

**SEI** New ways.  
New answers.®

# SEI's Guide to Enhanced Advisory Services

BUILDING YOUR BUSINESS  
FOR THE SEI WEALTH PLATFORM<sup>SM</sup> ADVISORY CLIENTS

A supplement to the Operations Guide for the Mutual Fund & Managed Account  
Solutions Program for Advisors in the Enhanced Advisory Services Program

# TABLE OF CONTENTS

## SEI'S GUIDE TO ENHANCED ADVISORY SERVICES

- Overview ..... 1
- Transaction Guidelines ..... 2
- Custodial Services ..... 4
- Class B Mutual Funds ..... 5
- Access to Individual Securities Trading ..... 6
- Third-Party Mutual Fund Trading ..... 10
- Custom Strategies ..... 12
- Rebalancing for Custom Strategies ..... 13
- SEIBusinessBuilder.com ..... 13
- Advisor Error (Trade/Monetary) Correction Submission of Letter of Indemnity . . . 14

*Certain services described herein are provided through SEI Investments Distribution Co. (SIDCO), member FINRA. Custody services provided by SEI Private Trust Company (SPTC), a limited-purpose thrift. SIDCO and SPTC are wholly owned subsidiaries of SEI Investments Company.*

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# OVERVIEW

The Enhanced Advisory Services Program (EAS) was introduced to provide a business solution for our Select Advisors and those Registered Investment Advisors (RIA) who have committed to transition a large portion of their book of business to SEI Private Trust Company (SPTC). This program is offered selectively and is designed to assist you in growing your organization as well as to provide you with the tools to meet the investors' full range of needs.

## KEY FEATURES OF THE PROGRAM

- › Dedicated teams to initiate and ensure transfers are completed in a timely basis
- › Custodial services for individual securities and third-party mutual funds
- › Wide selection of non-SEI mutual funds that can be traded without incurring a transaction fee
- › State-of-the-art reporting package that combines SEI funds, non-SEI mutual funds, and individual securities
- › Streamlined fee management program
- › Rebalancing for custom mutual fund strategies
- › The ability to review transfer status through our website, **SEIAdvisorCenter.com**

## BUSINESS TRANSITION CLIENTS

To participate in the Business Transition Process, contact your regional director at **800-734-1003, option 2**, to discuss qualifications. If it is agreed that your firm meets the qualifications and the partnership suits your needs, the process will be as follows:

- › Advisory Firm and SPTC will sign a "Best Efforts" Letter of Intent
- › Letter of Intent will be reviewed by the SEI Business Conversion Committee for approval
- › SPTC will designate a Business Transition Implementation team to assist in the transition
- › Your regional director will work with you to design a transition strategy and a customized sales track
- › Members of your Regional Service and Conversion Teams will train your office on the key features of the process and maintain close contact with your office throughout the transition

The following sections define EAS-related transaction information and processing procedures. Please contact your Regional Service Team with questions.

# TRANSACTION GUIDELINES

## TRANSFER INITIATION AND ASSET RECEIPT

**1** Forward the completed EAS Account Transfer Form to SEI Private Trust Company, P.O. Box 1098, Oaks, PA 19456-9907. Within two business days after the account has been established at SPTC, a request letter with delivery instructions, along with the transfer form will be sent to the current custodian via overnight mail. All sections of the form must be completed and include the investor's original signature, the delivering custodian's street address and a statement dated within the last six months. Cost-basis information should also be included with the transfer form for taxable accounts. The advisor will be contacted if the paperwork is not in good order.

Investment instructions should not appear on the Account Transfer Form. Instead, submit the applicable Additional Investment Form to indicate how the assets should be invested.

Five business days after the transfer is initiated, SPTC will contact the delivering custodian to confirm receipt of the paperwork. SPTC will continue to contact the custodian every five business days until all assets are received at SPTC. The status of each transfer can be viewed through **SEIAdvisorCenter.com**.

## **2 Individual Security Transfers**

SPTC coordinates all transfers of individual securities through the Depository Trust Company (DTC). Most banks and brokerages are members of DTC, thereby making such transfers relatively smooth. The time frame for receipt of individual securities averages seven to 10 days for ACAT transfers and four to six weeks for Non-ACAT transfers. All in-kind assets are posted to the investor's account on the same day as receipt and settle on date of receipt + 1. The assets will remain in the account until additional instructions are received. For accounts with sub-accounts these assets will remain in the main account. SPTC cannot accept sale requests for assets that have not been received into the investor's account.

