



**Wilmington Trust Investment Management, LLC**  
**1100 North Market Street**  
**Wilmington, DE 19890-0001**  
**Contact: (302) 636-6874**

**WTIM FORM ADV PART 2A**  
**BROCHURE**

**March 28, 2024**

This brochure provides information about the qualifications and business practices of Wilmington Trust Investment Management, LLC (“WTIM”). If you have any questions about the contents of this brochure, please contact us at (302) 636-6874. 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. WTIM is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

Additional information about WTIM also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## ITEM 2 - MATERIAL CHANGES

The following material changes have been made to this brochure since the last annual update, dated March 30, 2023:

- Update to the Disciplinary Information in Item 9 to reflect that WTIM has settled an administrative proceeding with the Securities and Exchange Commission.
- Updates to reflect changes to the firm's menu of advisory services, including that WTIM no longer serves as investment adviser and managing member of private funds.
- Update to reflect change to assets under management in light of WTIM no longer advising private funds.
- Update to reflect new affiliate.

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## ITEM 4 - ADVISORY BUSINESS

### **Overview**

Wilmington Trust Investment Management, LLC (“WTIM,” “our,” “we” or the “Firm”), organized in 2001, is a wholly-owned subsidiary of M&T Bank Corporation, a publicly traded bank holding company (NYSE: MTB). WTIM offers investment advisory services to Clients in WTIM’s Separately Managed Account Program, whereby WTIM offers discretionary investment services.

This *WTIM Form ADV Part 2A Brochure* (the “Brochure”) is intended to provide information regarding our firm and its Separately Managed Accounts (“SMA”) Program. This Brochure describes WTIM’s role in connection with services it provides to its SMA clients (“client”, “you” and “your”), including the scope of advisory services provided and the fees associated with an SMA Account, as well as investment risks clients should be aware of in connection with the Firm’s SMA services. This Brochure also describes WTIM’s other business activities, financial industry affiliations, and the related economic and other benefits creating conflicts of interest in certain situations.

As of the date of this brochure, WTIM had estimated discretionary assets under management of approximately \$188,937,651<sup>1</sup>.

WTIM leases designated personnel from one or more of the following affiliates: Wilmington Trust Investment Advisors, Inc. (“WTIA”), Wilmington Trust Company (“WTC”), Wilmington Trust, N.A. (“WTNA”), and/or Manufacturers and Traders Trust Company (“M&T Bank”). Such personnel, as employees of WTIM, provide WTIM investment management related services.

### **Account Establishment**

In order to participate in the WTIM SMA Program you will enter into a written agreement directly with WTIM (“Agreement”). Clients entering into an Agreement with WTIM to establish an investment management account are appointing WTIM as their agent to invest, reinvest and manage the assets and investments in such account on a discretionary basis. Your decision to engage WTIM as your investment manager is subject to WTIM’s acceptance. Once accepted by WTIM, the Agreement will establish WTIM’s investment advisory relationship with you as a client and describe the scope of WTIM’s services and obligations to you.

Your account assets are invested in various exchange-traded products, mutual funds, individual securities, closed-end funds, and/or model portfolios (collectively, “Investment Vehicles”) pursuant to the investment policy statement established for your account.

WTIM may use other types of Investment Vehicles in the future as it deems appropriate to pursue the investment objectives for each account. WTIM maintains full and complete discretion over the selection of the Investment Vehicles included in each account.

On an ongoing basis, your investment advisor representative (“IA”) will be responsible for responding to your questions and discussing whether the management of your account continues to reflect your investment objectives. You should promptly notify your IA if material changes occur in your financial circumstances, your investment objectives change or if you wish to impose or modify restrictions pertaining to the management of your account.

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<sup>1</sup> Total assets under management are estimated based upon data as of December 31, 2023 with respect to current accounts.

It is important that you read and review all communications, including any performance reports, trade confirmations and monthly account statements that we send to you. These materials could provide you notification of important changes, and/or contain important information, related to your account. You should promptly notify your IA if you have questions about any communications or believe the information provided is inaccurate.

**Investment Restrictions**

You will have the opportunity to impose reasonable restrictions on the management of your account. You may request that specified securities or, in some cases, categories of securities not be purchased for your account. However, WTIM reserves the ability to decline restrictions it deems unreasonable. You will not be able to impose restrictions on individual holdings in a mutual fund or exchange-traded fund. Please be aware that accounts with investment restrictions may perform differently than accounts without restrictions; performance may be lower or higher for accounts with restrictions than those without restrictions. Restrictions may also cause your account performance to vary from other accounts invested pursuant to a similar investment strategy.

