ETFs for 401(k) plans

Offer expanded choices in your 401(k) retirement plan business

Deliver ETFs to your plan sponsors

TD Ameritrade Trust Company is pleased to offer you the freedom to include Exchange Traded Funds (ETFs) in your 401(k) investment menu along with your other corporate retirement plan investment alternatives.

As you may know, an ETF is an investment vehicle that combines key features of individual stocks and mutual funds. Designed to track a specific market index or sector, such as health care or natural resources, ETFs trade during the day like a stock, are subject to risks similar to those of their underlying securities, and are often employed for portfolio diversification.

ETFs may offer the benefit of lower expense ratios as compared to index mutual funds and deliver a high level of transparency by identifying underlying assets.

Get added value with ETFs available through TD Ameritrade Trust Company

A generally low-cost pricing structure, the powerful Block Desk practices of our affiliate, TD Ameritrade, Inc., and flexibility of choice are just a few of the ways we deliver outstanding value for you and your plan sponsors.

Experience ETFs within 401(k) plans

A generally low-cost and effective pricing structure

- There are no per-share or transaction fees for plans charged by TD Ameritrade Trust Company or our brokerage affiliate, TD Ameritrade, Inc.
- TD Ameritrade Trust Company’s ETF fees are based on a percentage of assets (not a transaction fee).

Overview:

There are many reasons to consider ETFs offered through TD Ameritrade Trust Company for your corporate retirement plan business.

Eliminate the expense of per-share fees and transaction fees* for 401(k) plans on the TD Ameritrade Trust Company platform.

- Experience the powerful Block Desk advantages of our brokerage affiliate, TD Ameritrade, Inc., on large trades, such as competitive risk quotes, anonymity, and oversight.
- Access the universe of available ETFs from all industries and sectors.
- Enjoy simplified recordkeeping without the hassle of reconciliation.

Tip - Including ETFs in your 401(k) plan menu can give you added flexibility by making a broader range of U.S. and international markets accessible.

*Asset-based fees apply
The powerful Block Desk of TD Ameritrade, Inc.

- Execution of trades in a qualified plan through TD Ameritrade Trust Company that are less than 100 shares receive market-on-close price. This differs slightly from that of an investor’s brokerage trading account.

- Large trades are analyzed by utilizing Trade Cost Analysis, which creates the flexibility to customize every order and deliver quality executions by employing:
  
  **Competitive risk quotes**
  
  Two-sided risk quotes are requested.

**Anonymity**

Your orders and intent stay anonymous while being handled with no conflict of interest. The TD Ameritrade, Inc. Block Desk acts on an “agency only” basis with a single goal: to achieve best execution. They hold no inventory and charge no commission or mark up/down on any of the plan’s trades.

**Oversight**

Best Execution obligations and your fiduciary responsibilities are supported by monthly, quarterly and yearly reviews. Our goal is to exercise a consistent review on most executions to evaluate if clients’ total cost or proceeds are most favorable under the circumstances.

**Flexibility of choice**

TD Ameritrade Trust Company’s access to ETFs within 401(k) plans gives you the freedom to diversify your sponsors’ retirement plans more than ever before. There are 1000+ ETFs available throughout the marketplace, and you and your clients have access to any provider.

Carefully consider the investment objectives, risks, charges, and expenses of any mutual fund or ETF before investing. A prospectus, obtained by calling 877-270-6892, contains this and other information about an investment company. Read carefully before investing.

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**Learn more about our expansive 401(k) investment options today.**

**CALL** 866-827-5894

**VISIT** tdaretirementplansolutions.com

ETFs for 401(k) Plans

Recordkeepers will appreciate these features:

- T+1 settlement for a consistent reconciliation process.

- Fractional share processing.

- The ability to use existing trade files and confirmation files.

- No per-share or transaction fees for plans.

- No proprietary product requirements.

- The ease of offering ETFs alongside other plan investment options.

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ETFs are baskets of securities that trade on an exchange like a stock. Trading prices may not reflect the actual Net Asset Value of the underlying securities. ETFs can entail risks similar to direct stock ownership, including market sector or industry risks. Some ETFs may involve international risk, currency risk, commodity risk, and interest rate risk. Like stocks or bonds, ETFs could decline in value because of current events, supply and demand, and other conditions that may affect the sector or group of industries the ETF represents. In addition, ETFs will occasionally distribute capital gains. International investments involve special risks, including currency fluctuations and political and economic instability.

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