

# Plan sponsor: Self-directed brokerage accounts for retirement plan participants



Give your employees a truly flexible option



## A new level of freedom for your participants

### What is a self-directed brokerage account (SDBA)?

An SDBA is a brokerage window designed to allow your participants to select investments outside of your core offerings while staying within your plan and receiving the associated tax benefits. SDBAs are gaining in popularity, and more and more plan sponsors like you are providing this option.

### What are the advantages to plan sponsors and participants?

For plan sponsors, SDBAs can be part of an effective benefits package that aids in attracting and retaining valued employees.

For participants, SDBAs provide more flexibility and control, enabling diversified, targeted, and strategic retirement investing.



## More opportunities

### For plan sponsors:

- May enhance an existing benefits package, improving recruitment, retention, and employee satisfaction
- Allow the plan to focus on consolidation and education regarding the core investment lineup
- Give you and your participants access to dedicated and experienced TD Ameritrade Participant Service Specialists

### For plan participants:

- Provide access to greater diversification and control
- Allow for more complex investment and income strategies as participants approach retirement
- Enable aligned management of retirement and personal assets with the goal of maximizing tax benefits
- Provide a clear and transparent fee structure

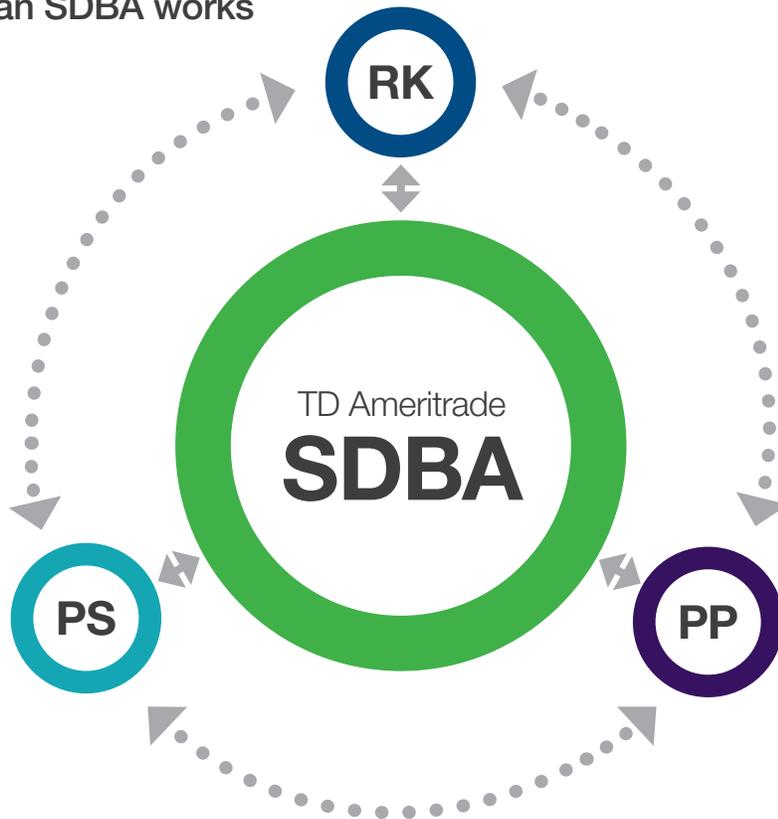


## Overview

### When you offer an SDBA option to your plan participants, you give them:

- Access to a broad range of investments that may complement the plan's core investment strategy
- The option of working with an independent Registered Investment Advisor (RIA) for retirement account advice and management
- *Research & Ideas*, an online resource that offers third-party market analysis<sup>1</sup>
- Support through our dedicated SDBA call center staffed with trained specialists
- Account access online, on the phone, or through an independent advisor
- The ability to view balances, research, and charting through mobile apps on iOS®, Android™, and other mobile platforms<sup>2</sup>
- TD Ameritrade online account opening<sup>3</sup>
- The tax benefits of remaining inside an employer-sponsored plan

## How an SDBA works



### TD Ameritrade SDBA

- Interfaces with recordkeeper to provide transaction data
- Provides participants access to an increased range of investments in addition to their plan's designated investments alternatives
- Gives participants the choice, flexibility, and convenience they need for their retirement plans
- Provides same tax benefits as core retirement plan

### Recordkeeper/Service Provider (RK)

- Provides fee disclosure information, daily balance, and transferring of funds to/from core investment accounts to plan sponsor and TD Ameritrade

### Plan Participant (PP)

- Enrolls in SDBA as part of company's core retirement plan menu
- Manages account with TD Ameritrade tools and services, and interfaces with TD Ameritrade SDBA electronically
- May take advantage of the option of working with an independent RIA for investment advice and/or account management

### Plan Sponsor (PS)

- Adds TD Ameritrade SDBAs as a retirement option to core plan
- Selects a plan service provider/recordkeeper that offers TD Ameritrade SDBAs

## Flexibility and service for your participants

Most employees appreciate having choices, and SDBAs offer extraordinary independence to participants who want to implement their own investment goals and strategies. SDBAs make it possible to access more investment vehicles than ever before while remaining within a company-sponsored plan.

Many participants who choose an SDBA appreciate the flexibility to build their own portfolio with a variety of investment vehicles, including stocks, bonds, CDs, exchange-traded funds (ETFs), and mutual funds.<sup>4</sup> And with our TD Ameritrade offering, they'll have access to more than 250 commission-free ETFs<sup>5</sup> and over 13,000 mutual funds—including more than 4,500 in the no-load, no-transaction-fee (NTF) category.<sup>6</sup> They'll also experience powerful online screening capabilities, a dedicated team of Participant Service Specialists, quality trade execution<sup>7</sup>, and the ability to manage their account online, on the phone, via TD Ameritrade Mobile apps, or through an independent advisor.