**ITEM 5 - FEES AND COMPENSATION**

**Fee and Fee Calculation**

The fees we charge for investment advisory services are specified in the agreements and/or fee letters between WTIM and each of its SMA clients. Generally, WTIM charges an asset-based fee billed monthly in arrears which is calculated based upon the market value of the account assets on the last day of each month (“Account Fee”). If a new account is opened mid-month, the Account Fee will be pro-rated for the first month the account is open. If an account is closed mid-month, the Account Fee is prorated based upon the date the account assets are distributed. WTIM may, in its sole discretion, elect to reduce or change the applicable fee schedule for particular clients or groups of clients as a result of individual negotiations, legacy account arrangements, account aggregation or similar policies. Accounts assigned to WTIM from a different investment provider may also have a different fee schedule. In addition, the standard SMA fee schedule can evolve over time and therefore accounts opened at different times may have a different fee schedule. The exact fee schedule that will apply to your account is indicated in the fee letter that governs your account with WTIM and any subsequent amendments thereto. The current standard fee schedule for WTIM’s Separately Managed Accounts is as follows:

<b>Account Size</b>	<b>Account Fee</b>
First \$3,000,000 of principal value	1.10%
Next \$2,000,000 of principal value	0.80%
Next \$5,000,000 of principal value	0.60%
Next \$10,000,000 of principal value	0.50%
Over \$20,000,000 of principal value	0.45%
Minimum Initial Investment	\$3,000,000

**Other Expenses and Fees**

In addition to the Account Fee charged by WTIM, to the extent your account is invested in any mutual funds or ETFs (collectively, “Funds”) you, as a shareholder in such Funds, will also bear a share of the fund-level fees, charges and expenses associated with the relevant share classes of any Funds held by the account. Such fund-level expenses include the Fund’s investment management fees, shareholder servicing fees,

distribution fees (such as fees permitted based on Rule 12b-1 under the Investment Company Act of 1940), brokerage, custody and other fees/charges paid to the Fund's advisor(s) and other service providers. The fees and expenses associated with each Fund are charged directly to the pool of assets the Fund invests and are reflected in each Fund's share price based on its net asset value. These fees and expenses are an additional cost to you and are not included in the Account Fee reflected on your account statements. Each Fund's expense ratio (the total amount of fees and expenses charged by the Fund) is stated in the relevant Fund's prospectus. The expense ratio generally reflects the costs incurred by shareholders during the Fund's most recent fiscal reporting period. Current and future expenses may differ from those stated in the prospectus. In selecting mutual funds for inclusion in your Account, share classes of mutual funds that are less cost-effective than other share classes of the same funds that exist can be utilized. Please see Item 10 for important disclosures about Fund's for which affiliates of WTIM provide investment management and/or fund administrative services.

Further, the Account Fee is separate from and does not include brokerage commissions, taxes, and other expenses (including fees of other service providers such as the custodian). Please see the section titled Brokerage Practices for additional information. Additionally, to the extent a client's account is allocated to an investment strategy provided by a third-party investment adviser ("third party manager"), the client will bear the expense of additional charges that are payable to such third-party managers.

## **ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

WTIM does not currently take performance-based fees. To the extent that WTIM were to manage accounts that are charged a performance-based fee alongside other WTIM accounts that are charged another type of fee, a conflict of interest would exist because WTIM would have an incentive to favor accounts for which it receives the additional performance-based fee (for example, an incentive to more heavily allocate promising investment opportunities to the performance fee paying account). Currently there is no side-by-side management involving performance-based fees.

## **ITEM 7 - TYPES OF CLIENTS**

WTIM SMAs are intended for clients seeking professional discretionary management of their account. A SMA is generally open to investment by individuals, IRAs, certain single-employer retirement plans, certain trusts, corporations and business entities.

## **ITEM 8 – INVESTMENT STRATEGIES, METHODS OF ANALYSIS & RISK OF LOSS**

### **SMA Strategy Allocation**

WTIM helps individual clients determine an appropriate asset allocation to achieve stated investment objectives. The advice may involve recommended exposures within a client's existing investment policy. Advice may include models providing allocations for asset classes among the equity, fixed income, inflation hedges, real assets, non-traditional assets that include private market and hedge strategies along with liquid alternatives most commonly found in open ended mutual funds. Additional strategic guidance may include style (growth/value) or sector (GICS sectors) exposures, which are then customized to specific clients' objectives, risk tolerances, and specific restrictions.

