



# PEOPLE'S UNITED ADVISORS, INC. DISCLOSURE BROCHURE

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## **ITEM 1: COVER PAGE**

This Brochure provides information about the qualifications and business practices of People's United Advisors, Inc. ("PUA"). If you have any questions about the contents of this Brochure, please contact us at 732-476-6003 or [abaldauf@mtb.com](mailto:abaldauf@mtb.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about PUA is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). References herein to PUA as a "registered investment adviser" or any reference to being "registered" does not imply any level of skill or training.

## ITEM 2: MATERIAL CHANGES

This Brochure reflects revisions since PUA's last annual amendment, dated March 31, 2023.

- Item 4: Updates in Assets Under Management
- Items 4 & 5: Cessation of certain advisory services

## ITEM 3: TABLE OF CONTENTS

ITEM 1: COVER PAGE .....	1
ITEM 2: MATERIAL CHANGES .....	2
ITEM 3: TABLE OF CONTENTS .....	3
ITEM 4: ADVISORY BUSINESS .....	3
ITEM 5: FEES AND COMPENSATION .....	4
ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT .....	6
ITEM 7: TYPES OF CLIENTS .....	6
ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS .....	6
ITEM 9: DISCIPLINARY INFORMATION .....	14
ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS .....	14
ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING .....	15
ITEM 12: BROKERAGE PRACTICES .....	16
ITEM 13: REVIEW OF ACCOUNTS .....	18
ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION .....	18
ITEM 15: CUSTODY .....	18
ITEM 16: INVESTMENT DISCRETION .....	19
ITEM 17: VOTING CLIENT SECURITIES .....	19
ITEM 18: FINANCIAL INFORMATION .....	19

## ITEM 4: ADVISORY BUSINESS

- A. People's United Advisors, Inc. ("PUA," "the Firm," "our" or "we"), is a Connecticut corporation and a wholly-owned direct subsidiary of Manufacturers and Traders Trust Company ("M&T Bank"), which is a subsidiary of M&T Bank Corporation, a publicly-traded bank holding company (NYSE: MTB) ("M&T"). PUA became registered with the United States Securities and Exchange Commission ("SEC") as an investment adviser in 2018. PUA was previously a wholly-owned direct subsidiary of People's United Bank, N.A. ("PUB") and was acquired in April 2022 by M&T Bank in connection with M&T's acquisition of PUB's parent company, People's United Financial, Inc.

M&T Bank, through its subsidiaries and affiliates, offers a full range of financial services including investment advisory, corporate and retail banking in the communities of the Northeastern and Mid-Atlantic regions, and offers certain services (including institutional investment management) to clients throughout the U.S. Wilmington Trust is a registered service mark used by certain subsidiaries of M&T Bank Corporation (together "Wilmington Trust").

- B. PUA is an investment advisory firm that provides services to various types of investors. We offer investment advice including with respect to the following: equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, United States government securities, and options contracts on securities. Although PUA's investment advice is typically limited to those investment categories, PUA may provide advice with respect to other investment opportunities in response to a client request or where PUA determines that it would be in your interests to pursue those other investment opportunities. Our offerings include discretionary and non-discretionary management of client accounts, as well as financial planning and general investment consulting services.

### ***PUA Advisory Services***

Our general PUA discretionary and non-discretionary advisory services ("PUA Advisory Services") offer wealth and investment solutions, customized to each client. We draw upon our team's expertise and the resources of M&T Bank to help clients navigate through their wealth challenges.

PUA's investment philosophy is rooted in the tenets of valuation, diversification, and risk management. These tenets form the underpinnings of its process to establish investment goals, develop asset allocations, and review and monitor outcomes. Together with you, we develop your personal investment policy based on your individual goals, objectives, and circumstances.

It is PUA's policy to obtain and follow a clear statement of investment policy for each client account, based upon the client's investment objectives, financial circumstances, investment restrictions, risk tolerance, and other information provided by the client. Clients may impose reasonable investment restrictions limiting investment in certain securities or types of securities. Such investment restrictions are subject to acceptance by PUA.

PUA may be directly engaged as a sub-advisor by unaffiliated investment advisers to assist the unaffiliated investment adviser with the management of its client accounts. In such situations, subject to any restrictions imposed by the unaffiliated investment adviser, PUA shall have discretionary authority for the day-to-day management of the assets allocated to it by the unaffiliated investment adviser. The unaffiliated investment adviser shall, in conjunction with its underlying client, maintain the initial and ongoing suitability determination for PUA's services, as well as communication with the underlying investor. In such engagements, PUA shall generally debit its sub-advisory fee from the designated accounts and remit the remainder to the unaffiliated investment adviser. We regularly monitor client investments and periodically meet with clients to discuss their holdings. However, it is your responsibility to notify PUA promptly if there is ever any change in your financial situation or investment objectives for the purpose of reviewing/evaluating/revising PUA's previous recommendations and/or services.

Further details on the advisory services we provide and the types of clients we serve can be found in Items 4 and 7 of this Brochure, as well as in Items 4.A. and 5 of our Wrap Fee Program Brochures. These forms can be found at: [adviserinfo.sec.gov/firm/brochure/292454](https://adviserinfo.sec.gov/firm/brochure/292454) ("Adviser SEC Link").

**Retirement Rollovers.** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) rollover the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) rollover to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon your age, result in adverse tax consequences).

If we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code,

as applicable, which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours.

When making investment recommendations, we must give prudent and loyal advice, never putting our financial interests ahead of yours. We must also avoid misleading statements about conflicts of interest, fees, and investments; follow policies and procedures designed to ensure that we give advice that is in your best interest; charge no more than is reasonable for our services; and give you basic information about conflicts of interest.

Conflict of Interest. If PUA recommends that a client rollover their retirement plan assets or transfer their individual retirement account into an account to be managed by PUA, such a recommendation creates a conflict of interest if PUA will earn an advisory fee on the referenced assets. No client is under any obligation to rollover their retirement plan assets or transfer their individual retirement account to an account managed by PUA. PUA's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover or transfer recommendations.

- C. PUA provides investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objectives. Thereafter, PUA will allocate and/or recommend that the client allocate investment assets consistent with their designated investment objectives. A client may at any time, impose reasonable restrictions, in writing, on the management of their account.
- D. As of December 31, 2023, PUA had a total of \$845,211,011 in assets under management, comprised of \$839,723,712 managed on a discretionary basis and \$5,487,299 managed on a non-discretionary basis.

## ITEM 5: FEES AND COMPENSATION

PUA's advisory fees vary depending on the advisory services PUA performs, assets under management and various other factors, as is more fully set forth below.

### **For its PUA Advisory Services, PUA typically charges as follows:**

PUA generally computes its annual investment advisory fee for its Advisory Services based on the market value of the account managed. PUA's compensation will generally be in accordance with the following annual advisory fee schedules:

#### **RETAIL CLIENT REPRESENTATIVE FEE SCHEDULE\***

##### **Assets Under Management**

Initial \$2,000,000	1.00%
Next \$3,000,000	0.70%
Next \$15,000,000	0.50%
All assets over \$20,000,000	0.35%
Minimum Annual Fee: \$5,000	

#### **INSTITUTIONAL CLIENT REPRESENTATIVE FEE SCHEDULE\*\***

##### **Assets Under Management**

Initial \$2,500,000	0.85%
Next \$2,500,000	0.75%
Next \$5,000,000	0.60%
All assets over \$10,000,000	0.45%
Minimum Annual Fee: \$8,500	

#### **RETIREMENT PLAN CONSULTING FEE**

##### **Assets Under Management**

Initial \$500,000	0.65%
Next \$1,000,000	0.55%
Next \$3,500,000	0.45%

Next \$5,000,000	0.30%
All assets over \$10,000,000	0.20%
Minimum Annual Fee: \$2,000	

\*This fee schedule is representative of what clients typically pay for equity and balanced portfolios. PUA also maintains fee schedules for fixed income portfolios as outlined in PUA's advisory agreement.

\*\* This fee schedule is representative of what institutional clients typically pay for equity portfolios. PUA also maintains fee schedules for balanced and short-term fixed income portfolios as outlined in PUA's advisory agreement.

