



## **TDPCW Managed Account Program Brochure**

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This wrap fee brochure (the "Brochure") provides information about the qualifications and business practices of TD Private Client Wealth LLC ("**TDPCW**") and TDPCW's Managed Account programs for Institutional, High Net Worth and TD Investment Services US ("TDIS (US)") clients. If you have any questions about the contents of this Brochure, please contact TDPCW at 1-877-703-9896. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("**SEC**") or by any state securities authority.

TDPCW is registered with the SEC as an investment adviser and broker-dealer and is a member of the Financial Industry Regulatory Authority ("**FINRA**"), as a broker-dealer. Additional information about TDPCW is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Any reference to or use of the terms "registered investment adviser" or "registered" does not imply that TDPCW or any person associated with it has achieved a certain level of skill or training.

When TDPCW provides investment advisory services, it is a fiduciary under the Investment Advisers Act of 1940, as amended ("Advisers Act"). TDPCW has a duty to pursue its Clients' best interests, not subordinate Clients' interests to its own, and to make full and fair disclosure to its Clients of all material facts and conflicts of interest. The purpose of this Brochure is to disclose those material facts and conflicts of interest.

## ITEM 2 MATERIAL CHANGES

Since TDPCW filed its last annual amendment on January 31, 2022, TDPCW this Wrap Fee Brochure has been materially updated as follows:

- TDPCW has added a disciplinary disclosure to Item 9.

TDPCW will send a copy of this Brochure or a summary of material changes every year in or around February as required by the SEC. TDPCW may, at any time, update this Brochure. Clients may request and receive additional copies of this Brochure by:

- Electronically accessing the Brochure from <https://www.td.com/us/en/investing/documents/pdf/>, the TD Wealth website;
- Downloading the Brochure from the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Select “investment adviser firm” and type in “TD Private Client Wealth LLC”;
- Contacting TDPCW at **877-703-9896**.

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## ITEM 4 ADVISORY SERVICES

### A. SERVICES, FEES and COMPENSATION

TDPCW is a wholly-owned subsidiary of TD Bank, N.A. ("TD Bank"). TD Bank provides a broad range of traditional banking and investment services in the United States. TD Bank is a subsidiary of TD Bank US Holding Company. TD Bank US Holding Company is a subsidiary of TD Group US Holdings LLC. TD Group US Holdings LLC is a subsidiary of The Toronto-Dominion Bank (the "Bank").

TDPCW is registered as an investment adviser and broker-dealer with the SEC and is a member of FINRA and SIPC. TDPCW's investment advisory services include sponsoring wrap fee programs, as described in this Brochure.

TDPCW offers investment advisory services to clients (each a "Client," and together "Clients") through separate wrap fee programs: (1) Institutional Managed Accounts ("Institutional"); (2) High Net Worth Managed Accounts ("HNW"); (3) TD Investment Services (US) Managed Accounts ("TDIS (US)"); (4) TD Automated Investing; and (5) TD Automated Investing Plus.

This Brochure provides information about the Institutional, HNW and TDIS (US) managed investment advisory programs (each a "Managed Account Program," and together, the "Managed Account Programs") sponsored by TDPCW. Information about TD Automated Investing and TD Automated Investing Plus is described in a separate Form ADV brochure and can be obtained at the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Some TDPCW wrap fee programs offer the same and/or similar investment strategies through different sales channels at different fee levels. The wrap fee that Clients pay will vary, depending on the investment advisory program selected, and sometimes the fee will differ among Clients within the same program.

TDPCW also offers brokerage services to its Institutional and HNW Clients. For more information, see Item 4 **Brokerage and Custodian** and Item 9 below describing the range of available TDPCW brokerage services.

#### **Description of TDPCW Services.**

TDPCW offers Managed Account Programs to advisory clients for ongoing discretionary investment advice. These services include access to TDPCW's investment advisor representatives (collectively, "Advisors") who assist Clients in pursuing their financial goals by providing personalized investment services and investment solutions.

TDPCW's Institutional Managed Account Program provides discretionary investment advisory services to institutions including, but not limited to, taxable entities and nonprofit organizations such as endowments, foundations, associations, and municipalities, retirement plans subject to the Employee Retirement Income Security Act of 1974 ("ERISA") and non-ERISA retirement plans, as well as healthcare and educational entities.

Institutional Clients may consult with Advisors to review and/or seek guidance on their investment policy statement ("IPS"). With input from the Client, the Advisor can provide guidance in structuring the IPS, including each Client's investment goals, objectives, and risk tolerance, as communicated by the Client to their Advisor.

The IPS is also intended to outline a Client's investment strategy and any parameters or limitations the Client wishes to place on investments in their account. Clients are solely responsible for determining what is appropriate to include in their IPS, however, TDPCW may provide assistance or guidance, if requested. Notwithstanding any assistance provided by TDPCW, Client's remain ultimately responsible for ensuring the contents of each applicable IPS accurately reflects the financial circumstances, goals, objectives, guidelines and restrictions associated with an account.

TDPCW's HNW Managed Account Program is for high net worth, retirement clients and entity Clients who generally have over \$750,000 in investable assets and a total net worth of at least \$3 million. The HNW Managed Account Program also provides investment advisory services to ERISA plans, tax qualified plans of self-employed individuals ("SEPs"), individual retirement accounts ("IRAs"), and other tax-qualified accounts. Certain HNW Clients may also be eligible for banking, brokerage, lending, and other financial services through the TD Private Client Group. These services are provided and charged separately from the Client's HNW Managed Account. HNW Clients can ask their TDPCW Advisor to learn more about these offerings. For more information, see Item 9. D. "Other Financial Industry Activities and Affiliations".

TDPCW's TDIS (US) Managed Account Program is for individual Clients and small businesses that have at least \$100,000 in investable assets. TDIS (US) Managed Account Program also provides investment advisory services to SEPs and IRAs.

While all of Institutional, HNW, and TDIS Programs accept Clients who are entities, depending on the size and nature of the entity, individual natural person Clients are not able to open an account in the Institutional Managed Account Program. Natural person Clients are limited to the HNW and TDIS Managed Account Programs. Please refer to "Type of Clients" in Item 5 below for more information.

There are differences in the Client engagement and service models for each Managed Account Program which are described in more detail in this Item 4 and Item 5 below. Institutional, HNW and TDIS (US) are not separate registered investment advisers or legal entities, but are separate investment advisory programs offered by TDPCW.

TDPCW has entered into an agreement with Envestnet Asset Management Inc. ("Envestnet") to provide Clients with investment advisory, technological and administrative services and support including the use of systems provided by or through Envestnet. Envestnet provides the technology platform, transaction and trading execution, asset performance analysis, customer diagnostic reports and account reports for the Managed Account Program. Please refer to Envestnet's Form ADV Part 2A available at [adviserinfo.sec.gov](http://adviserinfo.sec.gov) for more information about Envestnet.

Epoch Investment Partners, Inc. ("Epoch") is an affiliate of TD Bank and TDPCW, and is a separate SEC registered investment adviser. Through Envestnet, Epoch provides TD Bank and TDPCW with investment management services and, for certain strategies, uses the brand TD Asset Management. TD Asset Management Inc. ("TDAM"), a Canadian-licensed portfolio manager and an affiliate of TDPCW, may provide advice and/or research to Epoch for use with TDPCW Clients. For more information, see Item 9 D. "Other Financial Industry Activities and Affiliations" below.

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An unaffiliated broker-dealer (the "Clearing Firm") provides custody services for Managed Account Program accounts and also provides trade execution and related services to implement the recommended TD Wealth Portfolios. TDPCW provides brokerage services as the introducing broker-dealer on transactions in clients' accounts within the Program. For additional information, see "Brokerage and Custodian" under this Item 4 below.

Clients may enroll, to the extent permitted by applicable law, in a program to deposit (i.e., "sweep") available cash balances that are pending investment, as well as any strategic cash balances allocated to cash, in a Managed Account to a bank deposit account held at TD Bank, N.A. or TD Bank USA N.A. or clients can opt to maintain cash balances in cash. For additional information, see "**Cash Balances and the Sweep Feature**" under this **Item 4** below.

#### **Opening a Managed Account Program Account**

Advisors for the Institutional Managed Account Program work with Institutional Clients to develop customized portfolios built around an investment philosophy that addresses capital preservation, risk mitigation and responsible growth. Advisors combine capital market assumptions with the investment advice of affiliated or third-party Portfolio Managers and are designed to work toward the Client's investment objectives as outlined in the Client's Investment Policy Statement. Advisors also provide the Client with a Risk Tolerance Questionnaire ("RTQ") to complete. In accordance with the Institutional Client's investment objectives and the RTQ, the Advisor will provide the Client with an investment recommendation that the Advisor believes meet the Institutional Client's specific circumstances.

Advisors for HNW and TDIS (US) Managed Account Programs work with Clients to develop a unique Client profile reflecting the Client's personal circumstances including investment objectives, goals, time horizon, risk tolerance and other relevant information to create a client profile ("Client Profile"). Advisors also provide the Client with a RTQ to complete. In accordance with the Client Profile and the RTQ, the Advisor will provide the Client with an investment recommendation that the Advisor believes meet the Client's specific circumstances.

All TDPCW Clients enter into an investment advisory agreement (the "Statement of Investment Selection") with TDPCW and Envestnet describing the Client's selected Managed Account Program and incorporating the agreed upon asset allocation, investment selection and fees and the TD Wealth Program Terms and Conditions.

Advisors provide on-going investment advice to the Client and monitor the Client's investments to confirm that they remain consistent with the Client's objectives and risk tolerance. Clients should promptly contact their Advisor in writing:

- any time the Client's financial situation or investment objectives change,
- any time information previously provided to the Advisor has materially changed,
- whenever the Client wishes to impose reasonable restrictions on the management of the Managed Account Program accounts, or
- whenever the Client wishes to reasonably modify existing restrictions.

Client failure to provide TDPCW with current, accurate information could adversely affect TDPCW and the Advisor's ability to effectively manage Client's assets within the Managed Account Program.

