

**Park Avenue Securities LLC**

7 Hanover Square, NY, NY 10004

Phone: 1-888-Guardian (482-7342)

Web: [www.ParkAvenueSecurities.com](http://www.ParkAvenueSecurities.com)

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# **Park Avenue Securities Advisory Terms & Conditions**



By executing the attached Statement of Investment Selection (the “SIS”) which incorporates these Terms and Conditions, Client has entered into an agreement (the “Agreement”) with Park Avenue Securities LLC (“Adviser”) relating to the investment advisory services that will be provided to Client. By signing the SIS Client wishes to participate in the Park Avenue Securities Advisory Program (the “Program”) with respect to certain of Client’s assets (the “Program Assets” or “Program Account”). As described further below, Client understands that Adviser may retain third- party investment advisers (referred to as “Platform Manager”, “Strategists” or “Investment Managers”) to provide services in the Program.

## 1. Program Options

Client may select to participate in one or more of several Program options, described as follows:

- (a) Quantitative Innovations<sup>SM</sup> and Foundations<sup>SM</sup> are discretionary investment advisory programs sponsored by Adviser that provide Client with access to model portfolios managed by Integrated Capital Management, Inc. (“iCM”), an investment adviser registered with the Securities and Exchange Commission, that has been retained by Envestnet Asset Management, Inc. (“Platform Manager”). Platform Manager provides a technology structure for Adviser and its clients to efficiently connect with additional independent strategists and investment managers, such as iCM. Platform Manager also provides overlay management of the iCM investment models by performing administrative and trading services, such as directing the rebalance of the portfolios invested in the models. By executing the SIS Client grants Platform Manager discretionary authority to invest, reinvest and otherwise deal with Program Assets in Platform Manager’s discretion. However, Platform Manager is not responsible for the specific investment choices made with respect to the iCM model developed and maintained by iCM. The programs offer various model asset allocation portfolios that invest in mutual fund only, ETF and mutual fund hybrid and ETF- only investment strategies. Adviser may periodically provide investment advice to Client, including recommendations related to the management of Program Assets subject to approval by Client, in a manner consistent with client’s investment objectives. Client has the ability to impose any reasonable restrictions on the management of Client’s account.
- (b) Park Avenue Signature Portfolio<sup>SM</sup> (“Signature Portfolio”) is a discretionary investment advisory program established by Adviser whereby investment management services and advice are offered on a fully discretionary basis through certain investment adviser representatives (“IARs”) selected by the Client utilizing model portfolios for a range of investment objectives. Based upon Client’s investment objectives, Client’s IAR will build a model portfolio that is constructed with a variety of investments to fulfill Client’s risk/return strategy. Program Assets are invested in mutual funds, ETFs, and general securities (including but not limited to individual stocks and bonds). The IAR will have the Client’s permission to buy or sell securities, in quantity, price and at the time that the IAR sees fit without prior Client consent in accordance with the investment objectives selected by Client.
- (c) Park Avenue Fund Select<sup>SM</sup> (“Fund Select”) is an advisory program established by Adviser and designed to assist Client in devising and implementing an investment strategy tailored to Client’s individual financial circumstances. In Park Avenue Fund Select<sup>SM</sup>, Program Assets are invested in mutual funds and/or ETFs utilizing asset allocation models designed for a range of different investment objectives.

Although a non-discretionary program, Adviser may periodically adjust the asset allocation available under the program based on risk/return profiles of each asset class. When there is a reallocation, Adviser will change the asset class percentages in an asset allocation model

for all clients in the model, without requiring prior client approval. Client authorizes Adviser to reallocate Client's portfolio when Adviser adjusts Client's asset allocation model for all clients in the model. Other than model reallocations, as described above, all transactions in Client's Fund Select account will take place only upon Client specific approval. Adviser will also rebalance Client accounts according to the rebalance schedule selected by Client.

- (d) Park Avenue Portfolio Select<sup>SM</sup> ("Portfolio Select") is an advisory program established by Adviser whereby investment management services and advice are offered on a non-discretionary basis through certain investment adviser representatives ("IARs") utilizing model portfolios for a range of investment objectives. Based upon Client's investment objectives, Client's IAR will recommend a model portfolio that is constructed with a variety of investments to fulfill Client's risk/return strategy. Program Assets are invested in mutual funds, ETFs, stocks and/or bonds. Although Client's IAR shall furnish Client with advice and guidance, all transactions in the Portfolio Select program will take place only upon specific Client approval. Client has no obligation to accept recommended transactions or to authorize transactions through Adviser or IAR. Client assumes full responsibility for all trading decisions.
- (e) Park Avenue Strategist Select<sup>SM</sup> and Park Avenue Strategist Select Plus<sup>SM</sup> (the "Strategist Programs") are discretionary investment advisory programs sponsored by Adviser that provide Client with access to third-party investment advisory firms referred to as strategists ("Strategists") that have been retained by Envestnet Asset Management, Inc. ("Platform Manager"). Platform Manager provides overlay management of the investment models developed and maintained by the Strategist by performing administrative and trading services, such as directing the rebalance of the portfolios invested in the models. By executing the SIS Client grants Platform Manager discretionary authority to invest, reinvest and otherwise deal with Program Assets in Platform Manager's discretion. However, Platform Manager is not responsible for the specific investment choices made with respect to the portfolios developed and maintained by the Strategist. The portfolios created and maintained by the applicable Strategist are held in a single account and offer various asset allocation portfolios that invest in mutual fund only, ETF and mutual fund hybrid and ETF-only investment strategies as well as strategies that invest in individual equities, bonds or separately managed accounts within the Strategist Select Plus Program.. Adviser may periodically provide investment advice to Client, including recommendations related to the management of Program Assets by one or more Strategists, subject to approval by Client, in a manner consistent with client's investment objectives. Client has the ability to impose any reasonable restrictions on the management of Client's account.
- (f) Park Avenue Separately Managed Account Select<sup>SM</sup> (the "SMA Select Program") is a discretionary investment advisory program sponsored by Adviser that provides Client with access to the investment strategies of third-party investment managers and advisory firms referred to as Investment Managers that have been retained by Envestnet Asset Management, Inc. ("Platform Manager"). Platform Manager provides SMA Select Program clients with the ability to access one or more Investment Managers, either directly using a separately managed account for each Investment Manager where the Investment Manager trades directly for the account or indirectly through an investment strategy model created and maintained by the selected Investment Manager but administered by Platform Manager by providing overlay management of the investment models by performing administrative and trading services. Based upon Client's investment objectives, Client's IAR will recommend Investment Manager(s) to fulfill Client's risk/return strategy. An SMA Select Program Account may contain one or multiple Investment Managers strategies, but each will be held in a separate custodial account. By executing the SIS Client grants Platform

