Disclosure Document for the Capital Directions Program

An Investment Advisory Service of
PNC Wealth Management LLC

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October 17, 2025

This wrap fee program brochure ("Brochure") provides information about the qualifications and business practices of PNC Wealth Management LLC and the Capital Directions Program (the "Program"). If you have any questions about the contents of this Brochure, please contact us at (800) 622-7086. 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.

PNC Wealth Management LLC, a registered investment adviser and broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"), is a wholly owned subsidiary of The PNC Financial Services Group, Inc. Registration does not imply a certain level of skill or training.

Additional information about PNC Wealth Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

MATERIAL CHANGES

ADV Part 2A dated October 17, 2025

The following change(s) have been made to the PNC Wealth Management Capital Directions Flex UMA Program Brochure since the last Brochure dated July 16, 2025:

On or about October 17, 2025, our firm's legal and business name will change from PNC Investments LLC to PNC Wealth Management LLC. This change is administrative in nature and does not affect the ownership, management, operation, services, or fees of the firm. All references to PNC Investments LLC within the Brochure will be updated to PNC Wealth Management LLC. No other material changes have been made since our last Form ADV 2A Brochure was filed on July 16, 2025.

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About PNC Wealth Management LLC

PNC Wealth Management LLC ("PNC Wealth Management" or the "Firm") is an investment adviser and also a registered broker-dealer and member of FINRA and SIPC. The Firm offers retail brokerage and investment advisory services. PNC Wealth Management serves as the sponsor of, and in some cases as a portfolio manager for, wrap fee investment programs. PNC Wealth Management is a wholly owned subsidiary of PNC Bank, National Association ("PNC Bank") and is a part of The PNC Financial Services Group, Inc. ("PNC") which is a diversified financial services institution with roots in commercial banking and investment management dating back to the early 1800s.

Throughout this document, the terms "client," "you," and "yours" are used to refer to the individual(s), institution(s) or organization(s) who contract with us for the services described here. "PNC Wealth Management," "we," "our," "us" and "the firm" refer to PNC Wealth Management LLC, together (as applicable) with our affiliates, including but not limited to, PNC and its agents with respect to any services provided by those agents. Our affiliates include any entity that is controlled by, controls or is under common control with PNC Wealth Management, including but not limited to our parent company, The PNC Financial Services Group, Inc. Each affiliate is a separate legal entity and not responsible for the obligations of any other affiliate.

"Account" means each brokerage and/or advisory account you open with us that is subject to the Capital Directions Program investment management agreement (the "Investment Management Agreement"), including any and all mutual funds, exchange traded funds, money, securities, financial instruments and/or other property you have funded in such accounts.

"Business Day" means Monday through Friday, excluding New York Stock Exchange holidays.

"Wrap" refers to an Account that charges a quarterly or annual fee based on the average assets under management, where such fee covers administrative, commission, execution and management expenses.

SERVICES, FEES AND COMPENSATION

This Brochure is being provided pursuant to Section 204 of the Investment Advisers Act of 1940, as amended, and deals solely with our Capital Directions Program. In addition to the Program, PNC Wealth Management offers a variety of investment advisory services. These include the Portfolio Solutions Program, the PNC Directions Program, the Portfolio Solutions Strategist Program, the Capital Directions Annuities Program, and the Guided Solutions Program. More information about these programs and services is contained in the applicable PNC Wealth Management brochure and is available upon request from PNC Wealth Management or through the SEC's website at https://adviserinfo.sec.gov/. For more information about these or other services that are available from PNC Wealth Management, please contact your Financial Advisor[1]. Other advisory services are offered by our affiliates.

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[1] We use the term "Financial Advisor" to refer to PNC Wealth Management' branch-based and wealth Financial Advisors, as well as Advisor Direct Financial Advisors and Investment Services Consultants.

The Capital Directions Program

The Program is a unified investment advisory platform that provides clients an integrated set of diversified portfolios through a single brokerage account. We will help you formulate an investment strategy, which will be implemented through use of investment manager models, mutual funds and/or exchange traded funds (collectively "Funds") that are a part of the Program. PNC Wealth Management, as the investment adviser to the program, will exercise its discretion to invest your Account in all or a combination of equities, fixed-income securities, Funds, and other securities and investment products made available through the Program now or in the future. Additional model investment strategies provided by professional investment managers are also available in a variety of investment types and styles.

PNC Wealth Management uses asset allocation models, each associated with a distinct risk profile and comprised of a unique mix of investment assets that leverage guidance from PNC Bank's Private Bank (the "Private Bank"), as well as other external Research Partners, and approved by PNCWM's Investment Due Diligence Committee (IDD). Furthermore, PNC Wealth Management may also conduct its own research, including gaining insights from non-affiliated third parties, to be used in making asset allocation decisions for the Allocation Models, which from time-to-time may diverge from models developed by the Private Bank. In all cases, PNCWM has sole discretion in approving Allocation Models for the program. These models are summarized below:

- **Ultra-Conservative.** The primary objective of this asset allocation model is the preservation of the purchasing power of the portfolio. A secondary objective is to generate a modest amount of current income to offset the effects of inflation.

  An Ultra-Conservative portfolio is constructed to provide stability of invested capital by allocating a higher percentage of assets to cash and fixed income securities. A small percentage is allocated to Funds focused primarily on large cap domestic equities to generate a modest amount of the asset's total return potential. The portfolio assumes reinvestment of all interest and dividend income to help maintain the portfolio's value. The recommended time horizon of the portfolio is one to three years.

  You should be aware that over long time periods, the Ultra-Conservative model is unlikely to grow in value, after accounting for the effect of inflation and advisory fees. Risks include the fact that fixed income securities may lose value in a rising interest rate environment, and are subject to credit risk if the issuer's ability to repay its debts should become doubtful.

- **Conservative.** The primary objective of the Conservative model is to generate a modest amount of current income, and secondarily to provide a modest amount of long-term capital growth, which should help offset some of the effects of inflation. Long-term growth of principal will be aided by income reinvestment.

  While the goal is to maintain a low-risk posture, investors should be willing to accept periodic declines in portfolio value. Although past performance is no guarantee of future results, generally any such decline should be less severe than declines in the broader equity markets. The portfolio's allocation between equity and fixed income securities, with the allocation to cash, exposes it to both the risk of rising interest rates and falling equity prices. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio's long-term investment objective.

- **Moderate.** The objective of the Moderate model is to generate a moderate amount of current income with the potential for longer-term capital growth. The portfolio is split between equity and fixed income securities, with a small allocation to cash, and is constructed to provide both long-term capital appreciation in excess of inflation and a moderate amount of current income. While the current income generated could be available to meet your day-to-day expenses, reinvestment of income will increase the portfolio's ability to exceed inflation over the long-term.

  The portfolio's allocation between equity and fixed income securities, with an allocation to cash, exposes it to both the risk of rising interest rates and falling equity prices. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio's long-term investment objective.

- **Balanced.** The primary objective of the Balanced model is to provide long-term capital growth in excess of inflation, with a modest amount of current income as a secondary objective. The portfolio is allocated between equities and fixed income securities, with a higher allocation to a variety of equity securities. The portfolio also contains a small allocation to cash. While the current income generated could be available to meet your day-to-day expenses, income reinvestment will increase the portfolio's ability to exceed inflation over the long-term.

  This portfolio maintains a somewhat aggressive risk posture, and you should be willing to accept periodic declines in portfolio value. Because the portfolio is largely invested in equities, it can experience fluctuations – up or down – in value over short time periods. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio's long-term investment objective.

- **Growth.** The primary objective of the Growth model is long-term capital growth. It may secondarily generate a minimal amount of current income by including some fixed income securities. The portfolio is concentrated in equity investments in order to earn returns exceeding the rate of inflation over the long-term. A small allocation to fixed income securities, as well as cash, is included primarily to help dampen volatility over the long- term.

  This portfolio maintains an aggressive risk posture, and you should be willing to accept potentially significant declines in portfolio value that may be similar to or exceed declines in the broader equity markets. Because the portfolio is predominantly invested in equities, it can experience sharp fluctuations – up or down – in value over short time periods. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio's long-term investment objective.

- **Aggressive.** The primary objective of the Aggressive model is long-term capital growth. An Aggressive portfolio is concentrated in equity investments for long-term growth. Returns in excess of the underlying rate of inflation are necessary to increase both principal and purchasing power.

This portfolio maintains a highly aggressive risk posture, and you should be willing to accept potentially significant declines in portfolio value, similar to or greater than declines in the broader equity markets. The portfolio may contain a small allocation to fixed income securities as well as cash. Because the portfolio is predominantly invested in equity securities, it can experience sharp fluctuations – up or down – in value over short time periods. Your ability to keep your funds invested in the Program throughout declining markets helps, but does not guarantee, the possibility of achieving the portfolio's long-term investment objective.

PNC Wealth Management also makes available a series of multi-asset income focused models that focus on both capital appreciation and higher distribution yields. These models are designed to emphasize asset class exposures and fund selections that seek to achieve higher levels of income. The portfolio's allocation to fixed income has the risk of rising interest rates and its allocations to high yield fixed income exposes it to credit risk. The equity allocation to the portfolio has a higher concentration in value style stocks which can lag in strong growth markets.

In addition to the asset allocation models, the Program offers two income models that have been developed by PNC Wealth Management based on input from PNC's Investment Policy Committee. Each income model is associated with a distinct risk profile and comprised of a unique mix of investment assets. These income models are summarized below:

- **Core Fixed Income.** The primary objective of this portfolio is total return comparable to a portfolio of investment grade domestic bonds. Capital preservation is a secondary objective. The minimum recommended time horizon for this portfolio is three to five years.

  This portfolio has a strategic allocation to U.S. investment grade bonds and tactical allocations to other non-investment grade securities. The portfolio's allocation to 100% fixed income securities exposes it to the risk of rising interest rates. Any decline experienced in this portfolio should be significantly less severe than declines in a portfolio that has significant equity exposure.

- **Core-Plus Fixed Income.** The primary objective of this portfolio is total return incrementally higher than a portfolio of investment grade domestic bonds achieved through slightly more aggressive tactical decision making. A secondary objective is capital preservation. The suggested time horizon for this portfolio is at least three to five years.

  This portfolio invests in fixed income securities with an emphasis on total return and portfolio yield. This portfolio uses a broader range of credit quality securities which emphasizes slightly more tactical decision making. The portfolio's allocation to 100% fixed income exposes it to the risk of rising interest rates and its allocations to high yield fixed income exposes it to credit risk.

The alternative models include an allocation to alternative strategy Funds ("Alternative Funds") that are registered with the SEC under the Investment Company Act of 1940 (the "Investment Company Act"). Alternative Funds can use one of many different strategies including, but not limited to, long/short, managed futures, market neutral, or derivative income. PNC Wealth Management will select the Funds and allocation in the alternative models, but you will have the ability to modify the Funds or allocation selected. When alternative models are selected, the traditional asset classes in each model will be reduced on a pro rata basis.

Alternative Funds seek to provide additional diversification benefits beyond those of a traditional portfolio of stocks and bonds. However, Alternative Funds are accompanied by risks that might be different from those associated with traditional investments. When used as part of an overall solution, alternatives may help to meet a client's investment needs. Because Alternative Funds are regulated under the Investment Company Act, there are several ways in which they are structured to mitigate some liquidity risk, which may occur during severe market conditions, and differ from unregistered hedge funds and other alternative investments. You should carefully review the prospectus for any Alternative Fund you are considering for details on liquidity and other risks associated with them and review the manager's ability to place limitations on liquidity. Alternative Funds are subject to:

- Limits on illiquid investments including a maximum of 15% of assets in illiquid investments;
- Limits on leveraging of no more than 33% of assets;
- Diversification requirements including a maximum of 25% of assets invested in one issuer; and
- Daily pricing and redeemability of fund shares.