TDPCW does not provide legal, tax, or accounting advice to its Clients, and Clients are encouraged to consult their own advisors on these matters. **Managed Account Program**

#### **TDPCW Investment Programs**

The Managed Account Program provides Clients with access to continuous and discretionary investment management services through the TDPCW Investment Programs described below:

**TD Managed Portfolios.** TD Managed Portfolios is a discretionary program managed by TDPCW that utilizes unaffiliated mutual funds ("Mutual Funds") and exchange traded funds ("ETFs"). Within the TD Managed Portfolios, TDPCW has constructed a series of portfolios designed to meet various investment objectives and risk tolerances. The asset allocation for each portfolio is based on TDPCW's long-term outlook for various asset classes. These asset mixes may be tactically adjusted to reflect the shorter-term outlook for the financial markets and asset classes. The portfolio styles and asset classes selected depend upon the goals that each TD Managed Portfolio seeks to achieve. The Client must authorize the recommended strategy and authorize TDPCW and Envestnet to exercise discretionary trading authority.

**TD Guided Portfolios:** TD Guided Portfolios combine the investment expertise of various affiliated and unaffiliated asset managers ("Portfolio Managers") in multiple investment programs into a single discretionary Portfolio. This investment strategy utilizes Separately Managed Accounts ("SMAs"), models ("Models"), Mutual Funds and ETFs in a single Portfolio. The Client must authorize the recommended strategy and authorize TDPCW and Envestnet to exercise discretionary trading authority. SMAs and Models are managed according to the directions of one or more other investment advisers who act as sub-managers (each, a "Sub-Manager" and collectively, "Sub-Managers") pursuant to agreements entered into between the Sub-Manager and Envestnet. Envestnet provides investment advice with respect to the TD Guided Portfolios by delegating the Client's grant of investment discretion to each Sub-Manager, as applicable, and by implementing the strategies according to the instructions of each Sub-Manager.

**TD Premier Guided Portfolios:** TD Premier Guided Portfolios offer Clients the ability to customize their Portfolios and offers access to more investment strategies and managers than the TD Guided Portfolios. The TD Premier Guided Portfolios combine the investment expertise of Portfolio Managers in multiple investment programs into a single discretionary Portfolio, sometimes represented by multiple accounts. This investment strategy utilizes SMAs, Models, Mutual Funds and ETFs in a single Portfolio. The Client must authorize the recommended strategy and authorize TDPCW and Envestnet to exercise discretionary trading authority. Envestnet provides investment advice with respect to the TD Premier Guided Portfolios by delegating the Client's grant of investment discretion to a Sub-Manager, as applicable, and by implementing the strategies according to the instructions of the applicable Sub-Manager.

Models delivered through TD Managed Portfolios may be offered to Clients of the Institutional, HNW and TDIS (US) Managed Account Programs. Clients who invest through Institutional and HNW may invest in one or more of the TD Managed Portfolios, the TD Guided Portfolios and the TD Premier Guided Portfolios.

	<b>Institutional</b>	<b>High Net Worth</b>	<b>TDIS (US)</b>
<b>TDPCW Programs</b>	TD Managed Portfolios TD Guided Portfolios TD Premier Guided Portfolios	TD Managed Portfolios TD Guided Portfolios TD Premier Guided Portfolios	TD Managed Portfolios
<b>Service Model</b>	Access to dedicated TD Wealth Institutional Advisor team and introductions to the TD Bank commercial banking and lending teams	Access to dedicated TD Wealth Advisor team and referrals to TD Bank services for:  Private Banking Investments and Trusts	Access to dedicated Advisor and a dedicated Customer Service telephone line.



	<b>Institutional</b>	<b>High Net Worth</b>	<b>TDIS (US)</b>
	Investment Policy Statement support	Lending	
<b>Access to TDPCW Brokerage Accounts</b>	Available	Available	Not Available

### **Institutional Clients and Investment Policy Statements**

Advisors who work with Institutional Clients will consult with the Client to review and/or provide guidance on an Investment Policy Statement ("IPS"). With input from the Client, the Advisor will provide guidance in structuring the IPS so that it articulates the Client's investment goals, objectives, and risk tolerance.

The IPS is also intended to outline a Client's investment strategy and any parameters or limitations the Client wishes to place on investments in their account. Clients are solely responsible for determining what is appropriate to include in their IPS, however, TDPCW may provide assistance or guidance, if requested.

Institutional Clients may wish to create a separate and distinct IPS or work from a template IPS provided by TDPCW, which provides guidance on categories of information and structure, but cannot serve as the Client's IPS without Client input.

IPS guidance is not available to HNW and TDIS (US) Clients. While most HNW and TDIS Clients will complete an RTQ about their investment needs, these Clients are not permitted to provide an IPS for the management of their account.

### **Tax Management Services**

Clients with TD Guided Portfolios that maintain a specified balance may select the Tax Overlay Services and Custom Case Consulting Services available through Envestnet to help manage their realization of large unrealized gains. Neither TDPCW nor Envestnet provide tax advice in connection with Envestnet's Tax Overlay or Custom Case Consulting Services. Clients must consult with their personal tax advisor for advice specific to their individual circumstances and to develop tax goals that Envestnet will use in implementing a customized strategy.

### **Cash Balances and Sweep Feature**

Each Managed Account Program is designed to include a target cash allocation, which TCPCW may change in its discretion. Cash in a Client's Managed Account Program account will either be deposited into the Bank Sweep Product (discussed below) or held in cash. Each Managed Account Program will default to have available cash balances in a Client's account deposited ("swept") into the TD Wealth Bank Deposit Sweep Product ("Bank Sweep Product").

Clients also can elect to have cash balances remain in their Managed Account Program account, but these cash balances will not earn interest. Fees are charged on all cash balances. Because a Client will not be earning any interest in the cash in their account, the cash balances will have a negative return (money will be deducted for fees, reducing the cash balance).

### **Bank Sweep Product**

The Bank Sweep Product is intended for the deposit of available cash in a Managed Account Program account into bank deposit accounts ("Deposit Account") at TD Bank USA N.A. or TD Bank N.A. ("Program Banks"). The TD Wealth Bank Deposit Sweep Product Terms and Conditions can be found at <https://tdwealth.netxinvestor.com/nxi/disclosure/brokeragedisclosure/bankdepositsweepdisclosure>.

Cash in the Bank Sweep Product is subject to the applicable Managed Account Fees, as described in "Wrap Fee" under this **Item 4** below.

TDPCW decides the interest rate that is paid on the Bank Sweep Product to Clients. Currently, TDPCW sweeps the cash to an account that pays an interest rate that is subject to change without prior notice to clients.

TDPCW and/or its affiliates receive a portion of the interest that Clients earn in the Bank Sweep Product, and therefore TDPCW and/or its affiliates will benefit from additional revenues earned based on a Client's cash held in the Bank Deposit Product. TDPCW regularly reviews the stated interest rate to determine if it is competitive with the rate paid in other sweep programs.

Balances in the Deposit Account are covered by Federal Deposit Insurance Corporation ("FDIC") insurance, subject to applicable limits, terms and conditions, but are not protected by the Securities Investor Protection Corporation. TDPCW does not review or monitor FDIC insurance limits for Clients. Clients are responsible for monitoring the total amount of deposits that they have with the Program Banks to determine the extent of FDIC deposit insurance coverage available to them on their deposits. The TD Wealth Bank Deposit Sweep Disclosure provides further information about the Deposit Account, including the limits, terms and conditions of FDIC insurance coverage. The interest rate on the Deposit Account may be higher or lower than yields on other cash alternatives not available in the Programs, such as money market mutual funds.

The current interest rate for cash in the Deposit Account can be obtained by contacting your Advisor. The rate changes regularly, so it is prudent to check with your Advisor on at least a quarterly basis.

The Program Banks and TDPCW have a conflict of interest in setting the amount of interest that a Client will receive, and the amount of that interest that TDPCW will keep, as that will affect the additional compensation that TDPCW and its affiliates will earn. TDPCW also has a conflict of interest in determining how much of TD Wealth Portfolio is allocated to cash, as that also affects the amount of additional compensation TDPCW and its affiliates will earn. Finally, the Program Banks and TDPCW have a conflict of interest in selecting the cash sweep vehicles. Only TD-affiliated banks are currently used for the Bank Deposit Sweep, and TDPCW and/or its affiliates might not be able to set the interest rate or keep as much of the Client's interest if an unaffiliated bank were used. No money market funds are offered as cash sweep vehicles to Managed Account Program Clients. Although some money market funds offer higher yields than bank deposit accounts, if a money market fund was used TDPCW might not be able to earn as much compensation as it could earn from the Bank Sweep Product.

### **Reasonable Restrictions**

Clients can place reasonable restrictions on the management of their account by designating certain restrictions on specific securities, industries, and fixed income characteristics that should not be purchased or held in their Managed Account Program account, subject to Envestnet's and the SMA Manager's acceptance. Requests for restrictions can be made during the new account opening process or for an existing account by contacting the Client's Advisor.

Envestnet and the SMA Manager are not required to accept account restrictions that it deems unreasonable. Whether a particular restriction is reasonable will depend on the relevant facts and circumstances, including whether the restriction is inconsistent with the nature or operation of the Managed Account Program. Any restrictions a Client places on the management of his or her Managed Account Program account will cause the account to perform differently than similar, unrestricted accounts, possibly increasing costs or producing lower returns. Requests for restrictions relating to the underlying securities of a particular mutual fund or ETF will generally be deemed unreasonable, as Envestnet and the SMA Manager have no control over the underlying investments of a particular fund.

If Envestnet or the SMA Manager accepts a requested restriction on a specific security, they have the discretion to invest the portion of the Client's account that would have been invested, or was previously invested, in the restricted security in the other securities in the account (on a pro rata basis), to select a substitute security or to hold those assets in cash. Substitute ETFs and/or mutual funds could have fees or expenses that are higher than the ETFs and/or mutual funds normally used in the Programs. If a restriction request on a security that is currently held in a Client's account is accepted, the security will be sold consistent with the Client's Managed Account Program, and a Client may pay taxes on the sale.

#### **Brokerage and Custodian**

The Clearing Broker, in its capacity as an SEC-registered broker-dealer, provides clearing and trade execution services and serves as the custodian for accounts in the Managed Account Program. The Client must electronically agree and consent to a separate brokerage agreement with TDPCW as the introducing broker ("Customer Agreement") when enrolling in the Managed Account Program to establish the underlying brokerage account. In addition to the Clearing Broker serving as custodian, TDPCW may take physical custody of Client funds or securities in certain circumstances and for limited periods of time. These circumstances are generally limited to accepting a physical check from a Client or on behalf of a Client (for example, from TDPCW Advisor) for the purposes of investing those funds in the Client's advisory account.

