



Revenue Sharing Arrangements

Product Sponsor Payments

Through our network of registered representatives and investment advisor representatives (collectively “investment professionals”), Madison offers a broad selection of investment products that compensate investment professionals on a commission or fee basis. The managers and advisors of some of the investment products we offer engage in activities designed to encourage the distribution of their products. These activities may include but are not limited to the offering of educational programs, paid travel to attend an educational event, participation or attendance at a Madison-hosted event, one-on-one marketing, or due diligence presentations.

In return for assistance in facilitating the activities described above, Madison receives payments from some fund advisor(s) or distributor(s). Payments may be calculated as a fixed fee or as a percentage of assets invested in an investment, or as negotiated between Madison and the product sponsor on a case by case basis. These payments are not a commission to Madison. Further, Madison investment professionals do not receive these payments in the form of direct cash compensation. If the assistance is paid from the offering expenses of the fund (part of the “front-end load”), there may be further detail found in the fund’s offering documents or prospectus.

Alternatively, as a firm, Madison receives marketing allowances for the same purposes described above from certain fund advisors and/or distributors. Marketing allowances are often, but not always included as part of the commissions or front-end load paid by the investor. While your investment professional receives a sales commission (which is shared between the investment professional and Madison), marketing allowances are typically paid to Madison only. Madison has agreements with certain investment sponsors (but not all) to receive additional compensation to support due diligence and distribution efforts for the specific investments. Madison typically receives these payments from insurance companies, field marketing organizations, or alternative investment sponsors, including but not limited to non-traded REITs, business development companies (BDCs), and Reg D private placement offerings.

Clearing Firm Payments

Madison receives payments from its’ clearing firm Pershing, LLC (“Pershing”) when you maintain cash balances in certain money market sweep accounts. These payments are paid by the fund’s distributor and are shared between Madison and Pershing. These payments to Madison may result in a reduction of the interest credited to customer accounts. Investment professionals do not receive any portion of these payments for account balances you keep in cash. Further, you may choose a money market sweep account that does not contain a revenue sharing component and therefore may result in more interest being credited to your account. You may change your money market sweep account at any time by contacting us or your investment professional.

Madison also receives payment from Pershing for net new assets transferred to Pershing. The payment is predicated on the condition that new assets calculated for this purpose in any quarter exceeds the amount of assets that were transferred to Pershing over the previous quarter, and as long as such new assets are not already on the Pershing platform either through Madison or through any other firm that utilizes Pershing’s clearing and custodial services. While Madison receives payment, your investment professional does not.

Duty to Clients

As part of their duty to clients, investment professionals are required to describe any conflicts of interest that exist to their customers. Aside from sales commissions, investment professionals do not receive direct compensation in connection with transactions in shares of the products whose affiliates pay marketing assistance to Madison. Investment professionals may receive indirect compensation for sales of such shares, such as meals and/or trips to



attend sales training. However, your investment professional's direct compensation is not affected by the recommendation of these investments, and therefore they have no direct financial incentive to recommend these products to you. Additionally, your investment professional is required by regulation and Madison policy to make investment recommendations solely in your best interest.