Alternative Funds are also prohibited from charging the types of management and performance based fees (e.g., a "2/20" fee) charged by some hedge funds.

Before you open an Account in the Capital Directions Program, you should carefully review our Client Relationship Summary ("Form CRS") and consider whether an advisory relationship is right for your situation and circumstances. You may discuss any questions you have regarding our Form CRS or whether an advisory account is right for you with your Financial Advisor. Some things you may wish to consider are: your preference for a fee-based versus a commission based relationship; your desire for on-going support and advice from your Financial Advisor; how much trading activity you expect to take place in your account; and the anticipated total costs. You should know that your Financial Advisor benefits when you open a Capital Directions account, as described in more detail in the *Financial Advisor Compensation* section of this Brochure, and has a conflict of interest when recommending an advisory account to you.

Once you decide that the Program is right for you, your Financial Advisor will help you determine which of the flexible asset allocation or income models ("Allocation Models") described above is appropriate for you. Based on your needs, circumstances, and investment goals your Financial Advisor will help you complete either an investor questionnaire or a goals-based retirement income analysis provided by an unaffiliated third-party ("Retirement Tool").

The investor questionnaire provides us with an understanding of your financial situation, investment objectives, risk tolerance and investment time horizon. Based on the information collected in the investor questionnaire and other information you share with your Financial Advisor, your Financial Advisor will recommend an Allocation Model appropriate to your situation. Your Financial Advisor will help you understand the risk and return characteristics of the selected Allocation Model and help you evaluate the Allocation Model's return potential in relation to your investment goals and objectives.

The Retirement Tool utilizes your current and future savings and time horizon to estimate potential retirement income based on a sample investment selection. Your Financial Advisor will help you evaluate which of the Allocation Models provide the highest likelihood of meeting your targeted level of retirement income. You should be aware that the Retirement Tool analysis is based on PNC Wealth Management' default Allocation

Models, which may vary from the investment portfolio ultimately recommended to you in an investment proposal as discussed further below. You should also know that certain Allocation Models discussed above are not available in the Retirement Tool.

Whether your Financial Advisor utilizes an investment questionnaire or the Retirement Tool, your Financial Advisor will assist you to select from a variety of approved funds and investment models ("Investment Models") offered by professional third-party asset managers ("Model Providers") as further described below, available through the Program. We will present our investment strategy recommendation to you in the form of a proposal (the "Proposal"), which will include the actual initial investment portfolio recommended to you, for your acceptance and approval. It is very important that you understand the risks associated with the Allocation Model you select and should discuss this with your Financial Advisor if you have any questions.

From time-to-time your Financial Advisor may recommend changes to your Allocation Model or to the Funds or Investment Models you have selected. You may also request changes to your Allocation Model or your selected Funds or Investment Models, subject to certain restrictions described in this brochure. PNC Wealth Management has delegated certain portfolio management services to Envestnet Asset Management, Inc., an unaffiliated investment adviser (the "Investment Delegate") for Program Accounts. The Investment Delegate will implement Model Providers' Investment Models (excluding Manager Traded Models as described below) and will facilitate the execution of trades in your Account as instructed by PNC Wealth Management. Manager Traded Models are fixed income Models, and trades for those Models are implemented by the Model Provider rather than by PNC Wealth Management or the Investment Delegate. Finally, PNC Wealth Management will periodically exercise its discretion to adjust Allocation Models or remove Funds or Investment Models from our approved list. In all of these circumstances, PNC Wealth Management will update your Allocation Model and/or the Funds or Investment Models you have selected accordingly and, if necessary to align your account to the new investment model, will execute transactions in your account. Note that you will not be sent a new Proposal in these circumstances, unless requested through your Financial Advisor. Furthermore, PNC Wealth Management may, at its discretion, remove an asset allocation model from the schedule of available models and replace it with another model, without any prior notice to you.

PNC Wealth Management retains the authority to limit the availability of any investment model offered by a Model Provider, or Fund, and/or to terminate or change investment models or Funds when circumstances are such that PNC Wealth Management believes a change is in your best interest. If an investment model or Fund is terminated, PNC Wealth Management will select a replacement investment without any prior notice to you.

Certain of these changes will result in an increase/decrease to the fees discussed further herein (see Services, Fees and Compensation – Fees and Expenses). Although you will not be sent an updated Proposal in some circumstances described above, any changes to the Account's fees will be reflected on future Account statements summarizing the activity in your Account.

Before you may establish a Capital Directions Account, you must establish a brokerage account with PNC Wealth Management and agree to the terms and conditions of the PNC Wealth Management Brokerage Account Customer Agreement. By accepting and signing the Investment Management Agreement, you grant discretion over your Account to PNC Wealth Management and you authorize us to invest and reinvest the assets in your Account in a combination of equity securities, fixed income securities, Funds, and other financial instruments in accordance with the Allocation Model that you have selected. The scope of any investment advisory relationship we have with you is defined in the Investment Management Agreement. When you are enrolled in the Program, we will act as your introducing broker and we will also act as your investment advisor, but only for your Program Account and not for any other assets or accounts, unless otherwise separately agreed to by us in writing. As discussed in more detail below, we earn certain fees and other revenue in connection to our capacity as introducing broker to your account. This is a conflict of interest because we would not earn such fees or revenue if we did not serve as your introducing broker. Our Capital Directions Program advisory relationship with you begins when we enter into an Investment Management Agreement with you, which occurs at the later of the date of acceptance of the signed Investment Management Agreement by PNC Wealth Management or the date on which you have contributed the required minimum level of assets to your Account. Preliminary discussions or recommendations before we enter into an Investment Management Agreement with you are not intended as investment advice under the Investment Advisers Act and should not be relied on as such.

The Capital Directions Program is designed for investors who wish to give PNC Wealth Management full discretion to invest the assets in their Accounts according to the asset allocation model selected. Once you are approved for the Program, you will not have the ability to directly buy or sell individual securities in your Account, or to direct your Financial Advisor or any Model Provider to buy or sell securities in your Capital Directions Account. You will not be able to obtain a margin loan using the securities in your Account as collateral.

You will retain, however, the ability to place reasonable restrictions on the securities that may be purchased for or held in your Account, subject to the review and approval of PNC Wealth Management as the manager of the Account and based on the investment model selected. In general, you may impose individual security restrictions, including Funds, and specific equity securities or industry restrictions. You may also have the ability to restrict certain bond characteristics, such as years to maturity, credit quality or duration. PNC Wealth Management will determine which specific securities fall within an industry restriction and will implement any industry restrictions in a manner it determines in its sole discretion from time-to-time. If an individual security restriction is reasonable, PNC Wealth Management will generally allocate assets that would have been invested in a restricted security to cash or one or more substitute securities, which may include ETFs, on a pro rata basis. Any restrictions you impose on individual securities will not apply to the underlying holdings of Funds.

PNC Wealth Management will be responsible for monitoring and maintaining the asset allocation models available through the Capital Directions Program and will have the discretion to buy and sell securities for your Account. Depending on the asset allocation model chosen, PNC Wealth Management will make investments in, without limitation, equity securities, fixed income securities, cash (and/or short-term investments including, but not limited to, money market funds), Funds, and other financial instruments. PNC Wealth Management may, at its discretion, remove an asset allocation model from the schedule of available models and replace it with another model, without any prior notice to you.

If you elect to, you may enroll two or more of your related Program Accounts in a multi-account management relationship (“MAM”). When you enroll two or more of your Program Accounts in MAM (collectively “MAM Accounts”) PNC Wealth Management will apply a single Allocation Model across all MAM Accounts. All MAM Accounts will be managed pursuant to a single household-level Allocation Model as shown on your Proposal. Only accounts that you would like managed pursuant to the Allocation Model should be included in the MAM. If you have other managed accounts at PNC Wealth Management that have a different time horizon or risk tolerance, they should not be included in MAM. You will receive a single Quarterly Report for all associated

MAM Accounts. You should be aware that deposits or withdrawals made into a MAM Account will in most cases cause substantial trading in both that account as well as other MAM Accounts in order to keep them allocated pursuant to the Allocation Model in the aggregate. Similarly, adding or removing a Program Account from MAM will in most cases cause substantial trading in all MAM Accounts. Such trading may also result in you incurring redemption fees from certain mutual funds and will result in tax consequences in taxable Program Accounts. MAM is designed to allow flexibility with respect to the placement of assets in different account types for tax efficiency and to use a tax-aware strategy when making trades in MAM Accounts. If both qualified and non-qualified accounts are included in MAM, MAM will utilize an asset location preference where Investment Options are allocated to non-qualified or qualified accounts based on their relative tax inefficiency (calculated based on the pre-tax and post-tax returns that are reported by Fund companies). Some assets tend to be more tax efficient, such as equities and equity-based Funds, and generally represent greater investment risk. Taxable MAM Accounts generally carry a disproportionate amount of the investment risk in a MAM relationship. You should only combine non-qualified and qualified accounts in a single MAM relationship if you understand this and are comfortable with this allocation between accounts.

You may choose to discontinue MAM with respect to one or more MAM Accounts. In addition, PNCWM may in its discretion elect to discontinue offering MAM. In such event or if any MAM Account's IMA is terminated for any reason, unless you provide different instructions ahead of the termination, each remaining MAM Account will be rebalanced to individually meet the target Allocation Model. This may cause significant tax impacts to any non-qualified account. You are urged to discuss MAM with your tax professional.

You may also select an optional tax-overlay service for your non-qualified Program Account ("Tax-Overlay Service"). When you select the Tax-Overlay Service, your Financial Advisor will work with you to establish short and long-term tax budgets and the Investment Delegate will attempt to manage your Program Account in such a way as to prevent realized short and long-term taxable gains from exceeding agreed upon budgets. The Investment Delegate will do this by timing the purchase and sales of equity securities in such a way as to attempt to minimize the tax impacts to your Program Account. The Investment Delegate will also actively seek opportunities to realize taxable losses in your non-qualified Program Account by selling equity securities that have depreciated in value. These realized losses can be utilized to offset realized gains in your Program Account or other taxable accounts. Note that the Investment Delegate will actively seek to realize losses only in equity positions held in Investment Models and will not actively realize losses in Funds held in your Program Account. Additionally, the Tax-Overlay Service will cause the holdings in your Program Account to deviate from holdings of other accounts utilizing the same Model Provider. Finally, you should be aware that no strategy, including the Tax-Overlay Service, will prevent the realization of taxable gains from your investments. The Tax-Overlay Service seeks to minimize the current impact of taxes on your Program Account but will not eliminate the eventual realization of imbedded gains from your Program Account. If you elect to terminate the Tax-Overlay Service for your Program Account, you need to be aware that any unrealized embedded taxable gains will likely be realized as a result. You should carefully review the unrealized embedded taxable gains in your Program Account before electing to terminate the Tax-Overlay Service. Withdrawals from your Program Account will likely force the Investment Delegate to liquidate securities and exceed the short and/or long-term tax budgets. When you select the Tax-Overlay Service, PNC Wealth Management will review and must approve your Program Account for the service. You may not utilize the Tax-Overlay Service on any accounts associated in a MAM relationship.

PNC Wealth Management, your Financial Advisor and the Investment Delegate do not provide tax advice. If you are considering the Tax-Overlay Service, you should review your tax situation with your independent tax adviser to fully evaluate how you may benefit from it. The annual fee for the Tax-Overlay Service is 0.15% (the "Tax Overlay Fee") which is calculated and charged similarly to the Program Fee, described in detail below. In certain circumstances, the Tax Overlay Fee may exceed the tax benefit, in any given tax year. You should be aware, although, the Investment Delegate will actively manage taxes only with respect to the equity positions in your Program Account, the Tax-Overlay Service fee will apply to the full account balance, including assets held in cash, Funds or other non-equity positions.