### **Methods of Analysis**

WTIM uses fundamental, technical, and quantitative analysis. Sources of information include, but are not limited to, financial newspapers and magazines, research material prepared by others, corporate rating services and annual reports, prospectuses, and other filings with the SEC.. WTIM asset allocation permits

the use of long-term purchases, short-term purchases, margin transactions, option writing, including covered options, uncovered options or spread strategies, or other derivatives.

In implementing investment advice to clients in Separately Managed Accounts, WTIM advises clients with respect to investment of their assets in (i) mutual funds employing both affiliated and independent investment managers, (ii) separate accounts managed by affiliated and independent investment managers, or (iii) individual securities.

## **Investment Process Governance**

WTIM is part of M&T Bank Corporation's Institutional Services & Wealth Management Division (ISWM). ISWM also includes the investment management businesses of People's United Advisors, Inc. (PUA), Wilmington Funds Management Corporation (WFMC), Wilmington Trust Asset Management, LLC (WTAM), and Wilmington Trust Investment Advisors, Inc. (WTIA, and together with WTIM, PUA, WTAM, and WFMC, the ISWM Registered Investment Advisers), and the investment management, personal trust, corporate trust, custody, asset administration and related businesses provided through M&T Bank, Wilmington Trust, N.A., and Wilmington Trust Company (the Bank Entities).

An ISWM Investment Committee (the "Investment Committee") exists to assist (directly and indirectly through other intermediate committees) the Boards of the ISWM Registered Investment Advisers and the Bank Entities in fulfilling their responsibilities to oversee each firm's investment-related activities. The Investment Committee is bifurcated: the Investment Committee-Investment Strategy Matters (IC-ISM), and the Investment Committee-General Matters, and each has voting and non-voting members.

The IC-ISM's voting members include the Chief Investment Officer, Head of Equity and Non-Traditional Investments, Head of Fixed Income, Head of Investment Strategy, Head of Portfolio Construction, Head of Fixed Income Search and Strategy and Chief Economist, as well as several senior employees of the Bank Entities. The non-voting members include other investment professionals from WTIA, as well as investment professionals from the Bank Entities.

The IC-ISM typically meets formally at least monthly and is responsible for a variety of tasks and functions, such as:

- Setting overall policy for asset allocation, including risk objectives, types of strategic methodologies used (benchmark relative, absolute return, income-oriented, etc.) and types of tactical strategies to be considered.
- Developing the methodology for longer-term strategic and more intermediate-term tactical allocation advice, including: (i) research, evaluation of efficacy and execution of valuation and price momentum methodologies, as well as reviews of academic research and third-party solutions and support leading to process improvement; (ii) macro factor identification and analysis for use in allocation processes; and (iii) setting of diversified benchmarks for allocation advice, excess return expectations against benchmarks and the target and allowable tracking error of advice against benchmarks
- Developing methodologies for addressing key characteristics of portfolio construction, including: (i) the methodology for assigning portfolio exposures within asset classes between active and passive exposures; (ii) determining the impact to construction and exposures to meet yield expectations; (iii) the positioning and use of trend-following trading strategies to address overall portfolio and asset class exposures; (iv) the use and guidelines of portfolio insurance; (v) the positioning and guidelines for private equity and private real estate solutions within portfolios; (vi) the impact of liquidity within products and the decision set around their use; (vii) the interaction of manager styles, correlations

of excess returns and volatility in determining combinations and weights of active managers within portfolios; (viii) the rebalancing methodologies, frequencies and thresholds; and (ix) the consideration of income taxes in portfolio construction

The IC-GM oversees other investment- and operational-related functions, policies, and procedures of the Bank Entities and the ISWM Registered Investment Advisers. Among other things, the IC-GM (directly and through intermediate committees) reviews performance of products and strategies, reviews best execution analysis, and reviews changes to team guidelines and subcommittee charters.