Manager the authority to buy and sell securities and investments for the SMA Select Program Account and to perform rebalancing or other such discretionary authorities agreed upon by the Client. Platform Manager shall be authorized to delegate the investment discretion described above to the Investment Manager. Each Investment Manager is responsible for selecting the securities for Client investment in the investment strategy of such Investment Manager, including the share class if the investment strategy contains mutual funds. Client grants Adviser authority to open multiple custodial accounts based upon the initial account application for each Investment Manager strategy chosen by Client. Client has the ability to impose any reasonable restrictions on the management of Client's account. Platform Manager and/or Adviser may remove an Investment Manager from the list of approved Investment Managers at its discretion at which point the Client shall be notified and asked to move those account assets to a similar but approved Investment Manager. Adviser may, at its sole discretion and upon prior written notice, convert Client's SMA Select Program Account assets or a portion of those assets to a brokerage account, under the same name and title, if Client's SMA Select Program Account assets remain with an unapproved Investment Manager.

- (g) Park Avenue Unified Managed Account Select<sup>SM</sup> (the "UMA Select Program") is a discretionary investment advisory program sponsored by Adviser that provides Client with access to the investment strategies of third-party investment managers and advisory firms referred to as Investment Managers that have been retained by the Platform Manager Envestnet Asset Management, Inc. ("Platform Manager"). The UMA Select Program provides recommended asset allocation models which consist of asset allocation targets or sleeves across various asset classes and investment strategies. Based upon Client's investment objectives, Client's IAR will recommend Investment Manager(s), mutual funds and/or ETFs to fulfill Client's risk/return strategy. The Client will complete the UMA Select Program Account by selecting which Investment Manager strategies to populate within each asset allocation sleeve. Platform Manager acts as the overlay manager and administers the UMA Select Program by implementing the investment strategy model provided and maintained by the individual Investment Manager(s) (an "Investment Model") selected by Client. A UMA Select Program Account may contain one or multiple Investment Models investing in different asset classes according to the selected portfolio allocation strategy. The UMA Select Program Account may also contain mutual funds, ETFs and individual stocks and bonds to complete the strategy. The securities within the selected Investment Models, mutual funds, ETFs as well as individual stocks and bonds will be held in a single custodial account. By executing the S I S Client grants Platform Manager the authority to buy and sell securities and investments for the Account pursuant to the direction of the Investment Manager and perform rebalancing or other such discretionary authorities agreed upon by the Client. In certain cases, the Investment Manager may directly trade client assets within the UMA Select Program instead of providing an Investment Model to Platform Manager. In those instances, Platform Manager shall be authorized to delegate the investment discretion described above to the Investment Manager. The Investment Manager is responsible for selecting the securities for client investment, including the share class if the investment is in mutual funds. Client's IAR may periodically provide investment advice to Client on a non-discretionary basis only, subject to approval by Client, in a manner consistent with client's investment objectives. Client has the ability to impose any reasonable restrictions on the management of Client's account. There are no transaction fees charged to Client in the UMA Select Program. Platform Manager and/or Adviser may remove an Investment Manager from the list of approved Investment Managers at its discretion at which point the Client shall be notified and asked to move those account assets to a similar but approved Investment Manager. Adviser may, at its sole discretion and upon prior written notice, convert Client's UMA Select Program Account assets or a portion of

those assets to a brokerage account, under the same name and title, if Client's UMA Select Program Account assets remains with an unapproved Investment Manager.

## **2. Program Investment Management and Investment Discretion**

Authorization to act on behalf of Client for the applicable Program Assets is conditioned on the Program option selected, as follows:

(a) Park Avenue Signature Portfolio

For Signature Portfolio, Client appoints an IAR as its investment manager and hereby grants to IAR full discretionary authority to invest, reinvest, and otherwise deal with the Program Assets placed in the Signature Portfolio program in IARs discretion. Such discretionary authority allows IAR to make all investment decisions with respect to the applicable Program Assets pursuant to the investment strategy selected and, when it deems appropriate and without prior consultation with Client, to buy, sell, exchange, convert, and otherwise trade in general securities (including but not limited to individual stocks and bonds), mutual funds, ETFs, and/or rebalance the account as the IAR deems appropriate.

(b) Park Avenue Fund Select and Park Avenue Portfolio Select

The Park Avenue Fund Select and Park Avenue Portfolio Select Programs are designed to assist Client in devising and implementing an investment strategy tailored to Client's individual financial circumstances. Other than the investment of cash balances, all investment decisions are made by Client. Adviser will not have any investment discretion over Program Assets placed in the Park Avenue Fund Select and Park Avenue Portfolio Select Programs. However, for the Park Avenue Fund Select Program, Client hereby grants Adviser the ability to periodically adjust the asset allocation available under the program based on risk/return profiles of each asset class. When there is a reallocation, Adviser will change the asset class percentages in an asset allocation model for all clients in the model, without requiring prior client approval. Client acknowledges and agrees that Adviser has the authority to reallocate Client's portfolio when Adviser adjusts Client's a s s e t allocation model for all clients in the model. Other than model reallocations, as described above, all transactions in Client's Park Avenue Fund Select account will take place only upon Client's specific approval. Adviser will also rebalance Client accounts according to the rebalance schedule selected by Client. Although Adviser will not possess investment discretion over Program Assets, Adviser will periodically provide Client with investment advice, which may include recommendations regarding investing in mutual funds, ETFs, stocks and/or bonds in a manner consistent with the types of securities available in the Program selected by Client and Client's investment objectives. Pursuant to Client's consent, which shall be obtained prior to each transaction, Adviser may place Client transaction orders for Program Assets in the Park Avenue Fund Select and Park Avenue Portfolio Select Programs.