The Clearing Broker provides a variety of services for the Managed Account Program, including holding Client account assets in custody, settling transactions, delivering electronic trade confirmations, account statements and tax reporting documentation, and other operational account-related services. The Clearing Broker will not provide (and should not be construed as providing) Clients with any investment advice in connection with the Managed Account Program.

Client acknowledges that by placing all trades with the Clearing Broker, Client may not receive the benefit of the lowest trade price then available for any particular transaction for the Managed Accounts. In effecting brokerage transactions, TDPCW, Envestnet, or a Sub-Manager, may consider not only available prices and commission rates (including the fact that certain transactions effected through Clearing Broker are included in the Managed Account Program Fee), but also other relevant factors such as execution capabilities and other services provided by Clearing Broker consistent with Section 28(e) of the Exchange Act. TDPCW, Envestnet or Sub-Managers have the authority to effect transactions for the Managed Accounts with or through another broker, dealer or bank if TDPCW, Envestnet or the Sub-Manager believes that "best execution" of transactions may be obtained through such other broker, dealer or bank, including any broker-dealer that is affiliated with TDPCW, Envestnet or the Sub-Manager. Client understands that the Clearing Broker does not provide advisory services of any kind to TDPCW Managed Account Program Clients.

The Managed Account Programs are discretionary investment advisory programs, and not self-directed brokerage services. Unlike self-directed brokerage accounts, Clients will not be able to place orders to buy or sell specific securities. Rather, TDPCW will place orders to buy and sell securities consistent with the discretionary authority it has under the Advisory Agreement. TDPCW reserves the right, at any time and without notice, to delay or suspend trading activity in the Managed Account Programs' accounts in its sole discretion. If TDPCW suspends or delays trading, requests to withdraw and transfer cash from the Managed Account Programs' accounts will continue to be honored. However, there may be a delay in the Managed Account Programs' ability to liquidate securities to cover requests for withdrawals in excess of the cash in a Managed Account Program account, or to invest existing or new cash balances.

## **B. OTHER ADVISORY SERVICES**

### **Pershing Retirement Plan Network**

TDPCW offers investment management and administrative services to qualified retirement plans that have separately engaged Pershing to provide custody and/or other ancillary services as part of the Pershing Retirement Plan Network pursuant to a separate agreement between the Client and Pershing. Managed Account Program services are available to qualified retirement plans through the Pershing Retirement Plan Network. TDPCW does not provide any advice in connection with the administrative services and does not assume fiduciary obligations with respect to the Client or underlying qualified retirement plan.

## **C. WRAP FEES**

### **General**

TDPCW Clients pay a fee (the "Managed Account Program Fee") based on the total assets under management ("AUM") in the Client's Managed Account Program, which are based on the total amount of advised assets ("Program Assets"). The Managed Account Program Fee includes advisory and investment management services as well as execution services. The Managed Account Program Fee that a Client will pay will be indicated in the Client's Statement of Investment Selection.

The Managed Account Program Fee also may include, depending upon a Client's selected Managed Program:

- (1) Platform Fee including custody services fees;
- (2) Investment manager fees for Clients with investments in a SMA or Model; and
- (3) Tax Overlay Services and Custom Case Consulting Services fees, if applicable.

No separate brokerage commissions will be charged by TDPCW for trades executed within the Managed Account Program. The Managed Account Program Fee will be charged on all Managed Account Program assets, including all uninvested cash balances within the Client's account.

Advisors may combine multiple accounts in the Managed Account Program for purposes of calculating the Managed Account Program Fee. There is no minimum annual fee for the TD Managed Portfolios, TD Guided Portfolios, and TD Premier Guided Portfolios.

Clients of the Pershing Retirement Plan Network will be charged separate custody and other ancillary fees pursuant to their agreement with Pershing.

A Managed Account Program Fee charged may differ between Clients holding similar portfolios or having the same size of assets under management, regardless of the type of Managed Account Program selected.

### **Institutional**

Institutional Clients are charged fees based on a tiered asset-based fee model described in detail under "Institutional and High Net Worth Fee Schedule" below. Institutional Clients may negotiate or receive discounts on Managed Account Program Fees on a case-by-case basis at TDPCW's sole discretion.

Factors that may impact the Managed Account Program Fee charged on an Institutional Client's account may include prior or existing relationships, the overall TD Bank relationship, and anticipated future services. As a result, TDPCW may also, in its sole discretion, choose to waive all or a portion of negotiated fees for a given period.

For Institutional Clients, the total Managed Account Program Fee may change over time due to changes in a Client's Managed Account Program accounts including the amount of assets in a specific Managed Account Program, changes in selected investment managers, the amounts allocated to particular investment managers, account rebalancing, and investment performance. Changes could result in a higher or lower Managed Account Program Fee being charged.

### **High Net Worth**

HNW Clients are charged fees based on a tiered asset-based fee model described in detail under "Institutional and High Net Worth Fee Schedule" below. HNW Clients may negotiate or receive discounts on Managed Account Program Fees on a case-by-case basis at TDPCW's sole discretion. Factors that may impact the Managed Account Program Fee charged on a HNW Client's account may include prior or existing client relationships, the anticipated number or volume of trades and anticipated future services. As a result, TDPCW may also, in its sole discretion, choose to waive all or a portion of negotiated fees for a given period.

For HNW Clients, the total Managed Account Program Fee may change over time due to changes in a Client's Managed Account Program accounts including the amount of assets in a specific Managed Account Program, changes in selected investment managers, the amounts allocated to particular investment managers, account rebalancing, and investment performance. Changes could result in a higher or lower Managed Account Program Fee being charged.

### **TDIS (US)**

TDIS (US) Clients pay a fixed fee regardless of the total assets under management and, typically, the fixed fee may not be negotiated or discounted. TDIS (US) Clients may pay a higher fee than a HNW Client for the same Managed Account Program offering and receive fewer services as a result of the TDIS (US) service model.

## **D. HOW FEES ARE CHARGED AND PAID**

The Managed Account Program Fee for the first quarter in which a Client participates in the Managed Account Program is calculated on a pro-rata basis and debited in the month immediately following the account's opening, based on the average daily balance of the account on the date the assets are placed in the Managed Account Program until the end of the same month.

Subsequent Managed Account Program Fees will be charged quarterly in advance, on or about the 10th business day of January, April, July and October (each, the beginning of a calendar quarter), based on the average daily balance of the previous calendar quarter. All fees are automatically deducted from the Client's TDPCW account(s). Product changes may trigger billing recalculations that result in a debit or credit of fees to a Client's account.

TDPCW and the Client are contractually bound, with respect to the Managed Account Program services, in accordance with the Statement of Investor Selection and Terms and Conditions (together, the "Advisory Contract"). If the Advisory Contract is terminated by either party by written notice in accordance with the terms of the Advisory Contract, following receipt of notice of termination, TDPCW will refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

## **E. FEE SCHEDULES**

### **Institutional and HNW Equity/Balanced Fee Schedule**

The Equity/Balanced Fee Schedule (the "Equity/Balanced Fee Schedule") for Institutional and HNW Clients is provided below. The Institutional and HNW Equity/Balanced Fee Schedule indicates the Incremental Maximum Fee Per Annum paid to TDPCW for advisory, custody, and platform fees.

#### **Equity/Balanced Fee Schedule**

Equity / Balanced Account	
Total AUM	Incremental Maximum Fee Per Annum
First \$1,000,000	<b>1.50%</b>
Next \$1,000,000	<b>1.05%</b>
Next \$2,000,000	<b>0.85%</b>
Over \$4,000,000	<b>0.65%</b>

### Fixed Income Fee Schedule

Clients will be charged in accordance with the Fixed Income Fee Schedule based on the Client's asset allocation for the TD Managed Portfolio and the Advisor's determination of the appropriate Fee Schedule further to the composition of Client's TD Guided and TD Premier Guided Portfolios.

### Fixed Income Fee Schedule

First \$1,000,000	<b>0.85%</b>
Next \$1,000,000	<b>0.75%</b>
Next \$2,000,000	<b>0.65%</b>
Over \$4,000,000	<b>0.45%</b>

### TDIS (US) Fee Schedule

Clients of the TDIS (US) pay a fixed fee as a percentage of the Clients AUM. TDIS (US) Clients are charged either the Equity/Balanced Fee Schedule or the Fixed Income Fee Schedule below depending on the Client's chosen asset allocation in the TD Managed Portfolios. TDIS (US) Clients may pay a higher fee than an Institutional or HNW Client for the same Managed Account Program offering and receive fewer services as a result of the TDIS (US) service model.

The fees for TDIS (US) are represented below:

#### TDIS (US) Equity/Balanced Fee Schedule:

Equity/Balanced	
All Assets	1.10%

#### TDIS (US) Fixed Income Fee Schedule:

Fixed Income	
All Assets	0.85%

## F. ADDITIONAL FEES

The Managed Account Program Fee charged to a Client will include advisory and investment management services; platform fees; execution services; custody services (except qualified retirement plans that participate in the Pershing Retirement Plan Network); investment manager fees for SMAs and Models and, where selected by an eligible Client, the Envestnet Tax Overlay Services and Custom Case

Consulting Services fees. No separate brokerage commissions will be charged by TDPCW for trades executed within the Managed Account by the Clearing Broker.

Additional fees and charges imposed by custodians, brokers, investment managers, and other third parties may include, but are not limited to:

- internal fees, expenses, and charges imposed by mutual funds and ETFs,
- mutual fund redemption fees and/or short-term trading fees,
- investment management fees charged by SMA and/or Model investment managers,
- brokerage commissions, costs, and/or mark-ups and mark-downs incurred when trades are executed by a broker-dealer other than the Clearing Broker,
- account closing/transfer costs,
- processing fees or certain other costs or charges that may be imposed by third parties (including, among other things, odd-lot differentials, transfer taxes, foreign custody fees, exchange fees, supplemental transaction fees, regulatory fees and other fees or taxes that may be imposed pursuant to law), and
- certain non-brokerage-related fees such as ERISA plan or retirement account trustee or custodian fees, tax-qualified retirement plan account fees, and retirement account termination fees.

### **Mutual Funds and ETFs**

Clients invested in Mutual Funds and ETFs are charged all internal management fees and other expenses charged by the Mutual Funds and/or ETFs. All fund fees and expenses are disclosed in each Mutual Fund's or ETF's prospectus (delivered to Clients by Pershing) and are exclusive of and in addition to the Managed Account Program Fee. These fees are paid directly by the Mutual Fund or ETF but are ultimately borne by the Client. TDPCW does not receive any portion of the fund management fees, commissions, or other expenses charged by Mutual Funds or ETFs.

