

ESBA – What you need to know

An advisor's solution to small business retirement plans

TD Ameritrade Employer-Sponsored Brokerage Account (ESBA)

ESBA is a retirement plan option offered through RIAs, CPAs, and TPAs. It's a small business retirement plan custody solution for plan sponsors with their own plan document and administrator. Specifically designed for small businesses, this retirement brokerage plan allows participants to build their own portfolio with a variety of investments including stocks, bonds, CDs, ETFs, and mutual funds. Or, they may choose to have their account professionally managed by an advisor. TD Ameritrade ESBA allows smaller plan sponsors the ability to leverage the expertise of a local TPA, CPA and advisor, while giving participants access to an account managed by an RIA. They'll also experience powerful online screening capabilities, a dedicated team of Participant Service Specialists, straightforward trade execution, and the ability to manage their account online, on the phone, via TD Ameritrade's mobile apps, or through an independent advisor. TD Ameritrade ESBA integrates with Veo One® our world-class account management trading platform, and it utilizes ESBA Connect, an online employer portal that's an incredibly efficient ACH deposit tool.

A retirement plan solution with something for everyone.

TD Ameritrade ESBA is appealing to **plan sponsors** because it gives incredible investment flexibility to their employees, while allowing them the ability to leverage the expertise of a local TPA, CPA and Advisor. **Employees** can access professional account management provided by an advisor or they can choose from a wide variety of investments with the help of TD Ameritrade research, online tools, and education. For **Advisors**, ESBA has been designed to be intuitive, easy to navigate and easily understood. It offers robust integration so they're able to manage accounts seamlessly, and it provides a new opportunity to expand their business by offering much needed investment advice to plan participants in their retirement account.

Overview

TD Ameritrade ESBA offers:

- Strategic collaboration between advisors, CPAs/TPAs, plan sponsors and participants
- Ability to support pooled investment accounts and/or segregated "FBO" investment accounts
- Access to a broad range of investments including stocks, bonds, mutual funds, and CDs
- Easy to use technology, an integrated website and access to award-winning mobile apps
- Fair and straightforward pricing
- 408(b)(2) Fee Disclosure and supplemental 5500 information provided
- Access to dedicated and experienced service specialists
- Access to the ESBA Connect employer portal, our robust ACH deposit tool
- Plan level reporting for easy administration and transparency

Consistently recognized as one of the best

For years, our industry-leading service, advanced trading tools, and extensive resources have helped make us one of the best brokerage firms. While the recognition is great, it's even better knowing that our clients are the real winners. *We do it all for you.*



#1 overall broker

TD Ameritrade was named **#1 overall broker** in the **StockBrokers.com** 2020 Online Broker Review, for a second consecutive year. We were also rated #1 in seven different categories. Additionally, we were among the best in class for active trading, ease of use, mobile trading, offering of investments, options trading, and research.¹

Best broker for stock trading platform and research

TD Ameritrade was named **Best broker for stock trading platform and research** in **NerdWallet's** 2020 Best-Of Awards for meeting the needs of all levels of investors with our trading platforms, award-winning customer service, \$0 commissions, and large selection of mutual funds.*



*Rated one of the Best brokers for Stock Trading Platform and Research by NerdWallet, Inc. © 2017-2020 and TM, NerdWallet, Inc. All rights reserved.

Give employees the tools they need

With multiple ways to trade, straightforward online pricing, quality trade execution, and specialized Client Services, employees will have the resources to manage their account—or work with an RIA to incorporate professionally managed investment strategies.

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

Leverage a recognized name

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

ESBA is a great opportunity

For plan sponsors	For plan participants*	For TPAs and CPA firms
<ul style="list-style-type: none"> • A retirement plan option that can enhance an existing benefits package and potentially improve recruitment, retention, and employee satisfaction • The ability to provide a wide range of investment options and potentially lower cost structure while empowering employees • A single online tool designed for easy and efficient plan management • Direct access to TD Ameritrade's dedicated support staff specialized in employer-sponsored retirement brokerage accounts • Ability to see and manage retirement plan status, balances and deposit details online 	<ul style="list-style-type: none"> • Access to a broad range of retirement plan investments including stocks, bonds, CDs, over 2,300 ETFs*, and over 15,000 mutual funds – including more than 4,500 no-load, no-transaction-fee (NTF) mutual funds** • Access to an ERISA friendly TD Ameritrade website for account management • Freedom to utilize the wide array of investment information and resources available through TD Ameritrade • Select an independent advisor to professionally manage their account <p><i>*If offering a participant-directed plan with segregated investment accounts</i></p>	<ul style="list-style-type: none"> • Easy interaction and online access to participant information including deposit details and investment history through ESBA Connect • Convenient access to key plan information through supplemental 5500 reports • Duplicate statements, paper or electronic, at no additional cost and various levels of reporting access for added ease in recordkeeping and reporting • Dedicated Service Team

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

For many plans you can utilize your Registered Investment Advisor (RIA), please contact them for more information. For complex advisor arrangements, additional information is available upon request.

