

# **Meeder Asset Management, Inc.**

## **Wrap Fee Program Brochure**

Form ADV Part 2A Appendix 1

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**June 30, 2020**

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This wrap fee program brochure provides information about the qualifications and business practices of Meeder Asset Management, Inc. and our wrap fee investment advisory programs. If you have any questions about the contents of this brochure, please contact us at the telephone number listed above. 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. Meeder Asset Management, Inc. is a registered investment adviser. Registration as an investment adviser does not imply any level of skill or training.

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

## Item 2 – MATERIAL CHANGES

This brochure is updated annually and whenever any information in the brochure becomes materially inaccurate. Annually the firm provides clients with a copy of the updated brochure or a summary of material changes made to the last annual update. This section describes all changes made to this ADV disclosure brochure since its last annual amendment on March 30, 2020.

- **Item 18.** A disclosure was added regarding the firm’s acceptance and use of a Paycheck Protection Plan Loan.

Copies of the current ADV disclosure brochure are available on Meeder’s website at [www.meederinvestment.com](http://www.meederinvestment.com) or by contracting your investment representative.

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### **Item 4 – SERVICES, FEES AND COMPENSATION**

Meeder Asset Management, Inc. (“MAM”) is a wholly owned subsidiary of Meeder Investment Management, Inc., a privately held financial services holding company. This brochure provides information about the wrap fee programs sponsored by MAM and made available to its clients. Information about other investment advisory services may be found in the firm’s Form ADV, Part 2A brochure, which may be obtained upon request.

#### **Wrap Fee Program Services**

MAM offers a series of wrap fee program services. Each program offers a variety of managed investment strategies. Clients pay an asset-based fee that covers investment management, execution and custody services. Before recommending an appropriate program and investment strategy, we will obtain information regarding your financial circumstances, investment goals and objectives. We may use questionnaires or other methods to determine your risk tolerance. We will collect other pertinent information regarding your current investments, income, earnings, assets, liabilities, retirement plans, tax circumstances and insurance policies. This information is used to make recommendations regarding your investment strategy and clients should notify us promptly of any changes in their financial situation, goals or objectives. Your financial adviser will assist you in selecting an investment program and strategy that meets your investment needs and risk tolerance. Our wrap fee programs generally include the following asset management services:

- An initial interview conducted in person, by telephone or through a questionnaire, to determine your financial circumstances, investment objectives and risk tolerance.
- Recommendation of an investment program and strategy that meets your needs.
- Management of the account consistent with the selected strategy.
- Performance reporting.
- Periodic account reviews conducted in person, by telephone or through written communication.

Your financial adviser will help you open the custodial account for your selected program. The funds in your account will be held in a separate account, in your name, at an independent custodian. Additional services may be provided based on the advisory program selected or the individual terms of your investment management agreement. Depending on the program, some services may be provided by unaffiliated third-party financial advisers.

Many Meeder investment advisory services are offered exclusively in a wrap fee program account, which allows our clients to consolidate all of their investment advisory and custodial services within one managed account relationship. In a wrap fee program, your investment advisory fee includes execution and custody services, and clients do not pay commissions or transaction-based compensation for purchase or sale of securities in the account. Clients may receive comparable services from other broker-dealers or investment advisers and pay fees that are higher or lower than those charged in this program. Fees in such a program may be more or less than if the client had purchased investment management, custody and brokerage services separately outside of the wrap program. Wrap fee programs are not intended for investors who seek to maintain control over trading in their account. If you do not need continuous investment management, custodial and brokerage services may be available at a lower aggregate cost through other firms.

### **Program Descriptions**

Meeder offers a series of different wrap fee programs for different objectives.

#### ***Meeder Investment Portfolios***

Meeder Investment Portfolios offer clients the opportunity to purchase a managed portfolio of Meeder Funds designed to meet a variety of investment objectives. Clients utilize a questionnaire to determine their investment objectives and risk tolerance. The program recommends a suitable portfolio based on the information provided by the client. Working with their selected Financial Adviser, Clients select the portfolio that meets their needs. Meeder Investment Portfolios consist principally or exclusively of Meeder Funds selected by the portfolio manager to meet specific investment objectives and risk tolerance levels.

#### ***Meeder Select Portfolios***

Meeder Select Portfolios are a series of portfolios utilizing non-proprietary mutual or exchange-traded funds to build portfolios designed to meet a variety of different investment objectives. Clients utilize a questionnaire to determine their investment objectives and risk tolerance. Many Select Portfolios offer clients the benefits of Meeder tactical management in a portfolio built from non-proprietary funds. The program recommends a suitable portfolio based on the information provided by the client. Working with their selected Financial Adviser, Clients select the portfolio that meets their needs.