You may also select one of several responsible investing models (collectively the "RI Models") made available by PNCWM. In the RI Models, PNCWM seeks to incorporate various responsible investing characteristics as part of the investment selection process. Responsible investing can be defined very differently by individuals, however, at PNCWM, we implement this through our approach to Fund selection. PNCWM utilizes data from Morningstar to assist in assessing the responsible investing characteristics of Funds. PNCWM will seek to include Funds in the RI Models that are intentionally managed using environmental, social, or governance ("ESG") screening or other values-based criteria or based on their scores for ESG Risk or Controversy Level, as measured by Sustainalytics, a Morningstar Company. Funds are ranked based on scoring of each Fund's mandate or investment process as it relates to various responsible investing approaches as well as Morningstar's analysis of Funds' holdings, proxy voting history, and performance. In general, Funds exhibiting the following responsible investing characteristics are favored: clear incorporation of ESG criteria in their security analysis and investment decision-making; seek to have an impact on thematic issues; utilize negative screening to avoid investments that violate norms-based, faith-based, or other values-based criteria; practice a form of active ownership through which they engage with corporate management on ESG issues; have actively supported ESG arrangements through their proxy voting; holding companies with lower risk related to ESG issues or misconduct, as scored by Sustainalytics. Note that funds may exhibit any one or more of the preceding characteristics.

Responsible investing priorities are a matter of personal preferences, and there is no assurance that criteria utilized by PNCWM will match your personal responsible investing priorities. You should carefully review the prospectus, Form ADV, or other offering documents for Funds available in the RI Models and evaluate if the Funds' ESG or other values-based criteria and strategy match your own priorities. Additionally, you should know that, while Funds may apply responsible investing or ESG criteria to their proxy voting decision making process, where PNCWM votes proxies on your behalf, discussed further below, PNCWM, through its delegate Envestnet, will apply our standard proxy voting policies and will not apply any responsible investing or ESG related criteria to proxies we vote on your behalf in the RI Models. PNCWM expects that the RI Models will typically include one or more Funds without a specific responsible investment mandate. PNCWM will include Funds without a specific responsible investing mandate when we are unable to identify suitable responsible investing Funds to fulfil a particular portfolio allocation. PNCWM does not set a minimum percentage allocation to Funds with a responsible investment mandate for the RI Models. In addition, even if you elect to invest pursuant to an RI Model, you may elect to include certain non-RI Model Funds in your Program account. Finally, all investment strategies, including responsible investing related strategies, carry the risk of loss, and there is no assurance that a responsible investing strategy can guarantee a profit or protect against loss. In addition, there is no assurance that any responsible investing related strategy, including the RI Models, will provide any investment benefit relative to similarly constructed non-responsible investing related strategies.

In addition to RI Models, PNCWM offers values-based investments, with categories such as gender, minority, religion, sustainability or environment, which seek to reflect a customer's values by avoiding or increasing exposure to specific companies, sectors or practices. Certain religious values-based investment managers invest in companies that generate income and returns inconsistent with a particular religion's philosophies. In cases where this occurs, it is the customer's responsibility to determine the amount, if any, of non-compliant generated income and/or gains. For more information about how to address these types of non-compliant income or returns, please refer to the religious values-based investment's prospectus or disclosure agreement.

Automatic Rebalancing

The Capital Directions Program provides automatic rebalancing to ensure that the investments in your Account continue to conform to the selected allocation model. Asset allocations are monitored on a quarterly basis, and generally, we will rebalance an Account if any asset class varies by more than 3% from its target allocation within the model. In lieu of the Program's default practice of rebalancing on a quarterly basis, you may request that periodic rebalancing for your Account occur on a less frequent basis of either semi-annually or annually. You should consider, however, that less frequent periodic rebalancing, could cause your Account to diverge from the selected allocation percentages and such divergence could potentially negatively or positively impact performance.

In addition to periodic automatic rebalancing, we will also rebalance your Account if you change your investment model, or when contributions to or withdrawals from your Account cause the cash balance to exceed 5% or be less than 0.5%, respectively, of the portfolio value. Occasionally, the total cash balance of your Account can exceed 5% or be less than 0.5%, respectively, of the portfolio value. Occasionally, the total cash of your Account can exceed 5% when Model Providers utilized in your Account hold significant cash in their Investment Model or a Dollar Cost Averaging ("DCA") method funding has been selected (as further explained below). Further, you may also request, subject to approval by PNC Wealth Management, that an ad hoc rebalance be executed.

In order to avoid the expense of inefficient rebalancing, we reserve the right, in our sole discretion, to from time-to-time change timeframes for effecting rebalances to your Account as well as the thresholds that must be exceeded before any rebalancing will occur. To rebalance an Account, we buy or sell, as relevant, shares of the individual Funds in an Account until its holdings match the Fund weight percentage specified for the applicable model. Rebalancing transactions are subject to short-term trading policies, described more fully below, of Funds held in your Account, and, if your account is taxable, will create tax consequences for your Account.

Account Statements

You will receive a monthly statement following any month in which there is investment activity in your Account, confirming all transactions in your Account, including additions, disbursements, purchases, sales, and advisory fees paid to PNC Wealth Management combined, if applicable with fees paid to Model Providers. For periods in which there is no investment activity in your Account, statements will be provided quarterly. You will also receive a quarterly performance report that tracks the performance of your portfolios against relevant benchmarks. You will be reminded quarterly to contact your Financial Advisor if you should have any questions, or if there have been material changes in your financial goals or needs that would affect your investment strategy.

Account Termination

Either party may terminate the Investment Management Agreement on 30 days' written notice to the other party. You are also entitled to terminate such agreement within five (5) business days of your execution of it without incurring a Program Fee, defined below; you may, however, be subject to certain other fees incurred with respect to the Account for the relevant period. Upon the termination of the Investment Management

Agreement, PNCWM will be under no obligation to provide advice on any holdings in your Account. Any transactions executed by you after the termination of the Investment Management Agreement will be subject to fees and commissions described in the PNC Wealth Management Overview of Products and Services (the "Overview of Products and Services"). You may obtain a copy of our current Overview of Products and Services, at any time, by contacting your Financial Advisor, by contacting us at (800) 622-7086 or online at www.pnc.com/investments-relationship-summary. In addition, upon learning of the death of any account owner, PNCWM will immediately terminate the Investment Management Agreement. You should be aware that any transactions executed by your heirs or beneficiaries after your death will be subject to fees and commissions described in the Overview of Products and Services, unless waived by us in our sole discretion. Please see the agreement governing your Capital Directions Program Account for more information.

The Investment Management Agreement will continue in effect until terminated by you or PNC Wealth Management upon 30 days' written notice to the other party.

Review of Accounts

When you open a Capital Directions Program Account, we review and must approve your investment objectives and strategy for consistency with Capital Directions Program guidelines. Thereafter, we will monitor the Account on an ongoing basis, including its performance, the appropriateness of the individual securities in it, and any investment restrictions that might apply.

We will attempt to contact you at least annually, including by mail or email (if you have authorized us to send you electronic communications), to request that you review your Account and inform us of any changes to your financial profile or investment objectives. You should inform your Financial Advisor of any changes to your financial profile or investment objectives as they occur. Your Financial Advisor will communicate any changes about you to PNC Wealth Management. If you elect to utilize an investment model offered by a Model Provider, you will have very limited, if any, direct contact with the Model Provider selected for your Account. Therefore, it is very important that you maintain contact and communication with your Financial Advisor. You should direct any inquiries about your Account, the allocation model or any Model Providers to your Financial Advisor.

Finally, your Financial Advisor will be reasonably available to you for consultation about the Account. We encourage you to please contact your Financial Advisor if you have any questions.

Securities Transferred into an Account

You should be aware that if you transfer securities into a Capital Directions Account, any transferred securities that are not part of the recommended investments for your Account will be liquidated upon or shortly after transfer. Typically, this means that we will liquidate all of the securities you transfer into your account prior to investing your Account in the recommended investments.

If your account is not tax-exempt, you will incur tax consequences as a result of these transactions. You should consult with your tax adviser to review these consequences. Additionally, if you liquidate securities prior to transferring your account to PNC Wealth Management or liquidate your securities prior to establishing your Capital Directions account, you will likely incur transaction costs for those transactions. PNC Wealth Management will not reimburse you for transactions executed at another firm. Please note that if you transfer illiquid securities into a Capital Directions Account, it will delay management of that Account until such securities are transferred out or otherwise removed. You may, at your election, chose an optional Dollar Cost Averaging

("DCA") feature when adding funds to your Program Account. With the DCA feature, you have the ability to deploy free cash to your Allocation Model over a defined period and in pre-determined amounts. The DCA feature can enable clients to slowly invest excess cash over time, rather than make one lump-sum investment. You have no obligation to complete scheduled DCA transactions and may terminate the DCA feature at any time, by providing notice to us, at least 5 business days prior to the next scheduled DCA transaction. You should know that if sufficient cash is not available in your Account at the time of a scheduled DCA transaction, that transaction, and all future scheduled DCA transactions will be canceled. You should also be aware that cash pending investment under an optional DCA plan will be treated as unallocated cash and swept to a deposit account at our affiliate bank, as described below. The parameters of DCA requests are subject to our approval.

Withdrawals from an Account

You should also be aware that if you request a withdrawal from a Capital Directions Account, PNC Wealth Management as investment manager, may need to liquidate a portion of the Account to cover the requested withdrawal amount. This will happen, for example, when the cash in your Account is insufficient to accommodate the requested withdrawal. If your account is taxable, you will incur tax consequences as a result. These transactions are subject to short-term trading policies of Funds held in your account. Liquidation requests are processed according to our standard procedures and your liquidation request may not be completed on the day it was submitted. This is more likely if your request is submitted late in the day or during periods of severe market volatility. Cash is available for distribution three to five business days after the initial request is made, however, you should also be aware that liquidation transactions are at the discretion of the investment manager and could exceed this timeframe.

Taxes

You need to be aware that the Program operates in a manner that is not a tax efficient investment strategy, especially in taxable accounts, and will likely cause non-retirement Capital Directions accounts to more frequently experience taxable gains and losses than a brokerage account holding individual securities for the same amount of time. When we, at our discretion, sell securities to rebalance your asset allocation or to adjust your program model, the transaction will likely create a capital gain or loss for you. Additionally, any securities that you sell in order to raise cash to open and or be deposited into your account will likely create a capital gain or loss. These capital gains and losses are in addition to dividends and capital gains paid by the securities in the account. You should consider and discuss the potential tax implications of opening and maintaining a Capital Directions account with your tax adviser.

Fees and Expenses

You will pay both a program fee (the "Program Fee") and, if you elect to utilize an investment model offered by a Model Provider, a separate model provider fee (the "Model Provider Fee") for the services provided under the Capital Directions Program. The Program Fee, Tax Overlay Fee (if the Tax Overlay Service as described above is selected) and Model Provider fee, if applicable, will be combined and reflected on your account statement as the management fee (the "Management Fee"). You should be aware that your account is subject to the Management Fee whether you make or lose money on the investments. Each fee is calculated as a percentage of assets under management and will vary depending on the services provided to you. Generally, you will be charged commissions or service charges for transactions executed prior to establishing your Capital Directions account; you should discuss your options for funding your account with your Financial Advisor.

