

## INTRODUCTION

### What is the purpose of this document?

You are receiving this document because we understand that you are a fiduciary for an employee benefit plan that is subject to the Employee Retirement Income Security Act of 1974 (ERISA), and that you are responsible for the plan's overall arrangement with TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc. (TD Ameritrade Clearing) (each or both of which are also sometimes referred to herein as TD Ameritrade). Under U.S. Department of Labor (DOL) regulations issued pursuant to ERISA, Section 408(b)(2), covered service providers to ERISA plans (such as TD Ameritrade) are required to provide plan fiduciaries with certain information about the services they provide to the plans and the compensation (direct and indirect) they receive for such services. Please note that future updates to this disclosure will generally be provided to you via email. This disclosure is not intended as an offer for any product, service, or specific security.

### Why the regulations?

The DOL has indicated that recent changes in the way services are typically provided to ERISA plans and in the way service providers may be compensated have generally improved efficiency and reduced costs for these plans. However, the DOL believes that these changes have also introduced increased complexity, making it more difficult for plan sponsors and other fiduciaries to understand how service providers are compensated for their services.

The DOL has stated that the 408b-2 regulations are intended to ensure that plan service providers present necessary information about their services and compensation, so that plan fiduciaries can make informed decisions about costs and services in discharging their fiduciary responsibility to select and monitor plan service providers.

### What is TD Ameritrade doing to comply?

Below you will find information about the services we provide and the commissions, fees, charges, and other compensation we receive or pay related to these services. If you have any questions, please feel free to call us at the following numbers:

TD Ameritrade Institutional Advisor/RIA business - 800-431-3500

TD Ameritrade Retail brokerage business - 800-669-3900

TD Ameritrade Retirement Plan Self-Directed Brokerage Account (SDBA) - 866-423-2683

## OVERVIEW

TD Ameritrade, Inc., as an introducing broker-dealer, and its affiliate TD Ameritrade Clearing, as a clearing broker-dealer, provide the services described below to those accounts on the TD Ameritrade brokerage platform that are subject to ERISA. TD Ameritrade does not generally provide investment, legal, or tax advice in connection with its brokerage services. TD Ameritrade may provide, in certain limited circumstances, investment advice, including in connection with fixed income products. TD Ameritrade, Inc. is also a registered investment advisor and, in that capacity, may provide investment advice with respect to certain aspects of the AdvisorDirect program, as further described below. To the extent we give advice to a plan or participant, we may be considered an ERISA fiduciary.

TD Ameritrade has three service lines that may be applicable to ERISA-covered accounts: (a) Retail (generally, for plan participants who use our services through our retail website), (b) Institutional (utilized by independent registered investment advisor clients of TD Ameritrade), and (c) Self-Directed Brokerage Accounts (SDBA) (generally, for plan participants who have the self-directed brokerage account available as an investment option in their plans). TD Ameritrade may receive direct and indirect compensation for the services and other benefits it provides to the plan and its participants. Certain services are not available to all client types, as generally indicated below.

## I. SERVICES

### Brokerage Services

TD Ameritrade provides brokerage and related services for which it receives direct compensation. These services are generally described below in this summary. For additional information regarding these services, you can obtain the relevant TD Ameritrade Client Agreement at:

Retail – [https://www.tdameritrade.com/retail-en\\_us/resources/pdf/AMTD182.pdf](https://www.tdameritrade.com/retail-en_us/resources/pdf/AMTD182.pdf)

Institutional – Please call 800-431-3500

SDBA – [https://www.tdameritrade.com/retail-en\\_us/resources/pdf/SDPS182.pdf](https://www.tdameritrade.com/retail-en_us/resources/pdf/SDPS182.pdf); or call 866-423-2683 (Plans); 866-766-4015 (Participants).

