

**Item 1 – Cover Page****HARTFORD FUNDS MANAGEMENT COMPANY, LLC**

**690 LEE ROAD  
WAYNE, PA 19087**

**www.hartfordfunds.com**

August 27, 2020

IARD/CRD Number: 147746

SEC Number: 801-77209

This Brochure provides information about the qualifications and business practices of Hartford Funds Management Company, LLC (“HFMC”). If you have any questions about the contents of this Brochure, please contact Nancy Davis Scholz at 610-386-7374 or by email at: [nancy.scholz@hartfordfunds.com](mailto:nancy.scholz@hartfordfunds.com).

HFMC is a registered investment adviser (“Adviser”). Registration does not imply a certain level of skill or training.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. Additional information about HFMC will also be available on the SEC’s website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2 – Material Changes**

This item only identifies and discusses material changes to Form ADV Part 2A. HFMC is required to disclose material changes to its organization or investment business since the Firm's last annual update on March 27, 2020. Changes have been made to Item 12, with regards to the description of the trade communications for the Hartford Core Equity SMA strategy.

**Item 3 – Table of Contents****Contents**

<b>Item 1 – Cover Page.....</b>	<b>1</b>
<b>Item 2 – Material Changes.....</b>	<b>2</b>
<b>Item 3 – Table of Contents.....</b>	<b>3</b>
<b>Item 4 – Advisory Business.....</b>	<b>4</b>
<b>Item 5 – Fees and Compensation .....</b>	<b>7</b>
<b>Item 6 – Performance-Based Fees and Side-By-Side Management .....</b>	<b>9</b>
<b>Item 7 – Types of Clients.....</b>	<b>10</b>
<b>Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....</b>	<b>11</b>
<b>Item 9 – Disciplinary Information .....</b>	<b>13</b>
<b>Item 10 – Other Financial Industry Activities and Affiliations.....</b>	<b>14</b>
<b>Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....</b>	<b>18</b>
<b>Item 12 – Brokerage Practices.....</b>	<b>19</b>
<b>Item 13 – Review of Accounts .....</b>	<b>22</b>
<b>Item 14 – Client Referrals and Other Compensation .....</b>	<b>23</b>
<b>Item 15 – Custody .....</b>	<b>24</b>
<b>Item 16 – Investment Discretion .....</b>	<b>25</b>
<b>Item 17 – Voting Client Securities .....</b>	<b>26</b>
<b>Item 18 – Financial Information .....</b>	<b>27</b>

**Item 4 – Advisory Business**

HFMC is registered with the SEC as an investment adviser and with the CFTC as a commodity pool operator. HFMC is an indirect subsidiary of The Hartford Financial Services Group, Inc. (“The Hartford”), a publicly traded financial services company based in Connecticut.

HFMC provides discretionary investment advisory services to Hartford Funds, which are SEC-registered open-end investment companies, including mutual funds, exchange traded funds and closed-end interval funds (collectively, “Hartford Funds” and each series of which is a “Hartford Fund”)<sup>1</sup> and a Cayman Islands private fund for which HFMC serves as general partner.<sup>2</sup>

HFMC is also the named plan/program manager (the “Program Manager”) to certain 529 plans (the “529 Plans”). As Program Manager, HFMC and/or its affiliates provides provide certain services to the 529 Plans. In addition, HFMC provides non-discretionary investment advisory services to the 529 Plans. The 529 Plans offer portfolios that are investment options for the 529 Plans (each a “529 Portfolio”); the 529 Portfolios invest in one or more mutual fund, including certain Hartford Funds, as well as one other pooled investment vehicle.

HFMC is the parent of Lattice Strategies LLC (“Lattice”), a registered SEC investment adviser. Lattice is the investment adviser to multi-factor exchange traded funds and mutual funds. Employees may perform services on behalf of both HFMC and Lattice.