### **Risk of Loss**

Clients may incur significant losses on an investment in a WTIM SMA. Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment will be profitable. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, WTIM is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. It is not possible to identify all risks associated with investing and the particular risks applicable to your investment, however the following additional risks could affect the value of your investment:

- **Cash Position Risk** – If the strategy invests all or a substantial portion of its assets in cash or cash equivalents for extended periods of time, including when it is investing for temporary defensive purposes, it could reduce the strategy’s potential return and prevent the strategy from achieving its investment objective as the limited returns of cash or cash equivalents may lag other investment instruments in a strong market.
- **Counterparty Risk** - Transactions entered into directly with a counterparty are subject to the risk that the counterparty will fail to perform its obligations in accordance with the agreed terms and conditions of the transaction. A counterparty may become bankrupt or otherwise fail to perform its obligations.
- **Currency Risk** –The risk that the value of a foreign investment, measured in U.S. dollars, will decrease because of unfavorable changes in currency exchange rates. Currency risk is especially high in emerging markets.
- **Cyber Security Risk** - With the increased use of technologies such as the Internet to conduct business, a portfolio is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events and are not limited to, gaining unauthorized access to digital systems, and misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including the denial-of-service attacks on websites. Cyber security failures or breaches by a third party service provider and the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents.
- **Equity Market Risk** – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers



change. If the client held common stock, or common stock equivalents, of any given issuer, the client would generally be exposed to greater risk than if the client held preferred stocks and debt obligations of the issuer.

- **ETF and Mutual Fund Risk** – The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Additionally, the account will be indirectly exposed to the risks of the strategies and portfolio assets of the ETF or mutual fund, including but not limited to those of ETNs and equity options, derivatives, currencies, indexes, leverage and replication management.
- **Exchange-Traded Note Risk** – ETNs are subject to the credit risk of the issuer. The value of an ETN will vary and will be influenced by its time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying securities, currency and commodities markets as well as changes in the applicable interest rates, changes in the issuer’s credit rating, and economic, legal, political, or geographic events that affect the referenced index. There may be restrictions on an account’s right to redeem its investment in an ETN, which is meant to be held until maturity. The decision to sell ETN holdings may be limited by the availability of a secondary market.
- **Fixed Income Securities Risk** – Interest rates may go up resulting in a decrease in the value of the fixed income securities held by an account. Credit risk is the risk that an issuer will not make timely payments of principal and interest. There is also the risk that an issuer may “call,” or repay, its high yielding bonds before their maturity dates. Fixed income securities subject to prepayment can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. Limited trading opportunities for certain fixed income securities may make it more difficult to sell or buy a security at a favorable price or time.
- **Foreign and Emerging Market Securities Risk** – Foreign investments may carry risks associated with investing outside the United States, such as currency fluctuation, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments. Those risks are increased for investments in emerging markets. Foreign securities can be more volatile than domestic (U.S.) securities. Securities markets of other countries are generally smaller than U.S. securities markets. Many foreign securities may also be less liquid than U.S. securities, which could affect the investments.
- **Government Obligations Risk** – Portfolio strategies may invest in securities issued by the U.S. government. There can be no guarantee that the United States will be able to meet its payment obligations with respect to such securities. Additionally, market prices and yields of securities supported by the full faith and credit of the U.S. government may decline or be negative for short or long periods of time. •
- **Interest Rate Risk** – A strategy’s performance may be adversely impacted when interest rates fall because the account may be exposed, directly or indirectly, to lower-yielding bonds. This risk may increase as bonds in the portfolio mature. Interest rate risk is typically greater with respect to exposure to short-term bond (or short-term bond funds) and lower for long-term bond (or long-term bond funds).
- **Liquidity Risk** - Liquidity risk exists when particular investments are difficult to purchase or sell (e.g., not publicly traded and/or no market is currently available or may become less liquid in response to market developments). This can reduce a portfolio’s returns because the portfolio may

be unable to transact at advantageous times or prices. Investments that are illiquid or that trade in lower volumes may be more difficult to value.

- **Management Risk** – The value of the client’s investment varies with the success and failure of the client’s investment manager’s strategies and its research, analysis, and determination of portfolio securities. If these investment strategies do not produce the expected results, the value of the client’s investment could decrease.

## **ITEM 9 - DISCIPLINARY INFORMATION**

A registered investment adviser is required to disclose in this section all material facts regarding any legal or disciplinary events that would be material to a client’s evaluation of the adviser or the integrity of the adviser’s management.