#### Additional Information Applicable to All Fee Schedules Above

The fees described above reflect the advisory fees paid to PUA. Mutual funds and exchange traded funds ("ETFs") contained within client accounts have their own internal fees and expenses that are separate from the advisory fees outlined above. For more information on these fees, please see the applicable fund's prospectus.

PUA may maintain cash and cash equivalent positions (such as money market funds) within investment models for deliberate strategic purposes; or outside of investment models, as directed by a client for liquidity or other reasons. Cash and cash equivalent positions within investment models shall be included as part of total assets under management for purposes of calculating PUA's investment advisory fee. Cash and cash equivalent positions held outside of investment models, as directed by a client, may also be included as part of total assets under management for purposes of calculating PUA's investment advisory fee.

Fees will be pro-rated and generally billed monthly or quarterly in arrears and subject to change upon 30 days written notice. Clients should see their advisory agreement for their applicable fee schedule and billing frequency.

PUA will charge an additional .50% on accounts that employ outside managers' strategies, other than mutual funds and ETFs.

Fees are negotiable. Certain clients of PUA may be subject to a different fee schedule (higher or lower) than as set forth above depending upon the level and scope of the overall investment advisory services to be rendered, which is based upon various objective and subjective factors, including, but not limited to, the amount of the assets placed under PUA's management, the level and scope of financial planning and consulting services to be rendered, and the complexity of the engagement and when you engaged PUA's services. PUA's services could be available from other advisers at lower fees.

The fee schedules outlined above reflect the fees that new clients will pay. Existing investors may be subject to a different fee schedule. Existing clients should refer to the PUA Investment Advisory Agreements they have signed with PUA which reflect their effective fee schedules.

PUA deducts advisory fees from your custodial account. PUA's Investment Advisory Agreement and the custodial/clearing agreement authorizes the custodian to debit the account for the amount of PUA's investment advisory fee and to directly remit that management fee to PUA in compliance with regulatory procedures.

PUA maintains significant relationships with and upon client request will provide limited guidance as to which one of Fidelity Investments ("Fidelity"), Charles Schwab and Co. ("Schwab"), Pershing Advisor Solutions LLC ("Pershing"), can serve as the broker-dealer/custodian for client investment management assets based upon a client's disclosed needs and preferences. When beneficial to you, PUA may affect fixed income securities transactions through broker-dealers other than the account custodian. Generally, you will pay both the commission or mark-up/mark-down charged by the executing broker-dealer and a separate "trade away" and/or prime broker fee charged by the account custodian.

Broker-dealers/custodians charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). They also charge account maintenance and other fees associated with trading, clearing and custody of client accounts as disclosed in the custodian's account opening documents. Client will pay the broker-dealer/custodian charges outlined above which are in addition to PUA's investment management fee. Clients will also pay their pro rata share of a mutual funds or ETF's management fees and other fund expenses as outlined in the fund's prospectus.

For further discussion concerning PUA's brokerage practices, please see Item 12 of this Brochure.

PUA may charge a minimum annual fee as described above, per client relationship, for investment advisory services. In the event that you are subject to a minimum annual fee, you could pay more for PUA's services than the annual percentage fee reflected in the applicable fee schedule above.

Upon termination of the Investment Advisory Agreement, PUA will debit a pro-rated portion of the earned but unpaid advisory fee from the custodial account or will invoice it to you.

#### Unaffiliated Investment Platform Fees

PUA's annual fee in connection with unaffiliated investment platform services generally ranges from about 15 to 70 basis points and is generally billed quarterly in arrears. The exact fee and billing methodology is negotiated between the unaffiliated investment platform manager and PUA. If PUA delivers its investment models to multiple unaffiliated investment platforms, it will notify the platforms of updates to its investment models on a rotational basis in accordance with its fair-trade rotation policies.

PUA deducts advisory fees from your custodial account. Qualified custodians hold the assets of clients receiving investment advisory services. The client will incur charges imposed directly by the custodian on the client's account, (such as transaction charges imposed by the broker-dealer executing securities transactions for the client's account, and fees and expenses imposed directly by mutual funds held in or for the client's account). PUA does not act as qualified custodian for any advisory account for which it provides services as an investment adviser. Please see Item 15: Custody for more information on PUA's custody practices.

For further discussion concerning PUA's brokerage practices, please see Item 12 of this Brochure. All fees paid to PUA for its services are separate and distinct from the fees and expenses charged directly by your custodian, the broker-dealer, and by the mutual funds. The fees and expenses imposed by the mutual funds are described in each fund's prospectus, and will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. You should carefully review both the fees charged by the funds and the fees charged by PUA to fully understand the total amount of fees you will pay and to thereby evaluate the advisory services provided.

## **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Neither PUA nor any of its supervised persons accepts performance-based fees.

#### Side-by-Side Management

PUA and its affiliates manage numerous accounts at the same time, including separate accounts, and accounts invested in Wrap Fee Programs, which charge differing fees and have differing terms. Our clients and investors have a variety of investment objectives, policies, strategies, limitations, and restrictions. The side-by-side management of these accounts raises potential conflicts of interest relating to the allocation of investment opportunities and the aggregation and allocation of trades – for example, we have an incentive to favor accounts for which the firm and its affiliates earn more revenue over other lower revenue generating accounts. Moreover, while the portfolio managers generally only manage accounts with similar investment strategies, it is possible, due to varying investment restrictions among accounts, or for other reasons, that portfolio managers could make certain investments for some accounts and not others, and that portfolio managers could take conflicting investment positions among accounts. However, with very few exceptions, a portfolio manager will not take long and short positions in the same security across clients' accounts that they manage.

PUA will address the conflicts associated with side-by-side management by managing its accounts consistent with applicable laws and following procedures that are reasonably designed to treat our clients fairly and to prevent any client or group of clients from being systematically favored or disadvantaged, including but not limited to policies relating to trading operations, best execution, trade order aggregation and allocation and other applicable policies.

## **ITEM 7: TYPES OF CLIENTS**

PUA's clients include individuals, business entities, endowments, retirement and pension plans, trusts, estates, and charitable organizations.

PUA's requirements for maintaining an account, such as minimum account size, vary by the services that it will offer. Such details are provided in the account opening materials for the various program types, as well as in Item 5 above.

## **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, AND RISK OF LOSS**

### **A. Methods of Analysis**

In implementing investment advice to clients, PUA advises clients with respect to investment of their assets in various types of investments, including, individual securities, mutual funds and ETFs and employs active and/or passive management (including

funds managed by affiliates and/or by third party investment managers), private market funds and separately managed accounts offered by PUA, its affiliates and/or third-party investment managers employing active and/or passive management.

PUA is part of M&T Bank Corporation's Institutional Services and Wealth Management ("ISWM") Divisions ISWM also includes the investment management businesses of Wilmington Funds Management Corporation ("WFMC"), Wilmington Trust Investment Advisors, Inc. ("WTIA"), Wilmington Trust Asset Management, LLC ("WTAM"), and Wilmington Trust Investment Management, LLC ("WTIM") (together with PUA, the "ISWM Registered Investment Advisers"), and the investment management, custody, personal trust, corporate trust, asset administration and related businesses of M&T Bank, Wilmington Trust, N.A., and Wilmington Trust Company (the "ISWM Bank Entities").

A ISWM Investment Committee (the "Investment Committee") (directly and indirectly through other intermediate committees) exists to assist the Boards of the ISWM Registered Investment Advisers and the ISWM Bank Entities in fulfilling their responsibilities to oversee the firms' investment-related activities. The Investment Committee is bifurcated into two governance structures: The Investment Committee-Investment Strategy Matters (the "IC-ISM"), and the Investment Committee-General Matters ("IC-GM"), and each has voting and non-voting members.

The IC-ISM's voting members include the Chief Investment Officer, Head of Equity and Non-Traditional Investments, Head of Fixed Income, Head of Investment Strategy, Head of Portfolio Construction, Head of Fixed Income Search and Strategy, and Chief Economist of PUA, as well as several senior employees of the ISWM Entities. The non-voting members include other investment professionals from PUA, as well as investment professionals from the ISWM Bank Entities.