Confirmation of in-kind transfers can also be viewed by accessing the Operations Folder within the Reports tab on your home page on **SEIAdvisorCenter.com**.

## **3 Non-SEI Mutual Fund Transfers**

SPTC coordinates all non-SEI mutual fund transfers directly with the delivering custodian and the mutual fund company. Depending on the mutual fund share registration, the time frame for the receipt of assets averages seven to 10 days for ACAT transfers and four to six weeks for Non-ACAT transfers. All in-kind assets are posted to the investor's account on the same day as receipt and settle on date of receipt + 1. The assets will remain in the account until additional instructions are received. **For accounts with sub-accounts these assets will remain in the main account.**

Confirmation of in-kind transfers can also be viewed by accessing the investor's account through **SEIAdvisorCenter.com**.

## **4 Cash Transfers**

SPTC coordinates all transfers of cash directly with the delivering custodian. Cash may be received as part of an in-kind transfer or from a total liquidation. The time frame for receipt of cash averages five to 10 days.

## COST BASIS

Cost-basis information does not automatically transfer with the assets; however, cost-basis information can be provided to SPTC by completing the Cost Basis Update Form. Please include the following information for each asset:

- › Asset Name
- › Tax Acquisition Dates
- › Delivering Custodian
- › CUSIP or Ticker Number
- › Tax Acquisition Costs
- › Number of Shares

If you are unable to provide tax cost basis and acquisition date information, the following will apply:

- › Assets will be booked with a default tax-acquisition cost and a default tax-acquisition date of UNK (unknown).
- › **The integrity of the calculation provided on SPTC's Schedule D Tax Form will be compromised to the extent that SPTC is not provided with accurate or complete information.**
- › SPTC's Investor Statement for individual securities includes unrealized gain and loss information for each asset owned. If cost-basis information is not provided, this calculation will be inaccurate.

# CUSTODIAL SERVICES

SPTC provides custodial services to investors who wish to hold non-SEI assets. The following assets may be held in the same account as an SEI model portfolio.

ASSET	CUSTODIAL SERVICES AVAILABLE	CUSTODIAL SERVICES NOT AVAILABLE
Domestic Stocks	■	
International Stocks (ADRs Only)	■	
Municipal Bonds <sup>1</sup>	■	
Corporate Bonds <sup>1</sup>	■	
Government Bonds <sup>1</sup>	■	
Tradable REITS (Public)	■	
Third-Party Mutual Funds (non-SEI Funds) <sup>2</sup>	■	
Tradable Unit Investment Trusts (UITs)	■	
Tradable CDs	■	
Physical Certificates	■	
Stocks <sup>3</sup>	■	
Bonds	■	
Restricted Securities <sup>4</sup>	■	
Closed-End Mutual Funds	■	
Class B Third-Party Mutual Funds <sup>5</sup>	■	
Mortgages		■
Margin or Other Debt		■
Variable and Fixed Annuities		■
Options		■

<sup>1</sup> Municipal Corporate and Government Bonds: When a bond is called or matures, the proceeds from the transaction will be swept into the money market fund. If the account uses a strategy, the proceeds will be placed as a purchase into the strategy upon rebalancing. SPTC does not distribute confirmations for calls or maturity of bonds.

<sup>2</sup> Third-Party Mutual Funds (non-SEI Funds): Please check with your SPTC Conversion team or your Regional Service team to confirm the availability of a specific fund at SPTC. Please note that any trailer payment from a load fund, commonly known as a 12b-1 fee, will be retained by SEI and is not available for distribution to the advisor. Level-load or Class C shares can be custodied but trailers will not be distributed to the advisor. All third-party mutual fund level rules will apply as outlined in the fund prospectus. Please thoroughly read and understand before investing.

<sup>3</sup> Physical Certificates — Stocks: SPTC will accept physical certificates of stock to the extent that such certificates are eligible for deposit within the DTC. If eligible, physical certificates will be deposited and transformed to book-entry form. Additional paperwork will be required to process each certificate submitted to SPTC. Please contact your Regional Service team for specific requirements.

