



Additional Disclosures

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Business Continuity Planning Disclosure

Axos Invest LLC and Axos Invest, Inc., (hereafter “we”, “our”, “us”) have developed a Business Continuity Plan on how we will respond to events that significantly disrupt our business. Since the timing and impact of disasters and disruptions is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our business continuity plan.

Contacting Us – If after a significant business disruption you cannot contact us as you usually do at (888) 585-4985, support@axosinvest.com, you should call our alternative number (844) 999-2967 or go to our website at www.axosinvest.com. If you cannot access us through either of those means, you should contact Axos Clearing, LLC (hereafter “Axos Clearing”) at www.axosclearing.com or (402) 384-6100.

Axos Invest or Axos Clearing will provide further instructions on how it may provide prompt access to funds and securities, enter orders and process other trade-related, cash and security transfer transactions for customers.

Our Business Continuity Plan – We plan to quickly recover and resume business operations after a significant business disruption and respond by safeguarding our employees and property, making a financial and operational assessment, protecting the firm’s books and records, and allowing our customers to transact business. In short, our business continuity plan is designed to permit our firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption.

Our business continuity plan addresses: data backup and recovery; all mission critical systems; financial and operational assessments; alternative communications with customers, employees, and regulators; alternate physical location of employees; critical supplier, contractor, bank and counter-party impact; regulatory reporting; and assuring our customers prompt access to their funds and securities if we are unable to continue our business.

Our clearing firm, Axos Clearing back up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by both clearing firms that its objective is to restore their own operations and be able to complete existing transactions and accept new transactions and payments within a reasonable period of time, typically, within one day. Your orders and requests for funds and securities could be delayed during this period.

Varying Disruptions – Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located, or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to a local site when needed and expect to recover and resume business within 4 hours. In a disruption affecting our business district, city, or region, we will transfer our operations to a site outside of the affected area and recover and resume business within 24 hours. In either situation, we plan to continue in business, transfer operations

to our clearing firm if necessary, and notify you through our combined website www.axosinvest.com or our customer emergency number, (858) 376-6055 how to contact us. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our customer's prompt access to their funds and securities.

For more information – If you have questions about our business continuity planning, you can contact us at support@axosinvest.com.

Notice of Privacy Policy

The Privacy Policy may change from time to time. We will post any updates to the Privacy Policy on the Axos Invest website at <https://axosinvest.com/legal/privacy>. The Privacy Policy is the policy of both Axos Invest, Inc. and Axos Invest LLC.

If you have questions or comments about the Privacy Policy, please email us at privacy@axosinvest.com.

Relationship of Axos Financial Entities

Axos Invest, Inc. & Axos Invest LLC are subsidiaries of Axos Financial, Inc., Axos Financial, Inc. (NYSE: AX) is the holding company for Axos Bank, a nationwide, digital-first bank that provides consumer and business banking products through its low-cost distribution channels and affinity partners, and subsidiaries. Axos Financial, Inc.'s common stock is listed on the NYSE under the symbol "AX" and is a component of the Russell 2000® Index and the S&P SmallCap 600® Index. For more information about Axos Bank, please visit www.axosbank.com.

Axos Invest, Inc., Axos Invest LLC, Axos Clearing LLC, and Axos Bank, N.A., are all separate but affiliated companies.

Keep in mind, any bank savings products and services are offered by Axos Bank, N.A., a federal savings bank and Member FDIC.

Securities and other non-deposit investment products and services are not deposits or obligations of or guaranteed by Axos Bank, are not insured by the FDIC or any governmental agency, and are subject to investment risk including possible loss of the principal invested.

SIPC and FINRA Disclosures

- SIPC Disclosure. Please note that you can obtain information about SIPC, including the SIPC brochure, by visiting the website www.sipc.org or by calling (202) 371-8300. Securities in Axos Invest client accounts are protected for up to \$500,000 by SIPC. See sipc.org for more details
- Investor Education and Protection Notice FINRA Rule 2267. We are required by FINRA Rule 2267 to provide you with resources about the availability of information through FINRA's BrokerCheck Program. Also, please be advised that FINRA offers an investor brochure describing the FINRA BrokerCheck.
- FINRA BrokerCheck Hotline Telephone Number: (800) 289-9999. This number may be reached Monday – Friday from 8:00 am – 8:00 pm Eastern Time (ET).

