

Important Information about Administrative Servicing, Revenue Sharing and Other Third Party Payments

Last Updated April 21, 2023

The following provides information about payments received by Baird from investment advisers, distributors or sponsors of investment products ("product sponsors") as compensation for Baird's efforts in providing certain administrative, operational, or marketing services to product sponsors or otherwise supporting the sales of such products ("Third Party Payments"). Some Third Party Payments, such as those made for administrative or operational services, are paid to Baird by a client indirectly out of the fees or other compensation that the client pays to the product sponsor. Other Third Party Payments, such as "revenue sharing" or "marketing support" payments or volume concessions, are paid by the product sponsors from their own resources and are not expenses of the products themselves or otherwise paid by clients or investors in the products. Baird's receipt of Third Party Payments presents a conflict of interest in that it gives Baird an incentive to recommend, market, offer, promote and sell the products with respect to which Baird receives the greatest level of payments. Baird Financial Advisors do not receive any portion of the administrative fee, revenue sharing, marketing support or volume concession payments that are made to Baird.

Separately Managed Account ("SMA") Administrative Fee Compensation

In some instances, Baird provides administrative and operational services to third party managers in connection with their management of investment advisory accounts participating in a Baird SMA program. As compensation for those services, Baird receives a portion of the portfolio fee paid by clients as set forth below.

<u>Manager Name</u>	<u>Strategy Name</u>	<u>Annual Fee Rate</u>
55ip	All Strategies	0.02%

Additional information is available in Baird's Form ADV Part 2A Wrap Fee Program Brochure available on Baird's website at bairdwealth.com/retailinvestor.

Mutual Funds

Product sponsors of the mutual fund families identified below paid approximately \$9.01 million in aggregate to Baird in 2021 and 2022 in the form of marketing support or revenue sharing payments. The amounts paid by these sponsors generally range between 0.01% and 0.09% of qualifying client assets in those funds per year. The fund families are listed in order from highest to lowest amounts paid over those two calendar years.

Fund Family

American Funds
Principal Funds
JP Morgan Funds
Lord Abbett Funds
MFS
Hartford
Franklin Templeton Funds
PIMCO
John Hancock Funds
AllianceBernstein Funds
Invesco Funds
Goldman Sachs Funds

Please see the prospectuses or statements of additional information for these fund families for more information.

Unit Investment Trusts

The following product sponsors of unit investment trusts paid approximately \$2.64 million to Baird in 2021 and 2022 combined in the form of volume and additional concessions based on sales (sponsors are listed from highest to lowest amounts): First Trust Portfolios, Guggenheim Investments, SmartTrust and Advisors Asset Management (AAM). The volume concessions are paid by each UIT sponsor once total sales attributable to Baird clients across the UITs offered by that sponsor for a trailing 12-month period exceed a certain threshold amount, generally ranging from an annual rate of 0.035% of sales between \$25 million and \$100 million to 0.125% of sales between \$1 billion and \$5 billion. Baird also receives additional concessions from First Trust, the product sponsor of UITs that are created for and sold by Baird on a private-label basis. These concessions vary and are typically at rates in the range of about 0.075% to 0.1250% on sales starting at lower amounts (such as \$25 million) and about 0.235% on sales over \$100 million.

Please see the prospectuses for the UIT sponsored by these firms for more information.

Baird Conference Sponsorships and Other Vendor Support Payments

The firms identified below paid amounts exceeding \$5,000 in one or both of 2021 and 2022 in the form of vendor support payments such as event sponsorships or to cover the costs of Baird-organized conferences, seminars, symposiums and similar events for Baird Financial Advisors. The amounts paid per firm annually over this period generally ranged from \$5,000 on the low end to \$50,000 on the high end.

Sponsoring Firm

First Trust
Riverfront Funds
American Funds
BlackRock
Dearborn Partners
Eaton Vance
Russell Investments
Columbia Threadneedle
PIMCO
Transamerica
Fidelity
Franklin Templeton
Black Creek
Cambiar Funds
Lord Abbett Funds
Jackson National Life Insurance Co
Principal
Guggenheim
Invesco Funds
MFS
Confluence

For more detailed information about the compensation described above, please contact your Baird Financial Advisor or call 1-800-653-2294.

In addition to the compensation described above, Baird and Baird Financial Advisors, in certain instances, receive transaction-based fees, such as commissions and sales charges, and trail fees, such as 12b-1 fees, in connection with your investments. More specific information about those fees is contained in the prospectus or other offering

document for the investment product. Additional important information about the compensation received by Baird and Baird Financial Advisors, and related conflicts of interest, is contained in Baird's *Client Relationship Booklet* available on Baird's website at bairdwealth.com/retailinvestor.