Roles and responsibilities

TD Ameritrade	TPA/CPA	Plan	Advisor (optional)
<p>Provides:</p> <ul style="list-style-type: none"> • Monthly brokerage statements • Access to online trading and mobile apps • ESBA Connect cashiering and account setup • 408(b)(2) fee disclosures for TD Ameritrade • Data for 5500 reporting assistance • TPA Referrals (If requested) 	<ul style="list-style-type: none"> • Designs plan document • Provides contribution source monitoring • Prepares year-end reporting • Conducts annual plan valuation • Conducts testing • Assists with contribution and distribution • Provides basic recordkeeping and participant data 	<ul style="list-style-type: none"> • Selects Advisor, TPA/CPA • Works with TPA/CPA on funding and distribution • Enrolls participants • Implements fiduciary process of ongoing monitoring and review 	<ul style="list-style-type: none"> • Provides individual participant account management • Helps coordinate between Employer, TPA/CPA and TD Ameritrade • Provides individual participant account management through Veo® One • Flexibility to offer discretionary personal advice to some or all participants

Registered Investment Advisors (RIAs)

Employees can work directly with a trusted RIA to professionally manage their accounts. TD Ameritrade Institutional works with thousands of independent RIAs who have embraced the fiduciary standard of care and are legally required to act in the best interest of plan participants.

Allowing professional account management provides a way for plan sponsors to further assist their participants in pursuing retirement goals while maintaining full fee transparency.

For more information about professional account management within an ESBA plan, call [800-765-8298](tel:800-765-8298).

ESBA Connect—it's that easy

ESBA Connect, our online funding tool for plan administrators, facilitates plan management and communication. With it, administrators and plan fiduciaries can:

- See all participant and plan information at a glance
- Manage participant account status
- Manage contributions
- Create and allocate one-time or recurring deposits
- Submit deposits via Automated Clearing House (ACH)
- Conveniently review deposit history details
- Access forms and an interactive Help Center
- Communicate with a plan service specialist

Participant website—powerful tools and research

For participant-directed plans with segregated investment accounts, participants have access to a specialized TD Ameritrade website that was specifically built for retirement plans while still leveraging all the technology and research of TD Ameritrade's retail platform. Intentionally stripped of any marketing or cross-selling, the ESBA participant website focuses on servicing participants.

- Highly customizable web experience
- Link multiple TD Ameritrade accounts
- Dividend reinvestment and systematic mutual fund investing
- Real-Time quotes and in-depth market insights from third-party research firms
- Robust stock, mutual fund and ETF screeners
- Full suite of mobile apps and active trader platforms such as thinkorswim®

Education Center—financial wellness for all

The TD Ameritrade Education Center available through the Participant website, offers an experience that customizes to fit each person's investment interests and goals. Curated from a vast library of exclusive content, it is designed to give participant access to immersive courses, videos, webcasts and more.

- Immersive courses with coaches walking through a range of topics
- Articles & videos with more than 200 instructional videos, tutorials and publications
- Informative live and recorded webcasts on getting started, long-term investing, portfolio management and more

To learn more about
ESBA Connect, visit

[www.brainshark.com/tdameritrade/
ESBA-connect-demo](http://www.brainshark.com/tdameritrade/ESBA-connect-demo)

To see a short introduction video
about the participant website, visit

[www.tdainstitutional.com/
participant-website](http://www.tdainstitutional.com/participant-website)

To learn more about educational
content available through the
participant website, visit

www.tdameritrade.com/education


ESBA quick-launch checklist

With the help of your chosen Third-Party Administrator (TPA) and adopted plan document, use the **ESBA quick launch checklist** to establish or convert a plan to TD Ameritrade. If you have questions, require additional support, or need to be connected with a TPA for plan document and design, please call us at 800-765-8298.

1 Select a Third-Party Administrator (TPA)


-  • Design and create Plan Document Completed
- Arrange administrative services

2 Establish master plan record & funding portal access

-  • [Plan custody enrollment](#) Completed
 - Create master employer plan record at TD Ameritrade
 - Outlines service providers, trustees and plan specific customizations, allowances and restrictions

Plan Conversion: For existing plans moving from another custodian, Conversion Specialists are available to coordinate and schedule the movement of your plan. Please indicate your need for Conversion in Section 4 of the Plan Agreement. Account opening using demographic file is available as needed.