(c) The Strategist, SMA/UMA Select, Foundations and Quantitative Innovations Programs

For the Strategist Select, Strategist Select Plus, SMA/UMA Select, Foundations and Quantitative Innovations Programs, Client understands and agrees that Adviser has contracted with the Platform Manager, a registered investment adviser which provides a technology structure for investment advisers to efficiently connect with additional independent Investment Managers and Strategists. For the Strategist Select, Strategist Select Plus, SMA Select and UMA Select Programs, Platform Manager has retained Strategists and Investment Managers who have entered into a licensing agreement with Platform Manager, whereby Platform Manager provides overlay management by performing administrative and/or trading duties pursuant to the direction of the Strategist or Investment Manager.

In such situations, the applicable Strategist or Investment Manager is acting in the role of a “Model Provider”. In order to give Adviser, Platform Manager and any applicable Strategist/Investment Manager the requisite authority to perform the foregoing functions, Client hereby grants discretionary authority to Adviser solely for the purpose of allowing Adviser to delegate authority to the Platform Manager and/or the Strategist/Investment Manager selected for the management and administration of Client’s account(s) and hereby grants to the Platform Manager and the applicable Strategist/Investment Manager discretionary authority, consistent with this Agreement and the investment strategy selected, to buy, sell, exchange, convert or otherwise trade in securities, without prior consultation with Client, pursuant to the investment strategy selected and to further delegate such authority to other Strategists/Investment Managers. IAR may periodically provide investment advice to Client, including recommendations related to the management of Program Assets by one or more Strategists/Investment Managers or recommendations on individual mutual funds, ETFs stocks or bonds within the asset allocation for UMA Select, subject to approval by Client, in a manner consistent with Client’s investment objectives. For the SMA Select and UMA Select Programs the Platform Manager has discretion to reallocate or rebalance the Client’s investments in the account to the Investment Manager’s underlying model or strategy. Further, In SMA Select and UMA Select the IAR may, upon Client approval, reallocate or rebalance the Client’s allocation between Investment Managers including replacing one Investment Manager for another.

### **3. Client Profile**

Client, with assistance of Adviser through its IARs, has completed an advisory account application, a risk profile questionnaire and/or other forms provided to Client by Adviser or has otherwise provided Client’s financial information to Adviser. Client certifies to Adviser and any applicable Platform Manager, Strategist or Investment Manager that Client has completely and accurately provided information regarding Client’s financial condition and investment objectives. Client acknowledges and agrees that Adviser bases its recommendations and decisions for Client on information that Client has provided, and that Adviser and any applicable Platform Manager, Strategist or Investment Manager may rely on such information. Client further agrees to notify Adviser immediately if Client’s financial condition and/or investment objectives change. Client understands that Client’s failure to provide Adviser with current, accurate information could adversely affect the ability of the Adviser, Platform Manager, Investment Manager or Strategist, as applicable, to effectively allocate Client’s assets within the Program. Client further understands that there is no guarantee that Client’s investment objectives will be achieved. Adviser, Sub- Manager, Investment Manager or Strategist, as applicable, shall not have any liability for Client’s failure to timely inform Adviser of any material change in Client’s financial situation or investment objectives which might affect the manner in which Client’s Program Assets should be invested, or for Client’s failure to provide Adviser with any information as to Client’s financial situation that Adviser may reasonably request.

### **4. Initial Program Assets; Program Policies**

- (a) Program Assets may consist of the cash, securities, and debt instruments that are initially placed into the Program by Client, plus all investments, reinvestments, and proceeds of the sale of those assets, including, without limitation, all dividends and interest on investments, and all appreciation and other additions, and less depreciation and withdrawals from the Client accounts, and any accounts set up in the future that Client requests be included in the Program. Client authorizes that some or all of the assets initially deposited into the Client account(s) which do not meet the investment guidelines of the Program may be liquidated and reinvested by the applicable Adviser, Platform Manager, Investment Manager or Strategist as deemed appropriate within the Program option selected by the Client. Client acknowledges that any such liquidation may have tax consequences to Client. The Program has been designed to comply with the provisions of Rule 3a- 4 under the Investment Company Act of 1940, as amended.

Client hereby authorizes and acknowledges that the management of Program Assets shall be subject to the then current policies and procedures of the applicable Program option, including matters such as initial deposits, subsequent contributions, account size, withdrawals, transfers from one Program to another, liquidations of accounts falling below required minimum size requirements, and rebalancing. Similarly, if Client enters into a periodic investment plan or systematic withdrawals plan such additional investments and withdrawals are subject to the then current policies and procedures of the applicable Program option. Client understands that the Program options are generally designed for long-term investing and that withdrawals of account assets may have a negative impact on the pursuit of Client's investment objectives. In addition, Client understands that there may be tax consequences to Client as a result of a withdrawal of Account assets and that Client should consult a qualified tax advisor for tax advice suited to the Client's particular circumstances.

- (b) Any securities, positions or holdings identified by Adviser as being ineligible securities may not be held in your Program Account or shall be held outside of your Program Account whereby they will be considered unmanaged and unsupervised. Neither Adviser nor your IAR will provide investment advice on unmanaged or unsupervised assets. Any ineligible securities that remain in your Program Account shall not be billed on and shall be removed from your quarterly performance report calculations. Furthermore, if an ineligible position is moved into your Program Account, such position may be liquidated or moved to a standard brokerage account at the sole discretion of Adviser. Adviser shall provide you with written notification if any securities transferred into your Program Account are ineligible. Adviser determines which securities it deems ineligible and such guidelines are subject to change without notice. You should consult your IAR for further details.