HFMC generally operates using a manager of managers or sub-advisory structure. HFMC is responsible for the management of the Funds and supervises the activities of the investment sub-advisers as well as providing administrative services including among other services, compliance, legal, governance and other activities required by Hartford Funds. In addition, HFMC makes day to day investment allocation decisions for the Hartford Growth Allocation Fund, Hartford Conservative Allocation Fund, Hartford Moderate Allocation Fund and Hartford Checks and Balances Fund (collectively, “Hartford Funds of Funds”) which invest in shares of other Hartford

---

<sup>1</sup> The Hartford Mutual Funds, Inc., The Hartford Mutual Funds II, Inc., Hartford Series Fund, Inc., HLS Series Fund II, Inc. and Hartford Funds Master Fund are combined to form Hartford Mutual Funds. Hartford Funds Exchange-Traded Trust and Hartford Next Shares Trusts are combined to form “Hartford Exchange Traded Funds” or “Hartford ETFs”. Collectively, along with the Hartford Schroder Opportunistic Income Fund, referred to as “Hartford Funds”.

<sup>2</sup> The Cayman Fund is a wholly-owned subsidiary of the Hartford Real Asset fund, a Hartford Fund. The Cayman Fund is not offered to the public. The sole purpose is to enable the Hartford Real Asset Fund to gain exposure to commodity-linked instruments.

Mutual Funds or Hartford Exchange Traded Funds.

Investment advisory and administrative services are tailored to each Hartford Fund based on the investment objectives and strategies disclosed in its prospectus or, to each 529 Plan, in accordance with the requirements of the 529 Plan's Trust.

HFMC also offers non-discretionary security recommendations in the form of model portfolios through its participation in separately managed account programs or unified managed accounts that are sponsored by non-affiliated broker-dealers ("Program Sponsors"). The Program Sponsors provide brokerage execution, custody and account administrative services for a single fee. HFMC's model portfolios provided to these Program Sponsors are referred to as "Model Portfolio Strategies".

For these Model Portfolio Strategies, HFMC may rely upon security recommendations from non-affiliated registered investment advisers ("Non-Affiliated Model Providers"). Non-Affiliated Model Providers also serve as sub-advisers to registered investment companies sponsored by HFMC for which HFMC serves as investment manager.

In connection with HFMC's Model Portfolio Strategy offerings, HFMC provides to a Program Sponsor a model securities portfolio for a particular investment strategy or asset allocation. Based on the model portfolio, the Program Sponsor exercises investment discretion and executes transactions on behalf of the Program Sponsor's clients based on the Program Sponsor's discretionary authority.

HFMC provides investment management services in connection with its Model Portfolio Strategies that differ from the investment advisory services it furnishes to the Funds and the 529 Plans. For example, the Funds employ investment strategies and techniques and invest in securities that may not be used in connection with the Model Portfolio Strategies.

In particular, the Model Portfolio Strategies generally:

- Limit eligible investments to publicly traded securities and do not invest in private placements, other illiquid securities, restricted securities or other securities that are not freely or frequently traded;
- Do not use derivatives or other complex investments for hedging or other portfolio management purposes;
- Do not participate in initial public offerings or secondary offerings;
- Have lower portfolio turnover rates as compared to the Funds, which typically have daily subscription and redemption activity; and
- Have fewer, or different security holdings, than the Funds even though the Model Portfolio

Strategy may utilize security recommendations from the same investment team using similar investment strategies and /or techniques.

HFMC's Multi-Asset Solutions team publishes models comprised solely of Hartford Funds mutual funds and exchange traded funds for use by Financial Advisors ("Multi-Asset Solutions Models").

In addition to the Model Portfolio Strategies described above, HFMC has entered into a sub-advisory agreement, for which Mellon Investments Corporation provides sub-advisory services to certain of HFMC's proprietary accounts which track an affiliated index.

As of December 31, 2019, HFMC managed \$122 on a discretionary basis and \$1.5 billion on a non-discretionary basis.

**Item 5 – Fees and Compensation*****Advisory Fees***

*Hartford Funds:* HFMC receives fees for its services to Hartford Funds including among others, investment management and administrative services. These fees are negotiated and approved by the Hartford Fund's Board of Directors / Trustees (the "Board") initially for two years and subsequently subject to re-approval at least annually thereafter. Advisory fees for each Hartford Fund are generally based on a stated percentage of the Fund's average daily net assets. This stated percentage is subject to an expense waiver and or reimbursement arrangement for that Hartford Fund, as subject and agreed upon by HFMC. Each Hartford Fund pays HFMC for HFMC's services on a monthly basis; fees are deducted directly from each Hartford Funds' custodian account. The current fee schedule for each Hartford Fund is disclosed in that Hartford Funds' SEC registration statement and via [www.hartfordfunds.com](http://www.hartfordfunds.com).