<sup>4</sup> Physical Certificates — Restricted Securities: SPTC will hold restricted securities in taxable accounts only. SPTC will hold these assets for safekeeping and is not responsible for any activity on the restricted security; this includes but is not limited to dividend income, shares coming off restriction, sales or additional purchases. All activity will be the responsibility of the advisor.

<sup>5</sup> Please see the *Class B Mutual Fund* section for additional details and information on custody of Class B mutual funds at SPTC.

# CLASS B MUTUAL FUNDS

SPTC provides custodial services to investors who wish to hold open-ended Class B (CL B) mutual funds. This provides you with the opportunity to consolidate the investor's asset holdings on a single platform and to take advantage of the state-of-the-art consolidated reporting package. CL B mutual fund custody is limited to in-kind transfers into SPTC and the subsequent sale of the asset when the Contingent Deferred Sales Charge (CDSC) has reduced to an acceptable level or been eliminated. Purchases or inclusion of CL B mutual fund shares into custom strategies are prohibited.

SPTC cannot accept from the mutual fund company or pay out any commissions, fees, trailers or CDSC charges to the advisor or any other party. All payouts will be remitted back to the mutual fund company.

## INITIAL REQUIREMENTS FOR TRANSFERRING CLASS B SHARES

- › All advisors will be required to have their Broker-dealer complete a Class B Mutual Fund Trade-Away Letter before any shares can be transferred into SPTC. (A copy of the letter can be found in the Forms Library section of **SEIBusinessBuilder.com**.) Transfers received for advisors that have not obtained the Class B Trade-Away Letter will not be processed.
- › An authorized representative from the Broker-dealer must sign the Class B Mutual Fund Letter on company letterhead in order to grant permission to hold Class B shares.
- › The Broker-dealer must specify whether this is a blanket or an account-specific authorization.
- › The Class B Mutual Fund Letter must be forwarded to:  
SEI Private Trust Company  
Regional Service Team  
One Freedom Valley Drive  
Oaks, PA 19456

## IN-KIND TRANSFERS AND SELLING CLASS B SHARES

- › All fund level rules and fees will apply as outlined in the fund prospectus.
- › All CL B positions will be held at SPTC in a fully disclosed basis and will rely on the fund companies for tracking the CDSC period. SEI does not have a method for tracking the CDSC period.
- › It is highly recommended that the asset history is obtained and sent with the in-kind transfer request to SPTC. This information can be used if there are any disputes when the asset is sold.
- › The mutual fund company will be the firm of record, but it will ultimately be the responsibility of the advisor to maintain the asset history information. When an asset is sold, the CDSC redemption charge will be removed from the value of the trade based upon the mutual fund company's asset history and redemption schedule outlined in the fund prospectus.
- › In the event of a sale of the B share during the CDSC period, SEI's Wealth Platform will inform you at the time of the trade that the fund may be subject to a CDSC fee. SPTC will contact the fund company for the discount amount and the redemption proceeds will be reduced by the amount of the CDSC as calculated by the fund company. SPTC does not have a method for tracking the CDSC period.
- › All trades must be placed in share or dollar amounts.

# ACCESS TO INDIVIDUAL SECURITIES TRADING

- 1 SPTC can facilitate individual securities trading through an affiliated introducing Broker-dealer for independent RIAs or RIAs with explicit, written trade-away authority from their Broker-dealer.
  - All listed equity or exchange-traded assets are placed with ITG, a member of the Financial Industry Regulatory Authority, and traded at institutional rates.
  - All Over the Counter (OTC) equity trades are placed with and executed by ITG. The executing broker is compensated by the spread between the price at which the security is offered and the price paid.
  - SPTC will no longer purchase OTC equity trades that are priced below \$5 (also known as “penny stocks”). Sales of these types of assets may result in trading fees. Please contact your Regional Service Team for more details.
  - Fixed-income trades are placed with and executed by Institutional Trading Services and Bonds Direct. The executing broker is compensated by the spread between the price at which the security is offered and the price paid. All bond trades are executed on the institutional market.

Trades are placed as either market or limit orders, depending on the request. Stop orders, reducing orders, day orders, or any other order types are not available.

