



Wealth Management

Comerica Securities, Inc., member FINRA/SIPC

INVESTOR'S GUIDE TO YOUR BROKERAGE SERVICES RELATIONSHIP WITH COMERICA SECURITIES, INC.

Regulation Best Interest Disclosure Document

Comerica Securities, Inc. ("CS", "we", or "us") is registered with the U.S. Securities and Exchange Commission ("SEC") as both a broker-dealer and an investment adviser, is a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Securities Investor Protection Corporation ("SIPC"), and is a subsidiary of Comerica Bank. This brochure highlights information regarding your relationship with CS, including important differences between the brokerage and investment advisory services that may be provided to you. Depending on your individual goals and investment objectives, our representatives can assist you with brokerage services, investment advisory services, or both.

CS' brokerage services and CS' investment advisory services are separate and distinct. Our brokerage products and services are subject to different sets of laws and regulations from our investment advisory products and services, and our obligations and duties to you are different for each. Although you may have a relationship with one or more CS Financial Consultants/Financial Representatives (collectively referred to herein as "Financial Consultants") who serve as your primary points of contact for the services you receive from CS, when you receive multiple services from us, each service will be governed by the terms of the applicable agreement, as well as the laws and regulations applicable to that type of service. These different types of services are described generally herein; however, more specific information may be obtained via additional documents referenced in each section.

IMPORTANT NOTE: We may act as either a broker-dealer or an investment adviser depending on the products or services you select. All recommendations regarding your brokerage account will be made in a broker-dealer capacity, and all recommendations regarding your advisory account will be in an advisory capacity. If you have both broker-dealer and advisory accounts with us, when we make a recommendation to you, we will tell you in which capacity we are acting.

Information about CS and/or your Financial Consultant, including licenses, educational background, employment history, and regulatory, disciplinary or reportable investor complaint history, is available for free via FINRA BrokerCheck at <https://www.finra.org> or the Securities and Exchange Commission at www.adviserinfo.sec.gov.

OUR BROKERAGE SERVICES

Our brokerage products and services are provided to you through Comerica Securities, Inc., a broker-dealer that is a member of FINRA and SIPC. CS is involved in networking arrangements with Comerica Bank and Comerica Insurance Services, Inc., which is an affiliate.

When providing brokerage products and services, as described in your CS Customer Agreement or other applicable customer agreements, we will accept orders and execute transactions in your CS brokerage account based on your instructions. Other than in certain Institutional relationships, CS does not permit discretion in its brokerage account relationships. This means that you, or your authorized representative, are responsible for all investment decisions in your CS brokerage account.

Securities products and services are offered through Comerica Securities, Inc., which is a broker/dealer, federally Registered Investment Advisor, member FINRA/SIPC and subsidiary of Comerica Bank. Insurance and annuity products are offered through subsidiaries of Comerica Bank, including Comerica Insurance Services, Inc. and its affiliated insurance agencies. Securities and insurance products are not insured by the FDIC or any government agency; are not deposits or other obligations of, or guaranteed by Comerica Bank or any of its affiliates; and are subject to investment risks, including possible loss of the principal invested. Historical yields are not indicative of future performance. Insurance products are solely the obligation of the issuing insurance company; are not guaranteed by any person soliciting the purchase of or selling the policies; and Comerica is not obligated to provide benefits under the insurance contract. Not all products available in all states. Variable annuities are made available through Comerica Securities, Inc. Comerica Securities, Inc. and its affiliates do not provide tax advice. Please consult a tax advisor regarding any tax issues.

We also offer other services, incidental to our brokerage services, which can take the form of investor education, access to research and tools available via our on-line investor portal NetXInvestor, and guidance or advice designed to assist you in making decisions regarding the various products we make available to you. We do not charge or receive a separate fee for advice or recommendations provided to brokerage clients, and our recommendations are provided solely incidentally to our brokerage services. We also offer wealth planning services utilizing software to design an investment strategy to help clients reach their stated investment goals. This is not a financial planning service and is offered at no cost to clients.

We receive transaction-based compensation for trades you decide to enter into, which – depending on the type of product – comes in the form of payment from you, and/or ongoing marketing fees, administrative fees or other compensation from product originators (see the section entitled “HOW YOU ARE CHARGED FOR BROKERAGE SERVICES” for further details on your cost to invest).