Fees calculated for a period of time that are less than a month are calculated at the annual rates provided in the Hartford Funds' fee schedule. The fees are pro-rated for the number of days elapsed in the month in question as a percentage of the total number of days in such month, based upon the average of that Hartford Fund's daily net asset value for the period in question, and paid within a reasonable time after the close of such period.

*529 Plans:* HFMC is entitled to a Plan Manager fee for services it performs with respect to the 529 Plans. Separately, HFMC also receives the investment advisory fee for those 529 Portfolios that invest in underlying Hartford Funds.

*Model Portfolio Strategies:* Advisory fees paid to HFMC for its Model Portfolio Strategies are negotiated between HFMC and the Program Sponsor.

*Multi-Asset Solutions Models:* For the Multi-Asset Solutions Models, which utilize only proprietary Hartford Funds products, no advisory fees are paid to HFMC for such models.

***Other Fees***

In connection with services provided, HFMC may also receive fees from investment managers / distributors to unaffiliated funds offered in the 529 Plans.

Clients may incur certain charges imposed by custodians, brokers, third party investment advisers and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot

differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on transactions. Such charges, fees and commissions are exclusive of and in addition to HFMC's fee.

HFMC has entered into a solicitation agreement with Schroders Investment Management North America Inc. ("Schroders"), pursuant to which Schroders has engaged HFMC to refer, offer and provide marketing support services with respect to certain Schroders strategies that are offered through separately-managed account or unified managed account platforms. HFMC is entitled to receive 15 basis points on total new assets invested in the Schroders International EAFE ADR Strategy as measured at the end of each quarter. In addition, HFMC is entitled to receive an annual fee of 8 basis points on certain "aged assets" that remain invested for more than one year, which will be calculated as 2 basis points on the amount of aged assets and will be paid quarterly within 30 days of the end of each calendar quarter. For all other strategies, HFMC is entitled to receive 35% of the total management fee received by SIMNA.



**Item 6 – Performance-Based Fees and Side-By-Side Management**

HFMC does not charge any performance fees. To address any potential conflicts of interests, HFMC has implemented controls to ensure that all of its clients are treated fairly and equitably, and to identify, assess and monitor any actual and potential conflicts of interest.

**Item 7 – Types of Clients**

HFMC's investment advisory business consists primarily of acting as the investment manager to certain Hartford mutual funds, exchange traded funds, closed-end interval funds and Cayman Island private funds. HFMC also provides various services to the 529 Portfolios as Plan Manager to the 529 Portfolios. With the exception of the Hartford Funds of Funds, HFMC retains and is responsible for overseeing the sub-advisers (for a discussion of HFMC's advisory business see Item 4.).

HFMC does not require that its clients satisfy a minimum amount for opening or maintaining an account, however each of the Hartford Funds and each of the 529 Plans independently impose such minimums on their investors. In addition, contract holders or qualified employee benefit plan investors that indirectly invest in certain Hartford Funds are subject to account or investment minimums based upon the contract or plan.

HFMC also provides non-discretionary security recommendations through Model Portfolio Strategies to Program Sponsors. For its Model Portfolio Strategies, client account minimums are established by the Program Sponsor, as agreed upon by HFMC.

## Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

With respect to the Hartford Funds, HFMC hires and is responsible for managing the sub-advisers that provide portfolio management services (which also include asset allocation decisions) for each Hartford Fund that uses a sub-adviser. HFMC also provides investment advisory and administrative services for 529 Portfolios of certain 529 Plans.

HFMC employs a comprehensive manager evaluation and selection process to identify which investment strategies it believes are best suited for inclusion in its product offerings using both quantitative and qualitative methods. People, Process and Performance (see below) are evaluated by HFMC's Investment Advisory Group and ultimately by the Investment Committee of the Hartford Funds' Board of Directors/Trustees when a new fund is proposed and launched. HFMC seeks investment strategies that are managed by portfolio managers or investment teams that utilize an articulated investment process and understandable investment philosophy with appropriate risk-adjusted results. The Investment Advisory Group seeks to give each of People, Process and Performance equal weight in its decision making process to select, retain or replace an investment professional(s) for any strategy. Listed in the table below is a summary of some of the quantitative and qualitative factors that are evaluated within the investment selection and monitoring process.

