customer Account Transfer System (ACAT Fee.) This fee is typically between \$75- \$125 and is paid when you initiate the transfer of your account to another broker-dealer.

Account Termination Fees: We generally charge you a one-time “account termination fee”. This fee is typically \$125 for qualified accounts and is paid when you terminate your account relationship with us.

Wire Transfer Fee: We generally charge you a one-time “wire transfer fee” to wire cash from your account to another account held outside our firm. The wire transfer fee is typically \$15 but may be more for certain international wire transfers.

Inactivity Fee: We charge an annual fee for account inactivity. The fee is \$30, per inactive account, per year, depending on the type of account.

IRA Fee: We charge an annual retirement account maintenance fee for maintaining your retirement account with us. This fee is \$35 at National Financial Services and is paid annually.

Postage and Handling Fee: We charge a postage and handling fee on each transaction at our clearing firm. This fee is between \$2.50- \$5 per transaction.

Additional Costs and Fees: Incidental additional costs and fees may apply for various services provided for your account with us.

1.4.2 Fees and Costs Associated with Specific Holdings

We receive compensation which varies depending on the investment and the size and amount of the transaction each time you trade in your brokerage account or make a new investment in the form of a commission, transaction or service fee. Depending on the type of transaction, the Firm may receive a sales charge or markups.

In addition, investments that are in investment funds, such as mutual funds and unit investment trusts, or products such as education savings plans, and variable insurance products, include ongoing management fees and expenses that are embedded into the cost of the investment. Fees and costs vary among investments and we describe below the fee and costs associated with the types of transactions and investment holdings that are generally purchased or traded by our retail clients.

Equity Securities Characteristics.

The Firm offers a wide range of equity securities (stocks). Stocks give stockholders a share of ownership in a company. Before deciding to buy or sell a stock, it is important for you to evaluate the risks associated with the company. Before deciding to buy or sell a stock, it is important for you to evaluate the risks associated with the investment. For more information please visit <https://www.investor.gov/introduction-investing/investing-basics/investment-products/stocks>.

Fees and costs. Buying and selling stocks entails fees and costs. You will typically pay a commission and service fee every time you buy or sell a stock. The commissions and service fees you pay are in addition to the price you pay for the security you choose to buy or sell. This commission is a one-time fee, which typically ranges between \$14 and 5%. You will receive a trade confirmation after the trade is executed that will provide you information regarding the specific amount you were charged. Foreign stocks may incur additional foreign exchange fees which will be passed through to the client at cost. This cost may range from \$0 - \$80.

Fixed Income Characteristics.

The Firm offers a wide range of fixed income, such as corporate, U.S. government, and municipal bonds. Bonds are debt that pay fixed or variable interest rates to investors over a specific period of time. When the bond reaches maturity, the bond generally returns the principal to investor. For more information please visit <https://www.investor.gov/introduction-investing/investing-basics/investment-products/bonds-or-fixed-income-products/bonds>

Fees and costs. With most bonds, the broker-dealer marks up the price of the bond to above its face value. The markup thus represents the difference between the price a broker-dealer pays for a bond and the price at which it is sold to you by the broker-dealer. Everyone who buys a new issue pays the same price, known as the offering price. If you sell a bond before it matures, you may receive more or less than the par value of the bond. Either way, the clearing firm will mark down the price of your bond, paying you less than its current value. The amount of a markup/markdown charged on a bond transaction will depend on a number of factors, including the type of bond (corporate, government, or municipal), transaction size, credit quality, unit price, maturity, liquidity, and market scarcity. However, markup/markdowns or commissions will not exceed 3%.

Options Characteristics.

The firm offers option contracts for you to buy or sell. Options are contracts that give you the right or the obligation, to buy or sell an underlying asset at a fixed price within a certain period of time. Prior to buying or selling options, you will receive a copy of the “Characteristics & Risks of Standardized Options,” also known as the options disclosure document (ODD). Investors should carefully

read the ODD prior to buying or selling options. The ODD contains required disclosure of the characteristics and risks of standardized option contracts. The ODD is available at the Options Clearing Corporation website at [TheOCC.com/Characteristics-Risks](https://www.theocc.com/Characteristics-Risks). For more information please visit <https://www.theocc.com/Company-Information/Investor-Education>.