On October 5, 2023, WTIM entered into a settlement with the United States Securities and Exchange Commission (“Commission”) concerning share class selection in WTIM’s former Portfolio Architect Wrap Fee Program (the “Wrap Fee Program”). As part of the settlement, WTIM has consented to, without admitting or denying the findings therein, solely for the purpose of proceedings brought by or on behalf of the Commission or to which the Commission is a party, the entry of an Order Instituting Cease-and-Desist Proceedings, Making Findings, and Imposing a Cease-and-Desist Order (“Order”) against WTIM, pursuant to Section 203(e) and 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”).

The Order alleges that between February and August 2020 WTIM (i) did not provide adequate disclosure to Wrap Fee Program clients concerning its investments in no-transaction fee mutual fund share classes and certain associated conflicts of interest; (ii) invested certain Wrap Fee Program clients in higher-cost mutual fund share classes than were otherwise available; (iii) avoided certain transaction fees from a no-transaction fee program offered by its clearing firm by investing assets in the higher-cost mutual fund share classes; (iv) breached its duty of care, including its duty to seek best execution, by causing Wrap Fee Program clients to invest in certain share classes when share classes of the same funds, or other similar funds, that presented a more favorable value were available; and (v) 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.

The Order finds that, in connection with the issues described above, WTIM violated Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. The Order requires that WTIM (i) cease and desist from committing or causing any violations or future violations of Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder; (ii) is censured; (iii) pay disgorgement of \$999,559, prejudgment interest of \$77,588 and a civil penalty of \$250,000 for a total of \$1,327,147; and (iv) comply with undertakings to notifying affected investors of the settlement terms.

As acknowledged in the Order, WTIM also reimbursed, with interest, advisory clients financially harmed by the conduct described in the Order. In connection with a long-planned prior business decision, in June 2021, WTIM ceased serving as sponsor and manager of the Portfolio Architect Wrap Fee Program and the client accounts that were invested in that program were transferred to LPL Financial, LLC.

## **ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

WTIM can use the services of one or more affiliates or appropriate personnel of one or more affiliates for investment advice, portfolio execution and trading, operational support and client servicing without specific consent by the client, except to the extent explicitly restricted by the client in or pursuant to the client’s agreement with WTIM, or inconsistent with applicable law. Additionally, subject to an intercompany agreement, certain of WTIM’s affiliates, including WTIA, MTS, WTNA, and WFMC may lease to WTIM personnel to perform a variety of tasks to support WTIM, including: investment management, research,

analytical, due diligence and similar functions. This practice is designed to make WTIM's capabilities available to clients in as seamless a manner as practical. In these circumstances, WTIM remains fully responsible from a legal and contractual perspective for the SMA services performed on its behalf.

WTIM's affiliates, WFMC and WTIA, which are both investment advisors ("Affiliated Advisors") registered with the SEC, are the investment advisor and sub-advisor, respectively, to the Wilmington Funds which may be included in your SMA strategy. As a result, WFMC receives investment advisory fees and administrative services fees from the Wilmington Funds and with respect to certain Wilmington Funds, shares a portion of the advisory fees with WTIA. The fees received by WFMC are based on the amount of assets in the Wilmington Funds.

To the extent any mutual funds, private funds, or models offered by WTIM or Affiliated Advisors of WTIM ("Affiliated Funds and Models") are included in SMA account allocations, WTIM or the Affiliated Advisors, as applicable, will receive an economic benefit from a client's decision to invest in the SMA in the form of model fees, advisory fees and mutual fund administrative services fees or other fund-level fees.

WTIM affiliates provide fund administration services to shareholders, and other services to Affiliated Funds and Models, and receives fees for those services. A description of the services provided, and fees charged to the Affiliated Funds and Models is contained in the prospectuses for the fund or fact sheet for the model.

WTIM is not registered as a broker-dealer; however, certain of WTIM's officers, directors, and/or employees are also registered representatives of LPL Financial LLC. LPL Financial is not affiliated with WTIM, however, WTIM's affiliate, M&T Bank has entered into a networking agreement with LPL Financial .

As a subsidiary of M&T Bank Corporation (a large financial holding company), WTIM has relationships with several financial services companies that are material to its investment advisory business including each of the entities described below.

#### **M&T Securities, Inc. (MTS)**

MTS, an affiliate of WTIM, is a broker/dealer registered with the SEC and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. MTS functions primarily as an institutional broker-dealer offering securities underwriting and securities trading services to institutional clients. MTS underwrites securities that may, from time to time, be selected as Investment Vehicles for use in one or more SMA strategy.