Your entry into the CS Customer Agreement does not obligate us to provide recommendations to you, or to update recommendations made previously. In a brokerage relationship, the advice that we provide is made at specific point in time based on your then current investment profile, then reasonably available products and services, and the specific facts and circumstances known when the recommendation is made. Our lack of comment on your current investments should not be viewed as a recommendation to hold your investments. We will not, and have no obligation to, monitor your account investments on an ongoing basis. You are responsible for independently ensuring that the investments in your account remain appropriate given your investment objective, risk tolerance, financial circumstances and investment needs.

Some of our Financial Consultants also hold insurance licenses that allow them to recommend life insurance and annuities issued by certain unaffiliated life insurance companies. Certain types of annuities and life insurance policies are considered securities; these types of annuities and insurance policies are subject to the rules, regulations and obligations discussed in this document as well as state specific regulations. Your Financial Consultant will provide you with information regarding the classification of your annuity or life insurance policy.

When we act as your broker-dealer, we are held to the legal standards under applicable federal and state laws, and the rules of self-regulatory organizations such as FINRA. Among other things, these regulations, including Regulation Best Interest, require broker-dealers to:

- Seek to provide best execution for your trades in light of prevailing market conditions and to ensure that the commissions and other fees we charge you are not excessive; and,
- Have a reasonable basis to believe a recommendation, including the recommendation of a series of transactions, is in your best interest based on your investment profile, reasonably available alternatives, the potential risks, rewards, and costs associated with the recommendation and that it does not place the interest of the broker-dealer or your Financial Consultant ahead of your interests.

Regulation Best Interest applies to any recommendation to a natural person, or the non-professional legal representatives of such a natural person for his or her personal, family or household purposes; this does not include a recommendation to a natural person seeking these services for commercial or business purposes. Example: recommendations from your Financial Consultant for your personal account are subject to the standards set forth in Regulation Best Interest; recommendations from your Financial Consultant for your business account are generally subject to the standards set forth in FINRA's suitability rule. Your Financial Consultant can confirm the standard of conduct that applies to any recommendation.

We are not required to recommend the lowest-cost security or investment strategy; we must consider cost when making a recommendation, but it is only one important factor among many factors. Regulation Best Interest only applies to our recommendations provided to you when we are acting in the capacity of a Broker-Dealer, it does not apply to investment advice provided to you when we are acting in the capacity of an investment adviser.

Certain investments, including mutual funds, ETFs, structured products, insurance and annuities are limited to those that meet our due diligence requirements (please see the section entitled "OUR INVESTMENT APPROACH" for a description of our product due diligence process). Not all clients are eligible to purchase all products; certain products are limited to clients who meet specific investment profile qualifications, either based on CS policy, securities regulations, or product originator parameters.

CS does not require a minimum account size or investment amount to establish or maintain a brokerage relationship. You should be aware that fees and expenses that we charge, or that are charged by a product originator, will have a more significant impact on the long-term profitability of smaller accounts. Certain investments that we offer, such as mutual funds, annuities, and some bonds, have minimum investment thresholds that are set by the product originator. Product originator minimums are available in their investment offering documents or you can ask your Financial Consultant. There are account size minimums that apply to investment advisor accounts.

OUR INVESTMENT APPROACH

CS and your Financial Consultant will use reasonable diligence, care and skill to understand the potential risks, rewards and costs associated with the investment products and services available for recommendation. Your Financial Consultant will then work with you to determine which investments or services we have a reasonable basis to believe are in your best interest using investment profile information which is gathered from you at the time of the recommendation. Because of the care that we take in our recommendations, certain products may have an earlier cut-off time for the entry of recommended purchase transactions than typical market-close time.

Product due diligence may be performed by CS and your Financial Consultant or just your Financial Consultant. CS reviews certain investment products at a Firm level, including mutual funds, exchange-traded funds, annuities and certain new issue securities (including structured products, closed-end funds and preferred stocks) to determine if they may be appropriate for CS' clients generally. Firm level due diligence is performed periodically and as a result, the menu of products available for recommendation will change over time. **NOTE:** not all individual products available for recommendation by a Financial Consultant are subject to a Firm-level due diligence process; your Financial Consultant can provide you information as to what level of due diligence was performed on any product that they recommend. CS does not offer proprietary products and may limit the number of providers for a product type.

