***St Bernard Financial Services, Inc.***

**Regulation Best Interest Disclosures**

*This document is intended to provide an overview of our relationship with you and how our relationships with others may affect our relationship with you. It also provides you with select product-specific disclosures. Other important disclosures may be found in prospectuses, your trade confirmations, your account statements, other disclosure documents that have been or will be provided to you, and on our website at www.stbernardfinancial.com*

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***OUR RELATIONSHIP WITH YOU***

***BROKERAGE AND INVESTMENT ADVISORY RELATIONSHIPS***

***Depending on your needs and your investment objectives, you may have brokerage accounts, advisory accounts or both. There are important differences between these types of accounts, and you should understand them so you choose the services that are right for you. St Bernard Financial Services, Inc. (“St Bernard”) is registered with the SEC as a broker-dealer and as an investment adviser, offering both brokerage and investment advisory services. Your relationship with your Financial Consultant, and the obligations of St Bernard Financial Services, Inc., will be different in different types of accounts. For more information regarding your relationship with St Bernard Financial Services, Inc., please go to www.stbernardfinancial.com or contact your Financial Consultant.***

***INVESTMENT STRATEGY AND RISKS***

***Your Financial Consultant will develop an individualized investment strategy based upon your needs and time horizon. You are encouraged to keep your Financial Consultant apprised of any changes to your investment needs and your financial circumstances. When a particular investment varies from the strategy you and your Financial Consultant have developed, your Financial Consultant will discuss this with you at or before the time of investment.***

***St Bernard Financial Services, Inc. offers different account investment objectives and risk exposures. Your Financial Consultant will use your account’s investment objective and risk exposure, as well as other factors such as your liquidity needs and investment time horizon, to determine which recommendations are in your best interest and suitable for your account. It is important to understand that all investments involve risk, including the risk that you may lose your entire investment. Some investments are riskier than others. High-risk investments may have the potential for higher returns but also higher losses. The higher your stated risk exposure, the more you may decide to invest in higher-risk investments to achieve your stated investment objective.***

***INVESTMENT OBJECTIVE***

***DESCRIPTION***

***Income - An investment approach by which an investor generally seeks current income***

***over time.***

***Long-Term Growth - An investment approach by which an investor generally seeks capital appreciation through buying and holding securities over an extended period of time.***

***Short-Term Growth - An investment approach by which an investment generally seeks short-term capital gains through buying and selling securities over a short period of time.***

***RISK EXPOSURE***

***DESCRIPTION***

***Low - Client has a low tolerance for short-term market fluctuation and accepts limited***

***capital appreciation in exchange for minimal risk to principal.***

***Moderate - Client has a moderate tolerance for short-term market fluctuation and expects***

***moderate capital appreciation in exchange for additional risk to principal investment.***

***High - Client has a high tolerance for short-term market fluctuation and expects***

***significant capital appreciation in exchange for increased risk to principal.***

***Speculative - Client has a very high tolerance for short-term market fluctuation and accepts***

***greatly increased risk to principal in exchange for potentially significant capital appreciation.***

***CAPACITY OF RECOMMENDATIONS***

***All recommendations regarding your brokerage account will be made in a brokerage capacity, and all recommendations regarding your advisory account will be made in an advisory capacity. When we make a recommendation to you, we will expressly tell you orally which account we are discussing.***

***ACCOUNT MONITORING***

***We do not offer continuous monitoring of brokerage accounts. It is your responsibility to regularly review the investments in your brokerage account, and we encourage you to do so. As a courtesy, your Financial Consultant may periodically keep you informed about your accounts and may review your account in order to make a recommendation. Your Financial***

***Consultant is not obligated to review your account on a periodic basis, however, and any such review should not be construed as continuous monitoring. If your account is an investment advisory account, we will continually monitor the investments in your advisory account.***

***YOUR RELATIONSHIP WITH YOUR FINANCIAL CONSULTANT***

***Your Financial Consultant is paid based on a compensation grid that provides for progressive increases in compensation based on total revenue. Your Financial Consultant may be paid both a recruitment bonus and a yearend bonus in addition to his or her grid-based compensation. Your Financial Consultant may receive financial incentives from the Firm***