The Program Fee is based on the total assets under management, including any portion of the Account maintained in cash or in short-term vehicles including, but not limited to, unallocated cash swept to a deposit account at our affiliate, PNC Bank, or money market funds. As the aggregate market value of the Program Account and if applicable, other managed accounts in the billing household reach a higher tier, as shown in the table below, the assets within that higher tier are charged a lower rate.

Our standard Program Fee schedule is as follows:

Assets Under Management	Maximum Program Fee
First $250,000	2.00%
Next $250,000	1.75%
Next $500,000	1.50%
Next $1,000,000	1.25%
Next $2,000,000	1.00%
Over $4,000,000	Negotiable

From time-to-time, we offer discounted pricing programs at our discretion. For example, current employees of PNCWM and their immediate family members are eligible for employee pricing.

Your Financial Advisor has discretion to negotiate a Program Fee that varies from the standard schedule above. This can depend on certain factors, including the type and size of your Account, the range of services provided and the total amount you or other members of your household have invested with PNC Wealth Management. The Program Fee for your Account is referenced in the fee schedule included as part of the Proposal completed and accepted by you. The Program Fee you pay to PNC Wealth Management for the Capital Directions Program is charged quarterly in advance and will be based on the average daily balance in your Capital Directions Account over the prior calendar quarter or portion thereof (except in the case of a new Capital Directions Account). The Program Fee covers the cost of brokerage commissions and other transaction fees only for transactions executed through National Financial Services LLC ("National Financial") on an agency basis. With respect to Investment Models, the Investment Delegate will typically route trades to National Financial for execution. From time-to-time, the Investment Delegate will trade through broker dealers other than National Financial when the Investment Delegate determines, in its sole discretion that this is in your best interest. Trades executed away from National Financial are described as "trading away" or "step-out trades." Model Providers will typically trade away for all trades when implementing trades in a Manager Traded Model. You will bear the cost of any brokerage commissions incurred on transactions executed through other brokers, dealer markups, markdowns and spreads when the Investment Delegate or a Model Provider trades away from National Financial. See the *Additional Fees for Brokerage Services* and *Trading Practices* section below for details.

In addition to the Program Fee, if you elect to utilize an investment model offered by a Model Provider, you will pay a separate Model Provider Fee for the services provided by the investment manager(s) that provide the investment model(s) you have selected. The Model Provider Fee is based on the average daily balance of assets under advisement invested pursuant to the applicable investment model(s), including any portion of the Account maintained in cash, or in short-term vehicles including, but not limited to, unallocated cash swept to a deposit account at our affiliate, PNC Bank, or money market funds, over the prior calendar quarter, or portion thereof. PNCWM will bill Program Accounts on behalf of Model Providers and will remit payment to the appropriate Model Providers on behalf of Program Accounts. PNCWM does not anticipate retaining any portion of the Model Provider Fee. Current Model Provider Fees are set forth in the table below and are subject to change, without notice:

Model Provider	Annual Fee	Model Provider	Annual Fee
AB Concentrated International Growth Equity	0.4	Mar Vista Strategic Growth	0.4
AB Concentrated US Growth	0.4	Martin Currie Emerging Markets	0.6
Alger Capital Appreciation	0.4	MFS Large Cap Growth	0.43
Alger Mid Cap Growth	0.4	Morningstar All-Cap Equity	0.5
Aristotle Value Equity	0.45	Morningstar Dividend Managed	0.5
Baird Chautauqua International Growth Equity	0.45	Morningstar Dividend Non-MLP	0.5
Baird Mid-Cap Growth Equity	0.4	Morningstar Hare Non-MLP	0.5
Baird Small/Mid Cap Growth	0.4	Morningstar Tortoise Non-MLP	0.5
BlackRock Capital Appreciation	0.38	Neuberger Small Cap Intrinsic Value (SCIV)	0.55
BlackRock Equity Dividend	0.38	Neuberger Berman International ADR	0.45
BlackRock Fundamental Core Taxable Fixed Income	0.27	Nuveen Dividend Growth	0.38
BlackRock Intermediate Municipal Fixed Income	0.4	Nuveen Intermediate Municipal Fixed Income	0.17
BlackRock Intermediate Taxable Fixed Income	0.27	Nuveen Limited Maturity Municipal	0.28
BlackRock Laddered Municipal (10-20 Year) Fixed Income	0.27	Nuveen Long Term Municipal	0.28
BlackRock Laddered Municipal (1-10 Year) Fixed Income	0.15	Nuveen Municipal Ladder 10-25 Years	0.17
BlackRock Laddered Municipal (1-5 Year) Fixed Income	0.15	Nuveen Municipal Ladder 1-10 Years	0.17
BlackRock Large Cap Value	0.15	Nuveen Municipal Ladder 1-15 Years	0.17
BlackRock Long-Term Municipal Fixed Income	0.38	Nuveen Municipal Ladder 1-7 Years	0.17
BlackRock Short-Term Municipal Fixed Income	0.27	Nuveen Municipal Ladder 5-15 Years	0.17
BlackRock Short-Term Taxable Fixed Income	0.27	PIMCO 1-5 yr Corporate Ladder	0.23
BNYM Walter Scott International Stock ADR	0.27	PIMCO Low Duration	0.4
Boston Partners All Cap	0.5	PIMCO Municipal Income Opportunity	0.28
Boston Partners International Equity ADR	0.4	PIMCO Total Return	0.4

Boyd Watterson All ETF Ultra Enhanced Core	0.45	Polen Capital Focus Growth	0.4
Boyd Watterson Investment Grade Intermediate	0.3	Polen U.S. Small Company Growth	0.6
Boyd Watterson Limited Duration*	0.3	Poplar Forest Contrarian Value Partners	0.4
Boyd Watterson Ultra Enhanced Core*	0.3	Principal US Small Cap Equity	0.45
Brown Advisory Large-Cap Sustainable Growth	0.3	Principal US Small Cap Value	0.45
Causeway Global Value ADR	0.38	QRG QP: Market Series Emerg Mrkts ADR**	0.4
Causeway International Value ADR	0.45	QRG QP: Market Series Emerg Mrkts ADR - Low Minimum**	0.4
ClearBridge Appreciation ESG	0.4	QRG QP: Market Series Intl ADR**	0.25
ClearBridge Dividend ESG Strategy	0.48	QRG QP: Market Series Intl ADR -Low Minimum**	0.25
ClearBridge Dividend Strategy	0.48	QRG QP: Market Series Large Cap Core**	0.15
ClearBridge International Value ADR	0.43	QRG QP: Market Series Large Cap Core - Low Minimum**	0.15
ClearBridge Large Cap Value	0.43	QRG QP: Market Series Large Cap Dividend Income**	0.2
ClearBridge Small Cap Growth	0.43	QRG QP: Market Series Large Cap Dividend Income - Low Minimum**	0.2
Columbia Contrarian Core	0.48	QRG QP: Market Series Large Cap Growth**	0.2
Columbia Dividend Income	0.4	QRG QP: Market Series Large Cap Growth - Low Minimum**	0.2
Dana Large Cap Equity	0.4	QRG QP: Market Series Large Cap Value**	0.2
Dana Municipal Bond*	0.45	QRG QP: Market Series Large Cap Value - Low Minimum**	0.2
Dana Small Cap Core Equity	0.3	QRG QP: Market Series Mid Cap Growth**	0.2
Dean Capital Mid Cap Value	0.45	QRG QP: Market Series Mid Cap Value**	0.2
Diamond Hill Large Cap	0.4	QRG QP: Market Series Small Cap Core**	0.2
EARNEST Partners Mid Cap Core	0.48	QRG QP: Market Series Small Cap Core - Low Minimum**	0.2
EARNEST Partners Mid Cap Value	0.48	QRG QP: Sustainable Emerging Markets ADR Portfolio**	0.45
Earnest Partners Small Cap Core	0.5	QRG QP: Sustainable International ADR**	0.3

EARNEST Partners Small Cap Value	0.5	QRG QP: Sustainable Large Cap Core - Catholic Values**	0.3
Federated Core Plus	0.35	QRG QP: Sustainable Large Cap Core-Gender and Diversity**	0.25
Federated International Strategic Value	0.45	QRG QP: Sustainable Large Cap Core Portfolio - ESG**	0.25
Federated Strategic Value Dividend	0.4	QRG QP: Sustainable Small Cap Core Portfolio - ESG**	0.25
Franklin Intermediate Fixed Income	0.2	QRG: 1-10 Yr Corp Ladder	0.095
Franklin Intermediate Muni*	0.2	QRG: 1-10 Yr Muni Ladder	0.095
GW&K Core Bond*	0.3	RNC Genter Muni Quality Intermediate	0.3
Harding Loevner International Equity ADR	0.45	Sage Advisory Tactical ETF Core Plus Fixed Income Managed Account	0.3
Invesco Tax Free Limited Term	0.23	Schafer Cullen International High Dividend ADR Managed Account	0.45
Ithaka Growth	0.4	Schroders International Alpha ADR Managed Account	0.45
Janus Henderson Mid Cap Growth	0.44	Segall Bryant & Hamill Small Cap Growth Managed Account	0.45
Jennison International Equity Opportunities	0.48	Suncoast Large Cap Growth Managed Account	0.4
Jennison Large Cap Growth Equity	0.4	T. Rowe International Core Equity Managed Account	0.48
Jensen Quality Growth Discipline	0.45	T. Rowe Price US Growth Stock Managed Account	0.38
John Hancock US Small Cap Core	0.5	T. Rowe Price US Value Equity Managed Account	0.38
JP Morgan Equity Income	0.4	T. Rowe US Large-Cap Core Equity Managed Account	0.5
Kayne Anderson Rudnick Small Cap	0.5	The London Company Income Equity Managed Account	0.4
Lazard Emerging Markets Equity Select ADR	0.5	The London Company SMID Managed Account	0.4
Lazard US Equity Select Tax-Aware	0.4	Tributary Small Cap Core	0.42
Leeward Mid Cap Value	0.4	TS&W Mid Cap Value Managed Account	0.4
Leeward Small Cap Value	0.4	Vaughan Nelson Select Managed Account	0.4
Loomis Sayles Large Cap Growth	0.45	WCM Focused Growth International Managed Account	0.55
Lord Abbett Intermediate Tax-Exempt Fixed Income	0.27	Westfield Mid Cap Growth Equity Managed Account	0.45
Lord Abbett Long Tax Exempt Fixed Income	0.27	Westwood Small Cap Managed Account	0.45
Madison Mid-Cap Equity	0.45	Westwood SMidCap Managed Account	0.45

*Strategist Traded Model
**Tiered Fee Schedule - Maximum Rate is Displayed

Calculation of Account Fees

The Program Fee and the Model Provider Fee will be paid in advance following the end of each calendar quarter for the upcoming quarter and will be calculated on the last business day of the quarter as follows. The Program Fee is calculated based upon the average daily market value of the total assets in the Account over the prior calendar quarter, including cash holdings. Cash holdings in excess of 7.5% (operational cash purposes i.e., trading and account maintenance needs) will be excluded from the average daily market value calculation when the Program fee is calculated. The Model Provider Fee is calculated based on the average daily market value of assets in the Account invested pursuant to the applicable investment model(s), including any portion of such assets maintained in cash, money market funds or other short-term vehicles pursuant to the applicable investment model(s), over the prior calendar quarter. Because the Model Provider Fee differs based upon the investment options selected for the Account, the actual aggregate fees charged to the Account will be based upon the fees attributable to the investment options included in the Account at the time of the fee calculation (i.e., the last business day of the calendar quarter). Accordingly, it is important to note that changes in the Account's asset allocation caused by rebalancing, as well as changes among the types of investment options, during a particular calendar quarter will cause the aggregate of the Program Fee and the Model Provider Fee to be higher or lower than such aggregate amount would have been if calculated based on the composition of the investment options actually held in the Account during the relevant calendar quarter. Upon your request, we will provide you with a detailed explanation of the fee calculation which will allow you to recalculate the fees should you so desire.

