



Disclosure Document for the PNC Directions Program

An Investment Advisory Service of
PNC Investments LLC

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Pittsburgh, Pennsylvania 15222
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March 30, 2020

This wrap fee program brochure ("Brochure") provides information about the qualifications and business practices of PNC Investments, LLC, specifically in connection with our PNC Directions Wrap-Fee Advisory Program ("PNC Directions Program," "PNC Directions" or "Program"). If you have any questions about the contents of this Brochure, please contact us at (800) 622-7086. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

PNC Investments LLC, a registered investment adviser and broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"), is a wholly owned subsidiary of The PNC Financial Services Group, Inc. Registration does not imply a certain level of skill or training.

Additional information about PNC Investments LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

<p>Not FDIC Insured • Not Bank Guaranteed • Not A Deposit • Not Insured By Any Federal Government Agency • May Lose Value</p>
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MATERIAL CHANGES

ADV Part 2A dated March 30, 2020 Exhibit

The following changes have been made to the PNC Investments PNC Directions wrap fee program brochure since the annual brochure dated March 30, 2019:

On May 7, 2019 PNC Capital Advisors entered into a definitive agreement to sell certain components of its business to Federated Investors, Inc. (Federated). The transaction includes the reorganization of the PNC Funds family of mutual funds into corresponding Federated mutual funds. The Brochure has been updated to reflect the removal of PNC Funds as Affiliated Funds. You may contact your Financial Advisor or PNC Investments at 800-622-7806 if you have any questions about this transaction or its impact to your account.

Page 9 – Fees and Expenses. The Brochure has been updated to reflect that PNC Investments occasionally may offer discounted pricing programs.

Page 9 – Additional Fees for Brokerage Services. The Brochure has been updated to reflect that PNC Investments may mark up charges for certain services provided by our clearing firm.

Page 10 – Fund-Level Fees and Expenses Received by Us and our Related Entities. The Brochure has been updated to clarify our selection criteria for Approved Share Classes.

Page 11 - Fund-Level Fees and Expenses Received by Us and our Related Entities. The brochure has been updated to reflect that funds that discontinue their participation in our revenue sharing program will be removed from the Program.

Page 12 – Cash Balances. The Brochure has been updated to provide additional information on our use of a Bank Deposit Sweep Program for uninvested cash balances, and the conflicts of interest created by it.

Page 15 – Risks of Investing in the PNC Directions Program. The Brochure has been updated to provide additional information related to the risks of investing in the Program. Specifically risks related to liquidity and stock-specific or nonsystematic risks.

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PNC Investments LLC (“PNC Investments” or the “Firm”), is an investment adviser and also a registered broker-dealer and member of FINRA and SIPC. The Firm offers retail brokerage and investment advisory services. PNC Investments serves as the sponsor of, and in some cases as a portfolio manager for, wrap fee investment programs. PNC Investments is a wholly owned subsidiary of PNC Bank, National Association (“PNC Bank”) and is a part of The PNC Financial Services Group, Inc. (“PNC”) which is a diversified financial services institution with roots in commercial banking and investment management dating back to the early 1800s.

Throughout this document, the terms “client,” “you,” and “yours” are used to refer to the individual(s), institution(s) or organization(s) who contract with us for the services described here. “PNC Investments,” “we,” “our,” “us” and “the firm” refer to PNC Investments LLC, together (as applicable) with our affiliates, including but not limited to, PNC and its agents with respect to any services provided by those agents. Our affiliates include any entity that is controlled by, controls or is under common control with PNC Investments, including but not limited to our parent company, The PNC Financial Services Group, Inc. Each affiliate is a separate legal entity and not responsible for the obligations of any other affiliate.

“Account” means each brokerage and/or advisory account you open with us that is subject to the PNC Directions Program investment management agreement (the “Investment Management Agreement”), including any and all mutual funds, exchange traded funds, money, securities, financial instruments and/or other property you have funded in such accounts. “Business Day” means Monday through Friday, excluding New York Stock Exchange holidays. “Wrap” refers to an Account that charges a quarterly or annual fee based on the average assets under management, where such fee covers administrative, commission, execution and management expenses.

SERVICES, FEES AND COMPENSATION

This Brochure is being provided pursuant to Section 204 of the Investment Advisers Act of 1940, as amended, and deals solely with our PNC Directions Program. In addition to the PNC Directions Program, PNC Investments offers a variety of investment advisory services. These include, but are not limited to, the Capital Directions Program, the Portfolio Solutions Program, the Portfolio Solutions Strategist Program, and the PNC Digital Advisor Program. More information about these programs and services is contained in the applicable PNC Investments brochure and is available upon request or through the SEC’s website at <https://adviserinfo.sec.gov/>. For more information about these or other services that are available from PNC Investments, please contact your Financial Advisor. Other advisory services are offered by our affiliates.

The PNC Directions Program

PNC Directions is a discretionary mutual fund and exchange traded fund (“ETF”) advisory program that provides an asset allocation strategy for investing in a portfolio of mutual funds and ETFs (together, “Funds”) based on your declared risk tolerance, asset levels, time horizons, and financial goals. When you open an Account with us, your Financial Advisor¹ will help you complete an investor questionnaire that provides an understanding of your financial situation, investment objectives, investment time horizon and risk tolerance. Based on the information collected in the questionnaire, we will formulate an asset allocation recommendation and structure a diversified portfolio of Funds to implement that model. **The Funds available through the Program include Funds that are**

¹ We use the term “Financial Advisor” to refer to PNC Investments’ branch-based and centralized Financial Advisors, as well as Advisor Direct Financial Advisors and Investment Services Consultants.

managed or otherwise operated by investment advisers: (a) that are Affiliates; or (b) in which our Affiliates have an ownership percentage (collectively, "Related Entities"). Such Funds managed and otherwise serviced by our Related Entities are collectively referred to herein as "Affiliated Funds." Affiliated Funds include those advised by BlackRock, Inc. and its affiliates (collectively, "BlackRock"). Our parent company, The PNC Financial Services Group, Inc., together with its subsidiaries, owns approximately 22% of BlackRock. For important additional information regarding selection of Funds, please see the section of this Brochure entitled "Portfolio Manager Selection and Evaluation."

Five asset allocation strategies, each associated with a distinctive risk profile and comprised of a different mix of asset classes, have been developed by PNC Bank's Asset Management Group and approved by PNC Investments' Product Development and Oversight Committee. Each of the mutual fund strategies is offered in taxable, tax-sensitive, domestic taxable, and domestic tax-sensitive variations. Each of the ETF strategies is offered in a standard version only. Working with your FA, you can select a strategy based on your investment goals and financial circumstances. The five strategies are summarized below.

- **Conservative.** The primary objective of the Conservative model is to generate a modest amount of current income, and secondarily to provide a modest amount of long-term capital growth, which should help offset some of the effects of inflation. Long-term growth of principal will be aided by income reinvestment.

