



Marketing Rule Disclosure

1. Purpose and Scope

This document describes the policies, procedures, and disclosures that BAC Capital Advisors ("BAC," "we," or "our") follows in connection with its advertisements and other marketing communications, in compliance with Rule 206(4)-1 under the Investment Advisers Act of 1940 (the "Marketing Rule").

This document applies to all communications by BAC that meet the Marketing Rule's definition of an "advertisement," including but not limited to:

- The BAC and First Hill Trust Company websites and any sub-sites or landing pages
- Client-facing analyses generated by BAC's Proposal Studio platform, including gap analyses, proposals, benchmarking reports, and savings illustrations
- Pitch decks, capabilities presentations, and one-pagers
- Webinars, recorded presentations, and conference materials
- Email campaigns, drip sequences, and outreach communications
- Social media posts and professional networking content
- Testimonials, endorsements, and third-party ratings used in marketing
- Sponsored content, advertisements, and paid placements
- Any other communication offered to more than one person that offers BAC's investment advisory services or new investment advisory services to existing clients

This document is published in support of BAC's overall compliance program and does not modify any written agreement between BAC and any client. In the event of a conflict between this document and an applicable advisory agreement, the advisory agreement controls.

2. About BAC Capital Advisors

BAC Capital Advisors is an investment adviser registered with the U.S. Securities and Exchange Commission (the "SEC") under the Investment Advisers Act of 1940. BAC is a wholly-owned subsidiary of First Hill Trust Company ("FHTC"), a Washington state-chartered trust company.

Registration with the SEC does not imply a certain level of skill or training. Additional information about BAC, including its Form ADV Part 2A brochure and Form CRS Relationship Summary, is available on the SEC's Investment Adviser Public Disclosure website at adviserinfo.sec.gov.

BAC provides discretionary and non-discretionary investment advisory and fiduciary services to employer-sponsored retirement plans, including in the capacity of an ERISA 3(21) co-fiduciary investment adviser or an ERISA 3(38) discretionary investment manager, pursuant to written agreement.

3. General Standards Applicable to All BAC Advertisements

Every BAC advertisement is designed to meet the general prohibitions of the Marketing Rule. BAC will not disseminate any advertisement that:

1. Includes an untrue statement of a material fact or omits a material fact necessary to make the statement not misleading in light of the circumstances under which it was made;
2. Includes a material statement of fact that BAC does not have a reasonable basis to believe it will be able to substantiate upon SEC demand;
3. Includes information that would reasonably be likely to cause an untrue or misleading implication or inference to be drawn concerning a material fact relating to BAC;
4. Discusses or implies any potential benefits of BAC's services without providing fair and balanced treatment of any associated material risks or limitations;
5. References specific investment advice provided by BAC in a manner that is not fair and balanced;
6. Includes or excludes performance results, or presents performance time periods, in a manner that is not fair and balanced; or
7. Is otherwise materially misleading.

BAC maintains a written advertisement review process under which marketing materials are reviewed by the Chief Compliance Officer ("CCO") or the CCO's designee prior to dissemination. Records of review are retained in accordance with Section 12 below.

4. Hypothetical Performance and Illustrative Projections

A significant portion of BAC's client-facing materials contains illustrative figures, projected savings, side-by-side comparisons, and time-horizon analyses. These materials constitute "hypothetical performance" under the Marketing Rule and are subject to the additional requirements of Rule 206(4)-1(d).

4.1 Policies Applicable to Hypothetical Performance

BAC will not include hypothetical performance in any advertisement unless BAC:

1. Adopts and implements policies and procedures reasonably designed to ensure that the hypothetical performance is relevant to the likely financial situation and investment objectives of the intended audience;
2. Provides sufficient information to enable the intended audience to understand the criteria used and the assumptions made in calculating the hypothetical performance; and
3. Provides sufficient information to enable the intended audience to understand the risks and limitations of using the hypothetical performance in making investment decisions.

4.2 Intended Audience

Hypothetical performance produced by BAC is intended for an audience of plan sponsor fiduciaries, retirement plan committees, and the legal, financial, and HR professionals who advise them. It is not intended for, and should not be distributed to, retail investors or plan participants without modification appropriate to that audience.

4.3 Methodology Disclosure: Savings Projections and Fee Comparisons

Where BAC presents projected savings, fee comparisons, or time-horizon illustrations, the following methodology applies and is disclosed in the materials:

- **Calculation basis.** Projected savings figures are calculated as the sum of estimated annual differences between two scenarios over the stated time horizon. **Figures do not assume compounding, do not reflect investment returns on amounts saved, and do not reflect any other reinvestment effect.**
- **Time horizon.** Time horizons are presented as labeled (commonly ten years). Shorter and longer horizons would produce materially different figures.
- **Basis of comparison.** Comparisons are presented against the plan's current arrangement where reliable current-arrangement data is available to BAC, and against an industry-average or peer-tier benchmark where such data is not available. The basis of comparison is labeled in each illustration as either "vs. current" or "vs. industry."
- **Data sources.** Comparison figures may be derived from Form 5500 filings via the EFAST2 system, industry surveys, recordkeeper and provider disclosures, and other third-party sources believed to be reliable but not independently verified.
- **Plan-specific factors.** Actual fees, services, and outcomes for any particular plan depend on plan-specific facts including participant count, asset balances, investment lineup, service-provider selection, fee allocation methodology, and the terms of the applicable written agreements. Actual results will differ from any illustration.