Fees and Costs. You will typically pay a commission every time you buy or sell an option contract. You will pay this commission in addition to the premium associated with the option contract, which you will pay regardless of whether you choose to exercise the option to buy or sell the underlying asset. The commission is a one-time fixed fee, which typically ranges between \$35 and \$200 plus \$1.50.

Mutual Funds Characteristics (Open-End).

The Firm offers a wide range of mutual funds from a multitude of different mutual fund companies. Mutual funds are required to sell their shares at the fund's daily closing net asset value (NAV) per share, plus any applicable sales charge or load as discussed below. An important aspect of mutual fund investing is to read the mutual fund's prospectus carefully before investing. In deciding whether to invest in a mutual fund, you should consider several different factors, including the mutual fund's investment objective, investment strategies and risks, the investment adviser responsible for the management of the mutual fund's assets, and the fees and expenses associated with an investment in a particular mutual fund. For more information please visit

<https://www.investor.gov/introduction-investing/investing-basics/investment-products/mutual-funds-and-exchange-traded-1>.

Fees and costs (generally). You will typically pay a sales charge or load when you buy a mutual fund. We receive a portion of this sales charge. Additional transaction costs may be incurred for transactions on our clearing firm platform versus transaction costs when purchasing directly with the sponsor. Most mutual funds utilize multiple share classes, with differing fees and expenses. Though there are many different types of share classes, the most common share classes available to you are Class A, Class C, and Class R. Each class has different fees and costs, and therefore fund performance will differ. You should also note that your expected investment duration in a mutual fund may play an important role in determining which share class is most appropriate for you, and you should discuss this consideration with your financial professional.

Fees and Costs – Share Class Distinctions. While there are no standard definitions for these share classes, and each mutual fund defines its share classes in its prospectus, set forth below are some basic descriptions of the most common share classes available to you:

- Class A – This share class usually carries a front-end sales charge, which is typically assessed as a percentage of your investment. This means that a sales charge is deducted from your investment each time you purchase shares in the mutual fund and typically ranges from 0% to 6%. Class A shares also typically have ongoing fees and expenses, which sometimes include fees commonly referred to as 12b-1 fees, and these 12b-1 fees are intended to finance distribution activities. Despite these ongoing fees and expenses, Class A shares typically have lower operating expenses compared to the other share classes of the same mutual fund that may be available to you. This means that ongoing costs will typically be lower than ongoing costs associated with other share classes of the same mutual fund that may be available to you. Many mutual funds offer “breakpoint” discounts for large investments in Class A shares, which means that the front-end sales charge decreases as the investment increases. These breakpoints are described in the mutual fund's prospectus.
- Class C – This share class is characterized by a level asset-based sales charge that you pay internally that is included in the expense ratio by figuring it into the NAV daily share price as a percentage of your assets, typically ranging from 0.31% to 2.75%. It does not have a front-end sales charge like Class A shares but does have a contingent deferred sales charge (also known as a CDSC) charged on liquidations during the first year. With a CDSC, you pay a sales charge when you sell your shares. The amount of the CDSC is assessed as a percentage of your investment, and it declines over time and eventually is eliminated the longer you hold your shares. Most Class C shares generally eliminate the CDSC after one year.
- Class R – This share class is available to retirement investors through employer-sponsored retirement plans, such as 401(k) plans, or non-profit entities. Class R shares do not have a front-end sales charge or CDSC like Class A or Class C shares, but Class R shares do have ongoing fees and expenses such as 12b-1 fees which range from 0.16% to 2.98% and are intended to finance the distribution activities. These fees and expenses are deducted from your assets on an ongoing basis.

These may be purchased directly at the Mutual Fund Company or through a brokerage account. If purchased, exchanged or sold through a brokerage accounts, a \$14 ticket charge may apply.