If your Account is new, you will pay an initial fee after the date that National Financial, the custodian, receives the initial assets of your Account. An adjustment to the next quarterly fee will be made for any significant contributions or distributions that occur during the inception quarter of your Account. With your initial contribution and for any additional contribution or distribution adjustments, your fee will be calculated for that portion of the ongoing quarterly Program Fee that relates to the number of days remaining in the calendar quarter as of the date your Account becomes subject to the Investment Management Agreement or that you make the additional contribution or distribution, as applicable. This Program Fee will be based on the total market value of assets in your Account on that date.

If your Account is terminated by you or PNC Wealth Management during a calendar quarter, the fee for that quarter will be prorated over the number of days that the Account was open during the quarter. Any overpayment will be refunded to you after the Account is closed. Fees are not prorated for contributions or withdrawals made during a calendar quarter, except in the case of a new or terminated Account, as outlined above. If you terminate your Capital Directions account within 90 calendar days of initial investment, PNC Wealth Management reserves the right to charge you commissions, according to the Overview of Products and Services, for transactions executed on your behalf during the time your account was managed, less any pro-rated advisory fee paid by you.

Additional Fees for Brokerage Services

PNC Wealth Management will charge its standard fees for additional brokerage account services that are not included in the Program. Such fees include, but are not limited to, account termination/transfer fees (i.e., account transfer), wire transfer fees, IRA fees and stop payment fees. You should be aware that in some cases, PNCWM retains this entire fee or marks up the fee our clearing firm, National Financial, charges to PNCWM for these services. This is a conflict of interest for us because PNCWM has an incentive to utilize a clearing firm that allows us to mark-up designated fees. PNCWM also has incentive to recommend to you services that have been marked-up. Please refer to the Account Level Fees section of the Overview of Products and Services for details.

Deduction of Account Fees

All fees incurred by the Account will be paid from the cash balance or by selling shares of a money market mutual fund. If the Account does not have a sufficient cash balance or enough money market mutual fund shares to cover the fees, we will liquidate other securities as necessary to pay them.

Selling securities to pay fees is subject to the short-term trading policies of Funds and, if your account is taxable, will create tax consequences for you. You may contact your Financial Advisor if you have any questions regarding the fees charged to your Account.

Clients who opened accounts in the Capital Directions Program prior to January 2, 2015 and who have not previously authorized PNC Wealth Management to adjust your Program Fee may be subject to a Legacy Fee Arrangement which varies from the schedule above ("Legacy Fee Arrangement"). Please note that the authorization to adjust the Program Fee may have been obtained via negative consent. The Legacy Fee Arrangement, if applicable, is outlined in your investment management agreement. At the sole discretion of PNC Wealth Management, certain other Accounts converted from the Strategic Directions or Premier Directions Programs as of October 1, 2015 may also be subject to a Legacy Fee Arrangement.

Other Expenses

Each Fund in which your Account is invested charges its own separate fund-level fees and operating expenses, including, for example, administrative, custody, transfer agent, legal and audit fees and expenses, investment advisory or management fees, shareholder servicing fees, omnibus accounting fees, fees for sub-administration, recordkeeping, print mail services and other expenses. These fees and operating expenses are ultimately borne by the shareholders invested in the Fund, including you, and will reduce your investment returns. Other classes of mutual funds have lower fund-level fees and expenses than those used in this Program. Please review the relevant Funds' prospectuses for a full explanation of fund expenses and charges.

PNC Wealth Management includes in the Program only "Approved Share Classes" of mutual funds, which are share classes that generate revenue sharing payments, as described below, to PNCWM. PNCWM will select Approved Share Classes that are either (i) share classes that trade on our custodian's Institutional No-Transaction Fee platform ("INTF Eligible" share classes); or (ii) if no such INTF Eligible share class is available, the least expensive non-INTF Eligible share class eligible for inclusion in the Program. PNC Wealth Management uses INTF Eligible share classes in order to reduce PNC Wealth Management' overall program trading costs, which costs would otherwise be payable by PNC Wealth Management. These selection criteria represent a conflict of interest for us because they enable PNC Wealth Management to avoid costs, but also may result in you purchasing a share class that is more expensive than other share classes of the same fund for which you are eligible. You acknowledge that when you establish a Program Account, you authorize and direct PNC Wealth Management to purchase for your Account only Approved Share Classes using the criteria described above and you waive any obligation of PNC Wealth Management, if applicable, to purchase any other share classes for your

Account, even if less expensive share classes are available. A higher cost share class will adversely affect the investment performance of your account.

INTF Eligible share classes do not typically charge shareholders 12b-1 fees or pay those fees to us or our custodian, which reduces costs to you, as compared to share classes that do pay 12b-1 fees. As described more fully below, money market funds held in your Account typically charge 12b-1 fees, but we will rebate any such fees we receive. Please note that the mutual funds included in the Program may provide compensation such as fees for omnibus accounting, sub-administration, shareholder services, recordkeeping, print mail services or other related fees ("Mutual Fund Compensation"). While we do not expect to receive such fees, PNC Wealth Management will credit to your Account any Mutual Fund Compensation or 12b-1 fees paid to us in connection with the holdings in your Account. Our custodian or other entities not affiliated with PNC Wealth Management may receive Mutual Fund Compensation. PNC Wealth Management is not a party to such arrangements and we will not credit your Account for Mutual Fund Compensation received by such entities. You should be aware that any Mutual Fund Compensation paid to entities not affiliated with PNC Wealth Management increases Fund expenses and, consequently, reduces the investment performance of your account.

Exchange-traded funds, or ETFs, are similar to mutual funds in that they invest in a basket of securities, such as stocks, bonds, or other asset classes. Unlike mutual funds, however, ETFs trade on an exchange and their price can change throughout the day and may vary from the value of the underlying assets in the investment portfolio. There are three different types of ETFs: Index based or Passive – which track a specified index such as the S&P 500 or NASDAQ Composite Index, Smart beta – which invest in factors through a rules-based index (low-volatility, equal-weight, etc.), and actively managed – which are not tied to an index and offer portfolio manager flexibility and security selection with the intent to outperform a benchmark. Most ETFs publish their holdings daily. ETFs have internal operating expenses that reduce investment returns. Active ETFs generally, have higher internal operating expenses than other ETF types. ETFs typically have lower expenses than mutual funds that are actively managed. However, even though a mutual fund in the same asset class as an ETF may be more expensive, other factors such as ETFs that trade less frequently could make a mutual fund more advantageous.

PNC Wealth Management receives an annual credit from National Financial (the "ETF Revenue Share Credit"). The ETF Revenue Share Credit is projected based on future sales of actively managed ETFs through National Financial. PNCWM's receipt of the ETF Revenue Share Credit is dependent on National Financial sharing a portion of its actively managed ETF revenue. With the receipt of the ETF Revenue Share Credit, we are incentivized to recommend actively managed ETFs over other ETFs and products in which we either receive less or no revenue share as compared to the ETF Revenue Share Credit. We are also incentivized to select and continue our relationship with National Financial to receive the ETF Revenue Share Credit, which is contingent on the fully disclosed clearing agreement with National Financial remaining in effect. We will retain the ETF Revenue Share Credit in its entirety, and we will not pass along any portion of it to you. Your Financial Advisor does not receive any portion of the ETF Revenue Share Credit. You should be aware that any ETF Revenue Share Credit paid to entities not affiliated with PNC Wealth Management increases Fund expenses and, consequently, reduces the investment performance of your account.

PNC Wealth Management receives an annual credit from National Financial (the "Business Development Credit"). PNCWM is incentivized to select and continue its relationship with National Financial to receive the Business Development Credit, which is contingent on the fully disclosed clearing agreement with National Financial remaining in effect. The Business Development Credit is not related to the sale or offer of any specific products or services, nor is it dependent upon assets under management. If received, we will retain the Business Development Credit in its entirety, and we will not pass along any portion of it to you. Your Financial Advisor does not receive any portion of the Business Development Credit.

Additionally, if under certain circumstances our clearing arrangement with National Financial is terminated prior to the expiration of our agreement, PNCWM is subject to certain contractual fees and penalties (collectively, the "Termination Fee"). The Termination Fee creates a strong disincentive for PNCWM to consider clearing relationships other than National Financial. This creates a conflict of interest for us as we expect to benefit from the continued recommendation of National Financial as our clearing firm. Additionally, PNCWM is further incentivized to continue the relationship with National Financial as we may not receive the same incentives from other clearing firm arrangements, such as receiving particular credits from National Financial or having the ability to mark-up certain fees to clients.

PNC Wealth Management receives additional compensation, referred to as revenue sharing, from the advisors or distributors of the mutual funds offered in the Program, which compensates us for administrative services we provide to them and is based on the amounts our customers invest in those mutual funds in the Program. Our independent due diligence process for selecting mutual funds and ETFs for the Program is designed so that products are selected based on objective, investment related criteria and does not take into account compensation to PNC Wealth Management. **However, only funds for which we receive revenue sharing are considered for inclusion in this due diligence process. This is a conflict of interest for us because mutual funds and or certain ETFs that may otherwise meet our investment criteria are not included in the Program because their advisors or distributors do not offer revenue sharing to PNC Wealth Management. In addition, we receive a higher revenue share amount on mutual funds than ETFs. This is a conflict of interest for us when there are similar products offered in both product categories as we will be paid more revenue share when recommending mutual funds than if an ETF is recommended. We will not credit your Accounts for any revenue sharing payments we receive.** Although we include only mutual funds and certain ETFs whose sponsors pay PNCWM revenue sharing, we believe this conflict is mitigated by the large and diverse universe of Funds we make available in our programs which meet our clients' needs. Your Financial Advisor is not paid any part of the revenue sharing arrangements. You should also be aware that we will liquidate mutual funds and or certain ETFs held in your Account if the advisors or distributors of those funds discontinue their participation in our revenue sharing program. If your Account is taxable, you will have tax consequences as a result of such liquidations. PNC Wealth Management offers other advisory programs that include Funds whose advisors and distributors do not participate in revenue sharing. You can discuss our other advisory program options with your Financial Advisor if you wish to invest in Funds outside our revenue sharing program. We will not credit your Account for any revenue sharing payments we receive. For details on revenue sharing received by PNC Wealth Management from mutual fund and certain ETF advisors or distributors, please see the following link: https://www.pnc.com/content/dam/pnc-com/pdf/personal/wealth-management/Additional-Compensation-Disclosure.PDF

For more information around the compensation a particular mutual fund or ETF provider may pay, please refer to the Fund's prospectus and/or Statement of Additional Information.

Additionally, some Funds impose redemption fees depending on the share class, if they are redeemed within a specified time period, to discourage short-term trading or for other reasons. The relevant Fund company retains these redemption charges from the proceeds of the redemption for the benefit of the remaining shareholders of the Fund. Refer to the prospectus or Statement of Additional Information of relevant Funds for details on each

Funds' short-term trading policies. The amount of such fees and charges retained will be reflected on your account trade confirmations.

Purchasing securities in the Program may cost you more or less than purchasing the securities directly from the funds or through agents of the funds without enrolling in the Program, including through a brokerage account at PNC Wealth Management. By purchasing mutual funds outside of the Program, you may invest in a single fund family and obtain "breakpoints" that could lower the cost of the Funds. However, if you purchase mutual fund shares directly, you may not receive the asset allocation and account monitoring services available via the Program and may not qualify to invest in share classes available to investors through the Program. In addition, mutual funds purchased outside the Program may charge commissions, front-end or back-end sales charges, and redemption fees, depending on the share class.