### **SMAs and Models**

Clients with investments in a SMA or Model will pay fees charged by each SMA's and/or Model's investment managers that are incorporated into the Managed Account Program Fee charged to the Client. Investment manager fees for SMAs and Models will be included in the overall Managed Account Program but will not impact the amount of fees retained by TDPCW. The investment manager fees will vary depending on the investment manager and the investment strategy of the investment manager. The asset-based fees of the investment managers on the TDPCW platform generally range from 0.15% to 1.15% per annum.

### **Tax Overlay Services**

Clients who are eligible for and select the Envestnet Tax Overlay Services and/or Custom Case Consulting Services are charged additional fees that are incorporated into the Managed Account Program Fee charged to the Client.

### **Pershing Retirement Plan Network**

Clients that participate in the Pershing Retirement Plan Network will pay a custodian fee directly to Pershing which is exclusive of and in addition to the Managed Account Program Fee. Pershing Retirement Plan Network Clients who engage other third parties to provide services related to their account through the Pershing Retirement Plan Network, such as trustee and participant distribution services, will pay fees and charges to the third-party service providers which are separate from and in addition to the Managed Account Program Fee. TDPCW is not responsible for services provided by third parties in connection with the account. Where ERISA Plan Clients have engaged Pershing to provide custodial services through the Retirement Plan Network, custody services will not be included as part of the Managed Account Program Fee.



**Step Out Trades and Trading Away**

The Managed Account Program Fee does not cover commissions, commission equivalents (mark-ups/mark-downs), or other charges resulting from transactions not effected through the Clearing Broker ("trading away"). Envestnet and Sub-Managers within the TD Guided Portfolios and TD Premier Guided Portfolios have discretion to effect brokerage transactions with or through another broker-dealer other than Clearing Broker if Envestnet or the Sub-Managers believe that "best execution" of transactions may be obtained through such other broker-dealer, including any broker-dealer that is affiliated with TDPCW, Envestnet, or the Sub-Managers. These transactions, referred to as "step out" trades, are trades between two brokers. In some instances, the other firm executes step out trades without any additional commission or markup or markdown, but in other instances, the executing firm will charge a commission or a markup or markdown on the trade.

If Envestnet or a Sub-Manager places trade orders with a firm other than Clearing Broker, and the other firm imposes a commission or an equivalent fee on the trade (including a commission embedded in the price of the investment (such as a markup or markdown), Client will pay trading costs in addition to the Managed Account Program Fee. These trading costs will not appear on the Client's trade confirmations. Some Sub-Managers have historically placed nearly all Client trades with broker-dealer firms other than Clearing Broker for execution, especially those Sub-Managers offering fixed income, foreign and small cap strategies. As a result, these types of Sub-Managers and their strategies could be costlier than Sub-Managers that primarily place client trade orders with Clearing Broker for execution.

Envestnet and each of the Sub-Managers are solely responsible for ensuring that they comply with their best execution obligations to Clients. Clients should review Envestnet's and each Sub-Manager's trading in the Client's Account because TDPCW does not monitor, review or evaluate whether Envestnet or Sub-Managers are complying with their best execution obligations to the Client. Clients should review Envestnet's and Sub-Manager's Form ADV Part 2A Brochure, inquire about Envestnet's or Sub-Manager's trading practices, and consider that information carefully, before selecting a Sub-Manager. Clients should carefully consider any additional trading costs they may incur before selecting a Sub-Manager.

Any information about Envestnet and each Sub-Manager trading provided by TDPCW to a Client is based solely upon the information Envestnet and the Sub-Manager provides to TDPCW. TDPCW has not independently verified the information, and as a result, none of TDPCW or any of its affiliates or associates makes any representation as to the accuracy of this information. Please contact TDPCW or your Advisor for more information regarding commissions and transaction costs associated with step out trades.

**TDPCW Affiliates**

Affiliates of TDPCW will receive fees and charges when SMAs or Models sub-managed by them are utilized in a Client's Managed Account Program accounts.

When utilizing affiliated SMA or Model Sub-Managers, TD Bank earns more compensation than it would if the Client selected a non-affiliated SMA or Model Sub-Manager because the fees a Client pays for investment management and/or other services are retained by TD Bank and its affiliates.

## **G. COMPENSATION**

TDPCW pays a portion of the advisory fees it receives to its Advisors based on the amount of assets a Client invests. TDPCW Advisors can also earn a discretionary award based on contributions to and the overall profitability of TDPCW; this discretionary award is not tied to the type of services or investments sold or recommended. Advisors have an incentive to recommend to Clients products and services that would be expected to result in additional revenue to TDPCW.

When an Advisor is acting in an advisory capacity, there is an incentive to encourage the Client to invest more through the advisory account in order to produce greater overall revenue for TDPCW and its affiliates.

### **Other Benefits**

Advisors are also eligible to receive other reasonable benefits from third party sponsors such as conferences (for education, networking, training, and personal and professional development) and other forms of non-cash compensation (such as gifts, travel expenses, entertainment) for recommending their products over others. These benefits create an incentive for your Advisor to recommend certain third-party products and services over others in order to maximize the benefits they receive. TDPCW mitigates these conflicts by training and supervising its Advisors and disclosing these conflicts to you. See Item 9 for additional "Conflict of Interest" information.

## ITEM 5 TYPES OF CLIENTS AND ACCOUNT REQUIREMENTS

TDPCW requires that all Clients who wish to open and maintain one or more advisory accounts with TDPCW sign the Advisory Contract.

### **Institutional Clients**

The Institutional Managed Account Program provides discretionary investment advisory services to all types of Institutional clients including taxable entities and nonprofit organizations such as endowments, foundations, associations, and municipalities, ERISA Plan and non-ERISA Plan accounts, as well as healthcare and educational entities. The Institutional Managed Account Program also provides investment advisory services to ERISA and non-ERISA plans.

### **High Net Worth Clients**

TDPCW's HNW Managed Account Program provides investment advisory services to high-net-worth individuals and certain entities. The HNW Managed Account Program also provides investment advisory services to ERISA plans, SEPS, IRAs, and other tax-qualified accounts.

The HNW Managed Account Program generally requires that Clients have a minimum of \$750,000 in investable assets for individuals or a net worth of at least \$3,000,000. HNW Clients have access to and are given referrals through the TD Private Client Group to services offered through TD Bank, including, but not limited to, TD Private Banking, TD Investments and Trusts, and TDPCW and TD Bank Lending.

### **TD Investment Services (US) Clients**

TDIS (US) provides investment advisory services to individuals, trusts and small business entities and other eligible Clients. TDIS (US) provides investment advisory services to IRAs. TDIS (US) generally requires that Clients have a minimum of at least \$100,000 in investable assets. Clients of TDIS (US) may only invest in the TD Managed Portfolios.

The initial minimum investments for Managed Account Programs offered are listed below.

Program Name	Initial Minimum Investment
TD Managed Portfolios	\$10,000
TD Guided Portfolios	\$100,000
TD Premier Guided Portfolios	\$500,000

Under certain circumstances the initial minimum account size may be waived.

Institutional Clients and HNW Clients who select a SMA or Model for their TD Premier Guided Portfolios or TD Guided Portfolios (including TD Guided Portfolios) will be subject to different account minimums set forth by the SMA or Model's Sub-Manager.

Institutional and HNW Clients in the TD Guided Portfolios who select the Tax Overlay and/or Custom Care Consulting Services must maintain a minimum investment of \$250,000. TDPCW and/or Envestnet may terminate Tax Overlay Service and/or Custom Case Consulting Services when a Client's accounts fall below this account minimum in their discretion.

Retirement accounts may be subject to certain TDPCW policies, restrictions and other terms and conditions that are different from those applicable to other accounts in the Managed Account Program. Such policies, restrictions and other terms and conditions may affect, for example, the Mutual Funds, ETFs and Sub-Managers that may be available for selection for the management of such accounts, the products that may be available for investment in such accounts, the manner in which transactions may be effected in such accounts and the fees and expenses that may be charged to such accounts. As a result, application of the policies, restrictions and other terms and conditions may result in the performance of ERISA and IRA accounts being worse than it would have been absent such policies, restrictions and terms and conditions.

## **ITEM 6 PORTFOLIO MANAGER SELECTION AND EVALUATION**

### **A. TD PORTFOLIOS**

#### **TD Managed Portfolios**

The TD Managed Portfolios is a discretionary program managed by TDPCW that utilizes unaffiliated Mutual Funds and ETFs. Within the TD Managed Portfolios, TDPCW provides guidance on asset allocation for a range of investment goals and risk tolerances. The TD Managed Portfolios are designed for Clients seeking a long-term approach to investing. TD Managed Portfolios seek to provide model portfolios for different investment goals, objectives, and risk tolerances. TD Managed Portfolios utilize both a strategic and tactical approach to asset allocation. Envestnet does not provide investment advisory services or exercise discretion over Client accounts that are invested in the TD Managed Portfolios. The TD Managed Portfolios may be used as a standalone option for a Client or within the TD Guided Portfolios and TD Premier Guided Portfolios.

#### **TD Guided Portfolios**

The TD Guided Portfolios program combines the investment expertise of various affiliated and non-affiliated asset managers ("Portfolio Managers") in multiple investment programs into a single discretionary portfolio. This investment strategy features the benefits of Mutual Funds and ETFs and affiliated and non-affiliated SMAs and Models in a single discretionary Portfolio. TDPCW provides guidance on asset allocation for a range of investment goals and risk tolerances. The Advisor, in consultation with the Client, can customize the Portfolio to reflect the Client's unique circumstances and preferences and to reflect changes in market environments by adjusting the asset allocation and selecting appropriate investment strategies from an approved list of SMAs, Models, Mutual Funds and ETFs identified by TDPCW.

#### **TD Premier Guided Portfolios**

The TD Premier Guided Portfolios offer Clients further ability to customize their portfolios and provide access to more investment strategies and managers than the TD Guided Portfolios. The TD Premier Guided Portfolios combine the investment expertise of Portfolio Managers in multiple investment programs into a single discretionary portfolio, sometimes represented by multiple accounts. Like the TD Guided Portfolios, this investment strategy features the benefits of Mutual Funds and ETFs and affiliated and non-affiliated SMAs and Models in a single portfolio. TDPCW provides guidance on asset allocation for a range of investment goals and risk tolerance. An Advisor, in consultation with the Client, can customize the portfolio to reflect the Client's unique circumstances and preferences as well as to reflect changes in market environments.