While the goal is to maintain a low-risk posture, investors should be willing to accept periodic declines in portfolio value. Although past performance is no guarantee of future results, any such decline should be less severe than declines in the broader equity markets. The portfolio's split allocation between equity and fixed income securities, with an allocation to cash, exposes it to both the risk of rising interest rates and falling equity prices.

- **Moderate.** The objective of the Moderate model is to generate a moderate amount of current income with the potential for longer-term capital growth. The portfolio is evenly split between equity and fixed income securities, with a small allocation to cash, and is constructed to provide both long-term capital appreciation in excess of inflation and a moderate amount of current income. While the current income generated could be available to meet your day-to-day expenses, reinvestment of income will increase the portfolio's ability to exceed inflation over the long-term.

The portfolio's split allocation between equity and fixed income securities, with an allocation to cash, exposes it to both the risk of rising interest rates and falling equity prices. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio's long-term investment objective.

- **Balanced.** The primary objective of the Balanced model is to provide long-term capital growth in excess of inflation, with a modest amount of current income as a secondary objective. The portfolio is split between equities and fixed income securities, with a higher allocation to a variety of equity securities. The portfolio also contains a small allocation to cash. While the current income generated could be available to meet your day-to-day expenses, income reinvestment will increase the portfolio's ability to exceed inflation over the long-term.

This portfolio maintains a somewhat aggressive risk posture, and you should be willing to accept periodic declines in portfolio value. Because the portfolio is largely invested in equities, it can experience fluctuations – up or down – in value over short time periods. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio’s long-term investment objective.

- **Growth.** The primary objective of the Growth model is long-term capital growth. It may secondarily generate a minimal amount of current income by including some fixed income securities. The portfolio is concentrated in equity investments in order to earn returns exceeding the rate of inflation over the long-term. A small allocation to fixed income securities, as well as cash, is included primarily to help dampen volatility over the long-term.

This portfolio maintains an aggressive risk posture, and you should be willing to accept potentially significant declines in portfolio value that may be similar to or exceed declines in the broader equity markets. Because the portfolio is predominantly invested in equities, it can experience sharp fluctuations – up or down – in value over short time periods. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio’s long-term investment objective.

- **Aggressive.** The primary objective of the Aggressive model is long-term capital growth. An Aggressive portfolio is concentrated in equity investments for long-term growth. Returns in excess of the underlying rate of inflation are necessary to increase both principal and purchasing power.

This portfolio maintains a highly aggressive risk posture, and you should be willing to accept potentially significant declines in portfolio value, similar to or greater than declines in the broader equity markets. The portfolio may contain a small allocation to fixed income securities as well as cash. Because the portfolio is predominantly invested in equity securities, it can experience sharp fluctuations – up or down – in value over short time periods. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio’s long-term investment objective.

Before you open an Account in the PNC Directions Program, your Financial Advisor will help you complete an investor questionnaire that provides us with a comprehensive understanding of your financial situation, investment objectives, risk tolerance and investment time horizon. Based on the information collected in the questionnaire, we will recommend an asset allocation model (“Allocation Model”) appropriate to your situation. You may direct us to change the Allocation Model for your Account once every 90 days, or more frequently as PNC Investments may agree in its sole discretion.

The Funds available through the PNC Directions Program have been selected based on multiple factors including, but not limited to, performance, risk, style drift, yield, expenses, turnover, capacity, diversification and consistency. You will only be able to purchase Funds that we have selected for the PNC Directions Program, and you will not be able to purchase other types of securities for your Account. We may also, at our discretion, change the asset allocation in a model or the Funds available in the asset allocation strategy. You will, however, subject to our approval, have the ability to place certain reasonable investment restrictions on the types of Funds that may be purchased for your Account. For example, you may request that your Account not be invested in Funds with a primary focus on international securities. You should note, however, that Funds utilized in a domestic-only strategy may potentially maintain some exposure to international markets.

Our advisory relationship with you begins when we enter into the PNC Directions Investment Advisory Services Agreement with you, which occurs at the later of the date of acceptance of the signed Investment Advisory Services Agreement by PNC Investments or the date on which you have contributed the required minimum level of assets to your Account. Preliminary discussions or recommendations before we enter into an Investment Advisory Services Agreement with you are not intended as investment advice under the Investment Advisers Act and should not be relied on as such.

PNC Investments has delegated certain overlay management services to Envestnet Asset Management, Inc., an unaffiliated investment adviser (the "Investment Delegate") for Program Accounts. The Investment Delegate will implement Allocation Models and will execute trades in your Account as instructed by PNC Investments.

Automatic Rebalancing

The PNC Directions Program provides automatic rebalancing to ensure that the investments in your Account continue to conform to the selected allocation model. Asset allocations are monitored on a quarterly basis, and generally, we will rebalance an Account if any asset class varies by more than 3% from its target allocation within the model. In lieu of the Program's default practice of rebalancing on a quarterly basis, you may request that periodic rebalancing for your Account occur on a less frequent basis of either semi-annually or annually. You should consider, however, that less frequent periodic rebalancing, could cause your Account to diverge from the selected allocation percentages and such divergence could potentially negatively or positively impact performance.

In addition to periodic automatic rebalancing, we will also rebalance your Account if you change your investment model, or when the proceeds of additional contributions cause the cash balance to exceed 5%, of the portfolio value. Further, you may also request, subject to approval by PNC Investments, that an ad hoc rebalance be effected.

In order to avoid the expense of inefficient rebalancing, we reserve the right, in our sole discretion, to from time to time change timeframes for effecting rebalances to your Account as well as the thresholds that must be exceeded before any rebalancing will occur. To rebalance an Account, we buy or sell, as relevant, shares of the individual Funds in an Account until its holdings match the Fund weight percentage specified for the applicable model. Rebalancing transactions are subject to short-term trading policies, described more fully below, of Funds held in your Account, and, if your account is taxable, will create tax consequences for your Account.

Account Statements

We will also provide you with periodic Account statements. You will be reminded quarterly to contact your Financial Advisor if you should have any questions, or if there have been material changes in your financial goals or needs that would affect your investment strategy.

Account Termination

Either party may terminate the agreement governing your PNC Directions Program Account on 30 days' written notice to the other party. You are also entitled to terminate such agreement within five (5) business days of your execution of it without incurring a Program Fee, defined below; you may, however, be subject to certain other fees incurred with respect to the Account for the relevant period. Please see the agreement governing your PNC Directions Program Account for more information.

Review of Accounts

When you open a PNC Directions Program Account, we review and must approve your investment objectives

and strategy for consistency with Program guidelines. Thereafter, we will review the Account with you on a transaction, monthly, quarterly or annual basis, as applicable, to monitor its performance, the appropriateness of the individual funds in it, and any restrictions that might apply.

We will attempt to contact you at least annually, including by mail or email (if you have authorized us to send you electronic communications), to request that you review your Account and inform us of any changes to your financial profile or investment objectives. You should inform your Financial Advisor of any changes to your financial profile or investment objectives as they occur. Your Financial Advisor will communicate any changes about you to PNC Investments.