If your Financial Consultant has a specific investment approach that they utilize with their clients that serves as the basis for their recommendations to you, they will share that with you at or prior to the recommendation.

While we will take reasonable care in developing and making recommendations to you, securities involve risk, and you may lose money. There is no guarantee that you will meet your investment goals, or that our recommended investment strategy will perform as anticipated. Please consult any available offering documents, prospectuses, or CS product specific disclosures (where applicable) for securities we recommend for information regarding the risks associated with particular products. We will provide those documents to you, or you can ask your Financial Consultant to provide them to you at any time.

HOW YOU ARE CHARGED FOR BROKERAGE SERVICES

Your cost for investments in your brokerage account is typically based on a transaction charge (which may take the form of a commission, mark-up/down, sales charge, or transaction fee depending on the type of product) for each trade you make in your account. In a commission-based account, the more transactions that occur the more fees we receive. Some of the most common investment types and their associated transaction charges are described below.

Brokerage accounts are also subject to other costs, including, for example, fees charged by our clearing firm for federal funds transfers, account transfers, reorganizations, inactivity/maintenance, and duplicate and paper account statements and documents. A copy of our Comerica Securities Fee schedule which includes our commission schedule and a complete list of custodial fees, was provided to you at account opening and is also available at www.comerica.com/csresources, can be requested from your Financial Consultant, or by calling (800) 232-6983.

Equity and ETF Commission Rates:

Generally, commission charges for equity and ETF transactions are assessed as a flat commission rate (ranging from \$50 to \$250) plus a percentage of the total transaction amount (ranging from 0.0175 to 0.0025 of the transaction amount), subject to minimum/maximum charges. The commission charge will increase your cost to invest or reduce the proceeds from your sale. Self-directed and on-line commission rates are generally lower, but subject to the same minimum/maximum. The specific commission charge associated with your transaction will appear on the transaction confirmation, which will be delivered after your transaction in accordance with the delivery method you have selected, such as by mail or electronically. You may also request a copy from your Financial Consultant.

Hypothetical Equity Commission Calculation for a 1,000 share purchase of a \$30 per share stock:
\$30,000 Transaction amount X 0.0075 commission percentage* + \$75 Commission rate = \$300 commission
\$300 commission + \$4.00 Service charge = \$304 Total charges
\$30,000 Transaction amount + \$304 Total Charges = \$30,304 Total cost to purchase/invest
<i>*Comerica Securities Fee Schedule: transactions \$10,000 to \$49,999.99 Standard Commission Rate \$75 + 0.0075 of the transaction amount.</i>

Mutual Funds with Sales Charges:

Your cost of ownership of a mutual fund will vary depending on the share class you select; *i.e.* you will own shares of the same mutual fund portfolio, but can pay for them in different ways. Mutual Funds assess ongoing fees, to cover a variety of expenses, that are charged against portfolio assets and will generally range from 0.75% to 2.25% (or sometimes even higher) depending on the mutual fund and the class of shares that you own. Your Financial Consultant and CS receive a portion of those fees in the form of a trailing payment for as long as you own shares of the mutual fund; your overall cost for investing, and in turn your Financial Consultant's and CS' compensation for your transaction, are impacted directly by your selection of share class.

Class A shares typically charge a front-end sales charge commonly referred to as a sales load. When you buy Class A shares with a front-end sales charge, this charge reduces the amount initially invested in the fund; it is part of the purchase price listed on your transaction confirmation. Mutual fund up-front sales charges typically range between 4.50% to 5.75% of the amount invested, prior to the application of any sales charge discounts.

Class C shares usually do not impose a front-end sales charge on the purchase, so the full dollar amount that you pay is immediately invested; however, Class C shares typically impose higher ongoing fees and expenses than Class A shares, and therefore can wind-up costing you more to own if you have a long-term time horizon. Generally, Class C shares impose a small charge if you sell your shares within a short time of purchase, usually one year.