***including a business development allowance based on total revenue brought into the Firm.***

***Your Financial Consultant could have conflicts of interest beyond those disclosed by St Bernard Financial Services, Inc. as a broker-dealer. Where appropriate, your Financial Consultant will disclose any such conflicts of interest no later than the time an investment***

***recommendation is made. These disclosures may be provided to you orally.***

***Your Financial Consultant may not be registered as an investment adviser, and this would constitute a material limitation on the services that he or she may offer.***

***REVENUE FROM YOUR TRANSACTIONS***

***In brokerage accounts, in general, commissions paid to the Firm are generated by your trading activity. The more trades that are placed, the greater the commission that is generated. This includes trades in equities, debt products, annuities, and ETFs.***

***The Firm generates more commissions when trading greater share volume if the Firm charges a certain number of cents per share traded. Placing a trade in a different capacity may lead to more compensation paid to the Firm. For example, the Firm receives certain “mark-ups”, “mark-downs”, and dealer spreads when acting as principal in certain transactions were permitted by law. By recommending that you go out further on a bond’s yield curve, the Firm may increase the mark-up it receives.***

***When we are acting as your investment adviser, transactions in securities in which St Bernard Financial Services, Inc. acts as a principal will only be effected for clients subject to the client’s consent to such transaction indicating the quantity and dollar amount of the securities being purchased or sold. Whether your account is a brokerage account or an advisory account, St Bernard Financial Services, Inc. will strive to obtain “best execution” of transactions for clients in such a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances.***

***FEES AND COMPENSATION***

***COMMISSIONS***

***You will pay transaction-based fees for trades you decide to enter into, such as buying and selling stocks, bonds, exchange traded products (ETPs), mutual funds, annuity contracts, exercising options and other investment purchases and sales. These transaction-based fees are generally referred to as a “commission,” “mark up,” “sales load,” or a “sales charge.” There are additional fees associated with certain products. More information can be found in the product-specific disclosure section below and other disclosure documents associated with these products.***

***ACCOUNT FEES AND COSTS***

***Brokerage accounts may be charged an annual fee. For more information regarding fees and costs, please talk to your Financial Consultant.***

***ROLLOVERS AND TRANSFERS***

***Rollovers and transfers bring in more assets to the Firm which typically results in more fees paid to the Firm. If your Financial Consultant recommends a rollover or transfer, he or she will provide you with a Rollover Certification and Election Form to review before a rollover or transfer is initiated.***

***As discussed above, St Bernard Financial Services, Inc. offers both brokerage and advisory accounts. For advisory accounts, St Bernard Financial Services, Inc. charges investment advisory fees as a percentage of client assets under management which includes cash assets in the Bank Sweep Program***

***OUR RELATIONSHIPS WITH OTHERS***

***Where St Bernard Financial Services, Inc. receives compensation from our Clearing firms, this presents a conflict of interest because St Bernard Financial Services, Inc. and your***

***Financial Consultant have a greater incentive to make available, recommend, or make investment decisions regarding investments and services that provide additional compensation over those investments and services that do not.***

***PRODUCT-SPECIFIC DISCLOSURES***

***INSURANCE PRODUCTS***

***Annuities are held outside your St Bernard Financial Services, Inc. account by the issuing insurance companies and are not covered by SIPC. In general, the Firm makes more from the sale of variable annuities than from fixed annuities. In some cases, indexed annuities pay less than variable annuities but more than fixed annuities. Each insurance company and product has its own compensation schedule and the compensation paid to the Firm will vary based on company and product. Depending on various factors, including how long the client lives, the Firm can make more if single commission rather than a fee trailer. In rare cases, an insurance company may annuitize by issuing a new contract. If this occurs, the insurance***

***company may pay a trail to your Financial Consultant. This may result in an incentive for your Financial Consultant to recommend annuitizing a deferred annuity. You can find more disclosures on these types of products in the insurance company documentation provided to you.***