The IC-ISM typically meets formally at least monthly, and is responsible for a variety of tasks and functions, such as:

- setting overall strategy for asset allocation, including risk objectives, types of strategic allocations needed (benchmark relative, absolute return, income oriented, etc.) and types of tactical allocations to be considered
- developing the methodology for longer-term strategic allocation advice and more intermediate-term tactical allocation advice, including: (i) research, evaluation of efficacy and execution of valuation and price momentum methodologies, as well as reviews of academic research and third-party solutions and support leading to process improvement; (ii) macro factor identification and analysis for use in allocation processes; and (iii) setting of diversified benchmarks for allocation advice, excess return expectations against benchmarks and the target and allowable tracking error of advice against benchmarks
- developing methodologies for addressing key characteristics of portfolio construction advice, including: (i) the methodology for assigning portfolio exposures within asset classes between active and passive exposures; (ii) determining the impact to construction and exposures to meet yield expectations; (iii) the positioning and use of trend-following trading strategies to address overall portfolio and asset class exposures; (iv) the use and guidelines of portfolio insurance; (v) the positioning and guidelines for private equity and private real estate solutions within portfolios; (vi) the impact of liquidity within products and the decision set around their use; (vii) the interaction of manager styles, correlations of excess returns and volatility in determining combinations and weights of active managers within portfolios; (viii) the rebalancing methodologies, frequencies and thresholds; and (ix) the consideration of income taxes in portfolio construction.

The IC-GM oversees a variety of other investment-related and operational-related functions, including, among other things, policies and procedures of the ISWM Bank Entities and the ISWM Registered Investment Advisers. Among other things, the IC-GM (directly and through intermediate committees) reviews performance of products and strategies, reviews best execution analysis, and reviews changes to team guidelines and sub-committee charters. Additionally, the IC-GM provides oversight for (i) the PUA Investment Review Committee which is responsible for investment related compliance oversight; and (ii) the PUA Investment Risk Committee which is responsible to broadly oversee and review the investment activities of PUA.

### **Asset Allocation Management**

PUA, utilizing the advice of the IC-ISM, helps clients determine an appropriate asset allocation to achieve stated investment objectives. The advice may involve recommended exposures within a client's existing investment policy. Advice may include models providing allocations for asset classes among the equity, fixed income, inflation hedges, real assets, non-traditional assets that include private market and hedge strategies along with liquid alternatives most commonly found in open ended mutual funds. Additional strategic guidance may include style (growth/value) or sector (GICS sectors) exposures, which are then customized to specific clients' objectives, risk tolerances, and specific restrictions.

As noted above, the IC-ISM sets asset allocation policy. The IC-ISM formally meets at least monthly to consider macro-economic conditions as well as quantitative market conditions that include momentum and valuation drivers across appropriate markets and the fundamental views of our market experts in equities, fixed income, a non-traditional market. Following each meeting, the IC-ISM communicates its positioning, rationale, and any changes to staff for the benefit of client accounts.

With the advice communicated by the IC-ISM, PUA provides both strategic and tactical approaches in setting asset allocations. In setting asset allocations, the IC-ISM considers both strategic (long-term) and tactical (shorter-term) approaches. Long-term Strategic Asset Allocations are revised approximately every 1 to 5 years and are based on five-year economic projections of key variables that the IC-ISM believes will have a major impact on market behavior. Details on the assumptions and inputs leading to our Strategic Asset Allocations are typically detailed in a Capital Markets Forecast, which highlights the economic assumptions. These long-term estimates are the source of the Capital Markets Model that generates a series of return estimates for the succeeding five years for the identified strategic asset classes. The Strategic Asset Allocations are the basis for determining long-term benchmark risk profiles and are used to establish strategic policy.

These return estimates are subjected to optimization techniques to produce asset allocations across various risk levels. These risk profiles. These risk profiles are pre-determined and represent five points along a risk continuum ranging from conservative to aggressive. Clients are assigned into one of these five risk profiles based on investment needs and preferences communicated by clients.

The IC-ISM meets at least monthly and based on economic and market developments and other considerations, determines whether to make tactical adjustments to the allocations in an effort to take advantage of opportunities or avoid challenges in current market conditions. The tactical allocation decisions begin with economic estimates for the year ahead as well as inputs from our equity and fixed income market experts on their outlooks for the upcoming 12 months. These inputs form the basis of return estimates which are optimized to produce recommended tactical allocations.

In making such tactical determinations, the IC-ISM considers the level of confidence it has in the forecasted returns, the impact of possible allocation changes and related trades on portfolio performance, and tax considerations before making a final determination as to whether to recommend any changes in asset allocation. Asset allocation strategies may be implemented through investments, including via individual securities, private funds, mutual funds, and ETFs or and exchange traded notes. Determinations regarding implementation of allocations, including vehicle selection determinations, are made at the IC-ISM level, via intermediate committees, and/or via portfolio managers, depending on the strategy and account.

PUA recognizes that client accounts may from time to time hold other investments, such as non-approved equities, real estate, closely held business interests and other vehicles not appearing above. PUA will normally accept such assets into the account "in kind" or through client direction. Subsequent reviews of the account will determine the appropriateness of continuing to hold such assets. PUA will base such decisions upon the unique needs and conditions surrounding that particular account and the ability to efficiently, profitably, and prudently manage that asset.

Generally, PUA will not actively purchase unusual or unique investments that are not publicly traded for accounts over which it has investment discretion. It will not retain such assets in fiduciary accounts, unless (1) the governing instrument specifically so authorizes; (2) such investments are specifically permitted by applicable law or mandated by court order; (3) the account's principal, grantor, co-fiduciary, primary beneficiary and/or other person(s) authorized to direct an account's investments notify PUA in writing to retain such assets; (4) there is no market through which the asset can be sold, or the selling process itself will create a significant economic loss.

## **Manager Research and Selection**

PUA has engaged its affiliate, WTIA, to provide manager research services in connection with PUA's advisory services. The Wilmington Trust Manager Platform (the "WT Manager Platform") is utilized by WTIA and its affiliates in the selection of investment strategies and managers for clients' accounts. The WT Manager Platform is constructed by WTIA's Manager Research Group (the "MRG"), which includes WTIA portfolio managers and other investment personnel, using a comprehensive range of investment solutions, including affiliated and third-party products and strategies.

The MRG analyzes various third-party investment vehicles and managers to provide clients access to a wide variety of asset classes and investment management styles. The MRG's initial due diligence includes a review of third-party investment firms as a whole, their relevant portfolio management teams, their investment processes including risk controls and sell discipline and portfolio construction. The manager assessment process evaluates both quantitative and qualitative factors. The team



of analysts work together to conduct extensive due diligence on third party managers to identify high conviction managers and vehicles that are consistent with our asset allocation preferences.

Once selected, MRG monitors unaffiliated vehicles and managers in accordance with a variety of metrics. The MRG's ongoing monitoring includes evaluations of whether the manager's investment team is continuing to invest in compliance with their stated strategy, objectives, and guidelines. Additionally, the assessment includes but is not limited to manager meetings, quarterly updates from each firm, analytics such as performance and attribution reviews, and real-time organizational updates.

In addition to these unaffiliated third-party manager strategies and vehicles, the WT Manager Platform also includes investment strategies and vehicles managed by affiliates ("Affiliated Products"). While Affiliated Products are not subject to the selection process utilized for unaffiliated strategies and vehicles, MRG monitors affiliated products using similar criteria as described above. The use of such Affiliated Products in a client account generally results in additional revenue to PUA and/or its affiliates, in the form of compensation for investment management, execution, administration and/or other services. Such additional revenue presents a conflict of interest because it creates an incentive to select Affiliated Products which could influence specific recommendations.

### **Wilmington Trust Investment Strategies**

Many accounts require expertise that spans a variety of investment management disciplines. While PUA equity and fixed income management provides critical elements for the investment strategies of most clients, certain clients need expertise in other classes of securities, including, but not limited to, high yield bonds, real estate, and hedge funds. Achieving the optimal client solution may involve in-depth analysis of the suitability of a particular security or class of securities or may take the form of guidance on overall asset allocation strategies.