## **5. Trade Execution and Custodial Services**

- (a) For each Program option, a Program Asset custodian ("Custodian") provides trade and custodial services in connection with the Program. For certain Program options, Client has the right to select the Custodian. For other Program options, Adviser has selected the Custodian for all clients. If Adviser has selected a Custodian for a Program option Adviser reserves the right to change the Custodian at its discretion with prior notification to the Client.
- (b) In those Programs where Client directs brokerage, Client acknowledges that by directing brokerage to Custodian, Client may not receive the benefit of the lowest trade price then available for any particular transaction for such Program accounts. In effecting brokerage transactions, the Adviser, Platform Manager, Investment Manager or Strategist, as applicable, will have the authority to effect transactions for the applicable assets with or through another broker, dealer or bank if such entity believes that "best execution" of transactions may be obtained through such other broker, dealer or bank, including any broker-dealer that is affiliated with such entity. In effecting brokerage transactions, the Adviser, Sub-Manager, Investment Manager or Strategist, as applicable, may consider not only available prices and commission rates, but also other relevant factors such as execution capabilities, research and other services provided by the broker-dealer.
- (c) Adviser, Platform Manager, Investment Manager or Strategist, as applicable, may execute transactions through brokers, dealers, and banks that have certain arrangements with such entity pursuant to which such entity receives credit (toward acquisition of research products and services) for brokerage placed with such firms.
- (d) When Adviser, Platform Manager, Investment Manager or Strategist, as applicable, deems a transaction to be in the best interests of Client as well as other clients, to the extent permitted by applicable law and regulation, such entity is permitted to aggregate multiple client orders to obtain what it believes will be the most favorable price and/or lower execution costs at the time of execution.

- (e) Client authorizes Adviser, Platform Manager, Investment Manager or Strategist, as applicable, to effect “agency cross” transactions (that is, transactions in which such entity acts as broker for the party or parties on both sides of the transaction) to the extent permitted by applicable law or regulation.
- (f) Client authorizes Adviser and the IAR of record for Client to direct the custodian of the Client’s account, to remit checks to the address of record for the registered owner, (same name, same address) for non-qualified accounts only. This authorization shall only apply to first party disbursements made upon Client’s verbal or written request.
- (g) Nothing in the Agreement shall limit or restrict Adviser, Platform Manager, Investment Manager or Strategist, as applicable, or any of their respective officers, affiliates, or employees from buying, selling, or trading in any securities for its or their own account or accounts subject to each entity’s fiduciary duty to clients. Adviser, Platform Manager, Investment Manager or Strategist, as applicable, may engage in transactions on behalf of Client which may be inconsistent with transactions recommended to, or engaged in by, such entity on behalf of other clients of such entity or clients of their respective affiliates, or transactions engaged in by the affiliates, officers, directors or employees of any of them.
- (h) Certain mutual funds available through the Program may be managed by one of Adviser’s affiliates, and any such affiliate may receive a management fee from any mutual fund it manages. Any such fee would be separate and distinct from, and in addition to, any fees payable to Adviser for providing services under the Program. Mutual funds managed by an affiliate of Adviser are not eligible for inclusion in IRA or ERISA Program accounts, unless Adviser specifically approves such inclusion for the Client’s account.

## 6. Tax Harvesting

Subject to meeting minimum balance requirements, Client may direct PAS to employ a tax harvesting strategy in managing taxable accounts. This means that, once the tax harvesting threshold is met, PAS will sell securities in Client’s account at a gain or loss to offset potential capital gains, although the type and amount of capital gains will not be monitored by PAS for this purpose. By authorizing tax harvesting for Client’s account, PAS will sell one or more securities in Client’s account and will hold proceeds in cash to avoid the thirty (30) day wash rule. Once thirty (30) days have passed, the funds will be reinvested in the model. Within the Park Avenue Strategist Select/Select Plus, Park Avenue UMA Select and Park Avenue SMA Select programs, the Investment Manager may select another ETF not substantially comparable to the security harvested to replace the securities that have been purchased or sold in Client’s account.

Client understands they should consult with their professional tax advisors or review the Internal Revenue Service (“IRS”) website at [www.irs.gov](http://www.irs.gov) regarding the consequences of tax harvesting in light of their particular circumstances and its impact on their tax return. If the IAR recommends a tax harvesting strategy for Client’s account, that advice is not intended as tax advice. Neither PAS nor its IARs represent that any particular tax results will be obtained.

Client is responsible for monitoring any accounts in which Client elects tax harvesting to ensure that transactions in the same security or a substantially similar security do not create a “wash sale.” A wash sale is the sale at a loss and purchase of the same security or substantially similar security within thirty (30) days of each other. If a wash-sale transaction occurs, the IRS may disallow or defer the loss for current tax reporting purposes. More specifically, the wash-sale period for any sale at a loss consists of sixty-one (61) days: the day of the sale, the 30 days before the sale, and the 30 days after the sale (calendar days, not trading days). The wash-sale rule postpones losses on a sale if replacement shares are bought around the same time. The effectiveness of the tax harvesting strategy to reduce Client’s tax liability will depend on Client’s entire tax and investment profile, investments (e.g., taxable or non-taxable) or holding period (e.g., short-term or long-

term).

## 7. Program Fee

- (a) For services provided under this Agreement, Client will pay a program fee (the “Program Fee”), calculated by applying the annual fee schedule for the pertinent category of Program Assets in the SIS to the asset value of Program Assets (determined quarterly on an account by account basis and not in the aggregate). Program Assets shall include any margin loan amounts reinvested into the Program but shall not include margin or non-purpose loans not invested back into the Program. Client authorizes and directs Adviser (or its designee) to instruct Custodian to deduct from Program accounts such Program Fees as are due from Client in accordance with these terms and conditions and Client consents to such deduction in amounts and at times as Adviser, or its designee, may instruct Custodian from time to time. The Program Fee will be debited from the Client’s accounts on a quarterly basis in advance. Adviser, or its designee, shall retain or distribute to Adviser, Platform Manager, Investment Manager or Strategist, as applicable, any amounts due any such party in connection with the Program. Client acknowledges and agrees that it is Client’s responsibility to verify the accuracy of such fee calculation and that the Custodian will not determine whether fees are properly calculated.
- (b) The initial Program Fee for the first calendar quarter (or part thereof) in which the Client participates in the Program shall be calculated and debited on the 10th day of the month (or the next business day if the 10th is a non-business day) after initial Program Assets are placed in the Program and shall be the Program Fee for the first calendar quarter (or part thereof) in which the Client participates in the Program. The initial Program Fee for any partial calendar quarter shall be appropriately pro- rated based on the number of calendar days in the partial quarter. The initial Program fee shall be calculated based on the average daily balance of Program Assets placed in the Program from the time Client account assets have been invested to the end of the initial month. Thereafter, the Program Fee shall be calculated at the beginning of each calendar quarter based on the average daily balance of Program Assets in Client’s account for the prior calendar quarter. However, if a Program account is opened in the last month of a calendar quarter, the Program Fee will be calculated and debited for the remaining period in the calendar quarter plus the next calendar quarter on the 10th day of the month (or the next business day if the 10th is a non-business day) after initial Program Assets are placed into the Program. For example, an account that opened on 9/15 would have fees debited on 10/10 for the periods (9/15 – 9/30) and (10/01 – 12/31) calculated based on the average daily balance of the Program account from 9/15 to 9/30. The Program Fee for each quarter will equal (on an annualized basis) the percentage set forth in the fee schedule, of the fair market value of the Program Assets in the applicable category (including interest paid or accrued) as calculated as the average daily balance of Program Assets in Client’s account for previous calendar quarter. Adviser, Platform Manager, Investment Manager or Strategist, as applicable, will determine fair market value for Program Fee calculation purposes. If this Agreement is terminated and all Program Assets are withdrawn from the Program prior to the end of a quarter, the pro rata portion of the Program Fee will be reimbursed to Client.
- (c) The Program Fee does not cover certain charges associated with securities transactions in clients’ accounts, including: (i) dealer markups, markdowns or spreads charged on transactions in over-the-counter securities; (ii) costs relating to trading in certain foreign securities; (iii) the internal charges and fees that may be imposed by any mutual fund, ETF or Collective Investment Vehicle (such as fund operating expenses, management fees, redemption fees, 12b-1 fees, regulatory fees, and other fees and expenses. Further information regarding charges and fees assessed on Collective Investment Vehicles may be found in the appropriate prospectus or offering document.); (iv)