Fees and costs- breakpoints. While it may make sense to own mutual funds from different fund companies, it also may increase the total sales charges you separately pay. On Class A share purchases, most mutual fund companies offer reduced sales charges based on the total amount you invest with them. The investment levels needed to receive this are known as “breakpoints.” You are typically allowed to combine holdings of immediate family members to reach breakpoints. Set forth below are some common ways you can receive the benefits of breakpoints:

- Large Purchases: Mutual fund companies often offer breakpoints when your purchase amounts reach specific levels. The more you invest, often beginning as low as \$25,000, the greater the sales charge discounts you will receive as you meet certain breakpoint thresholds.

- **Rights of Accumulation:** This allow you to combine your mutual fund purchase with your existing investment in the mutual fund company to reach a breakpoint.
- **Letter of Intent (LOI):** You can take advantage of breakpoints by agreeing to purchase a certain dollar amount in a mutual fund over a specified period of time (generally one year). In most instances, this requires signing an LOI.

The prospectus of every mutual fund describes its breakpoint policies, including how you can reach breakpoints. You can request a copy of a mutual fund’s prospectus from your FP or on the fund company’s website.

Fees and Costs – Ongoing Fees and Expenses. In addition to the 12b-1 fees mentioned above, mutual funds typically also deduct other ongoing fees and expenses, such as management fees or servicing fees, from fund assets. These ongoing fees and expenses are typically used to pay for the mutual fund’s continued annual operating expenses (these ongoing fees are sometimes referred to as the mutual fund’s “expense ratio”). These ongoing fees and expenses are typically charged daily as a percentage of your assets. You pay these fees and expenses indirectly because they are deducted from your assets on an ongoing basis. These payments, as well as the conflicts of interest associated with them, are described more fully below in this Reg BI Disclosure. More information on a mutual fund’s sales charges, ongoing fees and expenses, and overall expense ratio is available in the mutual fund’s prospectus. You can request a copy of a mutual fund’s prospectus from your FP or on the fund company’s website.

Closed-End Funds Characteristics.

The Firm offers a wide range of closed-end funds, from many different fund companies. You should always read the fund’s prospectus carefully before investing. In deciding whether to invest in a closed-end fund, you should consider several different factors, including the fund’s investment objective, investment strategies and risks, the investment adviser responsible for management, and the fees and expenses associated with it. Closed-end funds are pooled investment vehicles. Their shares trade on a secondary trading market. The price of shares in a closed-end fund that trades is determined by the market and may be higher or lower than the shares’ NAV. For more information visit <https://www.sec.gov/fast-answers/answersmfclosehtm.html>.

Fees and Costs. You will typically pay a commission if you buy and sell shares in a closed-end fund in a secondary trading market. You will pay this commission in addition to the amount of the fund you choose to buy or sell. For a closed-end fund the commission is a one-time fixed fee, which also is typically between 1% and 5% per trade. Closed-end funds also deduct other ongoing fees and expenses, such as management fees and servicing fees, from fund assets. These ongoing fees and expenses are used to pay for the fund’s continued operations. These ongoing fees and expenses, which are reflected in the fund’s overall expense ratio, are typically charged daily as a percentage of your assets. You pay these fees and expenses indirectly because they are deducted from the value of your fund assets on an ongoing basis. More information on the sales charges, ongoing fees and expenses, and overall expense ratio for closed-end funds is available in the fund’s prospectus. You can request a copy of a fund’s prospectus from your FP or on the fund company’s website

Exchange-Traded Funds Characteristics. The Firm offers a wide range of exchange-traded funds (ETFs). ETFs are investment funds that are listed for trading on a national securities exchange and can be bought and sold in the equity trading markets. Shares in the ETF represent an interest in a portfolio of securities. Similar to mutual funds, an ETF pools assets of multiple investors and invests those pooled assets according to its investment objective and investment strategy and continuously offer their shares for sale. In addition, ETFs share certain characteristics with closed-end funds, namely that the fund’s shares trade on a secondary market and may trade at prices higher or lower than the fund’s NAV. For more information visit <https://www.investor.gov/introduction-investing/investing-basics/investment-products/mutual-funds-and-exchange-traded-2>.