Finally, your Financial Advisor will be reasonably available to you for consultation about the Account. We encourage you to please contact your Financial Advisor if you have any questions.

The Investment Management Agreement will continue in effect until terminated by you or PNC Investments upon 30 days' written notice to the other party.

Securities Transferred into an Account

You should be aware that if you transfer securities into a PNC Directions Account, any transferred securities that are not part of the recommended investments for your Account will be liquidated upon or shortly after transfer. Typically, this means that we will liquidate all of the securities you transfer to your Account prior to investing to your Account in the recommended investments.

If your Account is not tax-exempt, you will incur tax consequences as a result of these transactions. You should consult with your tax adviser to review these consequences. Additionally, if you liquidate securities prior to transferring your account to PNC Investments, or liquidate your securities prior to establishing your PNC Directions account, you will likely incur transaction costs for those transactions. PNC Investments will not reimburse you for transactions executed at another firm. Please note that if you transfer illiquid securities into a PNC Directions Account, it will delay management of that Account until such securities are transferred out or otherwise removed.

Withdrawals from an Account

You should also be aware that if you request a withdrawal from a PNC Directions Account, PNC Investments as investment manager, may need to liquidate a portion of the Account to cover the requested withdrawal amount. This will happen, for example, when the cash in your Account is insufficient to accommodate the requested withdrawal. If your Account is taxable, you will incur tax consequences as a result. These transactions are subject to short-term trading policies of Funds held in your Account. Generally, cash is available for distribution three to five business days after the initial request is made, however, you should be aware that liquidation transactions are at the discretion of the investment manager and could exceed this timeframe.

Fees and Expenses

The program fee you pay to PNC Investments for the PNC Directions Program is charged quarterly in advance and is based on the average daily market value in your Account over the prior calendar quarter or portion thereof ("Program Fee"). The Program Fee covers the cost of brokerage commissions and other transaction fees only for transactions effected through National Financial Services LLC ("National Financial") on an agency basis. The Investment Delegate will typically route trades to National Financial for execution. From time to time, the Investment Delegate will trade through broker dealers other than National Financial when the Investment Delegate determines, in its sole discretion, that this is in your best interest. Trades executed away from National

Financial are described as “trading away” or “step-out trades.” You will bear the cost of any brokerage commissions incurred on transactions effected through other brokers, dealer markups, markdowns and spreads when the Investment Delegate trades away from National Financial. See the Trading Practices section below for details.

Generally, the Program Fee is non-negotiable. The Program fee for PNC Directions is in addition to any of the specific fund fees and expenses that are discussed in more detail below. Generally, you will be charged commissions or service charges for transactions executed prior to establishing your PNC Directions account; you should discuss your options for funding your account with your Financial Advisor.

You may contact your Financial Advisor if you have any questions regarding the fees charged to your Account. Upon your request we will provide you with a detailed explanation of the fee calculation which will allow you to recalculate the fee should you so desire.

Generally, fees incurred by your Account will be paid from the cash balance in the Account. If your Account does not have a sufficient cash or money market mutual fund balance to pay the fees, we may sell Fund shares as necessary to pay the fees. As described previously, you may incur transaction costs and could create tax consequences by selling securities to pay fees and expenses.

The annual Program Fee for the PNC Directions Program is 1.00% after factoring in fee credits based on certain revenue received by PNC Investments, its Affiliates and/or Related Entities, as a result of your investment in the Funds through the program. There is an annual minimum fee for the program of \$80.00. From time to time, we offer discounted pricing programs as our discretion.

Fees are not prorated for contributions or withdrawals made during a calendar quarter, except in the case of account termination. If your Account is terminated, by you or PNC Investments during a calendar quarter, the Program Fee for that quarter will be prorated over the number of days that the Account was open during the quarter. Any overpayment will be refunded to you after the Account is closed.

If you terminate your PNC Directions account within 90 calendar days of initial investment, PNC Investments reserves the right to charge you commissions, according to our standard schedule of fees, for transactions executed on your behalf during the time your account was managed, less any pro-rated Program Fee paid by you.

Additional Fees for Brokerage Services

PNC Investments will charge its standard fees for additional brokerage account services that are not included in the Program. Such fees include, but are not limited to, ACAT (i.e., account transfer) fees, wire transfer fees, IRA fees and stop payment fees. You should be aware that in some cases, PNCI retains this entire fee or marks up the fee National Financial, our clearing firm, charges to PNCI for these services. This is a conflict of interest for us because PNCI has an incentive to utilize a clearing firm that allows us to mark up designated fees. PNCI also has incentive to recommend to you services that have been marked-up. Please refer to the Account Level Fees section of the PNC Investments Client Schedule of Commissions & Fees, which was provided to you at account opening, for details. You may also obtain a copy of our current Client Schedule of Commissions & Fees, at any time, by contacting your Financial Advisor or by contacting us at (800) 622-7086.

Fund-Level Fees and Expenses Received by Us and our Related Entities

Mutual Fund Models. Each mutual fund in which your Account is invested charges its own separate fund-level fees and operating expenses, including, for example, administrative, custody, transfer agent, legal and audit fees

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and expenses, investment advisory or management fees, shareholder servicing fees, omnibus accounting fees, fees for sub-administration, recordkeeping, print mail services and other expenses. These fees and operating expenses are ultimately borne by the shareholders invested in the Fund, including you. Other classes of mutual funds have lower fund-level fees than those used in this Program. Please review the relevant mutual funds' prospectuses for a full explanation of fund expenses and charges.

PNC Investments includes in the Program only "Approved Share Classes" of mutual funds, which are share classes that make revenue sharing payments, as described below, to PNCI. PNCI will select Approved Share Classes that are either (i) share classes that trade on our custodian's Institutional No-Transaction Fee platform ("INTF Eligible" share classes); or (ii) if no such INTF Eligible share class is available, the least expensive non-INTF Eligible share class eligible for inclusion in the Program. PNC Investments uses INTF Eligible share classes in order to reduce PNC Investments' overall program trading costs. These selection criteria represent a conflict of interest for us because they may result in you purchasing a share class that is more expensive than other share classes of the same fund for which you may be eligible. A higher cost share class will adversely affect the investment performance of your account.

INTF Eligible share classes do not typically charge shareholders 12b-1 fees or pay those fees to us or our custodian, which reduces costs to you, as compared to share classes that do pay 12b-1 fees.

We, our Affiliates and Related Entities receive investment advisory or management fees, shareholder servicing fees, omnibus accounting fees, fees for sub-administration, recordkeeping, print mail services or other related fees ("Mutual Fund Compensation"), from the mutual funds available through the Program. The Mutual Fund Compensation received from these mutual funds will vary. A fee credit is subtracted from your advisory fee in an amount at least equal to the Mutual Fund Compensation received by PNC Investments, our Affiliates and Related Entities as a result of your investment in mutual funds through the Program. For more complete information on the fee credit, please refer to the PNC Directions Program Fee Schedule. The fees paid by the Funds to PNC Investments, its Affiliates and Related Entities, as described in the PNC Directions Program Fee Schedule, include service fees, such as co-administrator fees. There is no credit of secondary fees. Therefore, PNC Investments, our Affiliates and Related Entities may retain such secondary service fees. Our custodian or other entities not affiliated with PNC Investments may receive Mutual Fund Compensation or other compensation from the mutual funds available through the Program or their affiliates. PNC Investments is not a party to such arrangements and we will not credit your Account for Mutual Fund Compensation received by such entities.