- FINRA BrokerCheck: P.O. Box 9495, Gaithersburg, Maryland 20898-9495 Fax: (240) 386-4750
- FINRA Web Site: FINRA BrokerCheck is available at www.finra.org.
- The “FINRA’s BrokerCheck Brochure” investor brochure is available by calling the FINRA BrokerCheck Hotline Telephone number or through the FINRA website at www.finra.org.

Important Information for Seniors

If you are over the age of 65, Axos Invest, in accordance with FINRA Rule 2165, requests that you provide the name and contact information of a trusted contact person. The trusted contact person is intended to be a resource for Axos Invest in administering your account, protecting your assets and responding to possible financial exploitation of you.

If you do provide the name of a trusted contact person, Axos Invest or an associated person is authorized to contact the trusted contact person and disclose information about your account to address possible financial exploitation, to confirm the specifics of your current contact information, your health status, or the identity of any legal guardian, executor, trustee or holder of a power of attorney, or as otherwise permitted Rule 2165.

You are under no obligation to provide us with the name and contact information of a trusted contact person, and we will still keep your account open and provide you with all of the excellent Axos Invest service if you do not do so. To provide us with the name of a trusted contact person, please email us at support@axosinvest.com, or call us at (888) 585-4985.

Other Disclosures

- 1. Security.** Axos Invest, Inc. and Axos Invest LLC take reasonable steps to protect your Personal Data from loss, misuse, and unauthorized access, alteration, disclosure, or destruction. No Internet, email, or electronic operating system that enables the transmission of data is ever fully secure or error free so, please take special care in deciding what information you send to us in this manner.
- 2. Advertising.** We do not allow third party advertising on our website or our mobile application. However, we may allow affiliates the ability to contact you about additional products of services of our affiliate.
- 3. Referral Program.** Axos Invest, Inc. manages a referral program allows our clients to invite their friends to use Axos Invest services. Participation in our referral program is free and voluntary for our clients. By participating, you may provide us with certain information about the person to whom you refer our service, such as name and e-mail address. We treat this information like all our other Personal Data.
- 4. Social Media and Links to Other Web Sites and Apps: “Third Parties.”** This Privacy Policy and these terms apply only to Axos Invest, Inc. and Axos Invest LLC operated services. The Axos Invest website and/or mobile application may contain links that access other web sites and apps that are not operated or controlled by Axos Invest. The policies described herein do not apply to Third Party websites or applications.

- 5. Identity Verification.** To help the government fight money laundering activities and the funding of terrorism, federal law requires financial institutions to obtain, verify and record information that identifies each person who opens an account. In order for Axos Invest to verify your identity, we may ask for your:
- a. Name
 - b. Date of Birth
 - c. Address
 - d. Taxpayer identification number (Social Security number or employer identification number)

You may also need to provide your driver's license or other identifying documents. A corporation, partnership, trust or other legal entity may need to provide other information, such as its principal place of business, local office, employer identification number, certified articles of incorporation, government-issued business license, a partnership agreement or a trust agreement.

U.S. Department of the Treasury, Securities and Exchange Commission and FINRA rules already require you to provide most of this identifying information. These rules also may require you to provide additional information, such as your net worth, annual income, occupation, employment information, investment experience and objectives and risk tolerance.

If your identity can't be verified, Axos Invest may not be able to open an account or carry out transactions for you. If we have already opened an account for you, we may have to close it.

- 6. Notice Regarding Phishing Scams.** Due to the increasing risk of identity theft, we are providing you with this notice regarding phishing scams. Phishing is a fraudulent activity in which one attempts to obtain sensitive information by masquerading as a trustworthy institution. These attempts are typically carried out by an email containing a link to what appears to be an authentic website. These counterfeit sites prompt you to enter your personal information, which the thieves can then use to access your accounts. Note that Axos Invest will NEVER send an email requesting sensitive information such as your password. If you receive a suspicious email request purporting to be Axos Invest, DO NOT RESPOND and notify us immediately by emailing support@axosinvest.com.
- 7. Hypothecation and Securities Lending.** In accordance with Apex Clearing Customer Margin and Short Account Agreement, securities held within your account may be hypothecated, pledged, or otherwise lent. Axos Invest may earn interest on such securities lending, and such interest may or may not be shared with you.
- 8. Payment for Order Flow.** Axos Invest directs all trades in your account to our brokerage partner, Apex Clearing, for execution and clearing. Axos Invest may receive payment for directing orders to certain exchanges. Axos Invest periodically reviews trade routing decisions to ensure your orders meet best execution standards. When we effect trades

for your Account, we may aggregate these trades with trades for other clients when, in our judgment, aggregation is in the best interest of all clients involved. Orders are aggregated to facilitate seeking best execution, to negotiate more favorable commission rates, or to allocate equitably among clients the effects of any market fluctuations that might have otherwise occurred had these orders been placed independently. The transactions are averaged as to price and allocated as to amount according to the daily purchase and sale orders actually placed for each client account.