Fees and costs. You will typically pay a commission every time you buy or sell shares in an ETF. You will pay this commission in addition to the amount of the ETF you choose to buy or sell. This commission is a onetime fee typically 1% to 5% per trade. The trade confirmation you receive after the trade is executed will provide you information regarding the commission amount you were charged. ETFs also deduct ongoing fees and expenses, such as management and service fees, as a percentage of your assets. These ongoing fees and expenses are typically used to pay for the ETF’s continuing operations. ETFs generally have lower expense ratios than mutual funds, however, because most ETFs are not actively managed and, therefore, do not incur the costs of buying and selling the underlying portfolio securities to accommodate shareholder purchases and redemptions. ETFs also typically have lower marketing, accounting, and distribution expenses and do not pay 12b-1 fees. More information about ETFs, including their ongoing fees and expenses and overall expense ratio, is available in the ETF’s prospectus. You can request a copy of an ETF’s prospectus from your FP or on the offeror’s website.

Unit Investment Trusts Characteristics. The Firm offers a wide range of unit investment trusts (UITs). UITs are pooled investment vehicles in which a portfolio of securities is selected by the trust’s sponsor and deposited into the trust. The UIT’s portfolio is generally designed to follow an investment objective over a specified period of time. The UIT’s portfolio of securities is not actively traded, as the trust generally follows a “buy and hold” investment strategy. The portfolio will generally remain fixed until the termination of the trust. UIT term lengths vary, but generally speaking, they have a maturity date that is 15–24 months from the initial offering date. At the UIT’s maturity, an investor typically has three options. One is to receive the proceeds based on the

current value of the investment. An investor could also roll over into a newly issued UIT. Another option that may be available to investors in limited circumstances is to receive proportionate shares of the securities held in the portfolio. For more information visit <https://www.investor.gov/introduction-investing/investing-basics/glossary/unit-investment-trusts-uits>.

Fees and costs. You will typically pay a sales charge when you buy units in a UIT's initial offering. Sales charge information can be found in the UIT's prospectus. You will pay this sales charge or commission, typically from 1% to 2%, on initial purchase and renewal in addition to the amount of the UIT you choose to buy or sell. When you sell a UIT, you may pay a transaction charge and service fee. The trade confirmation you receive after the trade is executed will provide you information regarding the commission amount you were charged. Repeatedly selling UITs before their maturity date, followed by the purchase of a newly issued UIT, will cause you to incur sales charges with greater frequency. UITs also deduct other fees and expenses from trust assets, such as organizational and operating expenses. These fees and expenses include portfolio supervision, recordkeeping, administrative, and trustee fees. UITs also charge creation and development fees, which compensate the sponsors for creating and developing the trusts. More information about UITs, including their sales charge and ongoing fees and expenses, is available in the UIT's prospectus. You can request a copy of an UIT's prospectus from your FP or on the offeror's website.

Education Savings Plans Characteristics. The Firm offers various education savings plans commonly referred to as "529 plans." These plans are tax-advantaged and state-sponsored investment programs designed specifically for education. 529 plan contributions are generally invested in certain underlying investments, such as mutual funds, that are available within the plan. There is no guarantee that the amount contributed to the 529 plan will equal the amount necessary for future education expenses. Although similar to mutual funds in certain ways, 529 plans are considered municipal fund securities that are issued by state governments. An important aspect of investing in 529 plans is to read the offering document (often called a program description or "official statement") carefully before investing. In deciding whether to invest in a 529 plan, you should consider several factors, including potential tax benefits, cost, each investment option's investment objective, investment strategy and risks, the investment adviser responsible for advising, the fees and expenses associated with an investment in any particular investment option, and the length of time between the date you invest and the date you expect to withdraw the funds for education purposes. For more information visit <https://www.investor.gov/introduction-investing/investing-basics/glossary/529-plans>.

Fees and costs. You will typically pay a sales charge when you purchase a 529 plan. We receive a portion of this sales charge. Most 529 plans offer multiple units (often called share classes), similar to the share class structure offered by many mutual funds. Though there are several types of 529 plan share classes, the most common share classes available to you are Class A and Class C. Each class typically has different fees and expenses, and investment option performance will differ across share classes. For more information regarding share classes, please reference the "Fees and costs: share class distinctions" section in the Mutual Fund portion of this document. In addition to these sales charges, 529 plans typically deduct certain ongoing fees and expenses, such as program management fees, from assets in the investment options. More information on the underlying mutual funds, including their ongoing fees and expenses and overall expense ratio, is available in the 529 plan's offering document in the funds' prospectuses. You pay these fees and expenses indirectly, as they are deducted from your 529 plan assets and the assets of the underlying mutual funds on an ongoing basis. More information on the sales charges and ongoing fees and expenses is available in the 529 plan's offering document, which you can request from your FP or on the offeror's website.