Finally, your Account may be invested in Funds for which PNC Wealth Management or one of our affiliates acts as an advisor, sub-advisor, or administrator, and receives a fee for such services. Therefore, PNC Wealth Management or an affiliate receives fees for the services provided to the Funds. The level of advisory or sub-advisory fees paid to PNC Wealth Management or its affiliates by such Funds, is disclosed in the Prospectus and/or Statement of Additional Information of such Funds. The maximum amount of your Account assets that may be invested in Funds, which pay advisory or sub-advisory fees to PNC Wealth Management or its affiliates will depend on many factors, but in certain circumstances may reach 100% of your Account assets. You should ask your Financial Advisor about these advisory or sub-advisory fees, and you may terminate your Investment Management Agreement with PNC Wealth Management at any time if you have any concerns about the level of these fees or the incentives that they create. PNC Wealth Management has an obligation to invest your assets in a manner that considers your best interest. To that end, PNC Wealth Management will take steps to minimize potential conflicts of interest that arise from investing with Funds that pay PNC Wealth Management or its affiliates advisory or sub-advisory fees, to the extent required by applicable federal or state laws. PNC Wealth Management evaluates the appropriateness of investing your assets in Funds managed by affiliates of PNC Wealth Management, in the same manner as it evaluates all other Funds available through the Program.

Cash Balances

Unallocated cash will be automatically swept through the Bank Deposit Sweep Program ("BDSP") into an interest-bearing deposit account ("Deposit Account") at our affiliate, PNC Bank (and, as noted above, are included in the assets on which Management Fees are charged). The interest rate ("BDSP interest rate") for BDSP assets held in the Deposit Account is determined by PNC Bank with input from PNC Wealth Management such as objective competitive market data.

BDSP is the only cash sweep option available to your Program Account. The only exception is in very limited situations where your account type is not eligible for BDSP (such as participant accounts of employer sponsored qualified plans) and your funds will be invested in a money market mutual fund selected by us. You should be aware that although assets held in the Deposit Account are protected by FDIC insurance neither PNC Wealth Management nor PNC Bank will monitor whether BDSP deposits, individually or in combination with other deposits you hold at PNC Bank, exceed FDIC insurance limitations. You should review your cash balance held in the Deposit Account and other PNC Bank accounts to ensure that cash balances do not exceed FDIC insurance coverage levels, or alternatively, in the event your cash balance exceeds FDIC insurance limitations, that you are comfortable with the risks associated with having uninsured cash. The rate of return you receive on cash balances will, in certain market conditions, be less than the Management Fees attributable to such cash balances.

PNC Bank uses the BDSP program assets to fund its lending activities, allowing PNC Bank to earn revenue based on the difference between the rate paid to you and the higher rate of interest earned by lending the assets to its customers. Moreover, PNC Wealth Management receives revenue from PNC Bank based on the assets in the BDSP, this revenue amount varies depending on market conditions, but will not exceed the current Federal Funds Target Rate Range – Upper Limit rate (available online at https://fred.stlouisfed.org/series/DFEDTARU) plus 0.50%. This means PNC Wealth Management benefits in two ways from placing assets in the BDSP (*i.e*., the Management Fee and the revenue share from our affiliate). We will not credit any portion of this revenue to your Program Account. Note that the revenue earned by PNC Wealth Management and our affiliate PNC Bank will significantly exceed the interest credited to your Program Account from the allocation to BDSP. The revenue we receive is a conflict of interest for us, because we, and our affiliate, PNC Bank, obtain a financial benefit when your unallocated cash is held through the BDSP in a Deposit Account. This financial benefit is greater than the financial benefit we would receive if your unallocated cash was invested through a different cash sweep vehicle such as a money market fund.

For information pertaining to the interest rate spread earned by PNC on all loans, including those generated from BDSP assets, please see the Net Interest Margin discussion in the most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q for The PNC Financial Services Group, Inc., available at, https://investor.pnc.com/financial-information/financial-results.

Account assets invested through the BDSP typically will pay you less interest – and in some market conditions, much less interest – than they would if invested in alternative cash sweep vehicles that are available to PNC Wealth Management such as a money market fund. **Accordingly, you should not participate in the Program if you wish to hold your unallocated cash in another sweep vehicle**. (Please note that while BDSP is used as the sweep option to hold unallocated cash, if your account has an investment allocation to cash, that allocation will typically be held in money market mutual funds or other short duration securities.) The rate of return you receive on cash balances will, in certain market conditions, be less than the Management Fees attributable to such cash balances.

You should also know that Model Providers utilized in your Program Account will have discretion to select the vehicle (BDSP, money market mutual fund or other short duration security) for any cash in the Investment Model. For more information regarding BDSP, including information about FDIC insurance limitations, please see the PNCWM BDSP Disclosure Document, you may also review the current BDSP interest rate at the following link: https://www.pnc.com/en/personal-banking/investments-and-retirement/sweep-program-rates.html. Additionally, information about FDIC insurance can be found on https://www.fdic.gov/resources/deposit-insurance/

Financial Advisor Compensation

A portion of the fees charged for Program services generally will be paid to your Financial Advisor in connection with opening your Account, as well as for providing client-related services within the Program. This compensation may be more or less than a Financial Advisor would receive if you transacted in a brokerage account, rather than a managed account in the Capital Directions Program, and paid separately for investment advice, brokerage and other services covered by the Program Fee. Therefore, your Financial Advisor may have greater financial incentive to offer a managed product over a brokerage product. As disclosed above, certain of our Programs charge a negotiable Program Fee and others charge a negotiable Program Fee plus a Model Provider Fee, which in certain circumstances may be waived but is not negotiable. Differences in fees for Model Providers in Programs with a third-party manager, or the absence of such fees in any Program, create a conflict of interest as such differences provide an opportunity for Financial Advisors to negotiate a higher Fee for a strategy with lower or no separate Model Provider Fees than they would for strategies that charge a higher Model Provider Fee. The opportunity to negotiate a higher fee also creates a financial incentive for Financial Advisors to recommend such Programs and/or Model Providers. The ability of the Financial Advisor to negotiate a higher Program Fee in these circumstances also provides a financial benefit to PNC Wealth Management, which retains a portion of the Program Fee. Occasionally, Program Accounts may be reassigned from the originating Financial Advisor to a new Financial Advisor because the originating Financial Advisor leaves our firm, takes a new position, or for other reasons. Financial Advisors receive less compensation for accounts reassigned to them ("Reassigned Accounts") than accounts they originated and therefore have a conflict of interest because they have a financial incentive to provide better service to accounts that they have originated versus Reassigned Accounts. Financial Advisors receive additional compensation when clients add funds to Reassigned Accounts and have incentive to encourage additional deposits to Reassigned Accounts. PNC Wealth Management has established policies and procedures reasonably designed to ensure that any recommendation made is suitable for your unique circumstances. PNC Wealth Management may advance to Financial Advisors a portion of the first year's estimated fees for clients who invest in the Program. In addition, certain Financial Advisors who typically work with higher net worth clients can earn enhanced upfront compensation when customers establish a new advisory account or add new assets into an existing advisory account with us. This compensation creates a conflict of interest because these Financial Advisors have an additional incentive to encourage clients to place their funds in investment advisory accounts.

From time-to-time, PNC Wealth Management initiates incentive programs for its employees including Financial Advisors. These programs include, but are not limited to, programs that compensate them for attracting new assets and clients, or for referring business to our affiliates (such as referrals for mortgages, trusts, or insurance services); programs that reward them for promoting investment advisory services, in some circumstances by enhancing revenue credits paid to them in connection with new advisory accounts or additions to existing advisory accounts, for participating in advanced training, and for improving client service; and programs that reward Financial Advisors who meet total production criteria.

Financial Advisors who participate in these incentive programs are rewarded with cash and/or non-cash compensation, such as deferred compensation, bonuses, training symposiums and recognition trips. These programs may be partly subsidized by external vendors or our affiliates, such as mutual fund companies, insurance carriers or money managers. Therefore, our Financial Advisors have a financial incentive to recommend the programs and services included in these incentive programs over other available products and services that we offer.

ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Account Minimums and Types of Clients

The minimum account size for the Capital Directions Program is $50,000. We may terminate the advisory services on any Account that falls below minimum account value guidelines established by the firm on 30 days' written notice to the Account holder. To avoid termination, you may be required to deposit additional assets in your Account to remain in the Capital Directions Program. Under certain limited circumstances, we may waive the minimum account size requirement. If your Account was opened prior to October 1, 2015, the minimum account size for your Account prior to October 1, 2015 will continue to apply to your Account.

In addition, Model Providers utilized for the Program typically impose their own investment minimums and may limit or terminate the availability of their model for Accounts that fall below this minimum with 30 days' notice to PNC Wealth Management. Upon receipt of such account minimum notices from a Model Provider, PNC Wealth Management will use commercially reasonable efforts to identify another Model Provider that is consistent with or substantively similar to the model and/or Model Provider that has terminated the availability of their model and resume a continuous investment program for the Account. PNC Wealth Management will have limited or no ability to waive Model Provider minimums.

Collateral Accounts

Under certain circumstances you may elect to pledge the assets in your non-IRA/ERISA Account as collateral for a general purpose loan with our affiliate, PNC Bank, or other financial institution (collectively the "Lending Arrangements").

When your Account assets are pledged or otherwise used as collateral in connection with Lending Arrangements, you give the lender certain rights and powers over the assets in the Account. Importantly, lenders have the right to direct PNC Wealth Management to sell or redeem any and all assets pledged as collateral for the loan. In the event of a collateral call on the Account, securities will be liquidated from the Account, which may be contrary to your interests and/or inconsistent with the investment strategy for the Account because positions may be redeemed or liquidated more rapidly (and/or at significantly lower prices) than might be desirable. You or your Financial Advisor may not be provided with prior notice of the liquidation of the securities in the Account. Furthermore, you and your Financial Advisor may not be entitled to choose the securities to be liquidated. After the execution of a collateral call, any remaining securities in the Account may be lower in value than the investment minimums required for the Capital Directions Program and the Account may be subject to termination as described above.

You may wish to discuss with your Financial Advisor how a collateral call could impact you if your pledged Account makes up all, or substantially all, of your overall net worth or investible assets. Any action taken by us, or an affiliate, with respect to the assets held in your Account pursuant to the Lending Arrangements will not constitute a breach of our fiduciary duties as an investment adviser to you under the Capital Directions Program.

The costs associated with the Lending Arrangements are not included in the Program Fee you pay under the Program. Your transaction costs may rise as a result of a collateral call, because securities may be liquidated under unfavorable market conditions. You should consult with your own independent tax adviser in order to fully understand the tax implications associated with the Lending Arrangements. The securities subject to the collateral call will not be liquidated in a manner that considers tax efficiency. PNC Wealth Management does not provide legal, tax or accounting advice.

You are encouraged to speak with your Financial Advisor to the extent you have questions about the Program, the Lending Arrangements and how they may impact the management of your Account. **You should be aware that PNC Wealth Management and your Financial Advisor have a conflict of interest because PNC Wealth**

Management and your Financial Advisor's compensation is based on the assets held in your account and benefits if you enter into a Lending Arrangement instead of withdrawing funds from your account. In addition, you should be aware that PNC Wealth Management and your Financial Advisor will be compensated based on the amounts you draw on the credit line. This is a conflict of interest for your Financial Advisor because he or she has an incentive to recommend Lending Arrangements as opposed to other potential funding sources, because your Financial Advisor is not compensated for other options. In addition, PNC Bank generates revenue by charging interest on any loan underwritten by PNC Bank, which represents a further conflict of interest for PNC Wealth Management.