- **Brokerage.** Brokerage services include the TD Ameritrade website and related services that are needed to place trades for the plan's brokerage account(s). Brokerage services also include execution of orders placed for the plan participant's account for purchases or sales of shares of mutual funds and other securities, subject to any limitations imposed by the plan. These execution services are provided by TD Ameritrade Clearing.
- **Sweep program.** TD Ameritrade offers a cash sweep service to the sweep vehicle selected for the plan account. The sweep vehicle is typically an FDIC-insured deposit account or a money market fund. TD Ameritrade Cash may also be selected as the designated sweep vehicle, where TD Ameritrade will pay interest on available cash in the plan's or participant's account. Interest rates may vary among clients in connection with special offers or combinations of services or other circumstances. Where a plan or participant elects TD Ameritrade Cash as the sweep option, TD Ameritrade Clearing has the use of the cash in the plan's or participant's account pending the investment of such cash, and it may therefore derive a financial benefit depending on the manner and duration of such use.

- **Custody and safekeeping.** TD Ameritrade provides custody and safekeeping of client assets. TD Ameritrade also takes reasonable measures to protect the privacy and confidentiality of client account information. For additional information, please review the TD Ameritrade Privacy Statement: [https://www.tdameritrade.com/retail-en\\_us/resources/pdf/AMTD800.pdf](https://www.tdameritrade.com/retail-en_us/resources/pdf/AMTD800.pdf).
- **Statements and confirmations.** TD Ameritrade provides its clients statements and confirmations that permit them to review and confirm transaction activity within the account so that they have an opportunity to timely report any errors to TD Ameritrade.
- **Prospectuses and Shareholder communications.** TD Ameritrade (through a third-party vendor) provides to its clients copies of prospectuses and other shareholder communications in connection with investments in their TD Ameritrade accounts.
- **Transfers out.** If a decision is made to move the plan account, TD Ameritrade will assist with the orderly transfer of plan assets to the new custodian.
- **Other.** TD Ameritrade may offer options, futures, and foreign exchange trading and margin services to certain clients but not others, depending upon the type of client or specifications in plan documents provided by the Plan to TD Ameritrade.

Further information can be obtained at:

For Retail Clients – <https://www.tdameritrade.com/investment-products/options-trading.page>;  
<https://www.tdameritrade.com/investment-products/futures-trading.page>; and  
<https://www.tdameritrade.com/investment-products/forex-trading.page>.

For Institutional, please call 800-431-3500

**Futures, forex, and margin are not available to SDBA clients.** For more information about limited options trading in SDBAs, please call 866-423-2683 (Plans); 866-766-4015 (Participants).

#### Advisory Services

- **AdvisorDirect.**® As an SEC-registered investment advisor, TD Ameritrade, Inc. also provides advisory services to plans or participants through its AdvisorDirect program, an independent investment advisor referral service. Under AdvisorDirect, TD Ameritrade, Inc. provides information about independent investment advisors (RIA)s for the plan or participant client's analysis and evaluation to assist the client's selection of an RIA that may meet the client's investment needs. The plan or participant, as applicable, and not TD Ameritrade, Inc., makes the decision to select an RIA and determines the services to obtain from, or authority to grant to, the RIA. TD Ameritrade, Inc. does not provide investment advice to the plan or participant in connection with the plan's or participant's assets under management by the RIA. A description of the TD Ameritrade, Inc. fee arrangement appears under "Indirect Compensation" below.

**The above service is not available to SDBA clients.**

- **Portfolio Management Services.** TD Ameritrade Investment Management, LLC, a U.S. registered investment advisor and affiliate of TD Ameritrade, offers certain portfolio management services to clients. Essential Portfolios features automated investing with low-cost, low minimum investment, with access to five goal-oriented ETF portfolios. The minimum initial investment is \$5,000 and the advisory fee is .30%. Selective Portfolios includes a broader range of goal-oriented portfolios made up of mutual funds and ETFs, based on varying investment objectives and risk. The minimum initial investment is \$25,000 and advisory fee ranges from 0.75% to 1.25 % for the first \$100,000 (varies by portfolio and investment amount).