PNC Investments receives additional compensation, referred to as revenue sharing, from the advisors or distributors of the mutual funds offered in the Program, which compensates us for administrative services we provide to them and is based on the level of assets invested in the mutual funds they advise or distribute. Our independent due diligence process for selecting mutual funds for our investment advisory programs is designed so that mutual funds are selected based on objective, investment related criteria and does not take into account compensation to PNC Investments. However, only funds for which we receive revenue sharing are considered for inclusion in this due diligence process. This is a conflict of interest for us because mutual funds that may otherwise meet our investment criteria are not included in the Program because their advisors or distributors do not offer revenue sharing to PNC Investments. Although we include only mutual funds whose sponsors pay PNCI revenue sharing, we believe this conflict is mitigated by the large and diverse universe of Funds we make available in our programs which meet our clients' needs. You should also be aware that we will liquidate mutual funds held in your Account if the advisors or distributors of those mutual funds discontinue their participation in our revenue sharing program. If your Account is taxable, you will have tax consequences as a result of such liquidations. We will not credit your Account for any revenue sharing payments we receive. For details on revenue sharing received by PNC Investments from advisors or distributors, please see the following link:

<https://www.pnc.com/content/dam/pnc-com/pdf/personal/wealth-investments/PNCI/Additional-Compensation-Disclosure.PDF>

For more information around the compensation a particular mutual fund provider may pay, please refer to the mutual fund's prospectus and/or Statement of Additional Information.

The fees paid to PNC Investments, its Affiliates and Related Entities by the Affiliated Funds, are disclosed in the PNC Directions Affiliated Mutual Funds Disclosure Statement for IRAs, as well as the prospectus and/or Statement of Additional Information of such funds. You should ask your Financial Advisor or other PNC Investments representative about these fees and you may terminate your agreement with PNC Investments at any time if you have any concerns about the level of these fees or the incentives that they may create.

ETF Models. Each ETF in which your Account is invested charges its own separate fund-level fees and operating expenses. For ETF models, the Program generally invests in iShares, which are ETFs advised by an affiliate of BlackRock, Inc. Blackrock receives a fee for advising these ETFs and receives additional compensation when there is sufficient demand for new shares of an iShares ETF that they are requested to create a new "creation unit" of the ETF. PNC Investments has in place policies and procedures to prevent trading in the Program from causing the creation of new iShares creation units. For this reason, there may be periods during which we will not recommend investments in certain additional iShares. Accordingly, there is no fee credit for accounts invested in ETF models.

Other Expenses and Costs

Additionally, some Funds impose redemption fees depending on the share class, if they are redeemed within a specified time period, to discourage short-term trading or for other reasons. The relevant Fund company retains these redemption charges from the proceeds of the redemption for the benefit of the remaining shareholders of the Fund. Refer to the prospectus or Statement of Additional Information of relevant Funds for details on each Funds' short-term trading policies. The amount of such fees and charges retained will be reflected on your account trade confirmations.

Purchasing securities in the Program may cost you more or less than purchasing the securities directly from the funds or through agents of the funds without enrolling in the Program, including through a brokerage account at PNC Investments. By purchasing mutual funds outside of the Program, you may invest in a single fund family and obtain "breakpoints" that could lower the cost of the Funds. However, if you purchase mutual fund shares directly, you may not receive the asset allocation and account monitoring services available via the Program and may not qualify to invest in share classes available to investors through the Program. In addition, mutual funds purchased outside the Program may charge commissions, front-end or back-end sales charges, and redemption fees, depending on the share class.

Cash Balances

Unallocated cash will be automatically swept through the Bank Deposit Sweep Program ("BDSP") into an interest-bearing deposit account ("Deposit Account") at our affiliate, PNC Bank. BDSP is the only cash sweep option available to your Program Account. The only exception is in very limited situations where your account type is not eligible for BDSP (such as participant accounts of employer sponsored qualified plans). You should be aware that although assets held in the Deposit Account are protected by FDIC insurance neither PNC Investments nor PNC Bank will monitor whether BDSP deposits, individually or in combination with other deposits you hold at PNC Bank, exceed FDIC insurance limitations. You should review your cash balance held in the Deposit Account and other PNC Bank accounts to ensure that cash balances do not exceed FDIC insurance coverage levels, or alternatively, in the event your cash balance exceeds FDIC insurance limitations, that you are

comfortable with the risks associated with having uninsured cash.

PNC Bank earns revenue in connection with lending activity on assets held in the BDSP program. In addition, PNC Investments receives revenue from PNC Bank based on the assets in the BDSP. We will not credit any portion of this fee to your Program Account. This revenue is in addition to, and will not reduce your Account's fees. The revenue we receive is a conflict of interest for us, because we, and our affiliate, PNC Bank, obtain a financial benefit when you open a Program Account, as your unallocated cash is held through the BDSP in a Deposit Account. This financial benefit is greater than the financial benefit we would receive if your unallocated cash was held in your Program Account. Account assets invested through the BDSP typically will earn less interest – and in some market conditions, much less interest – than they would if invested in alternative sweep vehicles that are available to PNC Investments such as a money market fund. Accordingly, you should not participate in the Program if you wish to hold your unallocated cash in another sweep vehicle. Please note that while BDSP is used as the sweep option to hold unallocated cash, if your account has an investment allocation to cash, that allocation will typically be held in money market mutual funds or other short duration securities. For more information regarding BDSP, including information about FDIC insurance limitations, please see the PNCI BDSP Disclosure Document.

Financial Advisor Compensation

A portion of the fees charged for Program services generally will be paid to your Financial Advisor in connection with opening your Account, as well as for providing client-related services within the Program. This compensation may be more or less than a Financial Advisor would receive if you transacted in a brokerage account, rather than a managed account in the PNC Directions Program, and paid separately for investment advice, brokerage and other services covered by the Program Fee. Therefore your Financial Advisor may have greater financial incentive to offer a managed product over a brokerage product. PNC Investments has established policies and procedures reasonably designed to ensure that any recommendation made is suitable for your unique circumstances. PNC Investments may advance to Financial Advisors a portion of the first year's estimated fees for clients who invest in the Program.

From time to time, PNC Investments initiates incentive programs for its employees including Financial Advisors. These programs include, but are not limited to, programs that compensate them for attracting new assets and clients, or for referring business to our affiliates (such as referrals for mortgages, trusts, or insurance services); programs that reward them for promoting investment advisory services, for participating in advanced training, and for improving client service; and programs that reward Financial Advisors who meet total production criteria.