- Individual securities trades can be placed by going to **SEIAdvisorCenter.com** and entering them online through the Portfolio Management function within the Transaction Tab by 2:30 p.m. Eastern time. Equity trades settle T+2, corporate and municipal bonds settle T+2, and Federal Government securities settle T+1.
- Unallocated proceeds will be swept into money market funds. Accounts with a strategy may ultimately move assets from the money market fund to the strategy during rebalancing.
- When proceeds are directed toward the strategy, the two-day rebalancing process will begin on the day the sale order settles.
- When proceeds are directed toward the purchase of another individual security, the purchase order will be placed on the day the sale order settles.



- **Limit Orders.** SPTC can facilitate “Good ’til cancelled” (GTC) limit orders for a maximum of 30 days. A limit order will sell a specified quantity of a security **at or above**, or buy a specified quantity of a security **at or below**, a specified price rather than execute at the actual price requested. All limit orders will follow GTC guidelines below and will receive the highest priority level over all other market order entries. Use the EAS Limit Order Form to ensure proper transaction processing. Failure to comply may result in a normal market order being placed. All other policies and procedures related to security processing apply.

**Good ’Til Cancelled (at SPTC for 30 days).** These orders will remain open for 30 days at SPTC after the request was received. Each morning SPTC will resubmit, as a new order, unfilled trades for execution. After 30 days, a new request must be submitted if you wish to continue pursuit of a limit price. Orders should be requested within 15% of the current market value. Any order exceeding the 15% threshold is subject for rejection. SEI reserves the right to reject any order.

**Partial Fill Orders.** All Limit Orders are subject to partial fill orders. In the event of a partial fill on a GTC order, the partial fill will go to settlement and the remaining shares will stay in an open status until they are filled within 30 days of receiving the original request.

Purchase orders will not be executed unless the necessary cash to cover such trades already resides in the investor’s account. Similarly, sell orders will not be executed unless the necessary shares to cover such trades already reside in the investor’s account.

If you have an investor who wishes to trade a large block of securities, please contact your Regional Service Team in advance. In addition, facilitation of individual securities trading is provided only as an accommodation to select investors. Investors wishing to trade frequently, or “play” the market, will be better served at a brokerage firm.

Prior trade approval **must** be obtained for any SPTC Personal Trust accounts for which SPTC is Trustee with investment discretion. Please contact your Personal Trust Administration Team at **610-676-2369** for approval.

Please note that all individual securities trades, for both independent RIAs and Broker-dealer representatives, are assumed to be for fee-based accounts. As such, no commission will be remitted to the advisor.

*SEI will not be liable to any investor for any losses that the investor may suffer by reason of (1) SPTC’s adherence to an advisor’s or investor’s instructions, (2) any acts or omissions by an advisor, or (3) market fluctuations that may occur during processing of the trade.*

## **2 DVP/RVP Trading**

If you are affiliated with a Broker-dealer that does not grant trade-away authority, you must establish a DVP (delivery versus payment) and a RVP (receipt versus payment) account with your Broker-dealer prior to placing a trade. All securities trades (fixed-income, equity and exchange-traded funds) must be placed with your Broker-dealer.

DVP/RVP trading allows the trade to be placed at your affiliated Broker-dealer and have the proceeds or assets settle at SPTC. Pricing for such trades is set by your Broker-dealer. In most cases, the investors will receive a confirmation of the trade and one month-end statement from your clearing firm. If no other activity occurs within the brokerage account, no other statement will be distributed from your clearing firm. Please note that all individual securities trades are assumed to be for fee-based accounts.

All trades must be placed with your affiliated Broker-dealer. Any trade placed directly with SPTC will be rejected. SPTC will not be responsible for any loss associated with these procedures not being followed. Any questions concerning this matter can be directed to the Conversion Team.