Variable and Indexed Insurance Products Characteristics.

The Firm offers variable and indexed annuities and variable life insurance policies (variable products). These variable products are issued by different insurance companies and will be in the form of a contract or policy between you and the insurance company. There are differences from one variable product to the next in the features, benefits, fees and costs of the product, and minimum and maximum insurance premium amounts. Below is general information about most variable products. Information about the particular features, benefits, risks, fees, and costs for a specific variable product can be found in the prospectus for that product. When you purchase a variable insurance product, your insurance premium contributions are invested in the investment options—typically underlying mutual funds—that you select. The value of your investment—usually referred to as your cash value—will fluctuate as the values of the underlying investment options increase or decrease in value. Most insurance companies impose a minimum requirement on the initial premium or investment amount. In the case of variable life insurance, you will likely be required to make premium payments periodically to keep the policy in force. If you fail to make sufficient payments to keep the policy in force, the policy will lapse and you will no longer have any death benefit protection. Variable products are long-term investment vehicles, not short-term savings vehicles. Withdrawing funds or surrendering a variable product in the short term after purchase (commonly known as the "surrender period") will likely trigger surrender fees and charges and may also trigger tax penalties. You can lose the money you invest in variable insurance products, including loss of your initial investment, due to poor performance of the investment options you select and/or the cumulative impact of fees and charges on your cash value. For more information visit <https://www.investor.gov/introduction-investing/investing-basics/investment-products/insurance-products/variable-annuities>.

Fees and costs: premium payment deductions. In the case of some variable products, the insurance company deducts a fee from your premium payment, with the effect that only the net premium amount is invested or allocated. In the case of variable annuities,

the fee deduction is usually to cover a state insurance premium tax. In the case of variable life products, the fee deduction can also cover the insurer's sales expenses.

Fees and costs: surrender and withdrawal charges. Most variable products impose a surrender charge if you surrender your variable product or make a withdrawal of your cash value during the surrender charge period. How long you expect to keep your investment is an important consideration. The surrender charge and surrender period are described in the product prospectus. Surrender charge periods vary by variable product, but they are generally around 6–8 years for variable annuities but can range up to 15 years on other variable products. Surrender charges are expressed as a percentage of the withdrawal amount and decrease over the duration of the surrender charge period. Higher surrender charges apply to surrenders and withdrawals made at the beginning of the surrender charge period, and lower surrender charges apply to surrenders and withdrawals made toward the end of the surrender charge period. Tax penalties can also apply to surrenders or withdrawals from annuities made before age 59½.

Fees and costs: ongoing fees and expenses. Insurance companies regularly deduct fees and expenses and commonly include mortality and expense (M&E) risk fees, the cost of insurance fees (assessed under variable life insurance policies), administration fees, transaction fees, and fees associated with certain optional riders. The M&E fees are calculated as a percentage of your insurance coverage or account value and are described as an annualized rate charged against assets. Some fees, such as administration and transaction fees, however, are fixed amount fees charged annually or when specific transactions occur and are deducted from your cash value. The cost of insurance fees charged on variable life insurance is typically calculated by applying a rate based on your underwriting classification to the "net amount at risk" (the difference between your product's death benefit and cash value). These fees typically are deducted from your cash value on an ongoing basis. If you add riders to your variable annuity or variable life insurance policy, the fees for those riders will be deducted from your cash value as well. In addition, you will indirectly pay the ongoing fees and expenses for the mutual funds that are the underlying investment options for the variable product in which you invest. These fees and expenses are separate from the fees charged by the insurance company and will be reflected in the performance of the underlying investment options. These ongoing fees and expenses include the mutual fund's management fees, servicing fees, and 12b-1 fees and are typically charged as an annualized rate against fund assets. The commissions, surrender charges, and ongoing fees and expenses associated with variable products vary by insurance company and the specific variable product. More information regarding the commissions, surrender charges, risks, and ongoing fees and expenses for variable products is available in the variable product's prospectus.