Financial Advisors who participate in these incentive programs are rewarded with cash and/or non-cash compensation, such as deferred compensation, bonuses, training symposiums and recognition trips. These programs may be partly subsidized by external vendors or our affiliates, such as mutual fund companies, insurance carriers or money managers. Therefore, our Financial Advisors have a financial incentive to recommend the programs and services included in these incentive programs over other available products and services that we offer.

ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Account Minimums and Types of Clients

The minimum investment required for mutual fund models in the PNC Directions Program is \$10,000. The minimum investment required for ETF models in the PNC Directions Program is \$5,000. We may terminate, on thirty days' written notice to the Account holder, the advisory services on any Account that falls below minimum

account value guidelines established by us. To avoid account termination you may be required to deposit additional assets in your Account to remain in the Program. Under certain limited circumstances, we may waive the minimum account size requirement. We may also limit the maximum new account size allowable for the Program. We reserve the right to reject contributions to the Account that may result in Account balances greater than \$100,000.

PNC Investments generally provides investment advice to individuals, high-net-worth individuals, and corporations.

Collateral Accounts and PNC Investment Line Of Credit

Under certain circumstances you may elect to pledge the assets in your non-IRA/ERISA Account as collateral for a general purpose loan with our affiliate, PNC Bank (including the PNC Investment Line of Credit ("ILOC")), or other financial institution (collectively the "Lending Arrangements").

When your Account assets are pledged or otherwise used as collateral in connection with Lending Arrangements, you give the lender certain rights and powers over the assets in the Account. Importantly, lenders have the right to direct PNC Investments to sell or redeem any and all assets pledged as collateral for the loan. In the event of a collateral call on the Account, securities will be liquidated from the Account, which may be contrary to your interests and/or inconsistent with the investment strategy for the Account because positions may be redeemed or liquidated more rapidly (and/or at significantly lower prices) than might be desirable. You or your Financial Advisor may not be provided with prior notice of the liquidation of the securities in the Account. Furthermore, you and your Financial Advisor may not be entitled to choose the securities to be liquidated. After the execution of a collateral call, any remaining securities in the Account may be lower in value than the investment minimums required for the PNC Directions Program and the Account may be subject to termination as described above.

You may wish to discuss with your Financial Advisor how a collateral call could impact you if your pledged Account makes up all, or substantially all, of your overall net worth or investible assets. Any action taken by us, or an affiliate, with respect to the assets held in your Account pursuant to the Lending Arrangements will not constitute a breach of our fiduciary duties as an investment adviser to you under the PNC Directions Program.

The costs associated with the Lending Arrangements are not included in the Program Fee you pay under the Program. Your transaction costs may rise as a result of a collateral call, because securities may be liquidated under unfavorable market conditions. You should consult with your own independent tax adviser in order to fully understand the tax implications associated with the Lending Arrangements. The securities subject to the collateral call will not be liquidated in a manner that considers tax efficiency. PNC Investments does not provide legal, tax or accounting advice.

You are encouraged to speak with your Financial Advisor to the extent you have questions about the Program, the Lending Arrangements and how they may impact the management of your Account. You should be aware that PNC Investments and your Financial Advisor have a conflict of interest because PNC Investments and your Financial Advisor's compensation is based on the assets held in your account and benefits if you enter into a Lending Arrangement instead of withdrawing funds from your account. If you establish an ILOC account, you should be aware that PNC Investments and your Financial Advisor will be compensated based on the amounts you draw on the credit line. This is a conflict of interest for your Financial Advisor because he or she has an incentive to recommend the ILOC as opposed to other potential funding sources, because your Financial Advisor is not compensated for other options. In addition, PNC Bank generates revenue by charging interest on

any loan underwritten by PNC Bank, which represents a further conflict of interest for PNC Investments.

Qualification criteria and requirements, including but not limited to, approval criteria, underwriting standards, loan to value requirements, maintenance requirements and asset eligibility vary by program. You should refer back to the Lending Arrangements and associated documents for the specific terms governing the Lending Arrangements.

PORTFOLIO MANAGER SELECTION AND EVALUATION

Selection of Funds

The factors influencing the inclusion of a Fund on our list of recommended Funds include, among other things, the Fund's past performance, management style, quality of its investment process, the number and continuity of investment professionals, and its client servicing capabilities. We have engaged an unaffiliated third party investment research firm for research and assistance in reviewing and recommending Funds for selection for the Program. We or our research partner may ask a relevant investment manager to provide a completed questionnaire, database information on the firm and statistical analysis of the mutual fund/ETF manager's track record. We or our research provider may also conduct interviews with members of the Fund's management. This process is an ongoing one, and Funds are added or removed from the PNC Directions Program based on many factors, either internal or external to the Fund's management. Returns reported are derived from sources believed to be reliable; however, we make no representations or warranties as to the accuracy of performance information.

The PNC Directions Program includes investments in Affiliated Funds, including Funds advised or serviced by subsidiaries of BlackRock, who receive compensation for their investment advisory and other services to such Funds. The services provided by our Affiliates and Related Entities and the fees they collect for these services vary and generally are disclosed in each Fund's prospectus. These fees are paid directly by the Fund and affect the total return of a shareholder's investment. Such compensation creates a conflict of interest because it can incentivize PNC Investments to utilize the Affiliated Funds in light of the benefits selection of such Funds yield to our Affiliates and Related Entities. For mutual fund models, we seek to mitigate this conflict by applying the above-described credit that is based on Mutual Fund Compensation received by PNC Investments, its Affiliates and Related Entities. As described above, PNC Investments and our Affiliates also receive additional compensation in the form of revenue sharing payments from mutual fund providers or their affiliates who compensate us for assets invested in their Funds. These payments can create incentives to select those mutual funds for which we receive revenue sharing and other compensation over mutual funds from providers that do not compensate us through revenue sharing.

With respect to ETFs, our Related Entities receive additional compensation when demand for a particular fund is high enough that other financial intermediaries request the fund's advisor (which is a Related Entity) to create a block of new shares of the fund in what is called a "creation unit." We mitigate this conflict by monitoring to ensure that, relative to the overall outstanding shares of any particular fund and its daily trading volume, trading in the Program will not result in the creation of a new creation unit.

We also seek to mitigate conflicts of interest with respect to mutual funds and ETFs by utilizing a robust due diligence process for selecting mutual funds and ETFs, including engagement of an unaffiliated third party investment research firm for research and assistance in reviewing and recommending Funds for the Program. This process is designed with the intent that Funds be selected on criteria other than the compensation that may be derived by PNC Investments, our Affiliates and Related Entities. Each of the Funds considered for use in the Program is subject to the same review and selection process.

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Although, generally, the Program utilizes Affiliated Funds, the third party due diligence firm will recommend, and PNC Investments may select, investment in an unaffiliated mutual fund or ETF if an appropriate Affiliated Fund option is not available. However, it should be expected that the amount of your Account assets that will be invested in Affiliated Funds will be at or near 100%.