<u><i>People - Qualitative</i></u>	<u><i>Process - Qualitative</i></u>	<u><i>Performance – Quantitative</i></u>
<ul style="list-style-type: none"> <li>• Size and depth of organization</li> <li>• Ownership Structure</li> <li>• Compensation</li> <li>• Regulatory/Reputation</li> <li>• Compliance monitoring</li> <li>• Product asset growth</li> <li>• Investment Team and Resources</li> <li>• Tenure/experience</li> <li>• Turnover</li> <li>• Portfolio Knowledge</li> <li>• Work environment</li> <li>• Believability/enthusiasm</li> </ul>	<ul style="list-style-type: none"> <li>• Investment philosophy</li> <li>• Investment approach</li> <li>• Buy/sell decisions</li> <li>• Evolution of process</li> <li>• Depth of Fundamental Research</li> <li>• Selection v. sector bets</li> <li>• Style consistency (performance, style and process)</li> <li>• Diversification/Concentration</li> <li>• Risk Metrics &amp; Controls</li> <li>• Holdings Analysis</li> <li>• Environmental, Social, Governance (ESG) integration.</li> </ul>	<ul style="list-style-type: none"> <li>• Trailing &amp; Periodic Returns</li> <li>• Peer and Benchmark Relative Results</li> <li>• Yield Analysis</li> <li>• Return patterns (yearly, quarterly)</li> <li>• Risk (Beta)</li> <li>• Absolute Volatility (Std Deviation)</li> <li>• Excess return (Alpha)</li> <li>• Risk-adjusted returns (Sharpe)</li> <li>• Information Ratio</li> <li>• Batting Average</li> <li>• Upside/downside capture</li> <li>• Morningstar Rating</li> <li>• Returns Based Analysis</li> <li>• Performance Consistency</li> <li>• Alternative fund objectives</li> </ul>

With respect to 529 Plans, HFMC utilizes similar metrics to recommend Hartford Funds and non-Hartford Funds as underlying investments for the 529 Portfolios in the 529 Plans.

For its Model Portfolio Strategies, HFMC utilizes the services of Non-Affiliated Model Providers to develop investment strategies and provide security recommendations for the strategies. The Non-Affiliated Model Provider is compensated for its services based on the fair market value of securities held by Program Sponsors pursuant to the Model Portfolio Strategies. HFMC is responsible for overseeing the Non-Affiliated Model Providers, which also serve as sub-advisers to certain Hartford Funds.

For its Multi-Asset Solution Models, the Multi-Asset Solutions Team reviews and publishes updates to the models no less than quarterly.

Investing in securities involves risk of loss. Additional information regarding risks and investment strategies for each of the Hartford Funds is available in each Hartford Fund's prospectus and statement of additional information ("SAI") or for the 529 Portfolios in the Program Brochure or Offering Statement.

**Item 9 – Disciplinary Information**

There are no legal events or proceedings or disciplinary events related to affiliates of HFMC, with respect to their business as either a registered investment adviser or insurance related businesses within the last 10 years.

**Item 10 – Other Financial Industry Activities and Affiliations***Commodity Pool Operator*

HFMC is registered with the CFTC as a commodity pool operator. Certain Management Persons are Associated Persons with the NFA.

*Investment Advisers*

HFMC is an affiliate of Hartford Investment Management Company (“HIMCO”), both indirect subsidiaries of The Hartford. HIMCO provides investment advisory services primarily to institutional clients (including affiliated and unaffiliated insurance companies, corporations and employee benefit and pension plans), as well as registered investment companies and private funds. HIMCO has a separate management team and operates as a separate and distinct line of business from that of HFMC.

HFMC is the parent of Lattice Strategies LLC. Lattice serves as investment adviser to multi-factor exchange traded funds and mutual funds. HFMC’s President, Chief Compliance Officer, Chief Financial Officer and General Counsel all serve in a similar capacity to Lattice Strategies LLC. Employees may perform services on behalf of both HFMC and Lattice.

Disclosures for both HIMCO and Lattice can be found in its respective Form ADV Part 2A.

*Affiliated Broker-Dealers*

HFMC is affiliated with one registered broker-dealer, Hartford Funds Distributors, LLC (“HFD”). HFD serves as principal underwriter and distributor for Hartford’s mutual funds, closed-end interval funds and 529 Plans. HFMC does not execute client transactions through its affiliated broker-dealer. Hartford ETFs are distributed through a non-affiliated broker-dealer. Certain Management Persons and employees are Registered Representatives of HFD.