4.4 Required Disclosures Accompanying Hypothetical Performance

Every BAC advertisement containing hypothetical performance carries (or links to) the following or substantially similar disclosure:

Illustrative figures shown are hypothetical and are calculated as the sum of estimated annual differences over the stated horizon. Figures do not assume compounding or investment returns on amounts saved. Comparisons are presented against the plan's current arrangement when known, or against an industry-average benchmark when current-arrangement data is not available; the basis of comparison is labeled in each illustration. Actual fees, services, and outcomes depend on plan-specific facts and will differ. Illustrations are not recommendations and do not constitute investment advisory services absent a written advisory agreement.

4.5 Prohibited Practices

BAC will not present hypothetical performance in a manner that:

- Implies that the projected outcome is guaranteed, assured, or likely;
- Compares hypothetical performance to actual performance without clear labeling;
- Omits material assumptions that would affect a reasonable plan sponsor's interpretation; or
- Cherry-picks favorable time periods, peer groups, or input assumptions to produce a more favorable result than a fair-and-balanced presentation would yield.

5. Predecessor Performance

If BAC presents performance results generated by an investment adviser other than BAC ("predecessor performance"), such performance will be included only when:

1. The person or persons who were primarily responsible for achieving the prior performance manage accounts at BAC;
2. The accounts managed at the predecessor adviser are sufficiently similar to the accounts being managed at BAC that the prior performance would provide relevant information to the intended audience;
3. All accounts that were managed in a substantially similar manner at the prior adviser are advertised, unless their exclusion would not result in materially higher performance; and
4. The advertisement clearly and prominently includes all relevant disclosures, including that the performance results were from accounts managed at another entity.

6. Performance Advertising Generally

Where BAC presents actual performance results in an advertisement, BAC will comply with the requirements of Rule 206(4)-1(d), including:

- Presentation of one-, five-, and ten-year (or since-inception, if shorter) annualized net performance for any advertisement that includes performance results, calculated as of a recent period-end date;
- Presentation of gross performance only when accompanied by net performance presented in equal prominence and using the same methodology and time periods;
- Clear identification of the time period covered, whether performance is gross or net of fees, and a description of the deduction of advisory fees and other expenses;
- Disclosure of material conditions, objectives, and investment strategies used to obtain the performance;
- Disclosure that past performance does not guarantee future results.

BAC does not currently present actual investment performance of pooled or composite client accounts in marketing materials. If BAC begins to do so in the future, this Section 6 will be updated to describe the

specific performance presentation methodology adopted, and supporting books and records will be maintained in accordance with Section 12.

7. Testimonials and Endorsements

BAC may from time to time include testimonials or endorsements in its advertisements. A "testimonial" refers to a statement by a current client or investor about that person's experience with BAC. An "endorsement" refers to a statement by a person other than a current client or investor that indicates approval, support, or recommendation of BAC.

7.1 Required Disclosures

Every testimonial and endorsement appearing in a BAC advertisement is accompanied by clear and prominent disclosure of:

1. Whether the person providing the statement is a current client or investor of BAC, or a non-client;
2. Whether the person was compensated, directly or indirectly, in cash or in kind, for providing the statement, and if so, a description of the compensation;
3. A brief description of any material conflicts of interest on the part of the person providing the statement resulting from BAC's relationship with that person.

7.2 Standard Testimonial Disclosure

Where a testimonial appears on a BAC website page or marketing piece, the following or substantially similar disclosure appears in proximity to the testimonial:

Client testimonial. The person providing this statement is [a current client / a former client / not a client] of BAC Capital Advisors. [No cash or non-cash compensation was paid for this statement / Compensation was paid for this statement in the form of [describe]]. [No material conflicts of interest exist on the part of the person providing this statement / The following material conflicts of interest exist: [describe]]. Testimonials reflect the experience of the individual providing them, are not representative of the experience of all clients, and are not a guarantee of any future result.

7.3 Compensated Testimonials and Endorsements

Where BAC provides compensation (cash or non-cash, direct or indirect) of more than de minimis value (defined for BAC's purposes as compensation valued at more than \$1,000 over the prior twelve months) in connection with a testimonial or endorsement, BAC will additionally:

1. Enter into a written agreement with the person providing the testimonial or endorsement describing the scope of the agreed-upon activities and the terms of compensation;
2. Have a reasonable basis for believing that the testimonial or endorsement complies with the Marketing Rule;

3. Confirm that the person providing the testimonial or endorsement is not subject to disqualification under Rule 206(4)-1(e);
4. Maintain records of the written agreement and supporting documentation in accordance with Section 12.

BAC will not enter into a compensated testimonial or endorsement arrangement with any person subject to a disqualifying SEC, court, or other regulatory action as defined under the Marketing Rule.