Hypothetical Sales Charge Calculation for a \$10,000 investment into a Class A Share mutual fund:

\$10,000 purchase amount X 5.75% (or 0.0575) Sales charge rate = **\$575 total sales charge**

\$10,000 - \$575 sales charge = **\$9,425 invested in the mutual fund**

Additional information regarding Mutual Fund Sales Charges, ongoing fees and expenses, and considerations regarding share class selection is available in the Comerica Securities, Inc. Mutual Fund Guide which is provided to you by your Financial Consultant at the time of your first mutual fund purchase, or is available at any time at www.comerica.com/csresources. The specific sales charge associated with your transaction (if any) will appear on the transaction confirmation, which will be delivered after your transaction in accordance with the delivery method you have selected, such as by mail or electronically. Information regarding the sales charge structure for your investment is available in the product prospectus which will be delivered after a purchase transaction in accordance with the delivery method you have selected, such as by mail or electronically. You may also request a copy, prior to or after your transaction, from your Financial Consultant.

Life Insurance and Annuities:

Life Insurance and Annuity transactions will result in a commission payment to us from the non-affiliated insurance companies which originated the product. For variable annuities, you will be typically be assessed ongoing fees such as mortality and expense fees, and investment fees (for sub-account allocations), which will impact the surrender value of your investment as well as the performance of your investment over time. A portion of these fees are paid to your Financial Consultant and CS. Further information regarding charges and fees of a particular insurance or annuity product that will impact you appear in the product prospectus, which will be delivered after a transaction in accordance with the delivery method you have selected, such as by mail or electronically. You may also request a copy from your Financial Consultant. Additional information regarding typical variable annuity expenses, risks and features is available in the Comerica Securities, Inc. Variable Annuity Guide which is provided to you by your Financial Consultant at the time of your purchase or is available at any time at www.comerica.com/csresources.

Fixed Income Securities:

Fixed income transactions are generally executed by CS on a riskless principal basis. CS is compensated for these transactions through what is known as a "Mark" (either a mark-up or a mark-down to the price you pay or receive). This difference between the cost or payment to us and the cost or our payment to a client is our compensation. Our Marks typically will range between 0.25% and 2.50% of the principal amount of a trade; the amount of the Mark is dependent on a variety of factors including the type of security, term to maturity, whether you are buying or selling, and the due diligence required of your Financial Consultant. Your Financial Consultant determines the Mark on your transaction, in keeping with the Firm's guidelines. The amount of the Mark applied to the transaction by your Financial Consultant impacts your cost for the transaction and can increase the compensation that your Financial Consultant and CS receive for your transaction. Smaller transactions, particularly those with shorter terms to maturity, may be subject to a minimum ticket charge which may cause the Mark to exceed 2.50%. The amount of any Mark, as well as the total amount and accrued interest paid on each trade, will be stated on your transaction confirmation and is also available from your Financial Consultant.

Hypothetical Markup Calculation for a \$20,000 face value bond:

The unmarked price for a \$20,000 face value bond is \$100.4926 = **\$20,098.52 cost to Comerica Securities**

You purchase the \$20,000 face value bond at a markup price of \$102.0000 = **\$24,400.00 total principal amount**

The difference between our cost \$20,098.52 and the price you pay \$20,400.00 = **\$301.48 or a 1.50% markup**

NOTE: Your cost to invest is provided to you on your transaction confirmation. This example does not include accrued interest on the bond which may be due to the seller and will be added to the net amount of the trade if applicable. The full interest payment would be paid to you at the next scheduled payment date.

New issue securities do not include a mark-up or a mark-down but will include a sales concession paid to CS by the issuer in the form of a discounted price that is less than the stated offering price an investor will pay. Occasionally, CS will participate in the underwriting group for a new issue security that is offered to our customers and in these instances, CS will receive both an underwriting fee and the aforementioned sales concession from the issuer. Additional details regarding specific offerings are available in the associated prospectus. A preliminary prospectus is available from your Financial Consultant. A final prospectus will be delivered after the transaction in accordance with the delivery method you have selected, such as by mail or electronically. You may also request a copy from your Financial Consultant.

Further information regarding charges and fees associated with other types of products appear in the product prospectus, private placement memorandum, offering circular or the transaction confirmation associated with the product purchased, which will be delivered after a transaction in accordance with the delivery method you have selected, such as by mail or electronically. You may also request a copy from your Financial Consultant.

INFORMATION APPLICABLE TO RETIREMENT ACCOUNTS

CS is not acting as a “fiduciary” with respect to any recommendations we provide regarding your retirement assets held in a brokerage account.