*Conflicts of Interest*

HFMC monitors for conflicts of interest in its investment advisory business with respect to the investment advisory services provided to the Hartford Funds, including the Hartford Funds of Funds, a private fund and to 529 Plans. HFMC evaluates situations that give rise to potential conflicts and has adopted policies and procedures relating to personal securities transactions and insider trading that are designed to prevent or detect actual conflicts of interest. (For a discussion on how HFMC monitors for conflicts of interest, see Item 11.)

**Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

HFMC has adopted a written Code of Ethics and Insider Trading Policy (the “Code”) based upon the principle that the officers, directors, and employees of HFMC (all of which are designated persons “Access Persons”, “Investment Persons” or “Supervised Persons”) have a fiduciary duty to treat all clients fairly. HFMC has adopted and implemented policies and procedures that it believes are reasonably designed to address the conflicts associated with personal trading activities of employees. Access Persons, Investment Persons and/or Supervised Persons, prevent insider trading, and prevent the disclosure and misuse of its clients’ material nonpublic information.

Each employee of HFMC receives a copy of HFMC’s Code upon employment and is required to complete initial training regarding the Code. Employees also are required to file a report of any reportable securities and or brokerage accounts held either directly or indirectly as well as report personal securities transactions at least quarterly. Exceptions apply to accounts over which an employee has non-discretion. On an annual basis each Access Person must certify compliance with the Code and complete annual training. Pursuant to the Code, Access Persons must obtain prior written approval before purchasing initial public offerings and limited offerings or engaging in outside business activities. Individuals who have been designated as Investment Persons are subject to additional pre-clearance and holding requirements.

HFMC’s Code also establishes policies and procedures to monitor Supervised Persons. Supervised Persons are individuals who do not, as part of their regular functions and duties with HFMC, make, participate in, or have information regarding the purchase or sale of securities by HFMC’s clients, have access to nonpublic information about the portfolio holdings of the Hartford Funds or the 529 Portfolios, or make recommendations about securities or investments to HFMC’s clients.

Each Supervised Person of HFMC receives a copy of and training on HFMC’s Code upon determination of his/her status as a Supervised Person and is required on an annual basis, to: 1) acknowledge receipt and certify compliance with the Code; and 2) certify that there have been no changes in his/her regular functions and duties in regard to HFMC’s clients.

In addition, each sub-adviser to a Hartford Fund has also adopted its own Code of Ethics. HFMC reviews the adequacy of each sub-adviser’s Code of Ethics and requires the sub-adviser to certify compliance with its Code of Ethics on a quarterly and annual basis. A copy of HFMC’s Code can be obtained by contacting Nancy Davis Scholz at 610-386-7374 or by email at [nancy.scholz@hartfordfunds.com](mailto:nancy.scholz@hartfordfunds.com).



## **Item 12 – Brokerage Practices**

### *Broker Selection and Execution*

*Hartford Funds:* With the exception of the Hartford Funds of Funds, each Hartford Fund's sub-adviser is responsible for making determinations concerning the selection of brokers for the Hartford Fund's transactions and for assessing the reasonableness of the compensation charged, subject to the Hartford Funds' Commission Recapture Program, as applicable.

HFMC generally relies on the Funds' sub-advisers for broker selection and making other determinations concerning trade execution, including decisions regarding trade aggregation and rotation. Accordingly, a Fund's sub-adviser is responsible for determining whether to aggregate portfolio securities transactions executed on behalf of the Funds with other discretionary accounts managed by the sub-adviser and for determining the order in which the sub-adviser places trade orders for such portfolio securities transactions. Generally, sub-advisers determine in their sole discretion the order in which to place portfolio securities transactions for one or more groups of accounts based on the sub-adviser's policies and a number of factors, including liquidity and other market conditions, the type of security and transaction, the executing broker-dealer's commitment of capital, or anticipated market impact and confidentiality considerations. HFMC has adopted procedures to monitor sub-adviser trading and execution.

The Funds of Funds also invest in affiliated exchange traded funds. Trading in these securities is conducted by an internal trading desk. The Firm has adopted trading policies and procedures related to aggregation and allocation to ensure fair and equitable treatment across all accounts. The Best Execution Committee is responsible for the review and approval of brokers, trade aggregation, allocation and best execution.