**The above services are generally not available to plan or SDBA clients.**

#### Institutional Services:

- The Separate Account Exchange (SAE) contains a number of third-party separately managed accounts that allow investment advisors to offer managed money solutions across major asset classes and investment styles, on a dual-contract agreement basis where manager fees and billing can be negotiated, and due diligence can be conducted.
- The Unified Managed Account Exchange (UMAX) allows for investment advisors to offer their clients a product where their investment solutions can be held in a single account.
- The Model Market Center (MMC) is an offering of TD Ameritrade, Inc. to investment advisors. MMC incorporates iRebal® on Veo® technology to provide to investment advisors a potentially lower-cost option to traditional money management for their clients while allowing them additional flexibility over trading decisions. The MMC allows an investment advisor to access models from third-party asset managers and, if they wish, to combine them with their own models. TDA is paid by the managers supplying the models 5% of the prospectus net expense ratios of exchange traded funds included by the managers in the models, including unit investment trusts (ETFs) that are less than 6 basis points ("bps"), 10% of ratios equal or greater to 6 bps up to 11 bps, and 15% of ratios of 11 bps or more. TDA is paid 3 bps for all mutual funds. All of the above are calculated on the RIA's clients assets invested in such ETFs or mutual funds.

With respect to all three of the above, except for separately managed accounts offered under UMAX, TD Ameritrade receives direct compensation in the form of brokerage transaction or asset-based service fees, as well as other compensation disclosed herein. TD Ameritrade also receives indirect compensation from mutual funds and ETFs as otherwise disclosed herein.

In UMAX, the default custody schedule is asset based in nature: for assets from \$25,000 to \$250,000, the Program Fee is 22 bps; for the next \$250,000, it is 12 bps; for the next \$1.5 million it is 8 bps; and for over \$2 million it is 6 bps. There is a minimum annual custody fee of \$200.

The above schedule applies to all products as well, if utilized. Custodial fees will not be assessed on any portfolio assets allocated to non-transaction fee mutual funds (NTFs) or ETFs sold without commission, including those under asset based pricing. If portfolio assets are allocated 100% to NTFs and/or commission-free ETFs, a minimum annual custodial fee of \$200 will be waived.

## Other

- **Paying Agent Services.** TD Ameritrade Trust Company (TD Ameritrade Trust), a non-depository trust company affiliate, has entered into a contractual arrangement with TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc. to provide participant distribution and tax reporting services for certain client plans. Those services are only provided to those client plans that have signed a Paying Agent Services Agreement and Account Establishment Form with TD Ameritrade Trust.

**The above services are generally not available to SDBA clients.**

- **Research tools and third-party content.** TD Ameritrade makes available to its clients various outside sources for research material regarding investments and securities that such outside sources distribute to their own clients. For more information, go to: [https://www.tdameritrade.com/research\\_disclaimer.html](https://www.tdameritrade.com/research_disclaimer.html) and <http://research.tdameritrade.com/public/markets/overview/overview.asp>.

## II. DIRECT COMPENSATION

For its brokerage services, TD Ameritrade, Inc. receives compensation from plan participant accounts (direct compensation) in the form of commissions and service-specific fees, including fees that may be occasioned by the termination of your account. The amount of such commissions and fees that will be charged by TD Ameritrade, Inc. depends on the service line applicable to the account. Additional information on direct compensation is contained in the schedule(s) available to you at the applicable website identified below:

Retail: <https://www.tdameritrade.com/pricing.page>; and <https://www.tdameritrade.com/pricing/brokerage-fees.page>

Institutional: [https://documents.advisorservices.com/onlineforms/wis\\_pdfs/TDAI3444.pdf](https://documents.advisorservices.com/onlineforms/wis_pdfs/TDAI3444.pdf)

SDBA: Standard – [https://www.tdameritrade.com/retail-en\\_us/resources/pdf/SDPS1009.pdf](https://www.tdameritrade.com/retail-en_us/resources/pdf/SDPS1009.pdf) (Your plan may restrict certain investments and not all commissions shown may be applicable to your account.)

Certain accounts that have a registered investment advisor associated with them may be eligible for negotiated rates and/or asset-based pricing for certain brokerage services. For further information, please go to the Institutional Fee Schedule link provided above.

TD Ameritrade may act as principal on any fixed-income transaction. When acting as principal, it will add a markup to any purchase, and subtract a markdown from every sale, in each case up to a maximum of 3%, depending upon the market and transaction. This markup or markdown will be included in the price quoted to you. In the case of certain new issues, the revenue to TD Ameritrade from an embedded cost structure may be up to 4.5% of the offering price and will be disclosed to you prior to the transaction. Further information is available upon request.