Below is a description of certain Wilmington Trust investment strategies available through PUA. The investment strategies include equity, asset allocation, and multi-manager strategies. Generally, these strategies are made available on a model-basis to PUA by its affiliate, WTIA, and PUA in turn implements the relevant model for its clients. Each of these strategies may employ long term purchases, short term purchases, margin transactions, option investing (e.g., covered options, uncovered options), and/or spread strategies. Investing in securities involves a risk of loss that clients should be prepared to bear. Client accounts are subject to general market risk. The value of the securities held in client accounts will increase or decrease in response to movements in the market in which they are invested. See "Risk Factors" for more information.

#### **ENHANCED DIVIDEND INCOME STRATEGY (EDIS)**

EDIS targets a portfolio level dividend yield of two times the S&P 500 dividend yield and seeks capital appreciation over a multi-year investment horizon principally through investments in U.S. large cap stocks, while maintaining low volatility versus the broader U.S. large-cap equity market. Volatility for purposes of the EDIS Strategy investment objective is measured by beta, standard deviation, and/or down-market capture as compared to the U.S. large-cap equity market as measured by the Russell 1000 Value Index. Strives to minimize drawdowns during negative market environments. Although the EDIS Strategy is focused principally on U.S. large cap stocks, the Strategy may have holdings of non-U.S. and non-large cap stocks.

Quantitative and qualitative elements are interwoven throughout the process to identify high-quality, high dividend paying purchase candidates for the EDIS portfolio. Quantitative screening and WTIA modeling defines, narrows, and prioritizes investment candidates for fundamental analysis. Quantitative screening criteria include but are not limited to: minimum yield screening criteria versus the S&P 500 and dividend safety screening measures such as free cash flow and dividend reduction history. Fundamental analysis is employed to further test the strength of investment candidates' competitive positioning, financial condition, and alignment of management incentives. The strategy is constructed based on a bottom-up methodology with a top-down overlay, using a team-based approach to select high-conviction portfolios consisting of generally 35-55 positions. All positions are continually monitored, with performance measured both on an absolute and relative basis.

#### **INTERNATIONAL ENHANCED DIVIDEND INCOME STRATEGY**

The International Enhanced Dividend Income Strategy seeks a portfolio yield that is substantially higher than those in developed international markets while also seeking long-term capital appreciation by investing in international companies with proven business models and a commitment to shareholder returns. It invests with a long-term investment horizon and a low-turnover approach. This strategy is designed for investors seeking to gain international equity exposure while providing a substantially higher portfolio yield compared to developed international equity markets. Individual securities are selected by combining quantitative and fundamental analysis of large-cap international companies. A company's

revenue growth, margin trends, free cash flow generation, and dividend prioritization are critical factors for inclusion in the portfolio. It invests primarily in non-U.S. companies that offer ADR's as well as non-U.S. companies that are U.S. registered and trade on one of the major domestic exchanges. The strategy seeks to reduce risk through sector diversification, country and individual security limitations, and strict sell disciplines. The investment process is designed to generate high current tax-advantaged income, bond-like yield with less interest rate risk than long term bonds, considerable dividend growth, and substantially lower beta/volatility than the MSCI ACWI-ex US Index.

### **DIVIDEND GROWTH STRATEGY**

The Dividend Growth Strategy is a long-term, low turnover strategy that seeks to outperform the S&P 500 Index on a risk adjusted basis by investing in high-quality companies that are either established dividend payers or are dividend initiators and that are expected by the investment manager to appreciate based on future earnings growth, strong cash flows, and growing dividends. A secondary benchmark is used to measure performance against an index of consistently dividend growing companies through the NASDAQ U.S. Broad Dividend Achievers Index. The stock selection process includes an initial universe of over 3,500 companies traded on the NYSE, NASDAQ, and AMEX exchanges. Key macro screening criteria include comparing past dividend growth and projected earnings growth to the Consumer Price Index. Key micro screening criteria include looking at above average dividend growth, dividend initiation, and free cash flow growth to support growing dividends. Finally, a detailed analysis using long term fundamental valuation techniques and quantitative scoring reduces the final portfolio to approximately 40-60 companies.

### **DISCIPLINED CORE EQUITY STRATEGY**

The Disciplined Core Equity Strategy seeks total return by investing principally in high-quality U.S. large-cap companies. Strategy seeks superior risk-adjusted returns versus the S&P 500 over a full market cycle. A full market cycle encompasses both bull and bear market conditions and generally takes three to five years. Although the Strategy is focused principally on U.S. large cap stocks, the Strategy may have holdings of non-U.S. and mid-cap stocks.

Stocks are generally selected by combining fundamental, quantitative, and technical analysis of large-cap companies with U.S. market capitalizations of \$5 billion or greater. This strategy seeks to limit risk through sector diversification, concentration limits on position sizes, and sell disciplines. Sell decisions are generally based on the existence of at least one of the following or other conditions: deterioration of company fundamentals, impairment of free cash flow, exceeded concentration limits, or higher conviction in a replacement opportunity.

### **LARGE CAP SECTOR ALLOCATION STRATEGY**

This strategy's investment process allocates large cap domestic equities based upon the top-level economic sectors of the Global Industry Classification Standards ("GICS"). A passive portfolio is built designed to capture those sector exposures. It will invest in a representative sample of securities, which are included in the strategy's benchmark index (Russell 1000®), weighted to reflect the recommended sector allocations. The return for each of the sector-weighted segments is intended to correlate closely with the return for the corresponding GICS economic sectors of the benchmark.

### **ESG EQUITY STRATEGY**

This strategy seeks risks-adjusted returns over a multi-year investment horizon which are superior to the Russell 1000 Index, principally through investment in equity securities of U.S. large-cap companies with ESG qualities. The strategy principally invests in U.S. large-cap companies but may have holdings in non-U.S. companies and non-large capitalization companies. The strategy integrates environmental (E), social (S), and governance (G) principles throughout the investment process. The strategy seeks to maintain higher ESG standards than its peers, based on a WTIA ESG scoring model, and invests in a diversified portfolio of high-quality companies.

When referencing its peers for this strategy, an ESG custom peer group is constructed by searching Morningstar's separate account and open-ended mutual fund databases for any managers of separate accounts and actively managed funds classified as "Domestic Large Cap, with ESG Intent," having more than \$500 million in assets, and having fewer than 100 stocks. The ESG custom peer group also includes any separate accounts and actively managed funds of over \$500 million in assets that hold less than 100 stocks who have a Morningstar Sustainability Rating of "High" or "Above Average". Note that certain funds in the ESG custom peer group do not reference ESG in their name nor do they list ESG as an investment objective in their prospectus and other fund documents.

## A. Risk Factors

### Risk Generally Applicable to All Services

Investment Risk. Different types of investments involve varying degrees of risk, and you should not assume that future performance of any specific investment or investment strategy PUA employs will be profitable or equal any specific performance level(s).

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in the clients advised by PUA. The risk factors are not listed in any particular order. These risk factors include only those risks PUA believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by PUA.

General Risk of Loss. Investing in securities and other financial instruments involves the risk of loss. Clients should be prepared to bear such loss. Investments in securities and other financial instruments and products are subject to many types of risk that can cause the permanent loss of capital as a result of adverse market conditions.

Market Risks. The profitability of a significant portion of PUA's investment program depends largely upon correctly assessing the future course of movements in interest rates, currencies, equities, other investments, and the marketplace in general. Given the increasing interdependence among global economies and markets, conditions in one country, market, or region, as well as natural disasters and disease, are increasingly likely to adversely affect markets, issuers, and/or foreign exchange rates in other countries, including the U.S. These disruptions could prevent PUA from executing advantageous investment decisions in a timely manner and negatively impact PUA's ability to achieve its investment objectives. Any such events could have a significant adverse impact on the value and risk profile of investments with PUA. Further, higher volatility in the market may result in dramatic changes in security values.