*529 Plans:* With respect to 529 Plans, which invest in shares of other Hartford mutual funds and non-Hartford mutual funds, no brokerage compensation is paid in connection with such transactions.

*Model Portfolio Strategies:* HFMC is not responsible for selecting brokers or executing any portfolio securities transactions for any accounts maintained by a Program Sponsor. HFMC has neither investment nor brokerage discretion for any accounts of the Program Sponsors to which HFMC provides non-discretionary security recommendations in connection with the Model Portfolio Strategies.

HFMC relies on Non-Affiliated Model Providers, which also act as sub-advisers to HFMC sponsored Funds, to make security recommendations for certain Model Portfolio Strategies. Although a Model Provider may use substantially similar investment processes to develop securities recommendations for a Model Portfolio Strategy and Hartford Fund, the Model Provider's decision to recommend a portfolio securities transaction and related

communication of such recommendations to HFMC in connection with a Model Portfolio Strategy is handled separately from the Model Provider's trading policies in its role as sub-adviser to certain Funds.

*Hartford Core Equity SMA Strategy:* Wellington Management Company LLP, the Model Provider, also acting in its capacity as sub-adviser to a similar Fund, will make investment recommendations for the Model Portfolio Strategy concurrently with the trading decisions for the similar Fund. At the time of the decision, the Model Provider may recommend similar trades for the Model Portfolio Strategy and the Fund, different trades, or no trades for the Model Portfolio Strategy. When similar trades are recommended for both the Model Portfolio Strategy and the Fund, dissemination of trade recommendations will be communicated contemporaneously for the Model Portfolio Strategy and the Fund. Upon receipt of trade recommendations for the Model Portfolio Strategy, HFMC will promptly communicate trade instructions in accordance with its trade rotation procedures.

### *Trade Rotation*

HFMC will rotate the delivery of changes to Model Portfolio Strategy holdings among the Program Sponsors in a fair and equitable manner. HFMC or its agent will release changes to a Model Portfolio Strategy based on a random rotation process that is designed to ensure that no Program Sponsor is systematically disadvantaged. HFMC generally anticipates that the agent, upon receipt of the model from HFMC, will communicate to Program Sponsors changes to a Model Portfolio Strategy in a prompt manner. The Program Sponsor is responsible for implementing within Program Sponsor's accounts the changes to the Model Portfolio Strategy, whereby the Program Sponsor may make adjustments to securities holdings, weightings, and other changes. For the proprietary accounts for which HFMC utilizes Model Portfolio Strategy, HFMC will only communicate trades to its custodian after its agent has communicated changes to Program Sponsors.

Accordingly, it is likely that a Program Sponsor's clients may experience differences in performance as compared to the performance of the Model Portfolio Strategy, other Program Sponsors or the performance of any proprietary institutional account managed by HFMC based on the Model Portfolio Strategy.

### *Soft Dollars*

While the sub-advisers receive certain soft dollar benefits in support of the Hartford Funds' transactions, HFMC does not directly receive any soft dollar benefits in connection with securities trades of its investment advisory clients.

### *Commission Recapture*

HFMC has established a commission recapture program for certain of its sub-advised Funds. Commission recapture is a form of discount brokerage that rebates a portion of trading commissions directly back to an investment company, pension plan or other institutional investor. HFMC sponsors the program for the benefit of its fund shareholders that permits a sub-adviser the discretion on whether or not to participate in its commission recapture programs subject to allocation considerations. A sub-adviser is requested to direct trades through HFMC's commission recapture program when, in consideration of best execution, executing such type of trade is in the best interests of shareholders.

### *Prohibition on the Use of Brokerage Commissions to Finance Distributions*

Hartford Funds and HFMC have implemented policies and procedures prohibiting the use of brokerage commissions to finance fund distribution in compliance with Rule 12b-1(h) of the Investment Company Act of 1940 ("Rule 12b-1"). HFMC monitors its sub-advisers to ensure compensation was not made to a broker for promotion or sale of Hartford Funds by directing brokerage or any other remuneration to that broker. In addition, HFMC monitors the sharing of information regarding Fund distribution payments to sub-adviser trading or portfolio management personnel.