## III. INDIRECT COMPENSATION, PAYMENTS BETWEEN AFFILIATES, AND PAYMENTS TO SUBCONTRACTORS

### Indirect Compensation

- **Bank Deposit Compensation.** The following information is applicable if the plan fiduciary elects to utilize the TD Ameritrade FDIC Insured Deposit Account (IDA) as the sweep vehicle for the plan or to make the TD Bank USA FDIC Insured Investor Savings account (Savings) available to plan participants.

The Insured Deposit Account serves as the cash sweep vehicle for earning income on cash balances in the Program. Excess cash is swept to one or more banks ("Program Banks") which are FDIC-insured up to applicable limits. Any amounts over the FDIC limits are deposited at the "Excess Bank." The list of Program Banks, including the Excess Bank is included on TD Ameritrade's website at [www.tdameritrade.com/idaprogrambanks](http://www.tdameritrade.com/idaprogrambanks). Cash balances in your cash sweep vehicle are automatically deposited on a daily basis to your Insured Deposit Account. Two of the Program Banks are TD Bank, N.A. ("TD Bank") and TD Bank USA, both affiliates of TD Ameritrade.

The Program Banks establish the interest rates paid on balances in the IDA. Interest rates are based on tiers and are established based on prevailing market and business conditions. The previous day's closing balance determines eligibility for a particular tier each day. Interest is accrued daily based on the interest rate tier applicable to each day's balance and is credited monthly on the last business day. TD Ameritrade uses the daily balance method to calculate interest on your Account. The interest rates paid may vary over time, but will be the same for each Program Bank. The account statement will display the name of each Program Bank which holds deposits, the balance of deposits at each Program Bank, any withdrawals made during the month, and the applicable interest rate and amount of interest earned on deposits.

Under the Savings (if available), plan participants may elect to deposit cash in accounts at TD Bank USA. Savings is intended for long-term cash positions, and there is a limit of six transfers out of Savings per month. Savings is not a sweep vehicle, meaning funds are not automatically moved in and out of Savings.

The Program Banks use IDA and Savings balances to fund current and new investment and lending activity. The Program Banks seek to make a profit by achieving a positive spread between their cost of funds (for example, deposits) and the return on their assets, net of expenses.

TD Ameritrade receives a fee from the Program Banks that ranges from 1.1 to 1.4%. TD Ameritrade has the right to waive all or a part of this fee. The rate of the fee that TD Ameritrade receives may exceed the interest rate or effective yield that you receive in your balances in the IDA or Savings, and the payment of the fee reduces the yield that you receive.

Other than the applicable fees charged on brokerage accounts, there will be no charges, fees, or commissions imposed on your account for these cash sweep or Savings features. The current IDA and Savings interest rate will be disclosed on the TD Ameritrade website and may be changed without prior notice.

Further information regarding the IDA is available in your client agreement, the form of which is also available at the locations set forth above.

- **Payment for Order-Flow.** TD Ameritrade receives payments for directing equities and options order flow to market centers. This payment is used to offset costs of doing business and ultimately helps to reduce the overall cost to our clients. TD Ameritrade receives an average of \$0.00009 per share for equities, and an average of \$.47 per option contract (each prior to offset from charges paid for removal of market liquidity). For more information, including the firm's SEC Rule 606 regulatory reports regarding order execution, please go to:

<https://www.tdameritrade.com/tools-and-platforms/trader-offering/order-execution.page> and

<https://www.tdameritrade.com/disclosure.page>

- **Proceeds of Corrective Transactions.** TD Ameritrade receives investment instructions from participants or fiduciaries, such as an investment advisor, of the plan. Although rare, occasional errors in the instructions themselves or the processing of instructions may occur. The causes of such errors may include, but are not necessarily limited to, entry of an erroneous trade (“buy” vs. “sell,” or vice versa), dollar amount, or number of shares, incorrect identification of the security, duplication of orders (i.e., instruction entered more than once), or untimely transmittal of instructions. For example, in the case of a sell order that is corrected to a price lower than the original intended transaction, or a purchase order corrected at a higher price, the corrective transaction may result in a loss. If, on the other hand, the sell order is corrected to a price higher than the original intended transaction, or the purchase order corrected at a lower price, the corrective transaction may result in a gain.