brokerage commissions or other transaction charges; (v) the charge to carry tax lot information on transferred mutual funds or other investment vehicles, postage and handling charges, returned check charges, transfer taxes, stock exchange fees or other fees mandated by law; (vi) margin or non-purpose loan interest, and (vii) any brokerage commissions or other charges, including contingent deferred sales charges imposed upon the liquidation of “in-kind assets” that are transferred into the Program. With respect to this latter type of charge, Adviser, Platform Manager, Investment Manager or Strategist, as applicable, may liquidate such assets transferred into a Program in its sole discretion. Client should thus be aware that if they transfer in-kind assets into a Program, Adviser, Platform Manager, Investment Manager or Strategist, as applicable, may liquidate such assets immediately or at a future point in time and Client may incur a brokerage commission or other charge, including a contingent deferred sales charge. Client also may be subject to taxes when such assets are liquidated. Accordingly, Client should consult with their financial adviser and tax consultant before transferring in-kind assets into a Program. Adviser may elect to charge a minimum annual Program Fee per account for participation in the Program. The Client shall receive prior written notice in accordance with Section 19 if such Program Fee shall be implemented by Adviser. The Program Fee does not cover certain custodial fees that may be charged to clients by the Custodian. The Custodian may charge a minimum account fee. Client also may be charged for specific account services, such as ACAT transfers, electronic fund and wire transfer charges, and for other optional services elected by Client. Accounts may be subject to transaction-based ticket charges assessed by the Custodian for the purchase of certain mutual funds. Similarly, the Program Fee does not cover certain non-brokerage-related fees such as IRA trustee or custodian fees and tax-qualified retirement plan account fees and annual and termination fees for retirement accounts (such as IRAs).

- (d) Some mutual funds assess redemption fees to investors upon the short-term sale of fund shares. Depending on the particular mutual fund, this may include sales for rebalancing purposes. Please see the prospectus for the specific mutual fund for detailed information regarding such fees. In addition, a Client may incur redemption fees when the Adviser, Platform Manager, Investment Manager or Strategist, as applicable, determines that it is in the Client’s overall interest, in conjunction with the stated goals of the investment strategy, to divest from certain Collective Investment Vehicles prior to the expiration of the collective investment vehicle’s minimum holding period. Depending on the length of the redemption period, the particular investment strategy and/or market circumstances, such entity may be able to minimize any redemption fees when, in the portfolio manager’s discretion, it is reasonable to allow a Client to remain invested in a Collective Investment Vehicle until expiration of the minimum holding period.
- (e) If there is insufficient cash in the Client account(s) at the time the Program Fee is to be debited from the account(s), Client understands and acknowledges that Adviser, Platform Manager, Investment Manager or Strategist, as applicable, may sell an amount of Program Assets to generate sufficient cash to pay the Program Fee. This may create a taxable gain or tax loss for Client. If Program Assets are illiquid and the applicable entity determines that the sale of Program Assets to pay the Program Fee is not feasible, Adviser or its designee will send Client an invoice for the Program Fee for the quarter. Client agrees to pay this invoice within ten (10) days of receipt.

## **8. Communications with Client**

- (a) Client acknowledges and agrees that Client will not receive trade confirmations for each transaction made by the Adviser, Platform Manager, Investment Manager or Strategist, as applicable, unless Client notifies Adviser that Client wishes to receive such confirmations.

- (b) At least quarterly, Adviser or its designee will provide Client a statement containing a description of all activity in Client's Program accounts during the previous period. The statement will also include a statement to the effect that Client should contact the Adviser if there have been any changes in Client's financial situation or investment objectives, if Client wishes to impose reasonable restrictions on the management of Client's account, or if Client wishes to reasonably modify existing restrictions. Such statement will explain to Client the means by which contact with Adviser may be made. Client agrees to review such statements for accuracy. Unless Client notifies Adviser in writing of any errors on the statements within thirty (30) days of receipt by Client, Client thereby waives the right to contest the accuracy of the applicable statement.
- (c) Adviser or its designee will contact Client at least annually to determine whether there have been any changes in Client's financial situation or investment objectives, and whether Client wishes to impose any reasonable restrictions, or reasonably modify existing restrictions, on the management of Client's account(s). Adviser and its designees are available to Client to respond to inquiries concerning the Program Assets and Client's account.