#### ***Meeder Premier Portfolios***

Meeder Premier Portfolios are a series of portfolios comprised of non-proprietary exchange-traded funds that utilize Meeder tactical management to guide allocation of the assets across

available asset classes. Each Premier Portfolio is designed to meet a different investment objective. Your investment adviser representative will recommend a suitable portfolio following an assessment of your financial circumstances and objectives.

### ***Separately Managed Accounts***

MAM also manages a variety of Separately Managed Accounts consisting of individual securities and non-proprietary mutual and exchange-traded funds. Each Separately Managed Account is designed to achieve a different investment objective. We are the portfolio manager for each of the strategies available in this program and exercise discretion over trading in these accounts. Clients work with their financial adviser to select the Separately Managed Account most appropriate to their needs.

### ***Private Wealth Management***

Meeder Private Wealth Management provides portfolio management solutions for high net worth clients. Private Wealth Management portfolios are customized to accommodate existing holdings, if applicable, and any unrealized taxable gain or loss in the account. The individual equity and asset allocation decisions seek to minimize the tax liability of the client by allocating the portfolio and undertaking transactions in a tax efficient manner. Portfolios are based on a strategy suitable for the client's investment objectives and risk tolerances, but are individually tailored to reflect each client's investment objective, risk tolerance, and time horizon while seeking to maximize after tax return. We may utilize the services of a sub-adviser to manage portions of the portfolio. We do not charge a separate fee for utilization of a sub-adviser in a Private Wealth Management account and we will pay the sub-adviser directly for its services from the advisory fee paid by the client.

### ***Adviser Directed Accounts***

In this program, accounts are managed directly by your investment adviser representative on a discretionary basis and in accordance with your stated investment objectives, risk tolerance, time horizon and other instructions. Your Meeder Wealth Management adviser will undertake a review of your financial circumstances, evaluate your existing investments, and recommend solutions tailored to your investment needs and objectives. Once a strategy is chosen, your adviser will be responsible for making investment decisions for the account. Adviser Directed Accounts may be invested in any securities or investments available to the client on the custodial platform, including mutual funds, exchange traded funds, stocks, bonds and other securities.

### ***Short Term Fixed Income Portfolios***

In this program, MAM offers a variety of portfolios individually designed for clients seeking income from highly liquid instruments. Participation in the program generally requires a minimum \$1,000,000 investment. Short Term Fixed Income Portfolios are constructed from individual securities selected by the portfolio manager, including commercial paper, taxable and tax-exempt bonds, and certificates of deposit. Money market funds may also be utilized.

The portfolio manager selects commercial paper, taxable and tax-exempt bonds from issuers approved by the firm's credit committee, which utilizes fundamental credit and relative value analysis combined with ongoing oversight to select issuers eligible for purchase in this program.

### **Institutional Intelligent Portfolios**

Meeder Investment Portfolios and Meeder Select Portfolios are available through a program known as Institutional Intelligent Portfolios®. This automated investment program is offered only to accounts opened at Charles Schwab & Co., Inc. and through its affiliate, Schwab Performance Technologies (collectively "Schwab"). The program automates certain parts of our investment process and is made available to clients online. The system includes a questionnaire that can help determine the client's investment objectives and risk tolerance. Based on that information, we will recommend a portfolio through the system that meets the client's needs.

Each portfolio opened through this program includes an allocation of no less than 4% of the value of the portfolio to cash. A Schwab affiliate, Charles Schwab Bank, earns revenue from these holdings, which helps offset the expense of offering the program. Legacy accounts not offered through this program do not include a cash allocation and differ materially from the models offered on this program.

For clients utilizing Meeder Investment Portfolios and Meeder Select Portfolios, MAM is solely responsible for determining whether the program is appropriate for the client, approving a suitable investment strategy or portfolio for the client, and managing that portfolio on an ongoing basis. Schwab is not responsible for these functions and does not act as the Client's investment adviser or point of contact. We are independent of and not owned by, affiliated with, sponsored or supervised by Schwab or its affiliates.

### **Program Account Fees**

Each wrap fee program offered by MAM carries an Investment Management Fee, which includes investment management, administrative, custodial and execution services for the account. Programs referred by third-party financial advisers may also carry a financial adviser fee. All applicable fees are identified in the client's Investment Management Agreement and are withdrawn by the qualified custodian at MAM's direction in accordance with our Terms and Conditions.