Qualification criteria and requirements, including but not limited to, approval criteria, underwriting standards, loan to value requirements, maintenance requirements and asset eligibility vary by program. You should refer back to the Lending Arrangements and associated documents for the specific terms governing the Lending Arrangements.

PORTFOLIO MANAGER SELECTION AND EVALUATION

The Capital Directions Account is managed to diversify your investments and may include investments in equity and fixed-income securities, options, Funds and money market instruments. Accounts are managed on an individual basis, and our asset allocation and investment recommendations are determined by and based on our understanding of your financial situation, investment objectives and risk tolerance. You may impose further reasonable restrictions and guidelines on your Account, but these will affect the composition and performance of your portfolio.

Fund and Model Provider Selection and Evaluation

We select the investments and Model Providers that are available in the program. The factors influencing the inclusion of any investment model or Fund on our list of recommended investments may include, among other things, past performance, management style, quality of the relevant Model Provider or Fund manager, its investment process, the number and continuity of investment professionals, and its client servicing capabilities.

While PNC Wealth Management is the sole sponsor of the Program, we receive research and assistance in selecting and reviewing Model Providers, investment models, mutual funds and ETFs from the Private Bank division (the "Private Bank") of our affiliate PNC Bank and Morningstar, Inc. as well as other non-affiliated third parties (collectively, "Research Partners"). If applicable, expenses for these services are paid by PNC Wealth Management. We also rely on the Research Partners for research and assistance in selecting and reviewing investment models, mutual funds and ETFs for the Program. These services may include products of non-affiliated Research Partners which creates a conflict of interest since the Research Partner would benefit when its products are included in the Program. In order to help mitigate this conflict, our independent due diligence process for selecting mutual funds and ETFs for the Program is designed so that products are selected based on objective, investment related criteria and does not take into account any sort of compensation to PNC Wealth Management. We or the Private Bank may ask a relevant Model Provider to provide us with a completed questionnaire, database information on the firm and statistical analysis of the Model Provider or Fund manager's track record. We, Morningstar or the Private Bank may also conduct interviews with members of the Model Provider or Fund manager's management. This process is an ongoing one, and investment models and Funds are added or removed from the Program based on many factors, either internal or external to a Model Provider or Fund manager's management. Returns reported by Model Providers are derived from sources believed to be reliable, but we make no representations or warranties as to the accuracy of such performance information.

The Program and other wrap programs we recommend includes products managed by investment management affiliates of PNC Wealth Management, which receive compensation for their investment advisory and other services. The services provided by our affiliates and the fees they collect for these services vary and generally are disclosed in each Fund's prospectus. These fees are paid directly by the Fund and affect the total return of a shareholder's investment. We will not treat those entities and Funds any differently from investment managers and Funds that are not affiliated with PNC Wealth Management.

PNC Wealth Management and Other Service Providers to the Program

PNC Wealth Management was formed in 2003, and is a direct, wholly owned subsidiary of PNC Bank. PNC Bank is a wholly owned subsidiary of The PNC Financial Services Group, Inc., a financial holding company.

PNC Wealth Management is registered with the SEC as an investment advisor and a broker-dealer. PNC Wealth Management is a member of FINRA and SIPC and serves as the sponsor of the Program.

PNC Wealth Management does not receive performance-based fees calculated as a share of capital gains on, or capital appreciation of, the funds or any portion of the funds or other investments in a client's Account. National Financial provides trading, custody and operational services for the Program. National Financial carries client Accounts, is the custodian for the investments in your Account, reports all the trades in your Account and effects many such trades. National Financial will provide you with trade confirmations, monthly statements, and income tax reporting.

PNC Wealth Management has also engaged a service provider to perform certain support services in connection with the Program, including account rebalancing for the asset allocation models. This service provider is also responsible for calculating and preparing quarterly performance reports for client accounts.

Risks of Investing in the Capital Directions Program

Investing in securities, including the investments offered through the Program, involves risk of loss that you should be prepared to bear. There is no guarantee that the elements of the Program, including the asset allocation models, selection of investment manager models and/or research recommendations will protect against such loss. Other risks include:

- **Market Risk.** Market risk is the risk that the price of securities will fall over short or extended periods of time. Historically, the prices of equity securities have moved in cycles, and the value of an Account's investments will fluctuate from day to day. When individual companies are negatively impacted by industry or economic trends or report poor operating results, the price of securities issued by those companies will typically decline in response. These factors contribute to price volatility.
- **Allocation Risk.** A client Account is subject to the risk that asset allocation decisions will not anticipate market trends correctly. For example, weighting an Account too heavily in equities during a stock market decline may cause a loss of value. Conversely, investing too heavily in fixed income securities during a period of stock market appreciation may result in lower total returns.
- **Credit Risk.** The value of debt securities is affected by the ability of issuers to make principal and interest payments. If an issuer cannot meet its payment obligations or if its credit rating is lowered, the value of its debt securities will typically fall.
- **Interest Rate Risk.** The value of fixed-income investments will typically decline because of an increase in

market interest rates. In addition, in certain low-yield interest rate environments, some short-term investments may produce negative yield, after accounting for fees, inflation and other expenses.

- **Liquidity Risk.** The risk stemming from the lack of marketability of an investment that cannot be bought or sold quickly enough to prevent or minimize a loss. Liquidity risk is typically reflected in unusually wide bid-ask spreads or large price movements (especially to the downside).
- **Stock-Specific (Unsystematic) Risk.** Unsystematic risk is unique to a specific company or industry. Also known as “nonsystematic risk,” “specific risk,” “diversifiable risk” or “residual risk,” in the context of an investment portfolio, unsystematic risk can be reduced through diversification.

The Program is intended to be a long-term investment program and does not support market-timing or frequent trading. You will be limited to one model change per calendar quarter, except as warranted by changes to your financial situation as agreed by you and your Financial Advisor. In addition, you will be limited to one investment manager model change per asset class per quarter, except as may be agreed by you and your Financial Advisor. Frequent or excessive trading in Capital Directions accounts is grounds for account termination, with 30 days’ written notice, by PNC Wealth Management, even if the rules above are not violated. The determination of frequent and/or excessive trading is solely at the discretion of PNC Wealth Management.

Trading Practices

PNC Wealth Management is an introducing broker-dealer, clearing transactions related to the Program Accounts through National Financial. PNC Wealth Management has a best execution committee (“BEC”) that meets regularly to rigorously review data for equity orders executed by National Financial including those orders that are sent by the Investment Delegate. Such data includes, among other things, speed of execution and price improvement provided by the execution venues selected by National Financial. PNC Wealth Management does not receive any payment for order flow from the execution venues. The BEC also reviews data for fixed income trades executed through trading systems used by PNC Wealth Management to ensure that the net prices obtained are reasonable under the circumstances.

The Program Fee includes the costs of trades executed only for transactions executed through National Financial on an agency basis. The Program Fee does not include any additional trading expenses incurred when the Investment Delegate determines to trade away from National Financial, for trades executed in Manager Traded Models (as decided by the Model Providers) or for transactions where National Financial acts as principal. The Investment Delegate will trade away from National Financial when the Investment Delegate determines it is in your best interest to do so. This can occur when the Investment Delegate is implementing a model change simultaneously across accounts with many different introducing firms, such as PNC Wealth Management. In these instances, the Investment Delegate may group together trades from several different introducing firms and execute those trades through a single broker-dealer. This process is known as Block Trading (“Block Trading”). Block Trading is intended to reduce the market impact of executing large transactions in a particular security and can allow clients to get better overall execution prices than if the trades were placed individually. The Investment Delegate may also trade away from National Financial when it determines that a broker-dealer other than National Financial is capable of obtaining a better execution price for the trade. This can typically occur in thinly traded securities or in fixed-income securities. Additionally, Manager Traded Models are implemented directly by the Model Provider rather than by PNC Wealth Management or the Investment Delegate. A Model Provider of a Manager Traded Model may trade away from National Financial for the same reasons as described above. Model Providers historically implement substantially all trades in Manager Traded Models away from National Financial. Model Providers for Manager Traded Models typically trade fixed income securities away from National Financial. These trades will incur additional costs per bond or on a per transaction basis. These costs are embedded in the net price you receive and are not separately disclosed by the executing broker in your confirmation or statement. PNCWM does not receive any benefit when the Investment Delegate or Model Providers elect to trade away.

In either case, it is important that you understand that you will pay any commissions, mark-ups or mark-downs incurred, in addition to the Program Fee when the Investment Delegate or a Model Provider elects to trade away from National Financial or for transactions where National Financial acts as principal. For additional information on the trading practices of the Investment Delegate and the Model Providers, please see the following link: https://www.pnc.com/content/dam/pnc-com/pdf/personal/wealth-investments/PNCWM/Trade-Practice-Disclosure.pdf. Information regarding Investment Delegate and Model Provider trading practices is based upon data provided to us by both the Investment Delegate and the Model Providers. We make no representations regarding the accuracy of the information presented and cannot guarantee that the trading practices reflected in the information presented will be followed by the Investment Delegate or Model Providers in the future.

You should be aware that certain Model Providers provide their model portfolio updates to the Investment Delegate after they make changes to accounts that they manage directly. In these instances, this will impact execution prices for your Account relative to other accounts in the same investment strategy that are managed directly by the Model Provider. Depending on various factors, including price movements and variations in trade execution, the performance of your Account will differ from, and be better or worse than, the performance of such other accounts managed directly by the Model Provider. You should also review the Form ADV Part 2 for the Investment Delegate and, if applicable, the Model Provider you have selected, for additional information regarding that firm's execution practices.

Proxy Voting

PNC Wealth Management will vote all proxies for securities held in the Program Account on your behalf, unless you direct otherwise. PNC Wealth Management has retained and delegated our proxy voting power to Envestnet, a third-party service provider, to receive proxy statements and to vote shares. Envestnet votes proxies based on the recommendations of Glass-Lewis & Co. ("Glass-Lewis"), an independent third-party research provider. Glass-Lewis issues voting recommendations based on its own internal guidelines, which assist in limiting possible conflicts of interest in voting your proxies.

We will not vote proxies in accordance with voting instructions received from you. PNC Wealth Management has adopted policies and procedures to address any conflicts that arise in connection with voting proxies. PNC Wealth Management may depart from its stated guidelines in order to avoid voting decisions believed to be contrary to the best interests of its clients. More information regarding our policies and procedures regarding proxies can be obtained by contacting your Financial Advisor or by calling PNC Wealth Management at (800) 622-7086.

If you choose, you may request to vote your own proxies by providing us with written instructions to deliver all proxy related materials directly to you for consideration and execution. If you choose this option, proxy materials typically will be forwarded to you by the custodian for your Account. If this option is selected, PNC Wealth Management, or its third-party service provider, will no longer be in a position to vote proxies for any securities for your Account, including securities over which PNC Wealth Management has investment discretion.

PNC Wealth Management will not advise or act for you with respect to any legal matters for securities held in your Account, including class actions or bankruptcies. Documents received with respect to such matters will be forwarded directly to you for your consideration.

CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

As part of the acceptance and approval process, and by signing the Investment Management Agreement, you grant us discretionary trading authority over your Account. PNC Wealth Management utilizes information regarding your financial circumstances, investment goals and objectives and any special written instructions you may wish to give regarding your Account.

CLIENT CONTACT WITH PORTFOLIO MANAGERS

Your Financial Advisor will communicate any changes about you to PNC Wealth Management. You will have very limited, if any, direct contact with the individuals responsible for making investment decisions for the Program and will have no direct contact with the provider of any Manager Model you might select. You should direct any inquiries regarding the investment manager to your Financial Advisor.