## DVP/RVP Account Setup

- › SPTC will not, under any circumstances, establish DVP/RVP accounts at an investment advisor's Broker-dealer. Therefore, no one at SPTC will provide SPTC's tax identification or signature on a request to establish a DVP/RVP account. The establishment of DVP/RVP accounts is exclusively the responsibility of the investment advisor.
- › The investment advisor must instruct his or her Broker-dealer to establish a brokerage account for the investor with the Broker-dealer's clearing firm, which includes the investor's account number at SPTC where the securities trades should settle.
- › If you are authorized to have custody of investor assets and the DVP/RVP account established at your Broker-dealer will be used for more than one SPTC account relationship, please confirm with the Broker-dealer that the following settlement instructions have been included in the account setup:

Institutional Number	64728
Agent Bank ID	64728
Agent Internal Account	#11102-C
DTCC Participant Number	2663

- › If the DVP/RVP account established at your Broker-dealer will be used for one SPTC account relationship, please confirm with the Broker-dealer that the following settlement instructions have been included in the account setup:

Institutional Number	64728
Agent Bank ID	64728
Agent Internal Account	#11102-C
DTCC Participant Number	2663
Interested Party #1 ID#	66407
Interested Party #1	(provide specific SEI account #)

Failure to confirm that all above instructions have been completely and accurately included in the account setup with your Broker-dealer may result in trades failing to settle. SPTC is not responsible for any resulting losses or damages.

### Placing a Buy Trade

- › Confirm required cash is available within the investor's account prior to placing the trade.
- › Place the security trade with your Broker-dealer in a **previously** established DVP/RVP account.
- › Complete the DVP/RVP Executed Trade Notification Form and fax to SPTC **(610-676-2073)** no later than the day after the trade is placed with your Broker-dealer (T+1).
- › Trade will settle in the investor's account.

### Placing a Sell Trade

- › Confirm the assets to be sold are in the investor's SPTC account.
- › Place the security trade with your Broker-dealer in a previously established DVP/RVP account.
- › Complete the DVP/RVP Executed Trade Notification Form and fax to SPTC **(610-676-2073)** no later than the day after the trade is placed with your Broker-dealer (T+1).
- › Cash will settle in the investor's account and will be swept into the money market fund overnight and will remain unless otherwise instructed online at **SEIAdvisorCenter.com**. If the account uses a strategy, the cash may be invested in the strategy upon rebalancing.

### 3 Trade-away Authority

Trade-away authority is an exception to DVP/RVP account rules. Occasionally, certain Broker-dealers will grant authority to the advisor to directly place trades with SPTC's affiliated Broker-dealer rather than establishing a DVP/RVP account. This permission given by the Broker-dealer is called trade-away authority. By granting trade-away authority, the Broker-dealer is allowing its registered representative (the advisor) to do business with another Broker-dealer firm. It is the individual representative's responsibility to obtain trade-away authority from the Broker-dealer.

- An authorized representative from the Broker-dealer must send a letter of instruction on company letterhead to SPTC in order to grant trade-away authority. The letter of instruction is a one-time authorization for a specific account and must include the trade(s) for which authorization has been granted.
- SPTC cannot process any trades without trade-away authority from the Broker-dealer.
- For blanket approval (standing authorization), submit a completed Broker-dealer/RIA Trade Authority Form, which is part of the Advisor and/or Broker-dealer Start Up Kit.

*Please note that all individual securities trades, for both independent investment advisors and Broker-dealer representatives, are assumed to be for fee-based accounts. As such, no commission will be remitted for such trades/transactions.*

# THIRD-PARTY MUTUAL FUND TRADING

The majority of non-SEI mutual funds can also be traded. Hundreds of third-party open-ended mutual fund families are available to be traded without incurring a transaction fee (refer to the current **SEI Third-party Mutual Fund – No Transaction Fee List** on **SEIBusinessBuilder.com**). All other open-ended mutual funds are assessed either the appropriate transaction fee (ex: \$35) that would net from the trade proceeds, or a Platform Fee. A Platform Fee is an AUA-based fee (ex: 25 basis points). The type of fee that is charged is determined in the advisor's agreement with SEI. The client fee is detailed in the Fee Schedule that accompanies their Custody Agreement. All other fund specific fees continue to apply.

## **Non-SEI Mutual Fund Transaction Fee Funds**

Fee = \$35 per trade

Fees are charged on transactions of non-SEI third-party assets held at SPTC. SPTC may, in its sole discretion, waive one or more of these fees, in whole or in part based on SEI's relationship with the advisor and/or based on shareholder servicing or equivalent arrangements with certain non-SEI third-party funds. SPTC may end any such fee waiver at any time, after which affected transactions will be assessed the applicable fees. SPTC may receive shareholder servicing or equivalent fees from non-SEI third-party funds regardless of fee waiver. Third-party assets exclude assets held through SEI's Managed Account Solutions.