When making a decision with respect to distributing or transferring your retirement assets from an employer-sponsored plan, your options typically include staying in your existing plan (if permitted), rolling over to your new employer’s plan (if permitted), rolling over to an IRA (if permitted), or taking a full distribution from the plan (this option may have significant tax implications). If we make a recommendation regarding the decision to roll over assets into an IRA with CS from an employer-sponsored plan, there are a variety of factors that we will consider and discuss with you, the importance of each factor will depend on your particular needs and circumstances. These factors will be captured in a Rollover Comparison Report that will be provided to you at the time of our recommendation. The decision to rollover to an IRA with CS will typically involve the sale or purchase of investments, for which CS and your Financial Consultant will receive compensation.

When deciding to open an IRA with us, you should be aware of the fees that we assess to IRAs, which may be more or less than your current employer-plan or IRA fees, and are an important factor when deciding whether or not to establish an IRA account with us. We assess an Annual IRA Maintenance fee on each IRA account (see Comerica Securities Fee Schedule for the current fee amount) as well as an IRA Termination fee should you choose to close your account. These fees, combined with the costs of investing described in other sections of this Disclosure, can have an impact on your retirement savings over time.

CONFLICTS OF INTEREST

For purposes of this Guide, “conflict of interest” means “an interest that might incline CS or your Financial Consultant – consciously or unconsciously – to make a recommendation that is not disinterested.” When we provide you with a recommendation as your broker-dealer, regulations require that we have a reasonable basis to believe that we are acting in your best interest and that we don’t put our interests ahead of yours. At the same time, the way we make money, via your transaction commissions and other fees related to your investment holdings, creates conflicts with your interests.

In addition to sales concessions received related to, for example, the sale of mutual funds and annuities, some of our product originators have agreed to pay Comerica additional cash compensation in the form of a flat fee, a percentage of sales, or an asset-based payment that we use for educational conferences and marketing support. The receipt of these payments offsets CS’ own internal costs for these purposes, and is therefore a benefit to CS.

Participation in CS' approved product menu is not contingent on a product originator participating in this arrangement.

We are a subsidiary of Comerica Bank and act as an agent for certain deposit products and money market funds they offer. When a client invests in these funds, Comerica Bank receives a fee from the fund companies for these services. We are paid a portion of the fee for the services we provide.

We have entered into referral relationships with Comerica Bank, which can result in additional compensation to both CS and Comerica Bank. These referrals involve Comerica Bank Trust Services and Investment Management Services.

Our clearing and custodial firm provides us with reduced ticket charges when clients buy or sell certain mutual funds and pay us a quarterly business credit subject to maintaining a minimum client asset value on its platform. We may also share in certain fees that the clearing firm collects from your account, for example, a share of margin interest collected from you.

Financial Consultants are paid based on brokerage commissions and advisory fees charged to their clients; this includes trailing commissions, fees and non-cash compensation received in the form of training events and marketing support paid by certain product originators. Financial Consultant compensation varies based on the percentage payout for each product type and on the Financial Consultant's overall net sales. As a Financial Consultant's sales production increases, the percentage payout increases at set intervals (*i.e.*, a payment grid). Payout is retroactive, so increases in grid level result in increased payout percentages of previously paid commissions (to the new grid level). This may incentivize a Financial Consultant to encourage trading, or trading in certain products, as they near a higher payment grid level.

Your Financial Consultant may have conflicts of interest beyond than those disclosed by us above. Examples of Financial Consultant conflicts include an incentive to recommend investments that result in greater compensation for the Financial Consultant at the expense of a higher yield to you, special volume bonus payments from service providers, or to recommend that you trade more frequently to generate higher commissions. Your Financial Consultant will disclose, where appropriate, any additional material conflicts of interest that apply to their specific situation not later than the time of a recommendation; such disclosure will be made orally or in writing.

ADDITIONAL INFORMATION

CS representatives' use of any specific title or designation does not imply that they are providing you with any specific service, such as financial planning or other investment advisory services. Whether you are a brokerage or investment advisory client is dictated by the actual services that are agreed upon via account agreement.

If at any time you would like clarification on the nature of services provided to you, please speak with your Financial Consultant, or you may contact a CS Client Services Representative at (800) 232-6983. We also urge you to carefully read the account agreements and disclosures that we provide to you for our brokerage and advisory services, copies of which can be obtained from your Financial Consultant, or by calling (800) 232-6983