Fees and costs: our commissions. The commissions we receive when you purchase a variable product vary based on the specific product and insurance company. We typically receive between 0% and 7% initial commission for a variable annuity sale, and also between 0% and 7% initial commission for a variable life insurance sale. More information about variable products is available in the variable product's prospectus. You can request a copy of a variable product's prospectus from your FP or on the issuer's website.

II CONFLICTS OF INTEREST

Leigh Baldwin & Co., LLC—like every financial services company—has conflicts of interest. For example, both Leigh Baldwin & Co., LLC and its Financial Professionals are compensated for the products we sell, and this presents an inherent conflict of interest. As you work with your FP to determine the right investments and services for you, it is important for you to (1) understand how LBC and your FP are compensated, and (2) have all the material facts related to the scope and terms our relationship with you. The information contained in this section describes conflicts of interest associated with compensation received by LBC and its FP's for brokerage services, and other related conflicts of interest, in order to provide you with the material facts related to these conflicts.

LBC and your FP make money because we are either compensated directly by you, or indirectly from the investments purchased by you. LBC offers a range of investments and services to our clients, and when you purchase a product for which LBC is acting as a broker-dealer, you will usually pay a sales commission.

II.1. Conflicts for Both Our Firm and FPs

Conflicts between you and both our Firm and FPs may be caused by a variety of reasons. There are arrangements that present a conflict of interest because LBC and your FP have a greater incentive to make available, recommend, or make investment decisions regarding investments for your account that provide additional compensation to your FP or LBC over other investments that do not provide additional compensation to your FP or LBC.

- LBC and our FP's are paid each time you trade in your brokerage account or make a new investment. We also pay our FPs most of the transaction-based payments that we receive. These transaction-based payments, usually called commissions, incentivize us and your FP to encourage you to trade more or purchase additional investments that result in additional revenue for our Firm and your FP. When you purchase products, such as mutual funds, 529 plans, UITs and variable insurance products, the sponsor company will pay a commission to us. Although you do not pay this commission directly,

the sponsor factors this commission into the product's fees and costs. In this way, you indirectly pay the commission out of the value of those investments.

- For some investments that you purchase based on our recommendation, we receive payments that are in addition to the transaction-based payments described above. This is typically the case when you purchase mutual funds, 529 plans, closed-end funds, UITs and variable insurance products. These fees and compensation include, but are not limited to, mutual fund and money market 12b-1, mutual fund transaction fees, due diligence fees, marketing reimbursements or reallowances, or other transaction or service fees.
- Sponsor companies for many of the products we sell offer training seminars to help facilitate the distribution and understanding of their products. These companies often pay the travel, meals, and lodging expenses for LBC FPs to attend these due diligence meetings designed to help FPs be more knowledgeable about those companies' products. These companies also often provide other forms of compensation to LBC FPs relating to the sale and distribution of their products, including merchandise, gifts, entertainment and social activities, as well as payment or reimbursement for the costs of business development expenses, client seminars, client appreciation events, software, and marketing materials designed to help promote the FP's business.
- Some investments, such as mutual funds, 529 plans, UITs and variable insurance products, offer multiple share classes. Depending on the share class in which you are invested, we may earn higher commissions, ongoing payments, and/or other compensation. These comparatively higher commissions, ongoing payments, and other compensation incentivize us and your FP to sell you or recommend you hold the share class in a multi-share class structure that results in the most compensation for us, which will be more costly for you. Please note, however, that the lowest cost share classes may not be available to you due to high minimum investment amounts or account type requirements (e.g., a retirement account or an Advisory account). You can find more information about your costs and our compensation from different share classes in the prospectus for the investment by asking your FP or visiting https://tools.finra.org/fund_analyzer/.
- We can recommend that you roll over assets from your workplace retirement plan into an IRA. When initiate a rollover IRA to our firm, we and your FP will receive compensation in connection with that transaction. IRA rollover recommendations incentivize us and your FP to encourage the purchase of investments that result in compensation for us and your FP.
- We have an incentive to recommend the account type that pays us the most compensation. We can recommend that you invest through different account type arrangements, such as through a brokerage account, an account directly held with the issuer of the investment, or an Advisory account. Depending on factors such as the type and level of services you require, as well as the frequency of trading in your account, one of these account types may be more cost-effective for you than the others. The availability of different account types incentivizes us and our FPs to recommend the account type that results in the most compensation for us and your FP.