## **9. Representations**

- (a) Adviser, Platform Manager, Investment Manager and/or Strategist, as applicable, each represents that it is duly registered with either the Securities and Exchange Commission or any applicable state regulatory authority as an investment adviser under the Investment Advisers Act of 1940 or comparable state law. Each party has made all notice filings and paid all fees, if any, under applicable federal or state securities laws that its current activities require it to make or pay. Each party will obtain and maintain all such registrations, file all such notices and pay all such fees, if any, for so long as required under applicable law.
- (b) By executing this Agreement, Client represents that it has the requisite legal capacity and authority to execute, deliver, and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by Client and is the legal, valid, and binding agreement of Client, enforceable against Client in accordance with its terms. Client's execution of this Agreement and the performance of its obligations hereunder does not conflict with or violate any provisions of the governing documents of Client or any obligations by which Client is bound, whether arising by contract, operation of law or otherwise. Client will deliver to Adviser evidence of Client's authority and compliance with its governing documents on Adviser's request.

## **10. ERISA and Other Special Accounts**

- (a) If this Agreement is entered into by a trustee or other named plan fiduciary (hereinafter referred to as "Plan Sponsor") as defined under the Employee Retirement Income Security Act of 1974 ("ERISA"), such Plan Sponsor represents and warrants that the retirement plan's participation in the Program selected is permitted by the relevant governing instrument of such plan, and that the Plan Sponsor is duly authorized to enter into this Agreement. Plan Sponsor agrees to furnish Adviser or IAR with such documents as they shall reasonably request with respect to the foregoing. Plan Sponsor further agrees to advise Adviser or IAR of any event which might affect this authority or the validity of this Agreement. Plan Sponsor additionally represents and warrants: (i) that the Program, in general, as well as the selected portfolio(s) for plan investment are appropriate investment options for the plan; (ii) that the governing instruments provide that an "investment manager" as defined under ERISA may be appointed; and (iii) that the person executing and delivering this Agreement on behalf of Client is a "named fiduciary" ( as defined under ERISA) who has the power under the plan to appoint an investment manager. Plan Sponsor agrees and

understands that neither Adviser nor IAR are acting as the investment manager to the Plan. Plan Sponsor agrees to obtain and maintain for the term of this Agreement any bond required by ERISA or any other applicable law and to include, within the coverage of such bond, the Adviser and any of its officers, directors, employees and agents whose inclusion is required by law. Upon request, Plan Sponsor agrees to promptly provide the Adviser with appropriate documents evidencing such coverage.

- (b) If Client is a corporation, the signatory on behalf of Client represents that the execution of the Statement of Investment Selection (“SIS”) which incorporates these Terms and Conditions by reference, has been duly authorized by appropriate corporate action.
- (c) If two or more persons sign the SIS as Client as joint owners with rights of survivorship, the account shall be held by them as so designated. Each person irrevocably appoints the other(s) as attorney(s)-in-fact, to take all action on his or her behalf and to represent him or her in all respects in connection with this Agreement, except for requests for withdrawal checks or wires to be payable to a third party. Adviser shall be fully protected in acting upon the instructions of any of the persons who have signed the SIS as Client, and in sending notices, reports or other communications to any of them. Each person who has signed the SIS as Client shall be liable, jointly and individually, for any amounts payable under this Agreement.
- (d) Client agrees to furnish Adviser with such documents as it shall reasonably request with respect to any of the matters covered in this Section. Client further agrees to advise Adviser of any event that affects this authority or the validity of this Agreement. Client expressly releases Adviser from any liability or claim based upon an allegation to the effect that its participation in the Program has resulted in the violation of any law, rule or regulation applicable to Client.
- (e) The person signing the SIS as the Plan Sponsor or Client agrees to indemnify and hold harmless Adviser, IAR, Platform Manager, Investment Manager and Strategist and their respective officers, directors, agents, employees and affiliates from and against all losses, costs (including attorney’s fees and court costs), or damages, whether direct, indirect, special, incidental, consequential, punitive, or otherwise of any kind, claims, demands, proceedings, suits and actions, and all liabilities and expenses resulting from, in connection with, or arising out of any actions taken or not taken by Adviser or its IARs and affiliates in reliance on representations made by such Plan Sponsor or Client.

## **11. Margin and Lending**

- (a) A Custodian may provide margin or non-purpose loans to Client if Client applies for lending capabilities, such application is approved, and Client agrees to the separate margin or non-purpose loan agreement provided by Custodian.
- (b) If applying for a margin or non-purpose loan, Client agrees to comply with all provisions of the margin or non-purpose loan agreement, including determining that the borrowing is appropriate for Client’s situation, based on Client’s own careful examination of financial resources, investment objectives, and risk tolerance; Client also agrees to cooperate with Adviser and its affiliates to execute whatever instruments or documents Adviser reasonably determines to be necessary to exercise Adviser’s rights under the margin or non-purpose loan agreement. Client understands that investing on margin involves the extension of credit and that Client’s financial exposure could exceed the value of securities in Client’s account. Client understands that Client may not use a non-purpose loan to invest back into the Program Account or purchase additional securities in another account.

- (c) If the equity in Client's account falls below either industry minimums or the Custodian's house requirements, Custodian or Adviser can take limited discretion over Client's account to cover the deficiency by selling securities or other assets in the account. If these assets are insufficient, Client will be responsible for making up any shortfall, and potentially for paying costs associated with collecting the shortfall. Custodian or Adviser can sell assets in Client's account without contacting Client. While the Custodian will generally attempt to notify customers of house maintenance calls, it is not required to do so. Even if Client is notified, Custodian or Adviser can still sell assets before the time indicated in the notice, if it believes such action is warranted.
- (d) Client is not entitled to choose which securities are sold to meet a house maintenance call. Because Client's accounts form collateral for the loan to Client, the choice of what to sell is Adviser's or Custodian's. Client is not entitled to a time extension on a house maintenance call. While Custodian may grant Client an extension, it is not required to do so. Neither Adviser, its affiliates nor the Custodian will act as investment adviser to Client with respect to the liquidation of securities held in Client's account to meet a house maintenance call.

## **12. Confidentiality of Information**

- (a) Except as may be required by law or as otherwise provided in this agreement, Adviser and Client shall treat all information, recommendations, and advice regarding the Program Assets as confidential; provided, however, that Adviser may provide any confidential information concerning Client or its accounts to Platform Manager, Investment Manager, any applicable Strategist, Custodian, and outside service providers, provided that such parties are subject to substantially similar confidentiality provisions as those in this Agreement. Client hereby authorizes and directs Adviser, Platform Manager, Investment Manager or Strategist, as applicable, and Custodian to share Client's data, including its account data, with each other and with third parties as necessary and to the extent necessary to provide the products and services under the Program.
- (b) The rights and obligations of Adviser and Client pursuant to this section shall survive any termination of the Agreement.