When an error is discovered, action is taken to correct the transaction in a manner intended to avoid or minimize harm or disruption to the plan. This generally includes processing corrective transactions through a “trade error account” maintained by TD Ameritrade, apart from the plan’s account, for TD Ameritrade individually (in-house account) or on behalf of an investment advisor. In addition, when requested by a plan representative, TD Ameritrade may communicate with the broker-dealer and attempt to cancel a trade through similar corrective transactions.

If TD Ameritrade is at fault for the error and the corrective transaction involves a loss, TD Ameritrade reimburses the plan to the extent necessary to process the transaction based on the price that would have been realized by the plan had the transaction been processed as instructed. If the corrective transaction results in a gain, the amount of the gain may be retained in the TD Ameritrade trade correction account to be applied to future losses resulting from TD Ameritrade errors. Consistent with positions expressed by the U.S. Department of Labor, any such gains may be treated as indirect compensation to TD Ameritrade for brokerage and related services. The amount of any such compensation attributable to the plan cannot be predicted in advance, but generally is not expected to be material over time.

Additional information about TD Ameritrade’s error correction practices is available on request.

### **Mutual Fund and ETF Revenue**

If a participant invests in one or more mutual funds, the following information applies to those investments.

TD Ameritrade receives fees for shareholder, recordkeeping, subaccounting, subtransfer agency, and/or marketing and distribution services with respect to mutual funds in which the plan may invest. These fees may be paid by the fund, by the fund’s distributor, transfer agent, administrator, or investment advisor (Fund Affiliate), by a third-party fund service provider, or by a combination of them, pursuant to TD Ameritrade, Inc.’s and/or TD Ameritrade Clearing, Inc.’s agreement with the particular fund, Fund Affiliate, and/or a third-party fund service provider.

The amount of these fees may vary among mutual fund groups, and some mutual funds and Fund Affiliates do not make some or any of these payments available. The maximum amount of marketing and distribution fees that may be paid to TD Ameritrade depends on the class of shares held by the plan but will not exceed the annual rate of 1.00% of the value of the plan’s shares. Typically, shares held by a plan are subject to distribution and/or shareholder servicing fees that will not exceed the annual rate of 0.25% to 0.40%. Fees paid to TD Ameritrade for its and TD Ameritrade Clearing’s subaccounting, subtransfer agency, or similar recordkeeping services may be based on the number of plan accounts (and range from \$3.00 to \$19.00 per account) or on the assets in the plan accounts (and range from an annual rate of 0.10% to 0.45%), depending on the agreement with the particular fund or Fund Affiliate. Funds may also be subject to a monthly minimum service fee payable to TD Ameritrade, Inc. of \$500.

To the extent that fees are paid out of fund assets, they are included in the fund’s annual expense ratio and are indirectly borne by the fund’s shareholders. For more information regarding such payments made by a particular mutual fund or its Fund Affiliate and details on the particular services to which the payments relate, please go to the fund’s website and review its prospectus and statement of additional information or request a copy of these documents from the fund. For further information, including a listing of no-transaction fee funds (for which no purchase or sale transaction fees are charged by TD Ameritrade), other mutual funds, and their affiliates, please go to:

<http://research.tdameritrade.com/grid/public/mutualfunds/overview/overview.asp>.

In addition to or instead of certain fees paid from fund assets, TD Ameritrade may receive fees for these services from Fund Affiliates and/or third-party fund service providers. These fees may be paid out of the resources of the Fund Affiliate. This compensation may be at different annual rates up to a generally maximum annual rate of 0.15% on plan assets invested in the fund. The names of the Fund Affiliates and third-party fund service providers who may make these payments are available at

[https://www.tdameritrade.com/retail-en\\_us/resources/pdf/AMTD034.pdf](https://www.tdameritrade.com/retail-en_us/resources/pdf/AMTD034.pdf).

In addition, TD Ameritrade may receive sales loads and commissions for the purchase and sale of certain mutual fund shares in limited circumstances, though waivers may be available for certain retirement plan assets. The rates of these loads and commissions, if applicable, are specified in the mutual fund’s prospectus. A front-end sales load or commission reduces the amount available to purchase fund shares; a majority or all of the sales load or commission may go to TD Ameritrade. Sales loads and commissions can range up to 5.75% of the transaction amount. For more information regarding these fees, please see the fund’s current prospectus.