WTIM does not utilize MTS to effect client trades on behalf of clients in WTIM's SMA Program. (Client trades for SMA Program clients are typically executed via the broker-dealer firm selected by such clients to serve as custodian in connection with such accounts).

#### **Wilmington Funds Management Corporation (WFMC)**

The Wilmington Funds are a family of mutual funds (open-end investment companies) offered for sale to the general public. The Wilmington Funds can be included in the allocation provided to a SMA account. The Wilmington Funds are managed by our affiliated investment adviser, WFMC which is a wholly owned subsidiary of M&T Bank Corporation and is the named adviser to the Wilmington Funds. The inclusion of the Wilmington Funds in certain SMA accounts creates a conflict of interest as a result of the compensation that WFMC earns in connection with the management of those funds. A list of available Wilmington Funds and the prospectuses for each are available at [www.wilmingtonfunds.com](http://www.wilmingtonfunds.com).

**Wilmington Trust Investment Advisors, Inc. (WTIA)**

WTIA is a wholly-owned subsidiary of Manufacturers and Traders Trust Company (M&T Bank) and is an SEC-registered investment adviser providing investment advisory services to institutional investors, high net worth individuals and investment companies. WTIA also serves as the principal sub-adviser to the Wilmington Funds and receives compensation from WFMC, the funds' adviser, for its services to the Wilmington Funds. Some employees of WTIA are designated as dual officers and/or employees of WTIM. As dual officers and/or employees, such individuals will perform duties for multiple entities.

**Manufacturers and Traders Trust Company (M&T Bank) and Wilmington Trust, N.A. (WTNA)**

M&T Bank and WTNA are both banks within the M&T Bank Corporation organizational structure. M&T Bank predominantly provides retail and commercial banking services such as checking and savings accounts, certificates of deposit, credit cards, and loans. M&T Bank also provides wealth advisory services to clients, such as financial planning and trust services. WTNA offers various fiduciary and non-fiduciary services, including trustee, custodial, agency, investment management and other services.

**People's United Advisors, Inc. (PUA)**

PUA, a Connecticut corporation and a wholly-owned direct subsidiary of M&T Bank, is an SEC-registered investment advisor. PUA provides investment advisory and management services to the certain clients.

**Wilmington Trust Asset Management, LLC (WTAM)**

WTAM, a wholly-owned subsidiary of M&T Bank Corporation, is an SEC-registered investment adviser. WTAM serves as the investment manager and managing member of certain private investment funds.

## **ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING**

WTIM's personnel are subject to internal policies, including standards of professional conduct and a Code of Ethics and Statement of Insider Trading designed to address matters involving potential conflicts of interest between clients and those of WTIM, its related persons, and its personnel.

Employees of WTIM may from time-to-time purchase and/or sell securities that are also purchased or sold for the accounts of WTIM's clients. Pursuant to the Firm's Code of Ethics and Statement of Insider Trading, written procedures are established requiring that certain transactions for "access" persons be approved, in advance, to ensure the avoidance of any conflict of interest relating to such transactions.

All access persons are required to disclose within 10 days of becoming an access person and at least annually thereafter, their holdings of all securities Covered under the Code of Ethics. They are also required to report on a quarterly basis any transactions made for their personal accounts or the accounts of related persons over which the access person may have influence, control, or a beneficial interest.

Access persons must also certify quarterly as to their understanding of and compliance with the Code. A copy of the Code is available to clients upon written request to WTIM at the address set forth on the cover page.

As noted above, WTIM is a corporate affiliate (and therefore a "related person") of M&T Bank, a New York-chartered Federal Reserve Member bank. M&T Bank has power and authority under relevant laws to engage by itself or through an affiliate in a variety of activities, including the power to act as fiduciary for trust accounts, the limited authority to act as underwriter with respect to certain

types of securities, and the authority to conduct treasury functions, such as the purchase and sale of securities for the Bank's own account. Circumstances could arise where the activities of M&T Bank represent a conflict with actions of WTIM. For example, because it may purchase securities as principal for its own account, M&T Bank could seek to acquire, without the knowledge of WTIM, a security that WTIM is concurrently seeking to purchase on behalf of a client.

Also, to the extent consistent with the investment policy and best interests of the client, and applicable law, WTIM may acquire securities as to which M&T Bank has acted as underwriter or selling syndicate member. WTIM may also purchase securities issued by corporations that are current or prospective borrowers from M&T Bank. Nonetheless, in the foregoing situations, and more generally as a matter of ordinary business practice, WTIM seeks to place the interests of its clients above any known or perceived conflict with M&T Bank or its other affiliates, or the interests of their respective clients.