## **13. Proxy Voting; Client's Rights and Understandings**

For the Strategist Select, Strategist Select Plus, SMA Select and UMA Select Programs, Client agrees that Strategist or Investment Manager, where applicable, will exercise its discretion in voting or otherwise acting on all matters for which a security holder vote, consent, election or similar action is solicited by, or with respect to, issuers of securities beneficially held as part of the Program Assets. Client has the right to revoke this authority at any time.

For all other Programs, including the Signature Portfolio program, Client shall be responsible for voting or otherwise acting on all matters for which a security holder vote, consent, election or similar action is solicited by, or with respect to, issuers of securities beneficially held as part of the Program Assets, unless otherwise agreed with Client. Adviser does not vote proxies on Client's behalf. If Adviser shall come into possession of any proxy materials, it shall use its best reasonable efforts to forward such materials to Client in a timely manner.

Client acknowledges that Client will receive prospectuses for the funds purchased for Client's account and agrees to read and review these prospectuses. Client further agrees that Adviser is not responsible for the information contained within the fund prospectuses and agrees to hold Adviser harmless for any deficiencies

contained therein.

With respect to all funds held in the Client's account, Client retains to the same extent as if Client held such shares outside of the Program the right to: (i) withdraw securities or cash; (ii) be provided with notification of each securities transaction and all other documents required by law to be provided to security holders; and (iii) proceed directly against the issuer of any security in Client's account and not to be obligated to join any person involved in the operation of the Program, or any other client, as a condition precedent to initiating such proceeding.

Client acknowledges and agrees that dividends and/or capital gains from each fund will be reinvested in additional shares.

#### **14. Limitation of Liability**

Neither Adviser nor any applicable Platform Manager, Strategist or Investment Manager shall be liable to Client for any investment or recommendation made, or any investment advice given, or any other investment action taken or omitted, except to the extent such loss is caused by a breach of fiduciary duty, gross negligence or an intentionally illegal or wrongful act by Adviser, Platform Manager, Investment Manager or Strategist, as applicable. Notwithstanding the foregoing, federal and state securities laws impose liabilities under certain circumstances on persons who act in good faith, and nothing herein shall constitute a waiver or limitation of any rights which Client may have under any federal or state securities laws. Client acknowledges that Adviser, Platform Manager, Investment Manager and any applicable Strategist do not make any guarantee of profit or offer any protection against loss on any Program Assets managed by such entity, or on any Program Assets invested in securities that such entity recommends and that all purchases and sales of securities shall be solely for the account and risk of Client.

#### **15. Third Party Beneficiaries**

Client acknowledges and agrees that Platform Manager and any applicable Investment Manager or Strategist are intended third party beneficiaries of this Agreement.

#### **16. Termination**

- (a) This Agreement is effective upon acceptance by Adviser. Client has the right to cancel this Agreement within five (5) business days of Adviser's acceptance by giving written notice of such cancellation to Adviser. In such event, any Program Fees paid by Client shall be refunded to Client, but Client shall be responsible for any transactions executed prior to Adviser's receipt of the written cancellation notice.
- (b) This Agreement may be terminated by Adviser upon thirty (30) days prior written notice to Client. . This Agreement may be terminated by Client by written notice to Adviser or by verbal notice delivered in person (not via voice mail message) to a representative of Adviser at 888-600-4667 or to an IAR for your account. Terminations will be effective upon expiration of the 30 day-period for terminations by Adviser and upon receipt of the notice of termination by Client. Termination of this Agreement will not affect liabilities or obligations arising from performance or transactions initiated prior to such termination. After the effective date of the termination Adviser will have no obligation to recommend any action with regard to the securities in the account, including but not limited to liquidation of any securities in the account.

- (c) Upon the termination of the Agreement, Client is required to instruct Adviser to transfer, deliver, or liquidate the securities held in the account. Instructions may be delivered by Client by written notice to Adviser or by verbal notice delivered in person (not via voice mail message) to a representative of Adviser at 888-600-4667 or to an IAR for the account. Until instructions are received and implemented by Adviser, the securities will be held the advisory account without advisory fees being charged. Client instructions will be implemented promptly after proper receipt of such instructions. If Adviser is instructed to liquidate the securities held in the account, proceeds shall be delivered to Client upon settlement of all transactions which may vary by the type of Program as well as type of securities being liquidated and, in some cases, could take as long as 5-7 business days. Adviser will not be liable for any market fluctuation of the securities held in the account for the period from the effective date of the termination until the implementation of Client's instructions. If Adviser fails to receive Client's instructions within sixty (60) days after the effective date of termination, Adviser reserves the right to liquidate the positions held in an account and pay Client the proceeds upon settlement of all transactions.
- (d) In addition to the rights set forth elsewhere in this Section 16, Adviser may, at its sole discretion and upon prior written notice to Client, convert Client's Program account to a brokerage account, under the same account registration as the Program account is held, if (i) for the Signature Portfolio program, the IAR selected by the Client to provide investment management services on a discretionary basis is no longer affiliated with the Adviser as an IAR or is no longer a participant as an IAR in the Signature Portfolio program, or (ii) Adviser makes the determination that the Client's Program account has become unsuitable for the Client, which determination shall include but is not limited to low balance due to client withdrawals, inactivity, high fees as compared to Program account activity and failure of Adviser's investment adviser representatives to comply with the annual account review requirements. Such conversion will act as a termination of Client's Program account with Adviser.

## 17. Notices

All written notices hereunder shall be sent by facsimile or overnight courier, to the receiving party, (i) at the address set forth below for notices to Adviser; (ii) at the then current Client address set forth in Adviser's records for notices to Client; or (iii) at such other address as such party shall have specified to the other party by notice similarly given.

**To Adviser:**

Park Avenue Securities LLC  
10 Hudson Yards, New York, New York 10001  
Attn: Advisory Operations

## 18. Assignment

This Agreement is not assignable by any party without the consent of the other parties, except that Adviser may assign this Agreement by using a "negative consent" process whereby Client has no less than 30 days to respond to a notice of intended assignment. However, Adviser has the power and authority to delegate discretionary management of Program Assets to Platform Manager, Investment Manager or a Strategist, as applicable.