Mutual Funds and Exchange Traded Funds (ETFs). An investment in a mutual fund or ETF involves risk, including the loss of principal through trading. Mutual fund and ETF shareholders are also subject to the risks stemming from the individual issuers of the fund. Such shareholders are also liable for taxes on any fund-level capital gains, as the law requires mutual funds and ETFs to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Non-U.S. Securities. PUA may invest clients' portfolios in non-U.S. securities. Investing in securities of non-U.S. governments and companies that are generally denominated in non-U.S. currencies and utilization of options on non-U.S. securities involves certain considerations comprising both risks and opportunities not typically associated with investing in securities of the U.S. Government or U.S. companies. These considerations include changes in exchange rates and exchange control regulations, political and social instability, expropriation, imposition of foreign taxes, less liquid markets and less available information than is generally the case in the U.S., higher transaction costs, less governmental supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, difficulty in enforcing contractual obligations, lack of uniform accounting and auditing standards and greater price volatility.

Fixed Income. Fixed income trading involves various risks, some of which are listed below:

- Counterparty risk – risk that each party to a contract will not meet their obligations
- Credit quality risk – lower quality bonds may experience a higher risk of default
- Credit risk – issuers of bonds or other debt securities may not be able to meet interest or principal payments when the bonds come due
- Duration risk – fluctuations in interest rates may have a greater impact on longer duration assets
- Inflation risk – the price of an asset, or the income generated by an asset, may not keep up with the cost of living
- Interest rate risk – changing interest rates affect the value of bonds
- Municipal market risk – factors unique to the municipal bond market may negatively affect the value of municipal bonds, including risk of payment default and priority in which payments may be made by municipal issuers
- Prepayment risk – many bonds and debt securities have call provisions that may result in debtors paying back the debt prior to maturity during periods of decreasing interest rates
- Reinvestment risk – investors may have difficulty reinvesting payments from debtors and may receive lower rates than from their original investments

Debt Securities. PUA may take positions in debt securities that rank junior to other outstanding securities and obligations of the issuer, all, or a significant portion of which substantially all of that issuer's assets may secure. PUA may take positions in debt securities not protected by financial covenants or limitations on additional indebtedness. PUA may invest in securities that are moral obligations of issuers or subject to appropriations. Therefore, client portfolios will be subject to credit and liquidity risks.

Currency Risks. Investments in securities or other instruments that are denominated in a currency other than U.S. dollars are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors

that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. PUA may try to hedge these risks by investing in currencies other than U.S. dollars, currency futures contracts and options thereon, forward currency exchange contracts or similar instruments, or any combination thereof. To the extent any such hedges are profitable during any month or quarter, PUA will invest the profits at the end of such month or quarter into clients' core investment portfolio. Conversely, if such hedges generate losses in any month or quarter, PUA may liquidate a portion of clients' core investment portfolio to cover such losses. There can be no assurance that such hedges will be effective or that PUA will hedge clients' overall currency exposure.

Options. The use of options involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Although the intent of the options-related transactions may be to hedge against principal risk, certain of the options-related strategies (i.e., straddles, short positions, etc.), in and of themselves, produce principal volatility and/or risk. For instance, there is the risk that if the price of the underlying security rises beyond the option strike price plus the option premium a loss may occur.

Small Capitalization Stocks. PUA may make client investments in smaller-sized companies of a less seasoned nature whose securities may be traded in the over-the-counter market. These "secondary" securities often involve significantly greater risks than the securities of larger, better-known companies. In addition to being subject to the general market risk that common stock prices may decline over short or even extended periods, PUA may invest in securities of companies that are not well known to the investing public, may not have significant institutional ownership and may have cyclical, static or only moderate growth prospects. The stocks of such companies may be more volatile in price and have lower trading volumes than the larger capitalization stocks.

Use of Independent Managers. PUA may recommend the use of independent managers for certain clients. PUA will continue to perform ongoing due diligence of such managers, but such recommendations rely largely on the independent managers' ability to successfully implement their investment strategy. Except as outlined below, PUA does not have the ability to supervise the independent managers on a day-to-day basis. PUA's Unified Managed Account Platform maintains independent managers who provide daily recommendations of equity buy and sell decisions. In these instances, PUA maintains supervision and control of the investment decisions for client accounts.

Non-Diversification; Concentration in Sectors. Clients' portfolio may not always be diversified. This means that they may hold fewer investments than a more diversified portfolio of comparable size. In addition, clients' portfolios may be concentrated in one or more sectors. Therefore, its investment portfolio may be subject to more rapid change in value than would be the case if PUA were to maintain a wide diversification among securities or industry sectors. Furthermore, even within these sectors, the investment portfolio may be relatively concentrated. This lack of diversification may subject the investments to more rapid change in value than would be the case if the assets were more widely diversified.

Style Risk. PUA may invest in securities of companies in industries that appear to be temporarily depressed. The prices of securities in these industries may tend to go down more than prices of securities of companies in other industries. There may also be times when client portfolios may have significant cash positions. A substantial cash position may affect performance in certain market conditions.

Lack of Liquidity of Client Assets. Although not common, client portfolios may include securities and other financial instruments or obligations that are thinly traded or for which no market exists and/or are restricted as to their transferability, disposition, or tradeability under applicable securities laws. Unless otherwise agreed, PUA's strategy is not limited in the amount it can invest in illiquid private placements that are not readily marketable. The sale of any thinly traded or illiquid investments is oftentimes only possible at substantial discounts.

Valuation of Securities. Valuation of clients' securities and other investments may involve uncertainties and judgmental determinations. For example, securities held by clients may trade with bid-ask spreads that may be significant and certain securities may, from time to time, be valued at the mean between such spreads. If such valuations should prove to be incorrect, it could adversely affect clients' portfolios. Independent pricing information may not at times be available or may be difficult to obtain with respect to certain of clients' securities and other investments. Certain investments may be difficult to value and may be subject to varying interpretations of value. The value of an investment may be determined by, among other things, utilizing marked-to-market prices provided by dealers and pricing services and, if necessary, through relative value pricing. PUA is entitled to rely, without independent investigation, upon pricing information and valuations furnished by third parties, including pricing services.

Short Sales. In certain circumstances, short sales can substantially increase the impact of adverse price movements on clients' portfolio. A short sale involves the risk of a theoretically unlimited increase in the market price of the particular investment sold short, which could result in an inability to cover the short position and a theoretically unlimited loss. There is a risk that PUA would have to return the securities it borrows on behalf of clients, in connection with a short sale, to the securities lender on short notice.

If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a “short squeeze” can occur, and PUA may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short.

**Short Selling Risks.** Short selling is an investment strategy with a high level of inherent risk. Short selling involves the selling of assets that the investor does not own. The investor borrows the assets from a third-party lender (i.e., a broker-dealer) with the obligation of buying identical assets later to return to the third-party lender. Individuals who engage in this activity will only profit from a decline in the price of the assets between the original date of sale and the date of repurchase. Conversely, the short seller will incur a loss if the price of the assets rises. Other costs of shorting may include a fee for borrowing the assets and payment of any dividends paid on the borrowed assets.

**Long Term Investment Risks.** Long-term investing generally involves the purchase of securities that are held at least one year after the date of their purchase. This investment strategy involves various risks, including the day-to-day potential for an investor to experience losses from fluctuations in securities prices.

**Short Term Investment Risks.** Short term investment strategies require a shorter investment time period to potentially develop, but as a result of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy. Short term trading also provides less time for an investment to mature.

**Asset Allocation Risks.** Asset allocation is an investment strategy that generally seeks to balance risk and reward by investing portfolio's assets according to an individual's goals, risk tolerance and investment horizon into three main asset classes – equity securities, fixed-income securities, and cash (and/or cash equivalents such as money market funds). Each asset class has different levels of risk and return and will behave differently over time.

**Nature of Investments.** PUA will have broad discretion in making investments on behalf of its clients, subject to the terms and conditions of the applicable program and client agreements. There can be no assurance PUA will correctly evaluate the nature and magnitude of the various factors that could affect the value of and return on investments. Prices of investments may be volatile, and a variety of factors that are inherently difficult to predict, such as U.S. or international economic and political developments, may significantly affect the results of PUA's activities and the value of clients' investments. PUA makes no guarantee or representation that it will achieve your investment objective.