Responsibilities of Axos Invest and Axos Clearing

Responsibilities of Axos Invest

Axos Invest has the responsibility to:

- Approve the opening of your account
- Obtain necessary documentation to help fight the funding of terrorism and money laundering activities
- Service and supervise your account through its own personnel in accordance with its own policies, procedures, applicable laws, and regulators
- Know you and your stated investment objectives
- Provide appropriate investment advice, recommendations, or management services based on your investment objectives
- Determine whether particular kinds of transactions such as margin, option, and short sale are appropriate for you
- Obtain the initial margin as required by Regulation T if a margin account is opened for you
- Accept and, in certain instances, execute securities orders
- Know the facts about any orders for the purpose or sales of securities in your account
- Comply with fair pricing and disclosure responsibilities (if your firm is a market maker in any securities or otherwise trades as principal with you)
- Correctly identify and promptly forward funds or securities intended for your account to The Clearing Firms
- Supervise the activities of any individual who services your account
- Resolve any complaints regarding the handling of your account
- Manage the ongoing relationship that it has with you

Our Clearing firm, Axos Clearing have no involvement and assumes no responsibility in all of the above matters relating to the servicing of your account.

Responsibilities of Axos Clearing

In general, Axos Clearing is only responsible for the services within the scope of the Agreement between itself and Axos Invest (“Fully Disclosed Clearing Agreement”) that contains specific direction regarding your account. As such, the Clearing Firms may fulfill the following responsibilities on behalf of your account:

- Create computer based account records
- Process orders for the purchase, sale or transfer of securities (The Clearing Firms are not obligated to accept orders directly from you and will do so only at The Clearing Firms’ discretion in exceptional circumstances)
- Receive and deliver funds and securities
- Record such receipts and deliveries according to information provided either by your firm or directly, in writing, by you
- Hold securities and cash in custody (after it comes into the Clearing Firm’s physical possession or control) Collect and disburse dividends and interest
- Process reorganization and voting instructions with respect to securities held in custody
- Prepare and transmit confirmations of trades to you with the exception of the following transaction which will alternatively appear on account statements:
 - Systemic investments or withdrawals of investment company products
 - Transactions in money market funds that have no purchase or redemption fees
 - Dividend reinvestments
- Prepare and transmit periodic account statements summarizing transactions
- Provide your firm with written reports of all transactions processed for your account to enable your firm to carry out its responsibilities under the Fully Disclosed Clearing Agreement
- Assist you and your firm with any discrepancies or errors that may occur in the processing of transactions

If at any time, Axos Invest approves a Margin account for you, Axos Clearing may:

- Loan you money for the purpose of purchasing or holding securities (subject to the terms of the Margin Agreement, margin policies and applicable margin regulations)
- Calculate the amount of maintenance margin required and advise you of those requirements (usually through your firm)
- Calculate any interest charged on your debit balance

Axos Clearing maintains the books and records required by law and business practice. The Fully Disclosed Clearing Agreement does not encompass transactions in investments other than marketable securities, which Axos Clearing normally processes on recognized exchanges and over-

the-counter (“OTC”) markets. In furnishing the Axos Clearing’s services under the Fully Disclosed Clearing Agreement, Axos Clearing may use and rely upon, not limited to, but including, the services of clearing agencies, automatic data processing vendors, proxy processing, transfer agents, securities pricing services and other similar organizations.

This document addresses the basic allocation of functions regarding the handling of your account. It is not meant as a definite enumeration of every possible circumstance, but only as a general disclosure.

Axos Clearing does not:

- Control, audit, or otherwise supervise the activities of Axos Invest or its employees.
- Verify information provided by Axos Invest in regards your account or transactions processed for your account.
- Undertake responsibilities for reviewing the appropriateness of transactions entered by your firm on your behalf.