ADDITIONAL INFORMATION

Disciplinary Information

- On April 11, 2016, PNC Wealth Management entered into a settlement (an “AWC”) with FINRA. Without admitting or denying the findings, PNC Wealth Management consented to the entry of findings that it failed to reasonably supervise the application of sales charge waivers to eligible mutual fund sales and failed to apply such waivers to mutual fund purchases by certain retirement plan customers that were eligible to purchase Class A shares in certain mutual funds without a front-end sales charge. The findings also stated that PNC Wealth Management failed to maintain adequate written policies and procedures or to provide adequate training to assist financial advisors in determining when sales charge waivers were available for retirement plan customers. PNC Wealth Management was not required to pay a fine, but consented to be censured and to pay restitution to eligible customers who did not receive sales charge waivers for fund purchases since July 1, 2009.

- On April 6, 2018, PNC Wealth Management entered into a settlement (“Order”) with the Securities and Exchange Commission (“SEC”). Without admitting or denying the findings, PNC Wealth Management consented to the findings that, as a result of the conduct described below, PNCWM willfully violated Sections 206(2), 206(4) and 207 of the Investment Advisers Act of 1940 (“Advisers Act”) and Rule 206(4)-7 thereunder. The Order finds that the violations resulted from the following conduct of PNCWM: (1) PNCWM, without adequate disclosure of the associated conflicts of interest, invested advisory clients in mutual fund share classes with 12b-1 fees instead of available lower-cost share classes of the same funds without 12b-1 fees; (2) PNCWM did not disclose a conflict of interest regarding marketing support payments paid on such mutual fund share classes that charged 12b1 fees; (3) PNCWM improperly charged advisory fees to client accounts where the investment adviser representative departed the firm (“Orphaned Accounts”) and where PNCWM failed to assign a new investment adviser representative within thirty days; and (4) PNCWM 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 and treatment of Orphaned Accounts.

The Order requires PNCWM to cease and desist from committing or causing any violations and any future violations of Advisers Act Sections 206(2), 206(4), and 207 and Rule 206(4)-7; censures PNCWM; and requires PNCWM to pay disgorgement of $5,234,856, and prejudgment interest of $612,344, to compensate advisory clients who were affected by certain conduct detailed in the Order. PNCWM will pay, in addition to the disgorgement and prejudgment interest described above, disgorgement of $497,144 in marketing support fees and prejudgment interest thereon of $63,426 to the SEC for the transfer to the general fund of the United States Treasury. Lastly, PNCWM will pay a civil monetary penalty of $900,000.

- On April 22, 2024, PNC Wealth Management signed a Final Order with the State of North Carolina Department of the Secretary of State Securities Division. Without admitting or denying the findings, PNCWM was ordered to pay civil penalties in the amount of $7,500 and costs of investigation in the amount of $1,000 resulting from the following conduct: (1) PNCWM and one investment adviser representative ("IAR") failed to comply with North Carolina's IAR registration requirements in violation of N.C.G.S. §78C-16(a1) in which the IAR transacted advisory business in North Carolina from on or about December 2021 through on or about October 2023 without being IAR registered; (2) PNCWM was in violation of N.C.G.S. §78C-18(b) and 18 NCAC 06A .1801(a)(18) by employing the IAR in North Carolina without the appropriate registration and by not furnishing this information to the IAR's PNCWM advisory clients; and (3) PNCWM failed to supervise the IAR's acts, practices and conduct to ensure adherence with North Carolina's IAR registration provisions in violation of N.C.G.S. §78C-19(a)(2)(j) and 18 NCAC 06A .1808.

- On April 24, 2024, PNC Wealth Management signed a Consent Agreement and Order with the Pennsylvania Department of Banking and Securities. The Department alleged that from on or about December 2018 until December 2023, PNCWM failed to register at least one employee as an investment adviser representative in Pennsylvania in violation of Section 301(c.1)(1)(ii) of the Pennsylvania Securities Act of 1972 ("the 1972 Act"), 70 P.S. § 1-301(c.1)(1)(ii). Without admitting or denying the findings in the Order, PNCWM agreed to pay a monetary fine of $100,000 and to comply with the relevant provision of the 1972 Act.

- On September 3, 2024, PNC Wealth Management signed a Settlement Order with the Commonwealth of Virginia Division of Securities and Retail Franchising. The Division alleged that from on or about February 2019 to June 2024, PNCWM failed to register an investment advisor representative in Virginia in violation of § 13.1-504 C (ii) of the Virginia Securities Act. Without admitting or denying the findings in the Order, PNCWM paid $10,000 in monetary penalties and $1,000 in investigation costs.

- On September 18, 2024 PNC Wealth Management entered into an Administrative Consent Agreement and Order with the District of Columbia's Department of Insurance, Securities and Banking alleging that from on or about August 2012 through February 2024, PNCWM failed to register three investment advisor representatives in D.C. in violation of D.C. Official Code §§ 31-5602(b)(2) and 31-5605.01(4). PNCWM paid $162,500 as a civil penalty and $1,080 in unpaid registration fees.

- On June 16, 2025, PNC Wealth Management entered into an agreement (an "AWC") with FINRA. Without admitting or denying the findings, PNC Wealth Management consented to the entry of findings that from at least June 2021, it violated FINRA rules by failing to establish and maintain a reasonably designed supervisory system, including written supervisory procedures, for the surveillance and supervision of rates of deferred variable annuity exchanges. PNC Wealth Management was required to pay a $200,000 fine and to implement a supervisory system and written supervisory procedures reasonably designed to achieve compliance in surveilling registered representatives' rates of deferred variable annuity exchanges consistent with applicable securities laws and regulations, and with applicable FINRA rules.

Other Financial Industry Activities and Affiliations

PNC Wealth Management' principal business is that of a full-service, general securities broker-dealer and investment adviser, registered with the SEC and as a member of FINRA. Our primary retail brokerage activities include the sale of corporate equities, corporate debt, municipal securities and funds, mutual funds, ETFs and annuities.

PNC Wealth Management is part of a broad financial services organization and is therefore affiliated with other entities engaged in a variety of financial services businesses. In some cases, the firm has business arrangements with its affiliates that are material to its advisory business or to its clients. These are described in more detail below and, in some cases, cause PNC Wealth Management' or a related person's interests to diverge from the best interests of our clients.

PNC Wealth Management is affiliated with the following financial services entities through its parent, The PNC Financial Services Group, Inc.:

- **PNC Bank, National Association** is a wholly owned subsidiary of The PNC Financial Services Group, Inc., and is a full-service bank engaged in traditional lending, cash and/or treasury management and other services.
- **PNC Capital Advisors, LLC** is a wholly owned subsidiary of PNC Bank and provides discretionary fixed income investment advisory services to institutional accounts.
- **PNC Capital Markets LLC** is an indirect, wholly owned subsidiary of The PNC Financial Services Group, Inc. and offers loan syndication, public finance underwriting and advisory services, securities underwriting and trading, private placements, asset securitizations and merger and acquisition advisory services.
- **PNC Insurance Services, LLC** is a wholly owned subsidiary of PNC Wealth Management and a licensed insurance agency. It provides a variety of insurance products and advice.

Selected conflicts of interest that exist between PNC Wealth Management and its affiliates are discussed below.

Although PNC Wealth Management is committed to acting in the best interests of our clients, in some situations there are conflicts of interest between the firm's interests and a client's interests, or there are conflicts in the interests of multiple clients. Many of these conflicts of interest are inherent in operating an investment advisory business. For example, PNC Wealth Management may have an incentive to resolve a matter in favor of clients that are affiliates of the firm over clients that are not affiliates of the firm. PNC Wealth Management has adopted policies and procedures that it believes are reasonably designed to help mitigate these conflicts of interest.

Affiliates of PNC Wealth Management provide advice to their clients with respect to investment strategies that are similar to or the same as strategies offered by PNC Wealth Management. Those advisory affiliates may purchase on behalf of their clients the same securities that PNC Wealth Management may purchase for our clients. As a result, the interests of PNC Wealth Management' clients may conflict with the interests of the clients of these affiliated advisors. For example, if an investment advisor affiliate implements a portfolio management decision for its client ahead of, or contemporaneously with, a decision PNC Wealth Management makes for its client(s), the market impact of the decision made by the firm's advisory affiliate could result in one or more of PNC Wealth Management' clients receiving less favorable trading results than they otherwise would. PNC Wealth Management' trade allocation and trade aggregation procedures do not typically apply to portfolio management decisions and trading executed by investment advisory affiliates for their clients that are not clients of PNC Wealth Management.

Affiliate Transactions

PNC Wealth Management or its affiliates may from time-to-time recommend investments in transactions in which PNC Wealth Management or its affiliates act as financial advisor or a broker-dealer, or in securities which are underwritten, issued, packaged or serviced by an affiliate.

Moreover, PNC Wealth Management may act as a broker in executing your purchase or sale for your account of a debt security from or to PNC Capital Markets, a brokerage affiliate. Additionally, your Financial Advisor may recommend you purchase a mutual fund advised by PNC Capital Advisors, an affiliated registered investment adviser. These affiliates receive compensation as a result of these transactions, if these transactions were to occur.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

PNC Wealth Management has adopted a Code of Ethics, which consists of certain general principles, including the following:

- Advisory personnel must place client interests before their own
- The personal securities transactions of our personnel must avoid even the appearance of a conflict with client interests
- Our personnel must avoid actions or activities that allow, or appear to allow, them to profit or benefit from their position with respect to clients, or that would otherwise bring into question their independence or judgment
- From time-to-time, PNC Wealth Management personnel may accept training, business entertainment or gifts of de minimis value from product vendors. PNC Wealth Management has adopted policies and procedures reasonably designed to ensure any such activity does not impact our personnel's ability to act in the best interests of our clients
- In addition, the Code of Ethics requires our employees to report their personal securities transactions and holdings. A copy of our Code of Ethics will be provided to any client or prospective client upon request.

Our employees are also subject to the PNC Employee Conduct Policies, which cover matters including compliance with law, conflicts of interest, insider trading, outside activities and safeguarding confidential information.

Client Reports

As part of the Capital Directions Program, we will provide periodic reports to assist you in monitoring and assessing the performance of your Account. These reports will contain information regarding trades, investment return, and selected benchmark comparisons. These reports may also contain letters, notices and other important information regarding the Model Managers and any changes to the Account during the period.

Client Referrals and Other Compensation

Your Financial Advisor may refer you to PNC Bank or other PNC Wealth Management affiliates for additional products or services and will generally receive compensation for such referrals.

A portion of the fees charged for the Capital Directions Program services described in this Brochure are paid to your Financial Advisor in connection with the introduction of Accounts as well as for providing client-related services within the Programs. This compensation may be more or less than a Financial Advisor would receive if you paid separately for investment advice, brokerage and/or other services.

Certain employees of PNC Bank's Wealth Management and or Private Client Group receive compensation in connection with referrals to PNC Wealth Management.

PNC Wealth Management has related persons who are investment advisors who act as general partners in partnerships in which our clients may be solicited. PNC Wealth Management would not have knowledge of such solicitations should they occur, and consequently, would not be a participant in them, nor would we receive any compensation for them.

Financial Information

In certain circumstances, PNC Wealth Management would be required to provide you with financial information or disclosures about our financial condition. Currently, no such circumstances exist for PNC Wealth Management. PNC Wealth Management has no financial commitments that impair our ability to meet our contractual and fiduciary commitments to our clients and has never been the subject of a bankruptcy proceeding.