**Risks Related to Investing for Growth:** Due to their relatively high valuations, growth stocks are typically more volatile than value stocks. For instance, the price of a growth stock may experience a large decline on a forecast of lower earnings, a negative fundamental development, or an adverse market development. Further, growth stocks may not pay dividends or may pay lower dividends than value stocks. This means they depend more on price changes for returns and may be more adversely affected in a down market compared to value stocks that pay higher dividends.

**Risks Related to Investing in GICS Sectors:** Securities in each GICS sector may suffer collectively in the event of an adverse market or economic action. By investing in this larger group, investors can be exposed to companies within the industry that may not perform well or may become more volatile than other companies within the sector. Investments in GICS sectors will typically involve investing in a broad group of companies that are part of the same industry.

**Risks Related to Company Size:** Generally, the smaller the market capitalization of a company, the fewer the number of shares traded daily, the less liquid its stock and the more volatile its price. For example, medium- and small-capitalization stocks may be less liquid and more volatile than stocks of larger, well-known companies. Companies with smaller market capitalization also tend to have unproven track records, a limited product or service base and limited access to capital. During certain market periods, large capitalization dividend-paying value stocks will trail returns from the overall stock market. Large-cap stocks tend to go through cycles, which can last years, of doing better—or worse—than other segments of the stock market or the stock market in general.

**Dividend Risk:** Certain investment strategies target companies that the manager believes have potential for attractive dividends. Performance of such a strategy would be negatively impacted to the extent such companies reduce or stop paying dividends. Similarly, such strategies could also be negatively impacted by changes in tax laws that reduce incentives for companies to pay dividends.

**Alternative Asset Classes:** Investing in alternative asset classes such as commodities, hedge funds, real estate, bank loans and derivatives, including but not limited to buying and selling options and futures contracts have their own unique risks including, but not limited to, market risk, interest rate risk, counterparty risk, lack of liquidity, volatility of returns, absence of valuation and pricing information, delays in tax reporting and substantial loss due to speculative investment practices such as leveraging and short-selling.

Master Limited Partnerships Risk: Investing in MLPs entails risks related to fluctuations in energy prices, decreases in the supply of, or demand for, energy commodities, decreases in demand for MLPs in rising interest rate environments, unique tax consequences due to the partnership structure and potentially limited liquidity.

Inflation-Linked Security Risk: Inflation-linked debt securities are subject to the effects of changes in market interest rates caused by factors other than inflation (real interest rates). In general, the price of an inflation-linked security tends to decrease when real interest rates increase and increase when real interest rates decrease.

ADR Risks: Strategies authorized to invest in non-U.S. equities may utilize American Depositary Receipts (ADRs). ADRs are deposit receipts issued by banks representing interests in securities issued by non-U.S. companies. ADRs are subject to the risks associated with investment in foreign countries described above. Even though an ADR may be traded in the U.S., investors may not have the same access to financial information that they would if they invested in securities of a U.S. issuer. ADRs may be subject to periodic service provider fees by the bank that issued the deposit receipts.

ESG Risk: There is no guarantee that integrating Environmental, Social, or Government analysis will provide improved risk-adjusted returns over any specific time period. The evaluation of environmental, social and governance factors will affect the account's exposure to certain issuers, industries, sectors, regions, and countries and may impact the relative financial performance of the account depending on whether such investments are in or out of favor.

## **ITEM 9: DISCIPLINARY INFORMATION**

PUA has not been the subject of disciplinary action in the past ten years. PUA's Chief Compliance Officer is available to address any questions regarding the disciplinary history of the firm.

## **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### Other Financial Industry Affiliations

Pursuant to inter-company arrangements, PUA receives certain services from its affiliate, Wilmington Trust Investment Advisors, Inc. ("WTIA"). The services WTIA provides to PUA include advice regarding economic and market trends, investment models (including WTIA-affiliated products and strategies) asset allocations, third-party investment vehicles and investment managers. The use of such affiliated products and strategies in client accounts results in additional revenue to WTIA and/or its affiliates. As a result, there is an incentive to select models which include affiliated products that can influence specific recommendations.

Further, PUA recommends to certain qualified clients other services of WTIA or its affiliates ("RIA Affiliates") including investment in private funds where WTIA's and PUA's affiliate, WTAM, serves as general partner, managing member and/or investment manager. As a result, WTAM, and/or other affiliates receive additional compensation in the form of advisory and other fees earned in connection with the private funds or other offerings. Thus, the recommendation of affiliated investments and other services creates a conflict of interest, because PUA has an incentive to make recommendations whereby its affiliates, WTIA and/or other affiliates earn incremental additional revenues.

WTIA serves as sub-adviser to the Wilmington Funds. WTIA receives sub-advisory fees for these services directly from WFMC, the investment adviser to the Wilmington Funds and an affiliate of WTIA. WTIA also makes recommendations respecting third parties that may be engaged to serve as sub-adviser to a Wilmington Fund portfolio. Where WTIA recommends a third party to act as sub-adviser, WTIA is responsible for the continuous ongoing monitoring and oversight of the third-party adviser. WFMC also provides advisory, fund administration services, and other services to the Wilmington Funds, and receives fees for those services. A description of the services provided, and fees charged is contained in the prospectus for the Wilmington Funds.

PUA clients also incur distribution, service, sub-accounting and similar fees, charged by unaffiliated and unaffiliated private funds, mutual funds, and ETFs, and paid to fund service providers, to the extent such fees are born by shareholders of such funds and ETFs. Where required by law or applicable regulation, a PUA client invested in a Wilmington Fund (other than money market funds) receives a credit against its periodic account fee equal to its pro-rata share of the advisory fees payable to the fund. Alternatively, PUA client assets invested in a Wilmington Fund will be excluded from the market value on which PUA's account-level fee is calculated.

Broker-Dealers: PUA is under common control with M&T Securities, Inc. ("MTS"), a SEC-registered broker-dealer registered under the Securities Exchange Act of 1934 and FINRA member. MTS offers corporate underwriting services. MTS also routinely effects, for compensation, securities transactions, as agent for its customers. MTS does not act as broker-dealer for any advisory account for which PUA provides services as an investment adviser.

Banking Institution: PUA is a wholly-owned direct subsidiary of M&T Bank, which is a subsidiary of M&T Bank Corporation. PUA is also affiliated with Wilmington Trust, N.A. ("WTNA"), which is also a subsidiary of M&T Bank Corporation. M&T Bank predominantly provides retail and commercial banking services such as checking and savings accounts, certificates of deposit, credit cards, and loans. M&T Bank also provides wealth advisory services to clients, such as financial planning and trust services. WTNA offers various fiduciary and non-fiduciary services, including trustee, custodial, agency, investment management and other services.

- Conflict of Interest: PUA provides services to customers of M&T Bank in accordance with the terms of this Brochure, which can present a potential conflict of interest. In the event of an actual conflict of interest between PUA and M&T Bank, PUA personnel with sufficient knowledge of the conflict of interest will discuss the issue with you and PUA will determine, in its discretion, whether it can continue the relationship with you. If PUA determines that it cannot continue the relationship with you, it will terminate the relationship after providing reasonable assistance to you in connection with transitioning the account away from the Firm.

#### Affiliated Investment Advisers.

- Wilmington Funds Management Corporation ("WFMC")  
WFMC, a wholly-owned subsidiary of M&T Bank Corporation, is an SEC-registered investment adviser. WFMC provides investment advisory and management services to the Wilmington Funds. The inclusion of the Wilmington Funds in certain investment programs and strategies creates a conflict of interest as a result of the compensation WFMC earns in connection with the management of those funds. A list of available Wilmington Funds and their prospectuses are available at [www.wilmingtonfunds.com](http://www.wilmingtonfunds.com).
- Wilmington Trust Investment Advisors, Inc. ("WTIA")  
WTIA, a wholly-owned subsidiary of M&T Bank, is an SEC-registered investment adviser. WTIA provides investment advisory services to institutional investors, high net worth individuals and investment companies. WTIA also serves as the principal sub-adviser to the Wilmington Funds and receives compensation from WFMC, the funds' adviser, for its services to the Wilmington Funds. Some employees of WTIA are designated as dual officers and/or employees of PUA and/or the other ISWM Registered Investment Advisers. As dual officers and/or employees, such individuals will perform duties for multiple entities.
- Wilmington Trust Investment Management, LLC ("WTIM")  
WTIM, a wholly-owned subsidiary of M&T Bank Corporation, is an SEC-registered investment adviser. WTIM provides investment advisory services to wealth clients.
- Wilmington Trust Asset Management, LLC (WTAM)  
WTAM, a wholly-owned subsidiary of M&T Bank Corporation, is an SEC-registered investment adviser. WTAM serves as the investment manager and/or managing member / general partner of certain private investment funds.