Advisors: To be listed as a plan-level contact for servicing, list your firm as “Plan Advisor” in Section 2: Plan Service Providers.


-  • [ESBA Connect access & ACH addendum](#) Completed
 - Create funding portal access from employers and their designated users
 - Establish ACH capabilities for payroll contributions

3 Choose investment account structure – pooled or segregated accounts

Establish pooled investment account(s)

-  • [Pooled account agreement](#)
 - Create a pooled, trustee-directed account
 - Most often used for:
 - Defined Benefit Plans
 - Trustee-Directed Plans
 - Forfeiture Account
-  • Disclosure Packet Completed
 - [Fee Schedule](#)
 - [Client agreement](#)
 - [Privacy statement](#)
 - [Business continuity statement](#)

Advisors:

-  • [Advisor authorization](#)
 - To manage and bill an investment account in **Veo One®**, submit when applicable. For TD Ameritrade eligible advisors only.


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3 Choose investment account structure continued from previous


Establish segregated investment account(s)

- | | | |
|--|--|------------------|
|  <ul style="list-style-type: none">• Participant Account Agreement<ul style="list-style-type: none">– Create individual accounts in the name of the plan for benefit of each participant– Most often used for:<ul style="list-style-type: none">– Defined Contribution Plans– Participant-Directed Plans |  <ul style="list-style-type: none">• Disclosure Packet<ul style="list-style-type: none">– Fee Schedule– Client agreement– Privacy statement– Business continuity statement | <p>Completed</p> |
|--|--|------------------|

Advisors:

- 
- [Advisor authorization](#)
To manage and bill an investment account in **Veo One®**, submit when applicable. For TD Ameritrade eligible advisors only.

4 Submit paperwork

- | | | | |
|---|---|---|------------------|
|  <ul style="list-style-type: none">✓ Fax:
800-914-8980 | <ul style="list-style-type: none">✓ Email:
ESBA@tdameritrade.com | <ul style="list-style-type: none">✓ Mail
TD Ameritrade
P.O. Box 2226
Omaha, NE 68103-222 | <p>Completed</p> |
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Work with your administrator or contact us for more information

Call: 800-765-8298 Monday–Friday, 8am–7pm EST

Email: ESBA@tdameritrade.com

Visit: tdainstitutional.com/esba



Before investing in an exchange-traded fund (ETF) or a closed-end fund, be sure to carefully consider the investment objectives, risks, charges and expenses. For a prospectus containing this and other important information contact the fund or a TD Ameritrade Institutional Representative at 800-400-6288. Please read the prospectus carefully before investing. Past performance does not guarantee future results or success.

¹Reviewed against 14 other online brokers, TD Ameritrade was named #1 Overall Broker in the StockBrokers.com 2020 Online Broker Review (2 years in a row). We rated #1 in several categories, including “Customer Service” (4 years in a row), “Platforms & Tools” (9 years in a row), “Education” (8 years in a row), and “Beginners” (8 years in a row). We also received several industry awards, “Trader App” (TD Ameritrade Mobile Trader, 4 years in a row), “Trader Community” (5 years in a row) and “Desktop Platform” (thinkorswim®) (8 years in a row). We were also rated Best in Class (within the top 5) for “Offering of Investments” (6 years in a row), “Research” (9 years in a row), “Mobile Trading” (8 years in a row), “Ease of Use” (4 years in a row), “Active Trading” (10 years in a row), and “Options Trading” (10 years in a row). Read the full article at www.stockbrokers.com/annual-broker-review.

*ETFs are subject to risk similar to those of their underlying securities, including, but not limited to, market, investment, sector, or industry risks, and those regarding short-selling and margin account maintenance. Some ETFs may involve international risk, currency risk, commodity risk, leverage risk, credit risk, and interest rate risk. Performance may be affected by risks associated with nondiversification, including investments in specific countries or sectors. Additional risks may also include, but are not limited to, investments in foreign securities, especially emerging markets, real estate investment trusts (REITs), fixed income, small-capitalization securities, and commodities. Each individual investor should consider these risks carefully before investing in a particular security or strategy. Investment returns will fluctuate and are subject to market volatility, so that an investor’s shares, when redeemed or sold, may be worth more or less than their original cost. Unlike mutual funds, shares of ETFs are not individually redeemable directly with the ETF. Shares are bought and sold at market price, which may be higher or lower than the net asset value (NAV).

** No-Transaction-Fee (NTF) mutual funds are no-load mutual funds for which TD Ameritrade does not charge a transaction fee. NTFs, as well as other funds, have other continuing fees and expenses described in the fund’s prospectus. TD Ameritrade receives remuneration from fund companies for record-keeping, shareholder and other administrative services. The amount of remuneration is based in part on the amount of investments in such funds by TD Ameritrade clients.

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