*Carefully consider the particular fund's investment objectives, risks, charges, and expenses. To obtain a prospectus containing this and other important information, please call a TD Ameritrade Participant Service Specialist at 800-765-8298. Please read the prospectus carefully before investing.*



## Work with an industry leader

If you're looking for a way to give your employees more investment choices in their retirement plan, look no further than TD Ameritrade. We understand the importance of providing a retirement plan option for employees who want more choices and more control.

### Provide tools for employees to map out their retirement plan

The TD Ameritrade SDBA for plan participants has investment alternatives—along with tools and services—designed to help your employees chart their own financial future.

### Choose the type of SDBA that's right for your plan

If you want to allow participants to choose from mutual funds, ETFs, individual stocks, and bonds, we have you covered. If you prefer participants to be limited to selecting from mutual funds exclusively, or mutual funds and ETFs, without individual stocks and bonds, no problem. And if you need to restrict trading on certain items like your company stock or other investments, we can help. Our experienced Participant Service Specialist team will work with you to set up your plan with the investment selections and restrictions that fit your needs.

### Give employees what they need

With multiple ways to trade, straightforward online pricing, quality trade execution<sup>7</sup>, and specialized client services, your employees will have the resources to manage their SDBAs—or work with a RIA to incorporate their SDBAs into their overall investment strategies.

Our philosophy is to give your participants access to state-of-the-art platform technology, advanced trading tools, and investing research from leading independent third-party providers. In fact, we don't even sponsor and maintain proprietary mutual funds or ETFs, so rather than promote our investment funds, we connect investors to the markets.

### Leverage a recognized name

TD Ameritrade is a recognized brand in the financial services industry and has a reputation for financial strength and stability. Offering an SDBA that is branded with the TD Ameritrade name has the potential to inspire additional confidence in plan participants considering this investment choice.

## A tool you can use

Educate employees with our ready-to-share client experience demo, a thorough look at the interface participants will use.

To find this resource, visit [www.tdameritraderetirement.com/demo](http://www.tdameritraderetirement.com/demo)

---

## A powerful solution for retirement plan participants

Our SDBA offering is designed to deliver flexibility to you and your employees. With outstanding service, convenient access, and a recognized name, the TD Ameritrade SDBA for plan participants has the potential to add freedom, choice, and value to your company's retirement plan.

---

For more information, contact your service provider or advisor.



Market volatility, volume, and system availability may delay account access and trade executions.

1. Third-party research is provided for general information purposes only and should not be considered an individualized recommendation or advice. While the information is deemed reliable, TD Ameritrade makes no representations or warranties with respect to the accuracy or completeness of the information provided.
2. iOS is a trademark of Apple Inc., registered in the United States and other countries. Android is a trademark of Android, Inc., and owned by Google Inc. registered in the United States and other countries. Both iOS and Android are independent companies, separate from and unaffiliated with TD Ameritrade.
3. Availability of this feature is dependent on the plan's recordkeeper. Please check to confirm availability.
4. Some plans may be permitted to offer mutual funds only.
5. Exchange-traded funds (ETFs) are subject to risk similar to those of their underlying securities, including, but not limited to, market, investment, sector, or industry risks, and those regarding short-selling and margin account maintenance. Some ETFs may involve international risk, currency risk, commodity risk, leverage risk, credit risk, and interest rate risk. Performance may be affected by risks associated with nondiversification, including investments in specific countries or sectors. Additional risks may also include, but are not limited to, investments in foreign securities, especially emerging markets, real estate investment trusts (REITs), fixed income, small-capitalization securities, and commodities. Each individual investor should consider these risks carefully before investing in a particular security or strategy. Investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Unlike mutual funds, shares of ETFs are not individually redeemable directly with the ETF. Shares are bought and sold at market price, which may be higher or lower than the net asset value (NAV).

Information provided by TD Ameritrade, including without limitation that related to the ETF Market Center and commission-free ETFs, is for general educational and informational purposes only and should not be considered a recommendation or investment advice.

Particular commission-free ETFs may not be appropriate investments for all investors, and there may be other ETFs or investment options available at TD Ameritrade that are more suitable.

ETFs purchased commission-free that are available on the TD Ameritrade ETF Market Center are available generally without commissions when placed online in a TD Ameritrade account. Other fees may apply for trade orders placed through a broker or by automated phone.

TD Ameritrade receives remuneration from certain ETFs that participate in the commission-free ETF program for shareholder, administrative and/or other services.

No Margin for 30 Days. Certain ETFs purchased commission free that are available on the TD Ameritrade ETF Market Center will not be immediately marginable at TD Ameritrade through the first 30 days from settlement. For the purposes of calculation the day of settlement is considered Day 1.

6. No-transaction-fee (NTF) mutual funds are no-load mutual funds for which TD Ameritrade does not charge a transaction fee. NTFs, as well as other funds, have other continuing fees and expenses described in the fund's prospectus. TD Ameritrade receives remuneration from fund companies for record-keeping, shareholder and other administrative services. The amount of remuneration is based in part on the amount of investments in such funds by TD Ameritrade clients.
7. Execution price, speed, and liquidity are affected by many factors, including market volatility, size and type of order, and available market centers. TD Ameritrade is obligated to seek the best price available for your order, taking into consideration the cost of execution and current market conditions, such as National Best Bid and Offer (NBBO), volume, and liquidity. TD Ameritrade acts as agent. Orders are filled by independent third parties.

TD Ameritrade, Inc., member FINRA/SIPC. TD Ameritrade is a trademark jointly owned by TD Ameritrade IP Company, Inc., and The Toronto-Dominion Bank.

© 2017 TD Ameritrade.