***UNIT INVESTMENT TRUSTS (UITS)***

***There are characteristically two components of the UIT sales charge: the transactional sales fee and the creation and development (“C&D”) fee. The transactional sales fee does not apply to advisory accounts. The C&D fee is paid to the sponsor of the trust for creating and developing the trust, which includes determining the trust objectives, policies, composition and size, selecting service providers and information services as well as providing other similar administrative and ministerial functions. Your trust pays the creation and development fee as a fixed dollar amount at the close of the initial offering period. The sponsor does not use the fee to pay distribution expenses or as compensation for sales efforts.***

***MUTUAL FUNDS***

***If you invest in mutual funds or other investment companies, such as exchange traded funds, you should carefully consider the investment objectives, charges, risks, fees and expenses of any investment company before investing. The prospectus and summary prospectus contain important information about the investment company which we encourage you to review prior to investing. You can obtain a current prospectus and a summary prospectus from your Financial Consultant.***

***Investing in mutual funds can be more expensive than other investment options due to the fees and expenses mutual funds charge. Fund fees and expenses are charged directly to the pool of the fund’s assets and are reflected in the fund’s share price. The fund expense ratio (the percentage of fund assets used for fund expenses) is disclosed in the prospectus.***

***Funds that charge a sales charge, either at the time you buy the shares or at the time you sell them, are known as “load funds.” In brokerage accounts, fees from load funds are paid to the Financial Consultant and differ based on fund or fund family. Funds that do not charge sales fees (“no load funds”) are not available in brokerage accounts. In advisory accounts, load funds are sold to you at net asset value (NAV), and any 12-b1 fees are rebated back to you.***

***St Bernard Financial Services, Inc. receives 12b-1 fees from mutual funds on an ongoing basis as compensation for the administrative, distribution and shareholder services provided by St Bernard Financial Services, Inc. for such things as record maintenance, shareholder communications, transactional services, client tax information, reports filings and similar such services. 12b-1 fees are an operational fund expense which varies by fund family. Other fees charged by a mutual fund vary based on the share class purchased and can include charges upon purchase, charges upon sale, and ongoing charges. The availability of certain shares and how the fees that are charged are treated depends on your account type.***

***MONEY MARKET FUNDS***

***Money market funds are a type of mutual fund that invests in high-quality, short-term debt instruments, cash, and cash equivalents. As with other mutual funds, the prospectus and, if available, the summary prospectus contains information about the investment company. You can obtain a current prospectus and, if available, a summary prospectus from your***

***Financial Consultant. Please read the prospectus and, if available, a summary prospectus carefully before investing. Although money market funds seek to preserve the value of your investment at $1.00 per share, this cannot be guaranteed. Investing in money market funds involves some element of risk, and you could lose money by investing in a money market fund. Investments in money market funds are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Money market fund sponsors have no legal obligation to provide financial support to money market funds, and you should not expect that the sponsor will provide financial support to money market funds at any time.***

***529 PLANS***

***If you invest in a 529 plan, you will be provided a plan disclosure document with important disclosures and additional information. You should carefully review this document and discuss any questions you may have with your Financial Consultant.***

***BONDS***

***We are compensated through your purchases and sales of debt instruments. We may act as an agent and conduct the trade in the open market and charge a commission. We will make reasonable efforts to obtain a price that is fair and reasonable under prevailing market conditions. Mark-up, mark-downs and commissions are shown on your trade confirmations.***

***EQUITIES***

***Equity transactions include common stock, exchange traded funds, closed-end funds traded in the secondary market, preferred stocks and American Depositary Receipts (ADRs). Clients will pay a commission based upon a number of factors, including the principal value of the trade. This commission may be discounted by your Financial Consultant.***

***OPTIONS***

***Listed options are options contracts cleared by the Options Clearing Corporation that are traded on options exchanges. Clients will pay a commission based upon a number of factors, including a base fee and a per contract fee. Clients who desire to place options trades must complete an Options Agreement.***

***EXCHANGE TRADED FUNDS (ETFS)***

***Leveraged and inverse ETFs carry additional risks over traditional ETFs, and your Financial Consultant may not solicit transactions in these products.***