**Note:** Personal Trust Services accounts will not be subject to SEI-originated fees for transacting non-SEI mutual funds.

In submitting instructions for the purchase, redemption or exchange of shares of a mutual fund, you shall ensure that the transaction complies with the terms of the applicable mutual fund's then current prospectus, statement of additional information, and any policies and rules of such mutual fund, including, but not limited to, such mutual fund's policies/rules concerning eligibility, redemption fees, frequent trading and closed funds.

## **Prior to Placing Trades**

Prior to requesting trades for any non-SEI mutual funds, please check with the fund company to ensure that no trading restrictions exist. In addition, when submitting your request to trade non-SEI mutual funds, check with your Regional Service Team to confirm the trade date.

- › Certain funds cannot be traded on the same day that the request is received.
- › Most individual fund trades received by 2:30 p.m. Eastern time will receive that day's trade date. However, there are some mutual funds that have an intra-day cutoff prior to market close. In order to execute those trades with that day's trade date, requests must be received by 12:30 p.m. Eastern time. Requests received after 12:30 p.m. Eastern time utilizing trades for an early cutoff fund will be executed with that day's trade date on a best-effort basis. Additionally, a limited number of funds have early-morning cutoffs. Those trade requests will be executed with that day's trade date on a best-effort basis.
- › Certain funds may have fees, such as a redemption fee, assessed at a fund level.
- › Certain funds may be closed to new investors. Check with the mutual fund company for any restrictions or limitations.
- › All third-party mutual-fund-level rules will apply as outlined in the fund prospectus. Please thoroughly read and understand the prospectus before investing.
- › A trade can be delayed for a minimum of 24 hours if the trade request is to purchase shares of a third-party mutual fund that is not set up on SPTC's platform.
- › Some third-party mutual fund families require a specific share class for wrap or fee-based accounts. In the event that an account is holding a share class that is not designed for the investor's account type, SPTC may execute a tax-free exchange to the appropriate share class. The shareholder will not incur any fee, load or charge as a result of the conversion.

## Placing Non-SEI Mutual Fund Trades

- › Individual mutual fund trades can be placed by entering them online at **SEIAdvisorCenter.com** through the Portfolio Management tab by 2:30 p.m. Eastern time to ensure placement that day. Trades received after the cutoffs are placed on the following business day. As indicated previously, some non-SEI funds have an early cutoff that could result in SPTC not being able to act on instructions until the following day, even if they are received prior to 2:30 p.m. Eastern time.
  - › Unallocated proceeds will be swept into money market funds.
  - › Accounts with a strategy may ultimately move assets from the money market fund to the strategy during rebalancing.
  - › If you wish to move assets between portfolios please submit a Monetary Change Form.
  - › All buys must be in dollars (\$). All sales can be requested in either dollars (\$) or units. Percentage trades will not be executed.
  - › Most mutual funds settle T+1, but some individual funds may settle T+2.
  - › Closed-end mutual funds settle T+2 and follow the same flat-fee schedule as individual securities. SPTC can facilitate closed-end mutual fund trading through an affiliated introducing Broker-dealer for independent RIAs or RIAs with explicit, written trade-away authority from their Broker-dealer.
  - › Some individual funds may have minimum trade restrictions outlined in the fund prospectus.
- › If you are submitting an exchange where units of Fund A are to be sold and the proceeds are to be used to purchase Fund B, please be aware that Fund A will be sold with a trade date of the same day (assuming the request was received by 2:30 p.m. Eastern time) and the proceeds will be used to purchase Fund B after the Fund A trade settles. However, if you are submitting an exchange where dollars (\$) of Fund A are to be sold and the proceeds are to be used to purchase Fund B, both trades will be executed with a trade date of Day 1 (assuming the request was received by 2:30 p.m. Eastern time).
  - › When unit proceeds are directed toward the strategy, the two-day rebalancing process will begin when the sale order settles. However, if the sale was placed in dollar-certain terms, the rebalancing process will begin on the trade date of the original sale.
  - › When unit proceeds are directed toward the purchase of an individual fund, the purchase order will be placed on the day the sale order settles. However, if both trades are placed in dollar-certain terms, both trades may be placed on the same day.
  - › Please be aware that you can only dollar cost average into third-party mutual funds when such funds are part of a strategy that SPTC is rebalancing. Dollar cost averaging is not available for placement into individual funds.