Fees paid by a mutual fund, Fund Affiliate, and/or third-party fund service provider are paid through TD Ameritrade Clearing, who collects these fees on behalf of TD Ameritrade, Inc.

TD Ameritrade receives remuneration from certain ETFs (exchange-traded funds), including certain ETFs that participate in the commission-free ETF program for shareholder, administrative, and/or other services, generally ranging from the equivalent of approximately 15% to 30% of the ETFs’ annual net operating expense ratio.

### **Compensation on Funds in Transition**

TD Ameritrade Clearing receives indirect compensation on client funds in transition, such as when a participant distribution check has been issued. This compensation is known as “earnings credits.” TD Ameritrade Clearing issues checks and wires through First National Bank of Omaha and may receive these earnings credits from them. These credits accrue from the time TD Ameritrade Clearing issues a check or sends a wire and removes funds from the plan account until such time as the check is presented to the issuing bank for payment. The earnings credits serve to offset the fees TD Ameritrade Clearing might otherwise be required to pay for banking services. The credit is calculated based upon a variety of commercial and competitive factors, including prevailing economic and business conditions and varies over time depending upon such factors. If a check becomes “stale dated” (after 180 days without presentment for payment), the check is canceled and the funds are returned to the plan’s account and no further credits are earned.

### Referral fees for AdvisorDirect

If the plan or a participant retains an RIA that participates in TD Ameritrade, Inc.'s AdvisorDirect program, the following information is applicable.

Under its agreements with RIAs participating in the AdvisorDirect program, TD Ameritrade, Inc. receives referral fees from these RIAs. The referral fees are generally up to either 25% of the advisory fee a plan or participant pays to the plan's or participant's RIA for accounts opened prior to April 10, 2017, or up to 25 bps for accounts opened after April 10, 2017, of the assets in their account. These fees are more fully described in the written disclosure TD Ameritrade, Inc. provides to the plan or participant in connection with providing information about RIAs which the plan or participant may wish to consider. The referral fees do not impact the advisory fee charged by the RIA to the plan or participant account. For further information regarding the AdvisorDirect program and the referral fees, go to [https://documents.advisorservices.com/onlineforms/wis\\_pdfs/TDAI4855.pdf](https://documents.advisorservices.com/onlineforms/wis_pdfs/TDAI4855.pdf).

**The above service is not available to SDBA clients.**

### Payments Between TD Ameritrade Affiliates

- **Paying Agent Services.** TD Ameritrade Trust has entered into a contractual arrangement with TD Ameritrade, Inc. and TD Ameritrade Clearing to provide participant distribution and tax reporting services for certain client plans. Those services are only provided to those client plans that have signed a Paying Agent Services Agreement and Account Establishment Form with TD Ameritrade Trust. TD Ameritrade, Inc. and TD Ameritrade Clearing pay to TD Ameritrade Trust a fee of \$25 per plan per quarter, as well as other fees for particular services rendered, including: periodic or lump sum payment processing, Form 1099-R and ACH pulls - \$5 each; wire transfers, stop payment/stale date, and Form 1099-R correction - \$25 each; overnight delivery - \$10 each; and extraordinary services - \$150 an hour.