## **B. ASSET ALLOCATION**

Within the TD Managed Portfolios, TD Guided Portfolios, and TD Premier Guided Portfolios, strategic asset allocation models have been developed that pursue different investment goals, objectives and risk tolerances based on TDPCW's long-term outlook for various asset classes. The asset allocations for the Managed Account Programs are determined using a number of analytical tools and consider a variety of factors including historical rates of return and risk for a broad range of asset classes, correlation across asset classes and downside risk metrics.

For Institutional Clients, Advisors may advise Clients as to an appropriate strategic asset allocation based on the parameters set forth in the Client's IPS.

TDPCW helps HNW and TDIS (US) Clients determine an appropriate asset allocation within one of the Managed Account Programs. The appropriate asset allocation is based on a combination of an analysis and review of the Client Profile and a separate RTQ.

TDPCW may request asset allocation advice from TDAM, when developing strategic asset allocations for the TD Managed Portfolios, the TD Guided Portfolios, and the TD Premier Guided Portfolios. TDPCW ultimately determines the appropriate asset allocation framework for the TD Managed Portfolios, the TD Guided Portfolios and the TD Premier Guided Portfolios.

Asset class mixes within TD Guided and TD Premier Guided portfolios may be tactically adjusted where appropriate to respond to changing market conditions, to pursue market opportunities, and/or to reflect TDPCW's outlook for the financial markets and asset classes, where deemed necessary by TDPCW and/or your Advisor.

Asset class mixes within the TD Managed Portfolios may be tactically adjusted where appropriate to respond to changing market conditions. The tactical asset allocation of the TD Managed Portfolios is set by TDPCW with support from the TD Wealth Asset Allocation Committee ("WAAC"), a committee of the global TD Wealth organization.

WAAC meets formally at least quarterly to consider macro-economic conditions as well as valuation drivers across appropriate markets. Following each meeting, the WAAC's positioning, rationale, and recommended asset allocation adjustments are communicated to TDPCW for the benefit of Client accounts. WAAC insights and recommendations are considered by TDPCW for adoption as TDPCW policy after considering the impact to Client portfolios. If TDPCW determines that a tactical change to the asset allocation policy is appropriate, TDPCW will determine the appropriate timing and implementation of the tactical asset allocation adjustments and execute adjustments.

## **C. PORTFOLIO CONSTRUCTION**

For Institutional Clients with an Investment Policy Statement, the Advisor will determine a strategic asset mix that includes different allocations for asset classes (such as equity/ fixed income), geographical exposures (such as domestic/international), capitalization exposure (e.g., small/large cap), and/or style exposures (such as growth/value). The Advisor will then implement the strategy utilizing a selection of Mutual Funds, SMAs, Models, and/or ETFs that fit within the preferences and needs of the Client.

Each investment selected for the Portfolio is screened and reviewed using the due diligence process below. The Advisor will work to select the appropriate construction and execute changes where appropriate based on market conditions, investment performance, and changes in TDPCW's investment outlook.

### **TD Managed Portfolios**

Within the TD Managed Portfolios, asset allocation strategies are executed by combining the asset allocation appropriate for each Client's risk appetite with TDPCW's investment selections. Within the TD Managed Portfolios, TDPCW has developed various model portfolios to pursue different investment objectives, goals, and risk tolerances. Each model includes different allocations for asset classes (such as equity/ fixed income), geographical exposures (such as domestic/international), capitalization exposure (e.g., small/large cap), and/or style exposures (such as growth/value). The investment selection for the TD Managed Portfolios is determined using a number of proprietary analytical tools and considers a variety of factors including historical rates of return and risk for a broad range of asset classes, correlation across asset classes and downside risk metrics.

The TD Managed Portfolios may include allocations to affiliated products. Each investment selected within the TD Managed Portfolios is screened and reviewed using the due diligence process described below.

### **TD Guided Portfolios and TD Premier Guided Portfolios**

Within the TD Guided Portfolios and TD Premier Guided Portfolios, TDPCW will help the Client determine an appropriate strategic asset mix and will help the Client customize TDPCW's strategic asset allocation model to reflect the Client's specific preferences, objectives, restrictions, and goals. The selected asset allocation is executed by combining the asset allocation appropriate for each Client's risk appetite with the Client's investment selection. Advisors will work with the Client to select Mutual Funds, SMAs, Models, and/or ETFs that fit within the asset allocation framework appropriate for the Client.

Each investment selected within the TD Guided Portfolios or TD Premier Guided Portfolios is screened and reviewed using the due diligence process below. The Advisor and the Client will work together to select the appropriate construction within the TD Guided Portfolios or TD Premier Guided Portfolios and the Advisor will execute changes where appropriate based on market conditions, investment performance, and changes in TDPCW's investment outlook.

### **Allocation to Affiliated Products within the Portfolios**

When TDPCW requests asset allocation recommendations from its affiliate, TDAM, and TDAM's asset allocation recommendation leads TDPCW to engage an affiliated Sub-Manager, TDAM, its affiliates, and the Bank will receive a benefit and the Client may be charged higher management fees than if the allocation recommendation resulted in the engagement of an unaffiliated Sub-Manager. Clients may direct TDPCW not to invest their assets in, or recommend investments in, affiliated SMAs and Models subject to reasonable restrictions. See Item 9, "Conflicts of Interest" below for a further description of TDPCW's conflicts of interest.

## **D. PORTFOLIO MANAGER SELECTION AND EVALUATION**

TDPCW employs sophisticated quantitative and in-depth qualitative measures to research and select managers and strategies suitable for inclusion within the TDPCW Wealth Portfolios. Selected managers and strategies are placed on an approved list (the "Approved List") which is monitored on an ongoing basis. Only SMAs, Models, Mutual Funds, and ETFs that appear on the Approved List will be used to construct the TD Managed Portfolios, the TD Guided Portfolios, and the TD Premier Guided Portfolios.

### **Selection and Evaluation of Affiliated SMAs and Models**

TDPCW has greater access and insight to the organizational structure, investment team history, risk management culture, investment philosophy, and analytical process for SMAs and Models offered by its affiliates and generally prefers to include affiliated SMAs and Models on the Approved List. While affiliated SMAs and Models undergo a screening and review process, TDPCW will generally select an affiliated SMA or Model over a non-affiliated product unless the non-affiliated product provides significantly greater value. TDPCW may also select an affiliated product that charges higher fees and expenses than a non-affiliated product as long as the affiliated product is otherwise appropriate, and the fees are comparable. Clients have the ability to direct TDPCW not to invest their assets in or recommend investments in affiliated products, subject to reasonable restrictions. See Item 9, "Conflicts of Interest" for more information on TDPCW's conflicts of interest.

### **Selection and Evaluation of Non-Affiliated SMAs, Models, and Mutual Funds**

TDPCW relies on the Envestnet PMC portfolio consulting group to provide screening, analysis, and due diligence services on behalf of TDPCW for non-affiliated, third-party asset managers, SMAs, Models, and Mutual Funds for inclusion within the Approved List. TDPCW may also perform screening, analysis, and due diligence on third-party asset managers, SMAs, Models, and Mutual Funds not covered by Envestnet PMC for inclusion within the Approved List. TDPCW also conducts ongoing due diligence and oversight of the services provided by Envestnet PMC to ensure that the firm continues to meet the standards for independent and comprehensive manager due diligence for the strategies they cover for TDPCW. See the Envestnet Form ADV Part 2A for details on the Envestnet PMC Investment Strategy, Fund Research and Due Diligence methodology.



### **Pre-Screening**

TDPCW may pre-screen SMAs, Models, and Mutual Funds prior to further consideration for an in-depth quantitative and qualitative assessment before they are included on the Approved List. The pre-screening process may take into consideration: (1) firm assets under management, (2) strategy size, (3) operating history, and (4) performance history. SMAs, Models, or Mutual Funds that do not meet the pre-screening criteria, may nonetheless be considered and analyzed during the quantitative and qualitative assessment stage if there is a compelling and documented rationale for consideration.

### **Quantitative Assessment**

TDPCW evaluates SMAs, Models, and Mutual Funds based on a range of quantitative criteria prior to recommending them for inclusion on the Approved List. This process involves analyzing several risk and return measures including peer group ranking, trailing return history, performance and style consistency, and volatility measures.

TDPCW uses performance information which may include risk-adjusted, upside/downside capture ratios, volatility and tracking error measures. The quantitative analysis may consider performance data from a SMA, Model, or Mutual Fund manager's prior performance in another SMA, Model, or Mutual Fund, where appropriate based on objective criteria.

The goal of the quantitative analysis is to help identify managers that exhibit consistent above-average performance and/or below-average risk on a relative basis by gauging the performance history of each investment against its peers and benchmark on an absolute-return and risk-adjusted return basis. The criteria employed for each SMA, Model, and Mutual Fund may not be identical and instead are typically based on the nature of the portfolios and investment philosophy.

### **Qualitative Assessment**

If TDPCW determines that a SMA, Model, or Mutual Fund demonstrates desirable characteristics during the quantitative assessment, the team will analyze the qualitative aspects of the SMA, Model, or Mutual Fund. Qualitative analysis relies on an investigation of the manager and review of the qualitative factors that can influence portfolio returns. This includes a review of the manager's investment style or approach, the strategy, process and methodology they apply to build and maintain portfolios, and their underlying investment philosophy. These aspects are then reviewed in the context of the tools, infrastructure and support resources that can be applied to support or drive the investment process. Some of the qualitative characteristics that are reviewed include manager tenure and experience, portfolio management discipline, research capabilities and organizational strength. The goal of the qualitative assessment is to identify SMAs, Models, or Mutual Funds that have experienced investment professionals, research capabilities, follow intelligent strategies and have established and disciplined investment processes in addition to organizational strength. TDPCW reviews information regarding the SMAs, Models, and Mutual Funds from various sources, including, but not limited to, the sponsor's website, publicly available sources, regulator websites, commercially available databases and in-person meetings.

### **TDPCW Wealth Investment Risk Oversight Committee**

The analysis and recommendation of each SMA, Model, and Mutual Fund is presented to the TDPCW Wealth Investment Risk Oversight Committee ("WIROC"), a TDPCW committee comprised of business and product leaders and control partners who review and vote for inclusion on the Approved List.