*Please note that purchase orders will not be executed unless the necessary cash to cover such trades already resides in the investor's account. Similarly, sell orders will not be executed unless the necessary shares to cover such trades already reside in the investor's account.*

# CUSTOM STRATEGIES

In addition to the standard SEI strategies, you may construct custom strategies (with Broker-dealer Home Office approval, if necessary) consisting completely of third-party mutual funds or a combination of third-party mutual funds and SEI funds.

Prior to placing a request for a new custom strategy, please check with your Regional Service Team to confirm that the fund is available. Delays in custom strategy setup may take place if a relationship with the fund family does not yet exist. SPTC may not be able to make all fund families available.

- 1** Setup the custom strategy online via SEI's self-service functionality available under the Administration tab on the SEI Wealth Platform home page. If you are not entitled to set up a custom strategy via the SEI Wealth Platform, you must submit a paper request; SPTC will set up the new strategy on our system upon receipt by 2:30 p.m. Eastern time of a request to establish a new custom strategy. Each fund will then be purchased or sold in order to reallocate the assets currently held in the account according to the new strategy's target allocation.  
  
Some non-SEI funds have an early cutoff that could result in SPTC not being able to act on instructions, even if they are received prior to 2:30 p.m. Eastern time until the following day.
- 2** If you are affiliated with a Broker-dealer, Home Office approval may be required prior to SPTC establishing the new strategy. Please contact your Broker-dealer to determine if approval is necessary. If so, please have the Broker-dealer submit the approval in the form of a letter along with the Custom Investment Portfolio Form.
- 3** When allocating funds for a custom strategy, note that if the variance elected for a specific fund is equal to or greater than the fund's target allocation, the variance for that fund will be set 0.01% less. If the money market variance elected is equal to or greater than the fund's target allocation, the variance of the money market is set 0.5% less than the target allocation.
- 4** Once established, the custom strategy can be used on any investor's accounts. When requesting a strategy change, you must state an allocation for each fund within the old and new strategy (even if the allocation is zero) or the account will not be traded. Please be aware that all investors within that strategy will be affected by the change. Removal of a fund from a strategy will result in the complete liquidation of that fund from all accounts using that strategy. Please contact your Regional Service Team if you wish to remove a fund from a custom strategy without liquidating it in the accounts.
- 5** Before submitting requests involving more than 25 custom strategies or accounts, please refer to the Multiple/Bulk Requests section of the Operations Guide.

# REBALANCING FOR CUSTOM STRATEGIES

- 1 On the last Monday before the end of a calendar quarter (March, June, September, December\*) every account invested in a strategy is evaluated with respect to the target allocation for each fund in that strategy. Any fund whose allocation differs by a set variance is identified. Each deviating fund is then purchased or sold to return the allocation to the target level.

*\*December quarterly rebalancing will occur mid-month to ensure trading volumes can settle prior to year end.*

- 2 All rebalancing calculations are done on Day 1 and mutual fund trades resulting from the calculations are placed on Day 2 (next business day).

## SEIBUSINESSBUILDER.COM

Transfer activity can be viewed on **SEIBusinessBuilder.com**.

You can access information on pending asset transfers by going to the Reports tab and selecting Practice Level Reports. In addition, you can view the following reports:

- › Assets Under Management
- › Fees Taken Report
- › List of Holders
- › Pending Transfers
- › Realized and Unrealized Gain/Loss
- › Recent Account Activity
- › Recent Correspondence



# ADVISOR ERROR (TRADE / MONETARY) CORRECTION SUBMISSION OF LETTER OF INDEMNITY

Corrections to a customer account due to an Advisor trade or monetary error begin upon receipt of a signed letter of indemnity (Letter). **The Letter must be on the Firm's letterhead, signed by a principal of the Firm, and contain the SEI Private Trust Company (SPTC) indemnity clause shown below.** SPTC does not guarantee that a correction will be completed on the date of receipt of a Letter. The normal correction process in which all adjustments necessary to correct the account are completed occurs within 5 - 7 business days of SPTC receiving the Letter.