#### Selection of Other Investment Advisers.

PUA may allocate a client's investable assets among other independent investment advisers (collectively, the "Outside Managers") to provide services to such PUA client accounts. In the event PUA utilizes Outside Managers in this manner, PUA will continue to serve as the client's investment adviser and receive compensation for its provision of advisory services.

### **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

- A. PUA maintains an investment policy governing its employees' personal securities transactions consistent with PUA's Code of Ethics, which serves to establish a standard of business conduct for all PUA employees that is based upon fundamental principles of openness, integrity, honesty, and trust. A copy is available upon request.

PUA also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by PUA or any person associated with it.

- B. PUA does not make any recommendations for the securities issued by M&T Bank Corporation ("MTB Securities"), but certain clients have requested, and may in the future request, that PUA purchase MTB Securities. This creates a conflict of interest for the Firm, including the conflict that arises from the Firm being in a position to provide recommendations and advice relative to the stock of its parent company. To address this conflict of interest, PUA does not: (a) recommend, supervise, or monitor MTB Securities or (b) bill its investment advisory fee on the portion of assets invested in MTB Securities.
- C. PUA and/or representatives of PUA may buy or sell securities PUA also recommends to clients. This practice creates a situation where PUA and/or representatives of PUA are in a position to materially benefit from the sale or purchase of those securities through practices such as insider trading noted above, "front-running" (i.e., personal trades executed prior to those of PUA's clients) and other potentially abusive practices. Therefore, this situation creates a potential conflict of interest. PUA has adopted policies to detect and prevent such activities.
- PUA has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of PUA's "Access Persons." An Access Person of PUA must provide the Chief Compliance Officer or his/her designee with a report of their current securities holdings within ten (10) days after becoming an Access Person and quarterly thereafter.
- D. In certain instances, PUA and/or representatives of PUA are permitted to buy or sell securities in their corporate and/or personal accounts, at or around the same time as PUA recommends those securities to its clients. This practice creates a situation where PUA and/or representatives of PUA are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11.C, PUA monitors the personal securities transactions and securities holdings of each of its Access Persons.

## ITEM 12: BROKERAGE PRACTICES

Unless you direct PUA to use a specific broker-dealer/custodian, PUA has existing relationships whereby you maintain your investment management accounts at Fidelity, Schwab, TD, or Pershing. Prior to engaging PUA to provide investment management services, you will be required to enter into a formal Investment Advisory Agreement with PUA setting forth the terms and conditions under which PUA will manage your assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

PUA seeks to obtain best execution for clients' securities trades. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although PUA will seek competitive rates, it will not necessarily obtain the lowest possible commission rates for client account transactions. Commissions or transaction fees are exclusive of, and in addition to, PUA's investment management fee. PUA's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

With regard to fixed income trading, transactions are typically affected in an over-the-counter market on a net basis (i.e., without commission) through dealers acting as principal or in transactions directly with the issuer. Dealers derive an undisclosed amount of compensation by offering securities at a higher price than they paid for them. Some fixed income securities, particularly non-investment grade and municipal securities, may have only one primary market maker. PUA and its affiliates seek to use dealers they believe are actively and effectively trading the security being purchased or sold but may not always obtain the lowest available price with respect to a security.

In certain circumstances, PUA crosses trades between two advisory clients where it is deemed to be in the clients' best interests and there is sufficient liquidity to ensure accurate pricing. However, PUA will recommend any such transaction only to the extent it believes the trade is suitable for both clients. No commissions are charged by PUA on such cross trades. We will not affect cross trades for client accounts that are subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

Legacy Securities: When clients seek to fund their account with securities, PUA reserves the right to refuse to accept certain securities. If PUA accepts securities to fund an account ("Legacy" securities), it generally sells all or a portion of them if they would not be included in PUA's portfolio holdings for the client's account or they otherwise conflict with account guidelines. PUA may sell all or a portion of Legacy securities immediately or over time as sale opportunities occur. Depending on the size of the client's holding and the type of Legacy security, the sale price could be lower than if the sale involved a larger or more liquid position. The client will be responsible for all taxes that result from any sale of Legacy securities, and PUA will not take into account the capital gains tax treatment of Legacy securities.

Terminating Accounts: Clients who terminate their agreement with PUA may instruct PUA to transfer their securities to another account or sell them. When clients instruct PUA to sell their securities, PUA may need to sell odd lot sizes and be unable to



aggregate a client's order with orders of other clients. As a result, the sale price could be lower than if the sale involved a larger or more liquid position.

**Soft Dollar Arrangement:** In return for effecting securities transactions through a particular broker-dealer/custodian, PUA will receive certain investment research products or services that assist PUA in its investment decision-making process for the client (generally referred to as a "soft-dollar" arrangement). Investment research products or services PUA receives include, but are not limited to, analyses pertaining to specific securities, companies, or sectors; market, financial and economic studies, and forecasts; financial publications, portfolio management systems, and statistical and pricing services. A client may pay a commission that is higher than another qualified broker-dealer might charge to affect the same transaction where PUA determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received.

Accordingly, while PUA will seek competitive rates, it will not necessarily obtain the lowest possible commission rates for client account transactions. Generally, PUA will use the investment research products or services it obtains to service all PUA's clients, but a specific client's brokerage commission may be used to pay for research that is not used in managing that specific client's account. When investment research products or services have both a research and non-research (i.e., administrative, etc.) function, PUA will make a reasonable allocation of the cost of the product or service according to its use – the percentage of the product or service that provides assistance to PUA's investment decision-making process will be paid for with soft dollars while PUA will pay the portion that provides administrative or other non-research assistance with hard dollars.

PUA's Chief Compliance Officer remains available to address any questions regarding the above arrangements and the potential corresponding conflict of interest presented by them.

**Research and Additional Benefits:** PUA receives from broker-dealer/custodians or other vendors certain services and/or products without cost (and/or at a discount). These services and/or products assist PUA with monitoring and servicing client accounts and include investment-related research, pricing information and market data, financial planning and other types of software, and technology that helps provide access to client account data.

PUA will also receive compliance and/or practice management related publications, discounted or gratis consulting services, computer hardware and/or software and/or other products PUA uses in furtherance of its investment advisory business operations.

To assist PUA to manage and further develop its business enterprise, PUA will receive discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events. PUA will also accept reimbursement for marketing costs, such as expenses for meetings attended by PUA clients. PUA will also receive reimbursement of costs related to the transition to broker-dealer/custodians or other vendors it will employ.

However, regarding any of the services and/or products it receives mentioned above, PUA makes no corresponding commitment to any broker-dealer/custodian or any other entity, to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products. Further, the broker dealer/custodian provides the services and/or products mentioned above to PUA regardless of the amount of assets custodied or execution directed to the broker dealer/custodian.

**Conflict of Interest:** When PUA receives research, products, or services from a broker-dealer PUA receives a benefit because PUA does not have to produce or pay for the research, products, or services. PUA has an incentive to select or recommend a broker-dealer based on PUA's interest in receiving the research or other products or services, rather than on your interest in receiving most favorable execution. It is possible that clients will pay higher commission costs due to PUA's use of that research, or those products or services. PUA believes that it has mitigated these conflicts by (a) not entering into soft dollar arrangements where the research or services it receives from a broker-dealer or custodian are tied to any particular level of execution or amount of assets custodied, and (b) only receiving research, products or services that are provided to all parties who utilize that broker-dealer or custodian, regardless of the amount of assets custodied or execution directed to that broker-dealer or custodian. PUA's Chief Compliance Officer remains available to address any questions regarding the above arrangements and the potential corresponding conflict of interest presented by them.