II.2. Conflicts for Our Firm Alone

Conflicts between you and our Firm may be caused by a variety of arrangements, including the role we play in a transaction, compensation arrangements, trading arrangements, or client-specific arrangements. The material facts relating to these conflicts are as follows:

- Some issuers or their affiliates also make payments to us to cover the costs associated with certain educational conferences or training seminars we host for our FP's or marketing fees. These payments are not tied to total sales or client assets. These payments incentivize us to sell you or recommend you hold investments issued by issuers that cover these costs.

II.3. Conflicts for FPs Alone

Conflicts between you and our FPs may be caused by a variety of arrangements, including compensation arrangements, client-specific arrangements, or outside business activities. The material facts relating to these conflicts are as follows:

- Your FP's compensation is based on the total assets he or she manages (i.e., "Assets Under Management"), and commissions and trails he or she receives. Commissions and trails paid to an FP are a percentage of the Gross Dealer Concessions ("GDC") LBC receives when an FP's client purchases or holds securities through us. The amount of commissions, fees, transaction-based payments, ongoing payments, and other forms of compensation we pay our FP's is negotiated at licensing. Their compensation is investment neutral, meaning the percentage of the compensation from any given transaction your FP receives does not vary based on the investment recommended.
- Some of our FPs may conduct their advisory business away from LBC. This is done through a Registered Investment Advisory (RIA) that is not controlled by us, but we share a registered person with. The fees you are charged through this RIA can be found in their Form ADV Part II. The compensation they receive in the form of management fees or other fees is not received in the same way their compensation is received through LBC. As described above, the compensation your FP received through LBC is a percentage of total commissions, fees, transaction-based payments, ongoing payments, and other

forms of compensation the firm receives. Through their RIA, the FP is compensated fully on the fees charged and not as a percentage such as how LBC compensates the FP. This creates a conflict as your FP may be compensated through their advisory business at a greater percentage of total charges than through their broker dealer business.

- Some of our branch supervisors oversee the sales and marketing activities of other FPs located in their branch. These managers usually receive a portion of the compensation earned by FPs over which they have supervisory responsibility. This could cause a manager to approve a transaction or series of transactions for your account when there may be less-costly alternatives available to you. In this supervisory arrangement your FP's payout percentage is adjusted depending on your FP's total production. The potential to receive higher payout percentage adjustments incentivizes your FP to encourage more trading or recommend the purchase of additional investments that increase your FP's total production and payout percentage. This conflict grows as your FP approaches specific production thresholds that will increase the percentage of the GDC he or she receives.
- Your financial professional may incur lower internal costs based upon which investment program or account type you select. Your FP may be incentivized to hold your account directly with the sponsor as opposed to holding it through our clearing firm as additional transaction costs may be incurred for transactions on our clearing firm platform versus transaction costs when purchasing directly with the sponsor.
- Some of our FPs receive additional training and support from certain product issuers. Certain issuers and their affiliates provide some of our FPs with more training and administrative support than others. If your FP receives this additional training and support, his or her use of these issuers' higher level of training and administrative support incentivizes your FP to recommend investments issued by issuers that provide such training and support over issuers that do not.
- Many of our FPs engage in outside business activities that can distract from their daily functions as an FP. If your FP engages in any outside business activities, these activities may cause your FP to spend more time on the outside business activity rather than on his or her brokerage relationship with you. You may research any outside business activities your FP may have on FINRA's BrokerCheck website at www.brokercheck.finra.org. You can also find additional information on these outside business activities in your FP's ADV Part 2B document. Your FP will provide this to you upon request.

We hope this Brochure has helped enhance your understanding of Leigh Baldwin & Co., LLC and your FP as it relates to the material facts relating to the scope and terms of your current/future relationship with us. If you have any questions now or in the future about any of the topics discussed herein, do not hesitate to reach out to us or your FP.