

# DIGITAL INVESTOR

NAVY FEDERAL INVESTMENT SERVICES

Dear Member,

We're writing to inform you of an upcoming change to your Digital Investor account with Navy Federal Investment Services (NFIS).

**Effective May 15, 2026, custody and clearing services for all Navy Federal Digital Investor (Digital Investor) accounts will switch from DriveWealth, LLC (DriveWealth), to Apex Clearing Corporation (Apex).** NFIS will remain your broker dealer of record. This change is part of our ongoing commitment to enhance your investing experience and support future improvements to technology and services.

The customer accounts of Navy Federal Investment Services LLC ("NFIS") carried on the books of DriveWealth will be transferred to Apex on or about **May 15, 2026** (the "Conversion Date"). This new arrangement simply means that our bookkeeping functions, receipt and delivery of securities purchased and sold by our customers, rights offerings, warrants, tender offers, redemptions and all other clearing and settlement functions will be handled by Apex.

#### What This Means for You:

- The custody and clearing firm for your accounts with Navy Federal Digital Investor will change from DriveWealth to Apex.
- There is no change to the introducing broker dealer for your accounts. This will remain NFIS.
- **No action is required** on your part to continue using your Digital Investor account. Your account will automatically transition to Apex as the custodian on **May 15, 2026**.
- Your overall investment strategy and account access will remain the same with this transition.
- Your account number will change. At the time of the transition, you will receive additional communication with your new account number.
- If you have more than one account with Digital Investor, you will receive a copy of this announcement for each account. Please understand that we are required by securities regulations to notify each account separately.
- Fractional positions will be rounded to 5 decimal places at the time of the transition. There will not be a negative impact on the position value from this change. Adjustments may result in additional shares being added to your position total but in no case will this result in less than your current holdings.
- In limited cases, some holdings cannot be transferred to the new custodian or can be transferred but additional shares cannot be purchased. A list of affected holdings is included in the link below. If your account is affected, you will receive a separate communication outlining your options and the actions we will take.  
**To see a list of the Products that can be transferred and products that cannot be transferred click [here](#).**
- The uninvested cash balance in your account will be liquidated from its current sweep vehicle and transferred to a taxable interest-bearing cash option with Apex which is Federal Deposit Insurance Corporation ("FDIC") insured.  
**To see the new Sweep Terms and Conditions click [here](#).**
- There is no cost to you associated with the transfer.

- The new fee schedule is also in the link below. This compares current transaction fees with those after the Apex transition.  
**To see the new fee schedule click [here](#).**
- You will receive account statements from both Apex and Drivewealth for **May 2026**. These statements will detail your account activity, including the transfer and receipt of your investment positions.
- You will receive year-end tax forms from both Apex and Drivewealth for 2026.
- Your current eDelivery selections will carry over and you will continue to receive all communications electronically. Please see the updated eDelivery Disclosure in the link below.  
**To see the updated eDelivery disclosure click [here](#).**

**If You Do Not Want your account to transfer to Apex for Custody and Clearing Services:**

If you **do not consent** to this change and wish to close or transfer your account to another broker-dealer before the transition, please contact us by **May 1, 2026** at [digitalinvestor\\_conversion@navyfederal.org](mailto:digitalinvestor_conversion@navyfederal.org). Unless we receive written instructions from you to the contrary, your account will be automatically transferred the weekend of **May 15, 2026** to the clearing firm of Apex.

**Accessing Closed Accounts After the Transition:**

If you choose to close your Digital Investor account or transfer to another broker-dealer

- You will still be able to access your account history and tax documents through the [DriveWealth Client Portal](#) using the email on file for your Digital Investor account.
- For assistance retrieving documents or confirming account closure, please contact our support team via live chat available on <https://digitalinvestor.navyfederal.org/>.

**Moving to Another Broker-Dealer:**

If you plan to transfer your assets to another broker-dealer:

1. Initiate the transfer through your new broker-dealer by providing them with your current account details.
2. Ensure the transfer is completed before **May 15, 2026** to avoid automatic transition to Apex. There will be no charge to transfer to a new firm if you do so before **May 15, 2026**. There will be no fee for this transfer.
3. Contact us via live chat at <https://digitalinvestor.navyfederal.org/> if you need help with account numbers, statements, or other documentation.
4. If you hold fractional shares, they are unable to be transferred to another broker dealer. These shares must be liquidated before **May 15, 2026** if you do not intend to stay with Digital Investor.