SPTC makes every effort to complete the correction as quickly as possible to limit market exposure, but the actual time required to complete a given correction is influenced by a number of factors, including, but not limited to, the length of time between the date of the error and the date that SPTC is notified, the number of transactions to be corrected, and the amount of research required to complete the correction. Once corrective trades appear in the activity detail report on [www.SEIBusinessBuilder.com](http://www.SEIBusinessBuilder.com), the correction process has begun.

Corrections are based on the date that the original transaction request was processed, not on the date that the request for an error correction, i.e., the Letter, is received. **SPTC is not responsible for any losses incurred as a result of market activity while a correction is being processed. In addition, the Advisor will be responsible to cover any losses incurred as a result of placing offsetting buys or sells.**

Upon completion of an error correction in which a loss has resulted, SPTC will send a *Request for Reclaim* (Request) to the Advisor which states the amount of the loss, provides payment instructions\*, and sets forth a due date 30 business days from the date of the Request. If applicable, a final Request will be sent to the Advisor which again states the amount of the loss, provides payment instructions\*, and sets forth a due date of 15 business days from the date of the final Request.

**In the event that an Advisor has not reimbursed SPTC in a timely manner as set forth in a Request, generally within 30 business days of the date of the Request, SPTC will post a debit for the loss amount to the Firm's or Broker Dealer's fee clearing account, i.e., exercise its right of set-off, the first business day following the due date, in order to recoup the funds owed to SPTC.** This means that any existing balances in, or subsequent credits posted to, the fee clearing account will be less the posted debit amount. Until the amount owed is fully reimbursed, the fee clearing account will reflect a debit associated with the reclaim.

***SPTC Indemnity Language*** (this language must be included in all Letters):

"In consideration of our request, [Firm] hereby agrees that SEI Private Trust Company (SPTC) will not be liable for, and [Firm] will indemnify and hold SPTC harmless against any loss, liability, cost or expense, including attorneys' fees, for acting upon instructions of [Firm].

In addition, [Firm] acknowledges that SPTC will not be bound by any error correction cost estimates previously provided to [Firm]. [Firm] agrees to absorb any losses associated with SPTC acting on [Firm's] request to correct the error and acknowledges the correction process time frames as outlined in *SEI's Guide to Enhanced Advisory Services*. [Firm] understands that SPTC may exercise its right of set-off in order to collect any amounts owed to SPTC as a result of acting on this request."

\*A *Notice of Wire Reimbursement* which is included as an enclosure with a Request must be faxed to SPTC when a payment is made via wire.



# EXAMPLE OF NOTICE OF WIRE REIMBURSEMENT

## SEI Private Trust Company

Internal Use Only: Scan as Monetary Correction

## Notice of Wire Reimbursement

**Instruction:** Use this form only when:

1. The loss resulted from an advisor error AND
2. Reimbursement will be made to SEI Private Trust Company (SPTC) via wire

In order for the wire to be credited properly, this notice must be completed in its entirety and faxed to SPTC.

**Fax completed form to:** 610-676-1021

### 1 Firm Information

\_\_\_\_\_  
Firm Name (or Broker-dealer Name, if applicable)

\_\_\_\_\_  
Advisor Name

### 2 Account Information

\_\_\_\_\_  
Account Name

\_\_\_\_\_  
Account Number

**3 Reclaim Amount: \$** \_\_\_\_\_

### 4 Wire Instructions

Wells Fargo

Philadelphia, PA

ABA/Routing Number: 121000248

SEI Private Trust Company

Account Number: 2020040010106

For Further Credit to:

SPTC Account Number: **G10SEIIAGCLAIM**

SPTC Account Name: **IAG Reclaim Account**

### 5 Signature

\_\_\_\_\_  
Authorized Person Name

\_\_\_\_\_  
Authorized Person Signature

\_\_\_\_\_  
Date

8/17 - SWP End of Form ●

**SEIBusinessBuilder.com**

800-SEI-1003

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New answers.®