

# Self-Directed Brokerage: Vanguard

Vanguard is the recordkeeper for our self-directed brokerage option. TD Ameritrade administers participant accounts. The participant's self-directed brokerage account is administered by TD Ameritrade. Vanguard began offering brokerage services to institutional plans in 2002. Today, to keep pace with the rapidly evolving marketplace and deliver a more sophisticated user-friendly experience to our clients, Vanguard teams with TD Ameritrade, one of the most recognized and decorated brokerage platforms in the industry.

This relationship exemplifies Vanguard's commitment to recordkeeping and providing clients with a world-class brokerage experience. Participants and advisors will receive robust trading and planning tools, a broader menu of securities, and third-party research from industry leaders—all of which seamlessly integrate with their existing experience on Vanguard's website.

The TD Ameritrade Self-Directed Brokerage Account (SDBA) provides world-class SDBA services to retirement plan sponsors and their participants. Its open architecture platform gives plans the flexibility they demand, while offering unbiased technology. Plan sponsors and their participants will enjoy the ease of use and innovative technology for which TD Ameritrade is known.

TD Ameritrade is highly focused on delivering exceptional service. Its corporate core values include client centricity and integrity, which you will find evident in every interaction with their team. They work hard to maintain a high satisfaction rate among both plan sponsors and their participants, and they pride themselves on being a company that listens and adapts to their clients' needs. They understand the importance of selecting the right SDBA provider. Through Vanguard's strategic relationship with TD Ameritrade, you can be confident that you are working with a leading provider of SDBA.

TD Ameritrade's investment configuration allows 403(b) plans to select from a broad array of mutual funds. TD Ameritrade is able to enforce investment restrictions at the provider, plan, or participant level. For 403(b) plan sponsors, TD Ameritrade has a mutual fund-only office code to ensure accurate oversight. When restrictions are implemented at a plan level and decided by the plan sponsor, any new SDBAs opened within the plan are automatically assigned the restrictions.

## Opening an Account

### Online application:

The OLA enrollment experience is a real-time, five-step process:

1. Initiate enrollment from the Vanguard website.
2. Enter additional information, such as email address/phone number.
3. Electronically agree to the TD Ameritrade client agreement, privacy statement, and business continuity statement.
4. Create a secure login and password.
5. Review and open the account.

Once an account is opened, the account number is automatically added to Vanguard's integrated nightly files. Participants can fund their SDBA the day the account is established and trade the available funds on the TD Ameritrade platform the following day.

### Paper application:

Participants who use TD Ameritrade's paper application sign and submit a simple enrollment form containing the pertinent demographic and personal information via email, fax, or direct mail. Once received by TD Ameritrade, the account is opened within three business days.

Account information is then automatically added to Vanguard's integrated nightly files. In addition, a TD Ameritrade Welcome Kit and separate personal identification number (PIN) is mailed to the participant's address of record within two business days. This kit contains an overview of the new SDBA, a copy of the SDBA Participant Handbook and pertinent information for applicants using paperwork to activate their new TD Ameritrade SDBA online.

### *Trading and Transferring*

Trading for self-directed brokerage participants is supported by TD Ameritrade's online trading platforms and world-class mobile apps.

Trades can also be made over the phone by calling **866-766-4015** to use TD Ameritrade's toll-free, 24/7 touch-tone trading service or to speak with a licensed TD Ameritrade SDBA Specialist. TD Ameritrade participant service specialists are available Monday through Friday from 8 a.m. to 7 p.m. ET, excluding market holidays.

### *Funding Withdrawals or Loans*

Brokerage assets are not typically excluded from any transactions, such as loans and hardship withdrawals. However, only the cash balance position in the SDBA is available for loan or distribution.

### *Receiving Confirmations and Statements*

Participants will receive confirmations from TD Ameritrade when they buy or sell securities through their SDBA. TD Ameritrade will send monthly SDBA statements when transaction activity occurs and quarterly SDBA statements when no transaction activity occurs during the period. In addition, Vanguard will send participants quarterly retirement plan statements showing their retirement account total balances, including the aggregate value of their SDBA. This information also applies to all Vanguard recordkeeping statements and confirmations.

TD Ameritrade and Vanguard are separate and unaffiliated firms, and are not responsible for each other's services or policies.

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