WIROC has reviewed and approved Envestnet's PMC Research and Due Diligence process making any strategy designated by Envestnet PMC as Approved Quantitative (passive products only) or Approved Qualitative available for platform addition. TDPCW will not make every Envestnet strategy available but will choose from the Envestnet PMC lists to recommend additions which WIROC will consider for inclusion on the Approved List.

WIROC will also review TDPCW's recommendations to determine whether the product is appropriate for inclusion on the Approved List.

WIROC approves all SMAs, Models and Mutual Funds by majority vote. Certain control-group personnel have veto authority to prevent a SMA, Model, or Mutual Fund from being included on the Approved List. WIROC meets on a quarterly basis to review, among other things, recommendations for changes to the Approved List and has established an approval process whereby a SMA, Model, ETF or Mutual Fund may be added to the Approved List intra-quarter.

#### **Selection and Evaluation of ETFs**

TDPCW relies on Envestnet PMC Portfolio Consulting Group to provide screening, analysis, and due diligence services on behalf of TDPCW for all non-affiliated ETFs, and to provide recommendations of ETFs for inclusion on the Approved List. See the Envestnet Form ADV Part 2A for details on the Envestnet PMC Investment Strategy, Fund Research and Due Diligence methodology.

TDPCW performs screening on third party ETFs not covered by Envestnet PMC for inclusion within the Approved List. When TDPCW is assessing ETFs, a quantitative review is performed which includes, but is not limited to, reviewing the ETF's metrics such as the underlying index, size of fund/firm, tracking error and expenses.

The TDPCW analysis and recommendation of each ETF is presented to WIROC for review and approval for inclusion on the Approved List.

WIROC approves all ETFs by majority vote. Certain control-group personnel have veto authority to prevent an ETF from being included on the Approved List. WIROC meets on a quarterly basis to review, among other things, recommendations for changes to the Approved List and has established an approval process whereby an ETF may be approved on the Approved List intra-quarter.

#### **Investment Monitoring**

TDPCW relies on Envestnet PMC to provide ongoing due diligence and monitoring services on behalf of TDPCW for non-affiliated asset managers, SMAs, Models, Mutual Funds, and ETFs on the Approved List. TDPCW performs ongoing due diligence and monitoring of any third-party asset managers covered by TDPCW and all affiliated asset managers, SMAs and Models on the Approved List. When performing ongoing due diligence and monitoring, TDPCW use the following methodology.

**Ongoing Due Diligence and Monitoring**

TDPCW conducts quarterly performance reviews, periodic manager interviews, and ongoing oversight and monitoring of the SMAs, Models, Mutual Funds and ETFs on the Approved List. TDPCW maintains a proprietary flagging system that monitors SMA, Model, Mutual Fund and ETF performance with benchmarks generally for three- and five-year periods, where data is available.

**Quarterly Review**

TDPCW conducts periodic performance reviews of all investment products on the Approved List and meets on a quarterly basis to review, among other things, performance, products that have been flagged, recommendations for additions/terminations from the Approved List, macro- level industry developments, and asset flows. Recommendations for changes to the Approved List are typically discussed on a quarterly basis but may also take place intra-quarter.

**Manager Interviews**

TDPCW conducts periodic due diligence reviews for all Approved Qualitative SMAs, Models and Mutual Funds on the Approved List. The SMA, Model or Mutual Fund manager interviews and due diligence reviews are meant to confirm consistency in the firms practices and performance, and may include, among other things, review of the organization, investment manager and investment team, investment process and philosophy, sell disciplines, risk controls, performance data, performance benchmarks, fees, compensation, and regulatory compliance.

**Performance Data**

WIROC reviews performance data for all SMAs, Models, Mutual Funds and ETFs on the Approved List on a periodic basis.

**Changes to the Approved List**

TDPCW may remove or replace any SMA, Model, Mutual Fund or ETF on the Approved List as performance, market conditions, or other circumstances dictate. In some circumstances, TDPCW and/or Envestnet PMC may determine that an SMA, Model, Mutual Fund, or ETF no longer demonstrates characteristics supportive of a recommendation and may determine that an SMA, Model, Mutual Fund, or ETF be removed from the platform. The recommendation to remove a product is presented to WIROC for removal from the Approved List. WIROC meets on a quarterly basis to review recommendations for changes to the Approved List and has established an approval process whereby a SMA, Model, Mutual Fund, or ETF may be removed from the Approved List intra-quarter. When appropriate, TDPCW or Envestnet PMC may specify a replacement SMA, Model, Mutual Fund, or ETF with similar attributes to the terminated product.

**Watch Policy**

TDPCW and Envestnet PMC each have a “Watch” policy for SMAs, Models, and Mutual Funds, on the Approved List. Watch status indicates that, in reviewing a SMA, Model, or Mutual Fund, TDPCW has identified specific areas of the sponsor’s business, or the product that merit further evaluation or which may result in a change in the SMA’s, Model’s, or Mutual Fund’s status. Putting a SMA, Model, or Mutual Fund on Watch does not signify an actual change in TDPCW’s opinion, nor does it necessarily indicate a change in its status.

**Affiliate vs. Non-Affiliate Monitoring**

WIROC reviews conflicts of interest concerns related to affiliated products on a periodic basis. See Item 9, “Conflicts of Interest” below for a further description of TDPCW’s conflicts of interest.

**Performance Standards**

TDPCW relies on investment performance information obtained from broadly-recognized industry databases and where necessary, the product sponsors, which may include Envestnet and other third party sources. Individual fund sponsors may use various methods of calculating performance. While every attempt is made to obtain information that is consistent across all SMAs, Model, Mutual Funds and ETFs, it is not always possible to do so.

In some cases, the information provided by fund sponsors may not be calculated on a uniform and consistent basis. While TDPCW believes this information to be reliable, TDPCW does not independently verify the accuracy of the investment performance information it receives.

**Risks**

All investments have risk associated with them and have a potential for loss. Clients need to be able to bear this risk of loss. While TDPCW believes its investment strategies are designed to potentially produce the highest possible return for a given level of risk, it cannot guarantee that the investment objective or goal will be achieved. Some investment decisions made by TDPCW may result in loss, which may include the original principal amount invested.

**Asset Allocation Risk.** Asset allocation strategies are subject to the risk that TDPCW’s asset allocation decisions among various asset classes will not anticipate market trends successfully. For example, investing too heavily in common stocks during a stock market decline may result in a failure to preserve capital. Conversely, investing too heavily in fixed income securities during a period of stock market appreciation may result in lower total returns.

**Concentration Risk.** The investment objectives of an account may permit concentration in one or more issuers. A relatively high concentration of assets in, or exposure to, a single or small number of issuers may reduce the diversification and/or liquidity of an account and increase its volatility.

**Affiliate Product Risk.** There is a risk that TDPCW’s inherent bias to include affiliated products in Client portfolios may cause a Client to underperform in categories where there are affiliated products. Clients may pay a greater amount in fees with affiliated products than if they invested in non-affiliated products.

**Trade Rotation Methodology Risk.** Clients that hold securities in a Model and SMAs provided by Sub-Managers should note that certain Sub-Managers, as part of their trading procedures, may use a trade rotation methodology that results in sponsors of programs that use Model and SMA portfolios receiving investment advice and trade recommendations after trade orders have been placed for accounts over which the Sub-Manager has full discretionary investment management authority. This may result in purchasing or selling securities in the Model or SMA portfolio at prices which are different than the prices at which Clients of the Sub-Manager purchased or sold the same securities and could disadvantage the Client's account.

**Market Risk.** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social and public health conditions may trigger market events.

**Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

**Credit Risk.** Fixed income securities carry the risk of default, which means that the issuer fails to pay interest or principal when due. Many fixed income securities receive credit ratings from services such as Standard & Poor's and Moody's Investor Services, Inc. These services assign ratings to securities by assessing the likelihood of issuer default. Lower credit ratings correspond to higher credit risk.

**Call Risk.** Call risk is the possibility that an issuer may redeem a fixed income security before maturity (a call) at a price below its current market price. An increase in the likelihood of a call may reduce the security's price.

**International Investments Risk.** International investing is subject to additional risks including currency fluctuations, political factors, withholding, lack of liquidity, absence of adequate financial information, and exchange control restrictions impacting foreign issuers. These risks may be magnified in emerging markets.

**ETF Secondary Market Risk.** Because ETF shares are traded on an exchange, they are subject to additional risks. ETF shares are listed for trading and are bought and sold on the secondary market at market prices. Although it is expected that the market price of an ETF typically will approximate its net asset value ("NAV"), there may be times when the market price and the NAV differ significantly. Thus, you may pay more or less than NAV when you buy ETFs on the secondary market, and you may receive more or less than NAV when you sell those shares.

**Cybersecurity Risk.** Intentional cybersecurity breaches include unauthorized access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws).

A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems ("denial of services"), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause a Client's account, an investment fund, the adviser, a manager (including third party managers), or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss.

**Technology Risk:** TDPCW and its affiliates must rely in part on digital and network technologies to conduct its business and to maintain substantial computerized data relating to client account activities. These technologies include those owned or managed by TDPCW as well as those owned or managed by others, such as financial intermediaries, pricing vendors, transfer agents, and other parties used by TD to provide services and maintain its business operations. These technology systems may fail to operate properly or become disabled as a result of events or circumstances wholly or partly beyond TDPCW's or its service providers' control.

Technology failures, whether deliberate or not, including those arising from use of third-party service providers or client usage of systems to access accounts, could have a material adverse effect on our business or our Clients and could result in, among other things, financial loss, reputational damage, regulatory penalties or the inability to conduct business.

#### **ITEM 7 CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

TDPCW uses Envestnet to provide certain services for the TD Managed Account Programs. TDPCW and Envestnet have entered into a Program Agreement where Envestnet provides a range of services to include advisory services, research, administrative services, reporting capabilities, technology systems and transaction execution for all Clients.

TDPCW and the Clearing Broker share Clients' personal identification, account and holdings data with Envestnet and Envestnet may share this information with third-party SMA and/or Model Sub-Managers as needed.

#### **ITEM 8 CLIENT CONTACT WITH PORTFOLIO MANAGERS**

Clients are encouraged to contact their Advisor or TDPCW with any questions they may have regarding their Managed Account Program account(s).