**Directed Brokerage:** PUA does not generally accept directed brokerage arrangements (when a client requires that a specific broker-dealer effect account transactions). In such client-directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and PUA will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other client accounts. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. If a client directs PUA to effect securities transactions for the client's accounts through a specific broker-dealer, this direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client not directed PUA to use a specific broker-dealer.

For accounts over which PUA has investment discretion, PUA may combine trades of a single security into a block in order to achieve beneficial execution and/or commission rates for our clients. PUA will allocate shares to all of the accounts involved in the block trade on a pro-rata basis. PUA may trade block trades, which in PUA's opinion will have an appreciable market impact

– for example, a thinly traded stock, a trade that represents a large percentage of the current daily volume, or a trade originated near the market's close at different times and/or days to achieve the above-stated objective.

### ITEM 13: REVIEW OF ACCOUNTS

PUA conducts account reviews for discretionary clients on an ongoing basis. Clients should advise PUA of any changes in their investment objectives and/or financial situation. All clients should review their financial planning issues (to the extent applicable), investment objectives and account performance with PUA on an annual basis. Clients are encouraged to contact their individual investment advisory representative for assistance.

PUA may conduct account reviews outside of a periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections, and client request.

The broker-dealer/custodian and/or program sponsor for your accounts directly provide you with transaction confirmation notices and/or regular summary account statements. PUA at times sends discretionary clients a periodic report summarizing account activity and performance.

### ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

- A. In connection with its PUA Advisory Services, PUA receives an economic benefit from broker-dealers/custodians in the form of support services and/or products without cost and/or at a discount. Please see Item 12 above for further details.

Further, for its PUA Advisory Services, when BNY Mellon maintains PUA account assets, Matrix Trust Company ("Matrix") often holds the mutual funds contained within these accounts. When Matrix maintains mutual funds within non-ERISA accounts managed by PUA, Matrix, in consideration reasonably commensurate for the services provided by M&T Bank to the mutual funds, passes along to M&T Bank a portion of the administrative service fees Matrix receives from applicable mutual fund companies. The fees M&T Bank receives are minimal, and they are not a factor or an inducement in deciding where PUA maintains the assets of its client accounts. Further, non-ERISA accounts managed by PUA can include money market funds where M&T Bank provides administrative services to the money market fund providers. In consideration reasonably commensurate for these services, M&T Bank receives a fee directly from the money market fund based upon the amounts invested, prorated daily. The fees M&T Bank receives are minimal, and they are not a factor or an inducement in selecting money market funds for accounts managed by PUA.

In connection with all of its advisory services, PUA may refer a client that it determines may benefit from services provided by other divisions and/or subsidiaries of M&T Bank Corporation. If PUA refers a client to other divisions or subsidiaries of M&T Bank Corporation, PUA or its representatives may receive referral compensation.

- B. Compensation to Unaffiliated Parties. PUA may pay unaffiliated solicitors for introducing clients to PUA. Referral fees are paid solely from the investment management fee, and do not result in any additional charge to the client. The solicitor's disclosure document, provided to the client at the time of the introduction, describes the compensation paid to an unaffiliated solicitor.

Compensation to Affiliated Parties. M&T Bank may refer a client to PUA that it determines may benefit from services provided by PUA. If M&T Bank refers a client to PUA, PUA may pay M&T Bank a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities law requirements.

Referrals from Third Parties. From time to time, PUA accepts client referrals from various registered representatives of brokerage firms. When these representatives refer an account to PUA, PUA has a potential conflict of interest between its duty to the client to obtain the most favorable commission rates available under the circumstances and its desire to obtain future referrals from that registered representative or brokerage firm.

Referral fees create a potential conflict of interest between the interests of PUA, the solicitor and the client. PUA addresses this conflict by (a) reviewing the suitability of referred client accounts; and (b) disclosing the nature of the referral and the compensation involved.

### ITEM 15: CUSTODY

In connection with its PUA Advisory Services, clients receive account statements directly from the broker-dealer/custodian and/or program sponsor and should carefully review those statements. PUA urges clients that receive account statements from PUA to compare these statements with the account statements received from the custodian. PUA deducts its investment management fee

from client accounts. The account custodian does not verify the accuracy of PUA's advisory fee calculation. PUA engages in practices and/or services on behalf of its clients that require disclosure at the Custody section of Part 1 of Form ADV.

## **ITEM 16: INVESTMENT DISCRETION**

In connection with its PUA Advisory Services, before PUA assumes discretionary authority over your account, you must execute an Investment Advisory Agreement, naming PUA as your attorney and agent in fact, granting PUA full authority to buy, sell, or otherwise effect investment transactions involving the assets in your name found in the discretionary account. Clients who engage PUA on a discretionary basis may, at any time, impose restrictions, in writing, on PUA's discretionary authority (i.e., limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe PUA's use of margin, etc.). If PUA believes that it cannot adequately manage the client's assets under the restrictions imposed, PUA will inform the client and terminate the Investment Advisory Agreement in accordance with its terms.

## **ITEM 17: VOTING CLIENT SECURITIES**

In connection with its PUA Advisory Services, you should review your advisory agreements with PUA to determine if PUA has accepted responsibility to vote proxies on your behalf. When PUA has accepted responsibility to vote proxies, PUA's Proxy Committee bears responsibility for voting proxies within the context, interpretation, and application of PUA's Proxy Guidelines. PUA notes that a decision relative to voting with or against management on a proxy may differ from a decision as to the merits of investing in that corporation. Regarding employee pension benefit plans subject to ERISA for which PUA is a fiduciary with investment management responsibilities, PUA will always vote proxies in the sole interest of plan participants and beneficiaries. Where an account holds common stock of M&T Bank Corporation, PUA will send proxy materials to the account owner, the co-fiduciary, or the grantor of a revocable trust for voting by such person. Upon request, PUA will provide you with information regarding how PUA voted your proxies and will provide a copy of its proxy voting policies and procedures. To obtain this information, please write to PUA's Chief Compliance Officer. In instances where PUA has not accepted responsibility to vote proxies, you will receive your proxies or other solicitations directly from your custodian. You may contact PUA to discuss any questions they may have with a particular solicitation.

PUA's Proxy Sub-Committee has adopted a set of voting guidelines provided by an unaffiliated third-party firm with which it has contracted to vote proxies on its behalf. Generally, PUA votes proxies based on the recommendations generated through the firm's applications of the voting guidelines and such votes are cast automatically through the third-party firm. However, PUA's Proxy Sub-Committee retains discretion to vote contrary to recommendations generated through application of the voting guidelines if PUA/PUA's Proxy Sub-Committee determines such an override is in the best interests of clients. PUA's Proxy Sub-Committee could override the guidelines if, for example, additional information becomes available that materially impacts PUA's determination regarding the best interests of its clients with respect to a particular proxy vote.

PUA's proxy voting policies and procedures provide for the identification of potential conflicts of interest that may occur due to business, personal or family relationships, determination of whether the potential conflict is material, and establish procedures to address material conflicts of interest. In cases of material conflict of interest, PUA will send the proxy materials to the account owner to vote the proxy.

## **ITEM 18: FINANCIAL INFORMATION**

- A. PUA does not solicit fees of more than \$1,200 per client, six months or more in advance.
- B. PUA is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. PUA has not been the subject of a bankruptcy petition.

ANY QUESTIONS: PUA's Chief Compliance Officer is available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements, and corresponding conflicts of interest.

People's United Advisors, Inc. is a registered investment adviser and a wholly-owned direct subsidiary of M&T Bank whose mailing address is at 850 Main Street, Bridgeport, Connecticut 06604.

The investment products and services offered by People's United Advisors Inc., are not insured by the FDIC or any other governmental agency, are not deposits of or other obligations of or guaranteed by People's United Advisors, Inc., M&T Bank, Wilmington Trust, or any other bank or entity, and are subject to risks, including a possible loss of the principal amount invested.