PNC Investments offers a variety of investment advisory services. Advice provided to clients of the PNC Directions Program, or action taken in PNC Directions Program accounts may be the same as or different from advice provided to or actions taken in the accounts of clients in other advisory programs. It is expected that funds recommended for this Program may or may not be recommended for our other advisory programs and vice versa.

PNC Investments and Other Service Providers to the Program

PNC Investments acts as the sole manager in connection with the PNC Directions Program, selecting the Funds that will be utilized as investment options. The program does not utilize third-party portfolio managers.

PNC Investments does not receive performance-based fees in connection with the wrap programs we offer.

PNC Investments has engaged a service provider to perform certain support services in connection with the Program, including account rebalancing for the asset allocation models. This service provider is also responsible for calculating and preparing quarterly performance reports for clients.

National Financial, provides trading, custody and operational services for the PNC Directions Program. National Financial carries client accounts, is the custodian for the investments in your Account, and effects and reports all of the trades in your Account. National Financial will provide you with trade confirmations, monthly and/or quarterly statements, including billing information, and income tax reporting.

Risks of Investing in the PNC Directions Program

Investing in securities, including the investments offered through the Program, involves risk of loss that you should be prepared to bear. There is no guarantee that the elements of the Program, including the asset allocation models, selection of investment manager models and/or research recommendations will protect against such loss. Other risks include:

- **Market Risk.** Market risk is the risk that the price of securities will fall over short or extended periods of time. Historically, the prices of equity securities have moved in cycles, and the value of an Account's investments will fluctuate from day to day. When individual companies are negatively impacted by industry or economic trends or report poor operating results, the price of securities issued by those companies will typically decline in response. These factors contribute to price volatility.
- **Allocation Risk.** A client Account is subject to the risk that asset allocation decisions will not anticipate market trends correctly. For example, weighting an Account too heavily in equities during a stock market decline may cause a loss of value. Conversely, investing too heavily in fixed income securities during a period of stock market appreciation may result in lower total returns.
- **Credit Risk.** The value of debt securities is affected by the ability of issuers to make principal and interest payments. If an issuer cannot meet its payment obligations or if its credit rating is lowered, the value of its debt securities will typically fall.
- **Interest Rate Risk.** The value of fixed-income investments will typically decline because of an increase in market interest rates.

- **Liquidity Risk.** The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in unusually wide bid-ask spreads or large price movements (especially to the downside)
- **Stock-Specific (Unsystematic) Risk.** Unsystematic risk is unique to a specific company or industry. Also known as “nonsystematic risk,” “specific risk,” “diversifiable risk” or “residual risk,” in the context of an investment portfolio, unsystematic risk can be reduced through diversification.
- **Affiliated Funds.** Funds available through the Program include Affiliated Funds, as a result, the number and variety of investments options available through the Program is more limited relative to other investment programs that utilize a larger universe of investment options. Affiliated Funds may not perform as well as investments from unaffiliated providers.

The Program is intended to be a long-term investment program and does not support market-timing or frequent trading. You will be limited to one model change per calendar quarter, except as warranted by changes to your financial situation as agreed by you and your Financial Advisor. In addition, you will be limited to one investment manager model change per asset class per quarter, except as may be agreed by you and your Financial Advisor. Frequent or excessive trading in PNC Directions accounts are grounds for account termination, with 30 days’ written notice, by PNC Investments, even if the rules above are not violated. The determination of frequent and/or excessive trading is solely at the discretion of PNC Investments.

TRADING PRACTICES

The Program Fee includes the costs of trades executed through National Financial. The Program Fee does not include any additional trading expenses incurred when the Investment Delegate determines to trade away from National Financial. The Investment Delegate will trade away from National Financial when the Investment Delegate determines it is in your best interest to do so. This can occur when the Investment Delegate is implementing a model change simultaneously across accounts with many different introducing firms, such as PNC Investments. In these instances, the Investment Delegate may group together trades from several different introducing firms and execute those trades through a single broker-dealer. This process is known as Block Trading (“Block Trading”). Block Trading is intended to reduce the market impact of executing large transactions in a particular security and can allow clients to get better overall execution prices than if the trades were placed individually. The Investment Delegate may also trade away from National Financial when it determines that a broker-dealer other than National Financial is capable of obtaining a better execution price for the trade. This can typically occur in thinly traded securities or in fixed-income securities. These trades will incur additional costs per bond or on a per transaction basis. These costs are embedded in the net price you receive and are not separately disclosed by the executing broker in your confirmation or statement.

It is important that you understand that you will pay any commissions, mark-ups or mark-downs incurred, in addition to the Program Fee when the Investment Delegate elects to trade away from National Financial. For additional information on the trading practices of the Investment Delegate, please see the following link: <https://www.pnc.com/content/dam/pnc-com/pdf/personal/wealth-investments/PNCI/Trade-Practice-Disclosure.pdf>. Information regarding Investment Delegate is based upon data provided to us by the Investment Delegate. We make no representations regarding the accuracy of the information presented and cannot guarantee that the trading practices reflected in the information presented will be followed by the Investment Delegate in the future. You should also review the Form ADV Part 2 for the Investment Delegate for additional information regarding that firm’s execution practices.

Proxy Voting

You will retain the right to vote any and all proxies associated with securities held in the PNC Directions program.

CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

The PNC Directions Program involves the allocation of client assets among mutual fund or ETF portfolios, rather than among particular third-party investment advisers or portfolio managers. Thus, PNC Investments acts as the portfolio manager for the Program and obtains client information directly from you. We do not provide information about clients participating in the PNC Directions Program to the Funds or Fund companies, except to the extent such information may be required to maintain or service an Account with the Funds.

CLIENT CONTACT WITH PORTFOLIO MANAGERS

The PNC Directions Program does not involve the allocation of client assets among third-party investment advisers or portfolio managers. Instead the Program involves investment in Funds. As such, we do not expect clients to contact the Funds or Fund companies directly. PNC Investments acts as the portfolio manager for the Program and clients may contact the Firm, including via their financial Advisor or other PNC Investments representative.