## 19. Governing Law

This Agreement and the interpretation and application of the provisions hereof shall be governed and

construed in accordance with the laws of New York, without giving effect to its choice of law provisions.

## **20. Arbitration**

The parties agree that any controversy, claim or dispute concerning any transaction, or concerning this or any other agreement between the parties, or arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration in accordance with the rules, then obtaining, of the American Arbitration Association. Any arbitration award shall be final, and judgment upon the award rendered may be entered in any court, state or federal, having jurisdiction. Client understands that it cannot be required to arbitrate any dispute or controversy non-arbitrable under federal or under any specific state law that may prohibit mandatory arbitration. However, this Section does not constitute a waiver of any right provided by the Investment Advisers Act of 1940, including the right to choose the forum, whether arbitration or adjudication, in which to seek dispute resolution. In the event of any legal action taken to resolve a dispute between the parties, the prevailing party shall be entitled to recover reasonable legal fees and costs. No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action: or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied, or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to the enforce agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

## **21. Entire Agreement; Amendment**

This Agreement, along with the SIS, constitutes the entire understanding between the parties relating to the subject matter contained herein and merges and supersedes all prior discussions and writings between them.

No party shall be bound by any condition, warrant, or representation other than as expressly stated in the Agreement or subsequently set forth in a writing signed by all parties, except that Adviser may amend this Agreement by using a “negative consent” process whereby Client has no less than 30 days to respond to a notice of intended amendment. Specifically, Adviser retains the right to change the advisory fee or other account fees upon thirty (30) days prior written notice to Client. If Client does not terminate the Agreement before the effective date of the fee change, the Client will be deemed to have approved such change.

## **22. Acknowledgement of Receipt of Form ADV**

Client hereby acknowledges receipt of information concerning Adviser, including a copy of Adviser’s privacy policy and Firm Brochure (Form ADV Part 2A), Wrap Fee Program Brochure (if applicable) and Financial Adviser Brochure Supplement (Form ADV Part 2B) as required by Rule 204-3 under the Investment Advisers Act of 1940 or any successor provision. Client also acknowledges receipt of the privacy policy and all applicable Firm Brochures and Brochure Supplements of the Platform Manager, Investment Manager(s) and Strategist(s).

## **23. Severability**

If any provision of this Agreement is held to be invalid, void or unenforceable by reason of any law, rule, administrative order or judicial decision, that determination shall not affect the validity of the remaining provisions of this Agreement.

## **24. Anti-Money Laundering**

Client represents and warrants that the account assets are not directly or indirectly derived from activities that contravene federal, state or international laws and regulations, including anti-money laundering laws and regulations. Client further represents and warrants that, to the best of his or her knowledge, the Client, any person controlling or controlled by Client, or (if Client is an entity) any person having a beneficial interest in Client, is not (i) a country, territory, individual or entity named on a list maintained by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"), (ii) a person described under OFAC programs prohibiting dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the lists maintained by OFAC, (iii) a "senior foreign political figure," or any "immediate family member" or "close associate" of a senior foreign political figure or (iv) a "foreign shell bank," as such terms are used in federal regulations or Executive Orders administered by OFAC.

## 25. Miscellaneous Provisions

- (a) Client acknowledges that while the Adviser has a fiduciary relationship with Client with respect to the Program, such fiduciary relationship does not extend to any services or products provided to Client by the Adviser, the Financial Adviser or any designee of Adviser outside of the Program, unless specified in a separate advisory agreement.
- (b) Client acknowledges that Adviser shall not be obligated to effect any transaction for Client that Adviser believes may result in a violation of any applicable state or federal laws or the rules and regulations of any regulatory or self-regulatory organization.
- (c) Section headings are for convenience only and are not of substantive effect.
- (d) By signing the SIS, which incorporates by reference these terms and conditions, Client certifies that he or she has furnished, under penalty of perjury, the correct identification information, including his or her Social Security Number or Tax Identification Number on the account application and that Client has not been notified by the Internal Revenue Service that Client is subject to back-up withholding. The Internal Revenue Service does not require Client's consent to any provision of this Agreement other than the certifications required to avoid back-up withholding.
- (e) Adviser is a wholly owned, indirect subsidiary of The Guardian Life Insurance Company of America, a New York life insurance company. Adviser is registered with the Securities and Exchange Commission as an investment adviser and acts as the adviser to Client. The Financial Adviser is an independent contractor associated with Adviser as an investment advisory representative. The Financial Adviser has no express, implied or apparent authority to contract on behalf of Adviser. Client acknowledges that Adviser and the Financial Adviser do not provide tax or legal advice to Client.
- (f) The Financial Adviser may offer services outside the scope of this relationship and the control of Adviser such as insurance, retail brokerage services, real estate brokerage, law, accounting, tax, estate, business or financial planning, tax preparation, or any other non-securities products and/or other services. Client shall hold Adviser harmless for any losses that Client may incur in the provision of such services outside the scope of this Agreement.
- (g) Certain mutual funds available through the Program make payments to broker-dealers, including Adviser, with respect to sales of fund shares pursuant to Rule 12b-1 under the Investment Company Act of 1940 or otherwise as an administrative service fee. These fees are described in the prospectus for the respective mutual fund. Such payments are made from fund assets and reduce fund performance. Adviser does not negotiate for these payments, which are distributed solely at the discretion of the fund.

Any such funds that make 12b-1 payments or administrative service fee payments will be included in Program accounts if Adviser reasonably believes, based on certain qualitative and quantitative criteria, that the fund merits inclusion. In instances when a 12b-1 fee is charged to Client's account, the 12b-1 fee will be credited back to the account (with the exception of certain money market mutual funds purchased as a part of the cash management sweep program). Client should review the mutual fund prospectus and contact their Financial Adviser for questions and additional information.

## STEP*forward* with Park Avenue Securities

Park Avenue Securities LLC (PAS) is an indirect, wholly-owned subsidiary of The Guardian Life Insurance Company of America (Guardian). PAS is a registered broker-dealer offering competitive investment products, as well as a registered investment adviser offering financial planning and investment advisory services. PAS is a member of FINRA and SIPC.

PAS is located at 10 Hudson Yards, New York, NY 10001.