## ITEM 9 ADDITIONAL INFORMATION

### A. DISCIPLINARY INFORMATION

TDPCW is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the adviser or the integrity of TDPCW's management. You can find additional information about these disciplinary events in Part 1 of TDPCW's Form ADV at [adviserinfo.sec.gov/IAPD](https://adviserinfo.sec.gov/IAPD). Advisors' individual disciplinary history must be disclosed in the Form ADV Part 2B (which are provided to Clients for their Advisor(s)), and is also publicly available through FINRA's Broker-Check at <https://brokercheck.finra.org>.

In November 2023, TDPCW entered into an AWC with FINRA for failure to establish and maintain a supervisory system, including written procedures, reasonably designed to achieve compliance with TDPCW's obligation to review correspondence and internal communications. As a result, TDPCW failed to review approximately 3.5 million emails related to 691 employees email accounts between February 2013 and June 2022. TDPCW agreed to a censure, paid a fine of \$600,000 and agreed to: 1) within 120 days of the date of the acceptance of the AWC, certify in writing that the firm has remediated the issues identified and implemented a supervisory system, including WSPs, reasonably designed to achieve compliance with Rule 3110(b)(4); and 2) within 90 days of the date of the acceptance of the AWC, certify in writing that the firm has completed a risk-based retrospective review of email sent or received by its associated personnel between February 2013 and June 2022.

### B. REGISTRATION

TDPCW is registered with the SEC as both a broker-dealer and investment adviser and is a member of FINRA and the Securities Investor Protection Corporation ("SIPC"). TDPCW is a wholly owned subsidiary of TD Bank.

#### **Self-directed brokerage accounts and other brokerage services**

TDPCW is registered with the SEC as a broker-dealer and is a member of FINRA. HNW Clients who wish to maintain self-directed brokerage accounts at TDPCW may hold these assets in TDPCW brokerage accounts and are subject to the standard TD Wealth brokerage fees and charges. All applicable brokerage fees are detailed in the TD Wealth Brokerage Fee Schedule. TDPCW does not provide recommendations to or monitor self-directed brokerage accounts held by HNW Clients at TDPCW.

Institutional and HNW Clients may also work with their Advisor who may recommend bond ladders to be held in a TDPCW brokerage account. Institutional and HNW Clients who wish to invest in bond ladders are subject to the terms and conditions and fees detailed in the TD Wealth Brokerage Fee Schedule.

TDPCW does not offer any brokerage services to Clients of TDIS (US).

## **C. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **1. Affiliated Banks**

Toronto-Dominion Bank is a foreign Canadian chartered bank regulated by the Canadian Office of the Superintendent of Financial Institutions. The Bank offers a full range of financial products and services through three key business lines:

**Canadian Retail** including TD Canada Trust, Business Banking, TD Auto Finance (Canada), TD Wealth (Canada), TD Direct Investing and TD Insurance

**U.S. Retail** including TD Bank US, TD Auto Finance (US) and TD Wealth (US)

**Wholesale Banking** including TD Securities.

The Bank may provide various services, such as compliance, legal and finance, to TDPCW. TDPCW has entered into inter-company service agreements with the Bank's Shared Services group to allocate costs of certain personnel who provide services to both TDPCW and the Bank. TDPCW and the Bank allocate costs in compliance with federal regulations, including Regulation W, which govern transactions between affiliates.

TD Bank, through the TD Private Client Group, offers HNW Clients access to and referrals to TD Bank services and products, including, but not limited to, Investments and Trusts, Private Banking and Lending. TDIS (US) Clients do not receive access to or referrals to these TD Bank services and products.

### **2. Affiliated Broker-Dealers**

#### **TD Securities and TD Securities (USA)**

TD Securities Inc. ("TD Securities") is a Canadian "investment dealer" registered in all provinces and territories of Canada and is a wholly-owned subsidiary of the Bank.

TD Securities (USA) LLC ("TD Securities (USA)") is a broker-dealer registered with FINRA and is an indirect wholly-owned subsidiary of the Bank. TDPCW and or a Sub-Manager may "step-out" trades to TD Securities (USA) or purchase securities underwritten by TD Securities and/or TD Securities (USA) for Client accounts subject to applicable regulatory requirements.

#### **TD Securities Automated Trading LLC**

TD Securities Automated Trading LLC is a broker-dealer registered with FINRA and is an indirect wholly-owned subsidiary of the Bank.

### **3. Affiliated Investment Companies**

Epoch provides sub-management and sub-advisory services to unaffiliated mutual funds and ETFs that are registered as investment companies under the SEC's Investment Company Act of 1940, as amended ("Affiliated Investment Companies"). These Affiliated Investment Companies are mutual funds and ETFs that may be components of SMAs and Models sub-managed by Epoch.



Where Epoch offers SMAs and Models for the TDPCW Client accounts, Epoch may use its investment discretion to select Affiliated Investment Companies. Epoch receives management and/or advisory fees from investments in Affiliated Investment Companies. Additional information, including a full description of the fees and charges, about mutual funds and ETFs managed by Epoch are available in the mutual fund and/or ETF prospectuses and offering materials available from Pershing and/or Form ADV Part 2A Brochures, available from your Advisor.

#### **4. Affiliated Investment Advisers**

As noted above, Epoch is registered as an investment adviser with the SEC. Epoch offers SMAs and/or Models that are available within the Managed Account Program. TDPCW's discretionary authority to invest Client assets in Epoch products creates a conflict of interest.

TDPCW may request guidance regarding strategic asset allocation, portfolio construction, and portfolio optimization from TDAM, which TDPCW may consider when developing and managing Client assets in the Managed Account Program. TDAM currently provides similar services to TD Bank.

TDAM is a Canadian-licensed portfolio manager and wholly owned subsidiary of the Bank. TDAM operates as a "participating affiliate" of Epoch in accordance with a series of SEC staff no-action letters, under which they share portfolio management and other personnel and resources. Epoch and TDAM have entered into a participating affiliate arrangement under which Epoch may request advice and/or research from TDAM for use with TDPCW Clients.

Consistent with the no-action letters, certain TDAM personnel are subject to the TD Bank Code of Conduct and Ethics and other conditions as set forth in the agreement.

TDPCW's and Epoch's discretionary authority to invest a Client's assets in affiliated investment products creates a conflict of interest. TDPCW and Epoch also have a conflict of interest when providing portfolio construction and allocation advice.

#### **5. Affiliated Annuities and Insurance Program**

TD Wealth Management Services Inc., an insurance agency ("TDWMSI"), offers insurance products and TD Bank, N.A. and TDWMSI are affiliates. TDWMSI offers third-party fixed annuities and insurance products. Advisors who service TDIS (US) Clients may be licensed to sell fixed annuities and insurance products to their TDIS (US) Clients through TDWMSI.

HNW Clients who inquire about fixed annuities and insurance generally are referred to licensed insurance agents of TDWMSI.

## **D. CONFLICTS OF INTEREST**

### **1. Conflicts with Affiliates**

TDPCW's discretionary authority to invest Client assets in affiliated SMAs and Models creates a conflict of interest because increased investments in affiliated products increases revenues to TDPCW, its affiliates, and the Bank and is generally more profitable to the Bank than investing in non-affiliated investments. TDPCW generally prefers to include affiliated SMAs and Models within Client Portfolios.

TDPCW's preference for affiliated products creates a number of conflicts of interest, including, but not limited to:

- TDPCW has a conflict of interest when performing due diligence of affiliated SMAs and Models for inclusion on the Approved List and generally prefers to include affiliated products on the Approved List because investments in these products results in compensation to TDPCW or its affiliates.
- TDPCW has a conflict of interest when conducting oversight and due diligence review for retention on the Approved List and generally prefers to retain affiliated products on the Approved List because investments in these products results in compensation to TDPCW or its affiliates.
- TDPCW has a conflict of interest in constructing portfolios because an increased allocation to affiliated products (and allocation to affiliated products with higher management fees than other affiliated products) results in increased compensation to the Bank.
- TDAM has a conflict of interest when providing portfolio construction recommendations because an increased allocation to affiliated products (and allocation to affiliated products with higher management fees than other affiliated products) results in increased compensation to the Bank. These conflicts may favor greater allocation to affiliated SMAs and Models within Client Portfolios, and TDPCW generally prefers to increase investments in affiliated products within Portfolios, where appropriate.
- When Epoch is selected as an investment manager for a Client Portfolio, Epoch's discretionary authority to invest Client assets in affiliated products creates a conflict of interest because increased investments in these products increases revenues to Epoch.

TDPCW works to mitigate these conflicts by:

- Acting as a fiduciary consistent with the requirements of the Advisers Act;
- Maintaining a Client Profile for each Client and investing and/or recommending investments that meet Client's investment objectives and are consistent with the Client's risk profile;
- Fully disclosing all material conflicts of interest in TDPCW's ADV, Form CRS and other regulatory and disclosure documents and ensuring these documents are delivered to Clients;

- Only investing in affiliated products that have been reviewed and approved for inclusion on the Approved List through the due diligence processes;
- Conducting ongoing due diligence, oversight and monitoring on all affiliated SMAs and Models on the TDPCW platform;
- Reviewing the performance data of all affiliated SMAs and Models on the TDPCW platform on a regular basis;
- Maintaining WIROC to review all manager research analysis and product issues identified during the ongoing monitoring and due diligence process and meeting on a quarterly basis;
- Tracking and monitoring potential conflicts of interest in its business and maintaining a conflict of interest group to identify, manage, and monitor potential conflicts of interest; and
- Following established written conflict of interest policies and procedures to evaluate and review affiliated products and implementing controls to test and monitor adherence to policies and procedures.

## **2. Other Conflicts of Interest**

### **Advisory vs. Brokerage**

TDPCW Advisors may earn more compensation if a Client invests in the Managed Account Program than if a Client opens a TDPCW brokerage account. TDPCW and its Advisors have a financial incentive to recommend that Clients invest through the Managed Account Program.

TDPCW addresses this conflict of interest by requiring Advisors' supervisors to review accounts at account-opening and on an ongoing basis to determine that the Advisor's investment recommendations and decisions are consistent with the Client's stated investment objectives and investment profile and are made in the best interests of the Client.

### **Asset Allocation Recommendations**

TDPCW and its Advisors earn more compensation if a Client invests in the Managed Account Program subject to an Equity/Balanced fee schedule rather than the Fixed Income fee schedule. TDPCW and its Advisors therefore have a financial incentive to recommend a greater allocation to equity investments.

TDPCW addresses this conflict of interest by requiring Advisors' supervisors to review accounts at account-opening and on an ongoing basis to determine that the Advisor's asset allocation recommendation is consistent with Client's stated investment objectives and investment profile.