ADDITIONAL INFORMATION

Disciplinary Information

- In 2009, FINRA cited PNC Investments for failure to have supervisory systems and procedures reasonably designed to achieve compliance with its suitability obligations relating to the sale of variable annuity contracts under FINRA rules. FINRA found that PNC Investments failed (1) to collect or record all the information necessary to assess suitability of variable annuity transactions; (2) to give adequate guidance to supervisors regarding factors it identified as relevant to the suitability analysis; and (3) to identify or investigate patterns of transactions involving guaranteed minimum income benefit riders. Without admitting or denying these findings, PNC Investments consented to a fine of \$250,000, and agreed to undertake a comprehensive review of our policies and procedures concerning the suitability of variable annuity transactions and to certify in writing to FINRA that we had conducted the review and put in place policies and procedures adequate to ensure compliance.
- On May 29, 2013, PNC Investments entered into a settlement (an "AWC") with FINRA. Without admitting or denying the findings in the AWC, PNC Investments consented to the entry of findings that between April 2007 and December 2008, the firm failed to maintain a supervisory system and procedures reasonably designed to achieve compliance with the registration requirements of federal securities laws, in violation of NASD rules. All of the conduct described in the AWC occurred at NatCity Investments ("NatCity") before it was acquired by PNC Investments' parent company. The AWC found that a customer of NatCity engaged in the unregistered distribution of over-the-counter securities, and that the firm's supervisory system and written supervisory procedures were inadequate to make necessary inquiry into the registration or exemption status of securities in the customer's account. Without admitting or denying these findings, PNC Investments consented to a censure and a fine of \$100,000.
- On September 11, 2013, PNC Investments entered into a settlement (an "AWC") with FINRA. Without

admitting or denying the findings in the AWC, PNC Investments consented to an AWC finding that, during the period from October 2011 through January 2013, PNC Investments failed to establish, maintain and enforce a supervisory system that was reasonably designed to implement the firm's procedures to monitor transmittals of customer funds to locations other than the customer's primary residence, and customer changes of address, in violation of NASD Rules 3012(a)(2)(B)(i) and 3012(a)(2)(B)(ii). During this period, one of PNC Investments' registered representatives established a PNC Investments branch office as the mailing address for a customer's account and converted approximately \$128,000 from the customer's account. Without admitting or denying these findings, PNC Investments consented to a censure and a fine of \$100,000.

- On December 20, 2013, PNC Investments entered into a settlement (an "AWC") with FINRA in connection with the firm's sale of leveraged, inverse, and inverse-leveraged exchange-traded funds ("Non-Traditional ETFs") during the period from January 2008 through June 2009. Without admitting or denying the findings in the AWC, PNC Investments consented to findings that the firm failed to establish and maintain a supervisory system, including written procedures, reasonably designed to achieve compliance with applicable NASD and/or FINRA rules and failed to provide adequate formal training to its registered representatives and supervisors regarding Non-Traditional ETFs in violation of NASD Rules 3010 and 2110 and FINRA Rule 2010. PNC Investments also consented to a finding that the firm made unsuitable recommendations to certain customers by allowing registered representatives to recommend a Non-Traditional ETF without performing reasonable diligence to understand the associated risks and features in violation of NASD Rules 2310(a) and 2110 and FINRA Rule 2010. PNC Investments consented to the imposition of a censure, a fine in the amount of \$275,000, and restitution in the amount of \$33,183.72, plus interest.
- On December 31, 2013, PNC Investments entered into a settlement (an "AWC") with FINRA. Without admitting or denying the findings in the AWC, PNC Investments consented to a finding that, during the period from about July 1, 2010 to June 30, 2012, the firm failed in 313 instances to apply a rollover or breakpoint discount to eligible unit investment trust ("UIT") purchases for customers in violation of FINRA Rule 2010. Prior to entering into the settlement, PNC Investments voluntarily made restitution to all affected customers in the amount of \$52,040.12. PNC Investments also consented to a finding that during this same period the firm failed to adequately enforce its existing written supervisory procedures concerning rollover and breakpoint discounts to ensure proper application to all eligible purchases of UITs by customers in violation of NASD Rule 3010 and FINRA Rule 2010. PNC Investments consented to the imposition of a censure and a fine in the amount of \$90,000.
- On April 11, 2016, PNC Investments entered into a settlement (an "AWC") with FINRA. Without admitting or denying the findings, PNC Investments consented to the entry of findings that it failed to reasonably supervise the application of sales charge waivers to eligible mutual fund sales and failed to apply such waivers to mutual fund purchases by certain retirement plan customers that were eligible to purchase Class A shares in certain mutual funds without a front-end sales charge. The findings also stated that PNC Investments failed to maintain adequate written policies and procedures or to provide adequate training to assist financial advisors in determining when sales charge waivers were available for retirement plan customers. PNC Investments was not required to pay a fine, but consented to be censured and to pay restitution to eligible customers who did not receive sales charge waivers for fund purchases since July 1, 2009.
- On April 6, 2018, PNC Investments entered into a settlement ("Order") with the Securities and Exchange

Commission (“SEC”). Without admitting or denying the findings, PNC Investments consented to the findings that, as a result of the conduct described below, PNCI willfully violated Sections 206(2), 206(4) and 207 of the Investment Advisers Act of 1940 (“Advisers Act”) and Rule 206(4)-7 thereunder. The Order finds that the violations resulted from the following conduct of PNCI: (1) PNCI, without adequate disclosure of the associated conflicts of interest, invested advisory clients in mutual fund share classes with 12b-1 fees instead of available lower-cost share classes of the same funds without 12b-1 fees; (2) PNCI did not disclose a conflict of interest regarding marketing support payments paid on such mutual fund share classes that charged 12b1 fees; (3) PNCI improperly charged advisory fees to client accounts where the investment adviser representative departed the firm (“Orphaned Accounts”) and where PNCI failed to assign a new investment adviser representative within thirty days; and (4) PNCI failed to adopt and implement written compliance policies and procedures reasonably designed to prevent violations of the Advisers Act and the rules thereunder in connection with its mutual fund share class selection practices and treatment of Orphaned Accounts.

The Order requires PNCI to cease and desist from committing or causing any violations and any future violations of Advisers Act Sections 206(2), 206(4), and 207 and Rule 206(4)-7; censures PNCI; and requires PNCI to pay disgorgement of \$5,234,856, and prejudgment interest of \$612,344, to compensate advisory clients who were affected by certain conduct detailed in the Order. PNCI will pay, in addition to the disgorgement and prejudgment interest described above, disgorgement of \$497,144 in marketing support fees and prejudgment interest thereon of \$63,426 to the SEC for the transfer to the general fund of the United States Treasury. Lastly, PNCI will pay a civil monetary penalty of \$900,000.

Other Financial Industry Activities and Affiliations

PNC Investments’ principal business is that of a full-service, general securities broker-dealer and investment adviser, registered with the SEC and as a member of FINRA. Our primary retail brokerage activities include the sale of corporate equities, corporate debt, municipal securities and funds, mutual funds, ETFs and annuities.

PNC Investments is part of a broad financial services organization and is therefore affiliated with other entities engaged in a variety of financial services businesses. In some cases, the firm has business arrangements with its affiliates that are material to its advisory business or to its clients. These are described in more detail below and, in some cases, cause PNC Investments’ or a related person’s interests to diverge from the best interests of our clients.

Through its parent company, The PNC Financial Services Group, Inc., PNC Investments is affiliated with the following financial services entities with whom it may have material business arrangements:

- **PNC Bank, National Association** (“PNC Bank”) is a wholly owned subsidiary of The PNC Financial Services Group, Inc., and is a full service bank engaged in traditional lending, cash and/or treasury management and other services.