**Item 13 – Review of Accounts**

Hartford Funds' Investment Advisory Group ("IAG") is overseen by HFMC's Chief Investment Officer. IAG reviews and evaluates the performance of the Hartford Funds, a private fund and the 529 Portfolios, as well as the performance of the sub-adviser to each Hartford Fund, on approximately a quarterly basis, based upon such factors as portfolio characteristics, market analysis, portfolio position and outlook. With respect to the Hartford Funds, IAG also conducts due diligence meetings at least semi-annually with each portfolio manager and provides a quarterly written report and analysis about each Hartford Fund to the Investment Committee of the Hartford Funds' Board of Directors/ Trustees.

For the 529 Plan, IAG provides quarterly written reports to the 529 Plan on the performance of each 529 Portfolio.

In addition, the Investment Product Oversight Committee ("IPOC") led by HFMC's Chief Investment Officer regularly reviews the performance of the Hartford Funds and the performance of the portfolio managers managing the Hartford Funds' assets. In addition to fund performance, IPOC evaluates product ideas, new funds, mergers, and changes to fund strategies.

**Item 14 – Client Referrals and Other Compensation**

HFMC does not receive any economic benefit directly or indirectly from persons who are not clients for providing investment advice or other advisory services to its investment advisory clients. HFMC does not actively solicit clients, does not have solicitors, and does not enter into cash referral arrangements for the purpose of client referrals.

**Item 15 – Custody**

HFMC does not take custody of its clients' assets or securities. With respect to the holdings of each Hartford Fund and private fund, each client has entered into an agreement with an independent qualified custodian, pursuant to which the client receives account statements directly and should carefully review those statements.

**Item 16 – Investment Discretion**

HFMC currently employs Wellington Management and Schroders Investment Management North America as sub-advisers for each Hartford Fund other than the Hartford Funds of Funds. As sub-advisers, Wellington and Schroders perform the daily investment of the assets of these Funds. HFMC monitors and supervises the activities of Wellington and Schroders and would do the same for any other sub-advisers, and can terminate the services of any sub-adviser at any time, subject to the notice periods set forth in the applicable sub-advisory agreement.

Investment products selected for and offered as underlying funds to the 529 Portfolios with the 529 Plan, including any Hartford Funds, are subject to the approval by a 529 Plan's Board of Trust or State Treasurer.

For its Model Portfolio Strategies, HFMC does not have investment discretion.

**Item 17 – Voting Client Securities**

Pursuant to the Hartford Funds' Proxy Voting Policy, the sub-advisers to the Hartford Funds' (other than the Funds of Funds that are not sub-advised) have been delegated the authority to vote all proxies relating to the Hartford Funds' portfolio holdings. A sub-adviser's exercise of this delegated proxy voting authority is subject to oversight by HFMC. A sub-adviser has a duty to vote or not vote such proxies in the best interests of each Hartford Fund and to avoid conflicts of interest. With respect to The Hartford Growth Allocation Fund, The Hartford Conservative Allocation Fund, The Hartford Moderate Allocation Fund, and The Hartford Checks and Balances Fund, pursuant to its Proxy Voting Policy, HFMC votes any proxies of the underlying Hartford Funds in which the invest in the same proportion as the vote of the underlying Hartford Funds' other shareholders, (sometimes called "mirror" or "echo" voting). HFMC can also vote proxies on behalf of the sub-advisers if the sub-advisers believe there is a conflict of interest in voting the proxies.

HFMC has been delegated proxy voting authority for retirement and 403(b) accounts for which HFMC is the sponsor as provided for in certain custodial/disclosure documents. As a result, if retirement and/or 403(b) owners do not vote, the custodial/disclosure documents provides that the shareholder directs HFMC to vote the shareholders' fund shares in the same proportion as other fund shareholders.

With respect to proxies for the underlying funds that the 529 Plans invest in, HFMC will not vote the proxy but will instead require that the State vote any such proxy.

A copy of HFMC's Proxy Voting Policy can be obtained by contacting Nancy Davis Scholz, at 610-386-7374 or by email at: [nancy.scholz@hartfordfunds.com](mailto:nancy.scholz@hartfordfunds.com).



**Item 18 – Financial Information**

HFMC has no financial conditions that are likely to materially impair its ability to meet contractual commitments to the Hartford Funds or the 529 Plan for which it provides advisory services (its clients). HFMC has not been the subject of a bankruptcy proceeding in the past ten years.