### **Services provided by affiliates and others to other Clients**

TD Securities, TD Securities (USA), Epoch, TDAM and its affiliates, and other affiliates of TDPCW may provide a variety of services (including research, brokerage, asset management, trading, lending and investment banking services) for each other and for various Clients (including issuers of securities that may be purchased, sold, or recommended for purchase or sale by Clients or are otherwise held in Client accounts).

TDPCW's affiliates and others receive compensation and fees in connection with these services. TDPCW believes that the nature and range of Clients to which such services are rendered is such that it would be inadvisable to exclude categorically all of these companies from an account. Accordingly, it is likely that securities in an account will include some of the securities of companies for which TDPCW's affiliates perform investment banking or other services.

#### **Different Advice**

TDPCW, Epoch, and their affiliates may give different advice, take different action, receive more or less compensation, or hold or deal in different securities for any other party, Client or account (including their own accounts or those of their affiliates) from the advice given, actions taken, compensation received, or securities held or dealt for your account(s).

#### **Suitability of the Programs**

TDPCW offers several advisory programs, with different services, fees and investment minimums. TDPCW and its Advisors have an incentive to recommend programs with higher fees over those with lower fees, because additional fees benefit TDPCW. Advisors do not directly benefit when a Client chooses a program with a higher fee. TDPCW seeks to mitigate this conflict through disclosure in this Brochure.

#### **Trading or Issuing Securities in, or Linked to Securities in, Client Accounts**

TD Securities, TD Securities (USA) and their affiliates, may provide bids and offers, and may act as principal market maker, in respect of the same securities held in Client accounts. TD Securities, TD Securities (USA), and their affiliates and employees may hold a position (long or short) in the same securities held in Client accounts. TD Securities and/or their affiliates are regular issuers of traded financial instruments linked to securities that may be purchased in Client accounts. From time to time, the trading of TD Securities and/or its affiliates may be detrimental to securities held by a Client and thus create a conflict of interest.

#### **Mutual Fund Share Class Selection**

Many mutual funds offer different share classes with different fees. An investor who owns the lowest-cost shares will usually pay lower total annual fund operating expenses over time, and thus will generally earn higher returns, than an investor who holds a share class of the same fund that charges higher fees. Therefore, if a mutual fund offers a lower-cost share class, and a Client is eligible to own it, it is often, though not always, better for the Client to own those lower-cost shares. When a TD Managed Account Program account includes one or more mutual funds, TDPCW generally seeks to include the lowest cost class available in each account. However, it may not be possible at all times for a Client's Managed Account Program account to be invested in the lowest cost share class available.

If a share class's expenses or eligibility requirements change, and a Client no longer owns the lowest cost share class, TDPCW will endeavor to move a Client to the lowest share class available to them, but may not always be able to make this change immediately or at all. If TDPCW cannot make this change, then the Client will pay higher total annual fund operating expenses over time, and thus will generally earn lower returns, than investors who hold a share class of the same fund that charges lower fees. TDPCW does not intend to use share classes that pay it or its affiliates' compensation.

However, if there is a change in a share class's terms, and TDPCW or an affiliate is earning fees from that higher-cost share class, then TDPCW has a conflict of interest in not moving the Client to the lower cost share class, because of the additional fees TDPCW or its affiliate is earning. We may use funds that are sub-advised by affiliates and TDPCW and its affiliates may earn additional fees as a result.

#### **TD Private Client Wealth Sweep Program**

TDPCW decides the interest rate that is paid on the Bank Sweep Product, and how much of that interest TDPCW will keep as additional compensation. TDPCW has a conflict of interest in setting the amount of interest that a client will receive, as that will affect the additional compensation that TDPCW and/or its affiliates will earn. The Program Banks are affiliated with TDPCW and will also earn fees on balances in the Bank Sweep Product, and TDPCW will earn the Advisory Fee on balances in the Bank Sweep Product. TDPCW seeks to mitigate this conflict through disclosure in this Brochure.

#### **Material Relationships with Recommended Investment Advisors/Mutual Funds**

Some sponsors reimburse TDPCW's costs and/or expenses associated with its training and education events. TDPCW's receipt of these reimbursements gives it an incentive to use these sponsors' ETFs and mutual funds over other ETFs and mutual funds. TDPCW seeks to mitigate this conflict by using the ETF and mutual fund selection and monitoring process described in this Brochure.

#### **Conflict of Interest Management**

The US Wealth Conflicts of Interest Group has established a conflicts of interest policies and procedures, an inventory and holds quarterly meetings to review, identify, discuss, manage, and monitor potential conflicts of interest on an ongoing basis which includes specific conflicts of interest matters related to TDPCW.

### **E. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

TDPCW has adopted a Code of Ethics that complies with Rule 204A-1 under the Advisers Act. The TDPCW Code of Ethics applies to all of TDPCW's employees, although the trading restrictions and reporting requirements are more involved for TDPCW's supervised persons. The term "supervised person" means any partner, officer, director (or other person occupying a similar status or performing similar functions) or employee of TDPCW, or other person who provides investment advice on behalf of TDPCW and is subject to TDPCW's supervision and control.

TDPCW's Code of Ethics sets forth the standards that apply to all TDPCW employees, incorporates TDPCW's insider trading policy, and governs outside employment and receipt of gifts. The Code of Ethics also addresses the following areas of TDPCW's business: procedures for personal securities transactions of TDPCW's partners, officers, directors and employees; and initial public offerings and private offerings. Each partner, officer, director and employee is required to certify annually that he or she has read and understands the Code of Ethics. TDPCW will provide a copy of its Code of Ethics to any Client or prospective Client upon request by contacting TDPCW at the address or phone number located on the cover page.

With respect to personal trading, the Code of Ethics contains rules and restrictions on the purchase and sale of securities by employees. These rules and/or restrictions are designed to protect TDPCW's Clients. All officers and employees are required to put the interests of the Clients first in all dealings relating to the Client and their investments.

Activities that are strictly prohibited include:

- Having a personal interest in any Client transaction;
- Getting any personal benefit from a Client transaction;
- Using knowledge of Client transactions for personal gain; and
- Allowing TDPCW directors, officers and employees to prefer his or her own interests to that of any advisory Client.

TDPCW's Compliance personnel monitor personal securities trading by employees and the members of the employee's household. Employee personal trading reports are reviewed by compliance personnel to verify the employees are complying with the Code of Ethics. TDPCW may impose penalties and sanctions on employees who have violated provisions of the Code of Ethics, including the personal trading policy. Employees must file transaction reports with the compliance department at least quarterly. Compliance personnel review employee transaction reports.

## **F. REVIEW OF ACCOUNTS**

TDPCW and its Advisors gather information from a Client about that Client's financial situation, risk tolerance, investment objectives and any reasonable restrictions (such as permissible securities, industry sectors, or credit ratings) that the Client wishes to impose upon the management of the account(s). Advisors meet with the Client at least annually to review the Client's financial situation and investment objectives. Clients should promptly notify their Advisors of any changes in their financial situation, risk tolerance, investment objectives or account restrictions.

TDPCW provides each Client with a quarterly written performance report. Additionally, Pershing, the custodian for TDPCW accounts, sends each Client account statements on a monthly or quarterly basis depending on the level of activity within the account(s). Such statements reflect the account value, the holdings within, and the activity conducted over the previous period. Clients are encouraged to review their statements carefully and to contact their Advisor with any questions or concerns regarding same.

## **G. CLIENT REFERRALS AND OTHER COMPENSATION**

### **ARRANGEMENTS WITH AFFILIATES**

TDPCW has referral arrangements with our affiliates that outline how our affiliates refer Clients to us and how we refer Clients to our affiliates for services other than advisory services. Under those arrangements, we receive fees or payments from our affiliates for referring clients or for providing services to Clients.

These payments may vary depending on the type of arrangement or the nature and extent of the services provided and may continue as long as the Client account is maintained with TDPCW or our affiliate or for an agreed upon period. Arrangements may also be based on a percentage of revenue received.

### **Third Party Client Referral Arrangements**

TDPCW has a referral program that allows TDPCW to enter into referral arrangements with third parties (“Promoters”) where we make cash payments to the Promoters for referring or soliciting Clients to participate in our advisory programs. The compensation Promoters receive usually includes a portion of the Managed Account Program Fee we receive from referred Clients. Promoters will provide each prospective client with a copy of this Brochure and a disclosure document that describes the terms of the arrangement (including the nature of the relationship, the fees to be paid, and material conflicts of interest on the part of the Promoter). Clients referred by Promoters may in some cases pay a higher fee than Clients who contract with us directly. Clients referred by a Promoter should refer to the disclosure document for information on the effect of the fees paid to their Promoter.

TDPCW also has referral arrangements under which either TDPCW and/or its Advisors act as Promoters for third parties. Under these arrangements we may receive compensation for referring clients to a third party who will provide investment advisory or other services to the client. The compensation we receive is usually a portion of the advisory fee the third party receives from its clients.

TDPCW endeavors to comply with all applicable requirements of Rule 206(4)-1 under the Advisers Act in connection with any referral arrangements, including taking steps to form a reasonable belief appropriate disclosure of referral arrangements is provided to Clients and the maintenance of referral arrangements between TDPCW and the Promoters, as required.

## **H. VOTING CLIENT SECURITIES AND SHAREHOLDER MATTERS**

TDPCW as a matter of policy does not accept responsibility for voting proxies for portfolio securities held within Client accounts and does not offer any consulting assistance regarding proxy voting issues to Clients. Clients are responsible for instructing each custodian to forward to the Client copies of all proxies materials and shareholder communications relating to the Client’s investment needs and this is disclosed to Clients. Envestnet will vote proxies on behalf of Clients as the portfolio manager unless otherwise instructed by the Client.

TDPCW relies on Envestnet (including any affiliates or related entities), as applicable, to act on behalf of Client in voting or otherwise acting on all matters for which a security holder vote, consent, election or similar action is solicited by, or with respect to, issuers of securities beneficially held as part of the Managed Account Program assets. Client understands and agrees that Envestnet maintains the right and exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted, and (2) making elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the Client’s investments.

## **I. FINANCIAL INFORMATION**

TDPCW does not require prepayment of fees six months or more in advance. Therefore, it is not required to include a balance sheet with this Wrap Fee Brochure. TDPCW has no financial hardships or other conditions that might impair its ability to meet its contractual obligations to Clients. TDPCW has not been the subject of a bankruptcy proceeding.