7.4 Affiliated Endorsements

Where a testimonial or endorsement is provided by an employee, officer, director, or other affiliated person of BAC or First Hill Trust, the affiliation is disclosed as a material conflict of interest under Section 7.1(3).

8. Third-Party Ratings

BAC may from time to time reference third-party ratings, rankings, or awards in its advertisements. Where BAC does so, the advertisement includes:

1. The date on which the rating was given and the time period the rating covers;
2. The identity of the third party that created and provided the rating;
3. Disclosure of any compensation, cash or non-cash, that BAC provided directly or indirectly in connection with obtaining or using the rating.

BAC will not include in any advertisement a third-party rating unless BAC has a reasonable basis to believe that the rating was generated through a process designed to produce an objective result and that the questionnaire or survey used to prepare the rating was structured to make it equally easy for a participant to provide favorable and unfavorable responses.

9. Fair and Balanced Treatment

BAC presents potential benefits of its services together with fair and balanced treatment of associated material risks and limitations. By way of example and not limitation:

- Marketing materials that describe potential fee savings or operational improvements also describe the assumptions, plan-specific factors, and limitations that affect whether those outcomes will be realized in any particular case.
- Marketing materials that describe BAC's fiduciary services describe the scope of the fiduciary capacity (e.g., 3(21) vs. 3(38)), the responsibilities that remain with the plan sponsor, and the fact that fiduciary status does not eliminate investment, market, or operational risk.
- Marketing materials that describe BAC's investment selection and monitoring process disclose that no selection or monitoring process can eliminate the possibility of investment underperformance.

- Marketing materials referencing affiliated services provided by First Hill Trust disclose the affiliation and the associated conflict of interest as described in Section 10.

10. Affiliated-Entity Disclosures

BAC is a wholly-owned subsidiary of First Hill Trust Company. Where BAC marketing materials reference, recommend, or include comparisons that favor First Hill Trust trustee, custody, recordkeeping, administration, or collective investment trust services, the materials disclose the affiliation and the resulting conflict of interest. This includes, where applicable, the following or substantially similar disclosure:

BAC Capital Advisors is a wholly-owned subsidiary of First Hill Trust Company. References on this page to services provided by First Hill Trust involve a material conflict of interest because recommending services provided by an affiliated entity generates revenue that remains within the affiliated group. Plan sponsors are under no obligation to use any affiliated service provider. This conflict is described in further detail in BAC's Form ADV Part 2A (Items 10 and 11), available at adviserinfo.sec.gov.

11. Statements Regarding Compliance with the Marketing Rule

BAC does not include in any advertisement a statement that the SEC has approved or sponsored BAC, any BAC advertisement, or any portion thereof. References to BAC's SEC registration appear together with the disclosure that registration does not imply a certain level of skill or training.

12. Recordkeeping

BAC maintains, in accordance with Rule 204-2 under the Investment Advisers Act, books and records supporting each advertisement, including:

- A copy of each advertisement disseminated;
- A record of the persons (or categories of persons) to whom the advertisement was disseminated and the date(s) of dissemination;
- Documentation supporting any material statement of fact in the advertisement, including data sources, methodology, and supporting calculations for any hypothetical performance presented;
- Copies of any written communications received by BAC relating to the performance or rate of return of any account;
- Copies of all written agreements with any person providing a compensated testimonial or endorsement;
- Documentation supporting BAC's reasonable basis for believing that any third-party rating included in an advertisement was generated through an objective process;

- Records of the advertisement review and approval process conducted by the Chief Compliance Officer or designee prior to dissemination.

Records are retained for a period of not less than five years from the end of the fiscal year during which the advertisement was last disseminated, with the first two years in an easily accessible location.

13. Form ADV Reporting

BAC reports on its advertising practices in Form ADV Part 1A, Item 5.L, including whether its advertisements include performance results, hypothetical performance, predecessor performance, testimonials, endorsements, third-party ratings, or references to specific investment advice. Form ADV is updated annually and in connection with material changes.

14. Training and Supervision

BAC's supervised persons receive training on the requirements of the Marketing Rule and on BAC's internal advertisement review and approval procedures. The CCO is responsible for the design, implementation, and periodic review of BAC's marketing compliance program, including the procedures described in this document.

15. Annual Review

BAC's marketing compliance program, including the procedures and disclosures described in this document, is reviewed at least annually by the CCO as part of BAC's annual compliance program review under Rule 206(4)-7. Material updates to this document are reflected in the "Last Reviewed" date above and communicated to relevant personnel.

16. Contact

Questions regarding BAC's marketing practices or this document may be directed to:

Bryan Hill, CCO . 206-625-1800. bhill@firsthilltrust.com

This document is published in support of BAC Capital Advisors' compliance with Rule 206(4)-1 under the Investment Advisers Act of 1940. It is informational in nature and does not modify any written agreement between BAC Capital Advisors and any client. Plan sponsors and other persons reviewing BAC marketing materials should also review BAC's Form ADV Part 2A brochure, Form CRS Relationship Summary, and the other disclosures available at [\[link to disclosures page\]](#).