**Dividend Reinvestment Program (DRIP)**

Following the transfer of your account, your account will be automatically enrolled in the Dividend Reinvestment Program (DRIP). Under DRIP, eligible cash dividends and capital gain distributions paid on securities held in your account will be automatically reinvested into additional shares of the same security, including fractional shares, where supported by Apex, rather than being paid to you in cash.

Participation in DRIP is not mandatory. If you do not wish to participate in DRIP, you may opt out at any time after the conversion by updating your account preferences through your Digital Investor account or by contacting NFIS Member Support. Any opt-out election will apply prospectively.

Important DRIP Considerations

- Not all securities are eligible for dividend reinvestment. Eligibility is determined by the issuer and the custodian.
- Dividends that are not eligible for reinvestment, or that cannot be reinvested due to operational or market limitations, will be credited to your account as cash.
- Reinvested dividends are taxable in the year they are paid, even though you do not receive the dividends in cash. NFIS does not provide tax advice; you should consult a qualified tax professional regarding your individual circumstances.
- There are no additional fees charged by NFIS for participation in DRIP.

Automatic enrollment in DRIP does not constitute a recommendation or investment advice by NFIS. You remain responsible for determining whether participation in DRIP is appropriate for your investment objectives and financial situation.

With Apex you will continue to receive monthly statements (quarterly if no activity). After transfer, your account will be held by Apex, member of the SIPC (visit [www.sipc.org](http://www.sipc.org)), securities in your account are protected up to \$500,000 (\$250,000 as to cash claims). Apex has also provided, through an independent insurer, additional coverage that raises total coverage for securities to \$900,000 Customer Cash Component sub-limit, \$37,500,000 Customer Securities Component sub-limit, \$150,000,000 in the aggregate.

As always, NFIS will continue to be solely responsible for opening, approving and monitoring all activities in your account, your account representative will remain the same, and your account coverage will not change.

If you maintain a Traditional or Roth Retirement Account (“IRA”), this letter constitutes your 30-day notice that DriveWealth, effective as of the close of business on the Conversion Date, resigns as custodian of your IRA and appoints Apex successor custodian of your IRA.

Until such time as Apex receives a new beneficiary designation for your IRA, you will be deemed to have consented to the application of your current beneficiary designation to your IRA, and if you have not named a beneficiary then you will be deemed to have consented to your spouse as the default beneficiary, and if there is no spouse living at the time of your death then your estate shall be the beneficiary of your IRA.

Upon the transfer of your account, the confidential information you provided NFIS regarding you and your account will be given to Apex, which will transmit its own privacy policy to you. During this transition phase, NFIS, DriveWealth and Apex will continue to comply with SEC Regulation S-P regarding privacy of consumer financial information in connection with the transfer of accounts.

If you do not wish your confidential information to be given, you must make arrangements to close your account prior to May 1, 2026.

**Important Disclosures:**

Please review the following documents relating to this change of custody and clearing firm. [Updated Customer Agreement](#), [eDelivery Disclosure](#), [NFIS Privacy Policy](#), [Apex Privacy Policy](#), [New Sweep Disclosure](#), [New Fee Schedule](#), and [list of holdings that cannot be transferred](#) to the new custodian and/or can be transferred but additional shares cannot be purchased for more information.

We appreciate your continued trust in Digital Investor and look forward to serving you with Apex as our new custodian. If you have any questions or need assistance, we're here to help. If you have any questions, please feel free to contact us at [digitalinvestor\\_conversion@navyfederal.org](mailto:digitalinvestor_conversion@navyfederal.org)

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Young", with a long, sweeping flourish extending to the right.

Diane Young  
*Chief Operating Officer*  
*Navy Federal Financial Group*

Navy Federal Financial Group, LLC (NFFG) is a licensed insurance agency. Non-deposit investments, brokerage, and advisory products are only sold through Navy Federal Investment Services, LLC (NFIS), a member of FINRA/SIPC and an SEC registered investment advisory firm. NFIS is a wholly owned subsidiary of NFFG. Insurance products are offered through NFFG and NFIS. These products **are not NCUA/NCUSIF or otherwise federally insured, are not guaranteed or obligations of Navy Federal Credit Union (NFCU), are not offered, recommended, sanctioned, or encouraged by the federal government, and may involve investment risk, including possible loss of principal.** Deposit products and related services are provided by NFCU. Digital Investor offered through NFIS. Financial Advisors are employees of NFFG and are employees and registered representatives of NFIS. NFIS and NFFG are affiliated companies under the common control of NFCU. Call 1-877-221-8108 for further information.