## **ITEM 12 - BROKERAGE PRACTICES**

Trades for SMA Program clients are typically executed via the broker-dealer firm selected by such clients to serve as custodian in connection with such accounts where such transactions do not incur transaction-based fees (e.g., commissions) from the broker-custodian.

To the extent that WTIM does 'trade-away' (i.e., where WTIM selects broker/dealers to execute client trades) the selection of broker/dealers is based upon several factors, of which commission rate will be one. Other relevant factors include:

- Net cost or net realization from the trade;
- Promptness and certainty of execution;
- Experience or knowledge of a broker/dealer in the security, access to sources of supply, or market-making ability;
- Broker/dealer financial responsibility and reputation;
- Quality and quantity of investment research furnished by the broker/dealer
- Infrastructure, commitment to technology and access to a quality trading system; and
- Timely receipt of broker/dealer financial reports.

With regard to fixed income trading, transactions are typically affected in an over-the-counter- market on a net basis (i.e., without commission) through dealers acting as principal or in transactions directly with the issuer. Dealers derive an undisclosed amount of compensation by offering securities at a higher price than they paid for them. Some fixed income securities, particularly non-investment grade and municipal securities, may have only one primary market maker. WTIM seeks to use dealers it believes to be actively and effectively trading the security being purchased or sold but may not always obtain the lowest available price with respect to a security. WTIM does not generate soft dollars or spread rebates.

Broker/dealers used by WTIM may be execution-only firms or firms that provide research products or service. In selecting the broker/dealer for a particular equity trade, when more than one firm is believed to meet WTIM's criteria, preference may be given to a broker/dealer that provides brokerage and research services (within the meaning of Section 28(e) of the Exchange Act), so long as WTIM believes that the amount of commission charged by such broker/dealer for effecting the transaction is reasonable in relation to the value of the brokerage and research services provided. WTIM endeavors to be aware of the current level of charges of eligible broker/dealers and to minimize the expense incurred for effecting transactions to the extent consistent with the interests and policies of accounts. WTIM has no obligation to seek the lowest commission rate for any particular transaction, or to select a broker/dealer on the basis of its purported or "posted" commission rate.

When, in accordance with our policies, WTIM aggregates trades in securities of the same issuer for various

client accounts, in accordance with best execution standards, the terms negotiated for the aggregate order will apply equally to each client. In some instances, average pricing may result in higher or lower execution prices than otherwise obtainable by a single client. Commission rates typically will not be affected by such aggregation. Securities will generally be allocated by order size on a pro-rata basis.

WTIM does not engage in principal trading or cross transactions. It is WTIM's policy to seek to achieve best execution of trades for clients, to disclose and address potential conflicts of interest, and that any use of an affiliated broker/dealer is properly authorized

### **Trade Errors**

It is the policy of WTIM that utmost care is to be taken in making and implementing investment decisions on behalf of client accounts. To the extent that any errors occur during this investment process, they are to be:

- Corrected as soon as possible and in such a manner that the client does not bear loss and the account is made whole. A profit or gain resulting from a trading error will be credited to the account.
- Reported to the WTIM's Chief Compliance Officer ("CCO"), or delegate, immediately after the error is detected. If deemed necessary by the CCO, the error will be reported to WTIM management and, if appropriate, additional procedures will be designed and implemented to prevent or reduce errors

## **ITEM 13 - REVIEW OF ACCOUNTS**

WTIM's investment advisers review trade recap reports that document previous securities transactions initiated on behalf of client accounts. WTIM also utilizes automated pre-trade compliance monitoring for select guideline parameters to ensure consistency with client investment guidelines.

All accounts for which WTIM has investment management responsibility are reviewed at least annually. Both the initial and annual reviews focus on the account's portfolio construction relative to the client's investment guidelines and compliance with their respective account allocation.

WTIM provides clients with a portfolio review on a periodic basis (at least annually), which includes asset allocation and performance data as well as an economic and market review and outlook. This portfolio review may contain a listing of assets which typically details acquisition cost, market value, percent of portfolio value, yield, estimated annual income and accrued income. Clients are urged to compare the information contained in their Portfolio Review with the account statement received from their custodian.