**The above services are generally not available to SDBA clients.**

- **Bank Deposit Compensation.** Under its agreement with TD Bank and TD Bank USA, TD Ameritrade, Inc. and TD Ameritrade Clearing receives from TD Bank USA a fee for services in connection with the IDA and Savings described above under "Indirect Compensation – Bank Deposit Compensation".
- **Sweep Vehicle Fees.** If a plan participant invests in a fund within TD Asset Management USA Funds, Inc. (TDAM), an affiliated money market fund family, or if a plan fiduciary has requested and utilizes a TDAM fund as a sweep vehicle, the following information is applicable. Pursuant to certain agreements by and among TDAM, its distributor, SEI Investments Distribution Co., TD Ameritrade Clearing and TD Ameritrade, Inc., fee payments of up to an aggregate of approximately 80 bps are paid by TDAM or its distributor to TD Ameritrade, Inc. and TD Ameritrade Clearing for sweep, subdistribution, shareholder services, subtransfer agency, recordkeeping, and administrative services. TDAM is managed by TDAM USA, Inc., an affiliate of TD Ameritrade, Inc. and TD Ameritrade Clearing. The amount paid to TD Ameritrade, Inc. and TD Ameritrade Clearing includes 12b-1 fees, absent the voluntary waivers of such fees that may be in place, and is calculated on net assets of TDAM distributed through TD Ameritrade, Inc. and TD Ameritrade Clearing. TD Ameritrade, Inc. receives and retains the shareholder servicing fees. TD Ameritrade Clearing receives and retains the subtransfer agency fees. TD Ameritrade Clearing receives the 12b-1 fees, to the extent they have not been waived as noted above, and remits them to TD Ameritrade, Inc.
- **Compensation in Connection with Self-Directed Brokerage Accounts. The following only applies if TD Ameritrade Trust Company acts as the custodian of the plan's assets:** If your plan allows plan participants to establish self-directed brokerage accounts ("SDBAs"), TD Ameritrade Trust may receive compensation for services provided to its broker-dealer affiliate, TD Ameritrade Clearing, pursuant to an arrangement regarding the establishment and maintenance of SDBAs at TD Ameritrade Clearing. The choice to establish an SDBA at TD Ameritrade Clearing is up to each individual participant, and TD Ameritrade Trust does not participate in the decision to establish an SDBA or in any investment decisions made by a plan participant for their SDBA. The rate of the fee paid to TD Ameritrade Trust is not dependent on the types of investments selected by any plan participant for their SDBA, but is calculated as a percentage (in bps) of the average balance of assets held in SDBA at TD Ameritrade Clearing on behalf of participants in your plan. The compensation that TD Ameritrade Trust receives from TD Ameritrade Clearing is paid quarterly. TD Ameritrade Trust's current rate of compensation is 6 bps (.06%). TD Ameritrade Trust's rate of compensation may change in the future. TD Ameritrade Trust may retain all or part of this compensation or may use some of it to offset expenses that would otherwise be payable by the plan. To the extent that TD Ameritrade Trust retains all or a portion of such payment, the amount retained constitutes additional compensation to TD Ameritrade Trust.

### Payments to Subcontractors

- **Prospectus Delivery and Shareholder Communications.** TD Ameritrade, Inc. utilizes the services of a third-party vendor, Broadridge Investor Communication Services (and its affiliates) (Broadridge) to provide prospectuses, certain other shareholder communications, as well as statements, confirms, and certain tax documents, to TD Ameritrade, Inc. clients. Under its agreements with Broadridge, TD Ameritrade, Inc. pays a fixed, per-unit-of-service fee with a scaled discount depending upon the total amount of services rendered.
- **Account Features and Services.** TD Ameritrade utilizes the services of numerous third-party subcontractors to provide technology, market data, third-party content, and other services to certain clients. These services are available to clients for use in connection with their management of their investments. Not all services are available to all clients. For retail clients, please also refer to <https://www.tdameritrade.com/tools-and-platforms.page>. Certain of these services are provided to TD Ameritrade clients via fixed-fee contracts that TD Ameritrade has entered into with these subcontractors.
- **Conferences, Gifts, and Entertainment.** Providers of products and services offered by TD Ameritrade may pay for sponsorships or otherwise make payments for TD Ameritrade conferences, meetings, gifts, meals, and entertainment in order to help defray the costs of these conferences and other business expenses. These amounts are not tied to specific transactions or reflected in the selection of any investments offered.

Investment Products: Not FDIC Insured \* No Bank Guarantee \* May Lose Value

TD Ameritrade Trust Company is a non-depository trust company, acts as a custodian and/or directed trustee.

TD Ameritrade Institutional, Division of TD Ameritrade, Inc. Brokerage services provided by TD Ameritrade, Inc. and TD Ameritrade Clearing, Inc., members FINRA/SIPC.

TD Bank, N.A., TD Bank USA, N.A., TD Asset Management USA Funds, Inc., and TD Ameritrade are affiliated through their parent companies.

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