Certain registered representatives of PNC Investments, who are also employed by PNC Bank, N.A. (“Dual FAs”), may discuss and or sell PNC Bank, N.A. products, such as deposit products and loans (“Bank Products”) as well as brokerage and advisory products. PNC Investments supervises Dual FAs securities activities and PNC Bank supervises Dual FAs banking activities.

- **PNC Capital Advisors, LLC** is a wholly owned subsidiary of PNC Bank, and provides discretionary investment advisory services to registered investment companies, institutional accounts, and personal

investment management accounts.

- **PNC Capital Markets, LLC** is an indirect, wholly owned subsidiary of The PNC Financial Services Group, Inc. and offers loan syndication, public finance underwriting and advisory services, securities underwriting and trading, private placements, asset securitizations and merger and acquisition advisory services.
- **PNC Insurance Services, LLC** is a wholly owned subsidiary of PNC Investments and a licensed insurance agency. It provides a variety of insurance products and advice.

BlackRock, Inc. is a publicly traded company incorporated in the State of Delaware. At December 31, 2019, The PNC Financial Services Group, Inc. (together with its subsidiaries, “PNC”) held a 22.0% economic interest in BlackRock. BlackRock provides a broad range of investment, risk management and technology services to institutional and retail clients worldwide. Its diverse platform of alpha-seeking active, index and cash management investment strategies across asset classes enables BlackRock to tailor investment outcomes and asset allocation solutions for clients. BlackRock offers single- and multi-asset class portfolios investing in equities, fixed income, alternatives and money market instruments. Products are offered directly and through intermediaries in a variety of vehicles, including open-end and closed-end mutual funds, iShares® exchange-traded funds (“ETFs”), separate accounts, collective investment funds and other pooled investment vehicles. BlackRock also offers the investment and risk management technology platform, Aladdin®, risk analytics, advisory and technology services and solutions to a broad base of institutional and wealth management clients.

BlackRock’s subsidiaries which are registered broker-dealers or registered investment advisers include: BlackRock Investments, LLC, BlackRock Execution Services, BlackRock Advisors LLC, BlackRock Alternatives Management, LLC, BlackRock Asset Management North Asia Limited, BlackRock Asset Management Schweiz, AG, BlackRock Capital Investment Advisors, LLC, BlackRock Capital Management, Inc., BlackRock Financial Management, Inc., BlackRock Fund Advisors, BlackRock International Limited, BlackRock Investment Management LLC, BlackRock Realty Advisors, Inc., BlackRock (Singapore) Limited, FutureAdvisor, Global Energy & Power Infrastructure Advisors, L.L.C., and Global Energy & Power Infrastructure II Advisors, L.L.C.

Selected conflicts of interest that exist between PNC Investments and its affiliates are discussed below.

Although PNC Investments is committed to acting in the best interests of our clients, in some situations there are conflicts of interest between the Firm’s interests and a client’s interests or there are conflicts in the interests of multiple clients. Many of these conflicts of interest are inherent in operating an investment advisory business. For example, PNC Investments may have an incentive to resolve a matter in favor of clients that are Affiliates of the Firm over clients that are not Affiliates of the Firm. PNC Investments has adopted policies and procedures that it believes are reasonably designed to help mitigate these conflicts of interest.

Affiliates of PNC Investments provide advice to their clients with respect to investment strategies that are similar to or the same as strategies offered by PNC Investments. Those Affiliates may purchase on behalf of their clients the same securities that PNC Investments may purchase for our clients. As a result, the interests of PNC Investments’ clients may conflict with the interests of the clients of these Affiliates. For example, if an investment adviser Affiliate implements a portfolio management decision for its client ahead of, or contemporaneously with, a decision PNC Investments makes for its client(s), the market impact of the decision made by the Affiliate could result in one or more of PNC Investments’ clients receiving less favorable trading results than they otherwise would. PNC Investments’ trade allocation and trade aggregation procedures do not typically apply to portfolio management decisions and trading executed by Affiliates on behalf of such Affiliates’

clients that are not clients of PNC Investments.

Funds Advised by Affiliates

The potential conflicts of interest involved in recommending mutual funds or ETFs advised by Affiliates of PNC Investments and the methods of mitigation employed by PNC Investments with respect to such conflicts are addressed at length previously in this Brochure, specifically in the sections relating to Fees and Selection of Funds. Please refer to those sections for more information.

Affiliate Transactions

PNC Investments or its affiliates may from time to time recommend to their clients' investments in transactions in which PNC Investments or its affiliates act as financial advisor or a broker-dealer or in securities which are underwritten, issued, packaged or serviced by an affiliate. Moreover, PNC Investments may act as a broker in executing your purchase or sale for your account of a debt security from or to PNC Capital Markets, a brokerage affiliate. Additionally, your Financial Advisor may recommend you purchase a mutual fund advised by PNC Capital Advisors, an affiliated registered investment adviser. These affiliates receive compensation as a result of these transactions, if these transactions were to occur.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

PNC Investments has adopted a Code of Ethics, which consists of certain general principles including the following:

- Advisory personnel must place client interests before their own
- The personal securities transactions of our personnel must avoid even the appearance of a conflict with client interests
- Our personnel must avoid actions or activities that allow, or appear to allow, them to profit or benefit from their position with respect to clients, or that would otherwise bring into question their independence or judgment
- From time to time, PNC Investments personnel may accept training, business entertainment or gifts of de minimis value from product vendors. PNC Investments has adopted policies and procedures reasonably designed to ensure any such activity does not impact our personnel's ability to act in the best interests of our clients
- In addition, the Code of Ethics requires our employees to report their personal securities transactions and holdings. A copy of our Code of Ethics will be provided to any client or prospective client upon request.

Our employees are also subject to the PNC Employee Conduct Policies, which cover matters including compliance with law, conflicts of interest, insider trading, outside activities and safeguarding confidential information.

Client Referrals and Other Compensation

Your Financial Advisor or other PNC Investment representative may also receive compensation for referring you to PNC Bank or other PNC Investments affiliates.

A portion of the fees charged for the Program services described in this Brochure may be paid to your Financial PNC Directions Program

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Advisor in connection with the introduction of accounts as well as for providing client-related services within the Programs. This compensation may be more or less than a Financial Advisor would receive if you paid separately for investment advice, brokerage and/or other services.

Certain employees of PNC Bank's Wealth Management and or Private Client Group who are registered with PNC Investments receive compensation in connection with securities transactions that result from referrals to a PNC Investments Financial Advisor.

PNC Investments has related persons who are investment advisers who act as general partners in partnerships in which our clients may be solicited. PNC Investments, however, does not recommend such investments and thus, would generally not have knowledge of such solicitations should they occur, and consequently, would not be a participant in them, nor would we receive any compensation for them.

Financial Information

In certain circumstances, PNC Investments would be required to provide you with financial information or disclosures about our financial condition. Currently, no such circumstances exist for PNC Investments.

PNC Investments has no financial commitments that impair our ability to meet our contractual and fiduciary commitments to our clients and has never been the subject of a bankruptcy proceeding.