



**BENJAMIN F. EDWARDS®**  
INVESTMENTS for GENERATIONS®

One North Brentwood Boulevard  
Suite 850  
Saint Louis, Missouri 63105  
Telephone 314-726-1600  
Facsimile 314-726-1601  
benjaminfedwards.com  
Member of SIPC Member of FINRA

## **A Notice for Clients Who Purchased or Who Anticipate Purchasing Structured Notes**

### **Pricing Considerations**

As is the case with most products purchased through a primary offering, structured notes will be priced at a discount on the first day after purchase, i.e. they will initially be priced below the \$1,000 original purchase price. The discount is due to the fees and costs that are embedded in the offering price of the note. The structured note will be worth less than the original purchase price immediately after issuance.

### **Liquidity**

Structured notes lack liquidity. Structured notes are not listed on any securities exchange and an investor may not be able to sell a structured note prior to maturity. An issuer may offer to purchase a structured note in the secondary market but it is not required to do so. The price, if any, at which an issuer may be willing to purchase a structured note in the secondary market, if at all, may result in significant loss of principal. You must be able and willing to hold a structured note to maturity.

### **Tax Considerations**

For structured notes, tax treatment of contingent coupons may be considered taxable ordinary income at the time the income is received. If the notes are called, sold, or mature, you will likely recognize a capital gain or loss. Capital gains are generally taxed as ordinary income when held for one year or less and are generally taxed as long-term capital gains when held for longer than a year. Please note, structured notes with fixed interest payments may have a different tax treatment. Benjamin F Edwards does not provide tax advice. Consult a tax advisor regarding the tax implications of an investment in a structured note.

### **Other Risk Considerations**

An investment in a structured note may result in a loss. Structured notes do not provide 100% principal protection and are not insured by the FDIC or any other agency or program. Any "buffer" included in the note's structure provides only limited downside protection against loss and applies only if the note is held to maturity. Should you invest in a buffered structured note, you will lose some of your principal investment if the reference asset declines by more than the stated buffer amount. The potential return on some structured notes is limited to the principal amount plus interest income, if any, regardless of any appreciation of the reference asset(s), which may be significant.

Structured notes are classified as senior unsecured debt. Payment on a structured note is subject to the credit risk of the issuer. Credit risk means that if the issuer were to default on payment obligations, you may not receive any amount owed under the structured note and could lose your entire principal investment.

An automatic call feature inherent in some structured notes may force a potential early maturity. Such circumstances generally result in an above-market rate of return. There is no guarantee that you will be able to reinvest the proceeds at a comparable rate of return with a similar level of risk.

The potential return on a structured note is subject to market volatility and the risks associated with the reference asset(s). The return of a structured note may be zero or less than what could have been earned on a traditional fixed income security. Contingent interest payments are determined by the performance of the reference asset(s) on the respective observation dates.

***Structured Notes are complex products and are not suitable for all investors. The risks identified above are not exhaustive. There are a wide variety of Structured Notes available, with attributes which affect their risks and potential rewards. Before making any investment decision, you should carefully consider the investment objectives, risks, charges, and expenses before investing in this product. This and other important information are included in the offering documents, which can be obtained from your Financial Advisor and should be read carefully. Benjamin F. Edwards & Co.® does not provide tax advice. You should obtain advice from your financial, legal and tax advisers for information about and analysis of the investment, its risks and its suitability in your particular circumstances.***