## **ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

Employees of M&T Bank and its subsidiaries and affiliates, who refer prospective clients to WTIM, are eligible to receive compensation in connection with the referral. Such compensation is not paid by WTIM, it is paid by the respective affiliate. The cost of the referral compensation is not passed on to the client who has been referred. Executive management is excluded from this program.

Payment of referral compensation for prospective client referrals creates a conflict of interest to the extent that such a referral is not unbiased, and the referring party is, at least partially, motivated by financial gain. As these situations represent a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities:

- All such referral compensation is paid in accordance with the requirements of the Investment Advisers Act of 1940.

- Any such referral compensation will not result in any additional charge to the client.
- All referred clients will be carefully screened to ensure that WTIM's compensation, services, and investment strategies are suitable to their investment needs and objectives.

## **ITEM 15 - CUSTODY**

As a matter of policy, WTIM does not maintain physical custody of client's assets. It is our policy that we will not intentionally accept or hold client funds or securities or have any authority to obtain possession of them. However, in accordance with the Advisers Act, WTIM is deemed to have custody of Client funds and securities because WTIM has authority to have its fees deducted directly from Client accounts. WTIM has policies and procedures in place designed to ensure fees are calculated correctly in accordance with the clients' agreed upon rates.

Clients should receive at least quarterly, statements from the broker dealer, bank or other qualified custodian that holds and maintains the client's investment assets. WTIM urges clients to carefully review such statements and compare such official custodial records to any account information that we may provide to you. Account information that we provide may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

If your Account is an Individual Retirement Account ("IRA") as defined in Section 408 of the Internal Revenue Code (the "Code"), a custodian (the "IRA Custodian") will administer your account in accordance with the requirements of the Code.

## **ITEM 16 - INVESTMENT DISCRETION**

As described in Item 4 of this Brochure, WTIM receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, WTIM observes the investment policies, limitations and restrictions of the clients for which it advises.

## **ITEM 17 - VOTING CLIENT SECURITIES**

In its role as investment manager, WTIM may, if authorized by the client, receive solicitations to vote proxies with respect to securities held on behalf of the client's accounts. WTIM seeks to vote client proxies in a manner consistent with sound corporate governance that is designed to maximize shareholder value.

For that reason, WTIM has retained Institutional Shareholder Services, Inc., ("ISS"), to provide recommendations on how proxies should be voted and to cast votes on behalf of WTIM's clients.

ISS is an independent firm that specializes in analyzing shareholder voting issues, including the provision of widely followed corporate governance policies and recommendations on specific matters.

We believe that material conflicts of interest that could arise as a result of voting client proxies are adequately mitigated by relying upon the recommendations of ISS. However, conflicts of interest may arise in cases where we determine to vote a proxy other than as recommended by ISS or in instances where ISS does not provide a recommendation.

In such cases, the matter will be presented to the Proxy Voting Team, for review. The manner in which proxies involving a material conflict of interest have been voted by WTIM, as well as the basis for any determination that WTIM does not have a material conflict of interest with respect to a particular matter will be documented and maintained by the Proxy Voting Team.

Clients who wish us to vote their shares in a certain manner, on a particular proxy item, should contact their account representative, or WTIM at the number provided on the cover page. Further, a record of proxy votes cast on your behalf by WTIM, or a copy of WTIM's proxy voting policy, is available upon written request to WTIM at the address set forth on the cover page.

## **ITEM 18 - FINANCIAL INFORMATION**

WTIM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.

## **OTHER MATTERS**

Various subsidiaries of M&T Bank Corporation offer a broad range of financial and investment products and services. In the normal course of business, actual and potential conflicts of interest with clients arise. These conflicts may include: recommending, or using its investment discretion to invest in or utilize, products or services offered by an affiliate, including investment products such as mutual funds, private funds and model accounts, securities brokerage, and loans and other banking products (which may result in additional, incremental revenue for the affiliate or for M&T Bank Corporation); managing client assets for which it or an affiliate provides custody services; engaging in certain types of permissible trading activities; using affiliates as service providers; and offering or receiving compensation for client solicitations. Conflicts may also involve individual employees, such as personal trading in securities recommended or purchased for clients, compensation incentives, or outside business activities. M&T Bank Corporation and its affiliates have developed policies and procedures intended to address conflicts of interest in the manner required by applicable laws and rules. Additional information regarding conflicts for specific products or service offerings is available in the offering materials for those products or services. If you have any questions regarding actual or potential conflicts of interest, please contact your IA.