### ***Investment Management Fee***

Meeder charges different fees depending on the nature of the account and the amount of household assets under management. Our investment management fee schedule is as follows:

<b>Managed Accounts</b>				
<b>Assets</b>	<b>Meeder Premier Portfolios</b>	<b>Separately Managed Accounts</b>	<b>Adviser Directed Accounts</b>	<b>Private Wealth Management</b>
Under \$500,000	1.25%	1.25%	1.25%	1.25%
\$500,000 - \$1,000,000	1.00%	1.00%	1.00%	1.25%
\$1,000,000 - \$2,500,000	0.75%	0.75%	0.75%	1.00%
\$2,500,000 - \$5,000,000	0.50%	0.50%	0.50%	0.75%
\$5,000,000 - \$10,000,000	0.40%	0.40%	0.40%	0.50%
Over \$10,000,000	0.40%	0.40%	0.40%	0.40%

<b>Intelligent Portfolios</b>		
<b>Assets</b>	<b>Meeder Investment Portfolios</b>	<b>Meeder Select Portfolios</b>
Under \$500,000	0.00%	1.25%
\$500,000 - \$1,000,000	0.00%	1.00%
\$1,000,000 - \$2,500,000	0.00%	0.75%
\$2,500,000 - \$5,000,000	0.00%	0.50%
Over \$5,000,000	0.00%	0.40%

<b>Fixed Income</b>		
	<b>Short Term Fixed Income</b>	<b>Bank Deposit Program</b>
	0.35%	0.25%

The fees shown are annual fees and may be negotiable depending on various factors, including the type and size of the account, services offered, and relationship to other accounts. Where accounts are opened below our minimum account size, an annual minimum fee may be charged. Your fee is detailed in the investment management agreement you execute to open your account.

**Financial Adviser Fee**

MAM receives referrals of clients through representatives of broker-dealers and investment advisers not affiliated with our firm (“Financial Advisers”). Where applicable, your Financial Adviser is responsible for obtaining information regarding your financial situation and investment objectives, determining whether any of the wrap fee programs offered by MAM would be suitable for you, providing you with information about the program and its investment adviser, assisting you with the account paperwork, and being reasonably available

for ongoing consultation. Your Financial Adviser may receive compensation for these services at a rate up to 1.50%. Financial Adviser fees are paid separately from any investment management fee charged by MAM and may increase the total fees paid by the client. Any applicable Financial Adviser Fee will be separately set forth in the Written Disclosure Statement attached to the investment management agreement.

### ***Terms and Conditions***

Fees for newly opened wrap fee program accounts are payable monthly in arrears based on the average daily balance of the account during the preceding month. The account fee is calculated by multiplying the average daily balance of the account during the preceding month, including all balances in cash or money market funds, by one-twelfth of the applicable annual fee. Fees for many legacy accounts are payable quarterly, in advance, for the upcoming calendar quarter. The account fee for these accounts is calculated based on the end of quarter market value of all assets in the account, including all balances in cash or money market funds, multiplied by one-quarter of the applicable annual fee. All fees applicable to any account are set forth in the investment management agreement.

Fees are deducted from the account by the qualified custodian pursuant to authority granted by the client. Investment management agreements may be terminated at any time. Investment management fees paid in advance are refundable and clients will receive a pro-rata refund of fees paid based on the number of days remaining in the billing period. Additional terms and conditions may be found in the investment management agreement and related disclosures for each program.

### **Other Fees, Expenses and Compensation**

Depending on the wrap fee program, investment strategy, underlying securities and selected custodian, clients may pay additional fees or expenses for certain services or transactions. In addition, MAM earns additional compensation in connection with certain investment products or services made available in its wrap fee programs.

### ***Custodial Fees***

The wrap fee does not include certain additional charges levied by the custodian, including wire transfer and electronic fund fees, handling and special service fees, fees for trades executed away from the custodian, mark-ups and mark-downs, spreads paid to market makers and other fees and taxes on brokerage accounts and securities transactions.

### ***Internal Product Expenses***

Mutual funds, money market funds and exchange-traded funds charge internal management fees and other expenses. These expenses are typically charged as a percentage of the asset value of the fund and have the effect of reducing the overall performance of the investment. These fees and expenses are fully disclosed in the prospectus for the product and are in addition to the investment management fee charged for the program.



### ***Proprietary Mutual Fund Fees and Expenses***

Some wrap fee program accounts include positions in Meeder Funds. MAM is the investment adviser for the Meeder Funds and receives compensation paid by the funds for its investment advisory services. In addition, MAM's affiliates earn administrative, transfer agent and distribution fees for various services provided to the funds. These fees are set forth in the Meeder Funds prospectus and annual report. Meeder Investment Portfolios do not charge an investment advisory fee. For accounts that hold individual positions in Meeder Funds, MAM waives any investment advisory fee otherwise due under the investment management agreement for the sums invested in the Meeder Funds.

### ***Additional Compensation***

MAM offers two FDIC-insured bank deposit programs that allow investment of available cash balances into interest bearing bank accounts. In the program offered at Huntington National Bank, MAM earns a fee for assets invested in the program, which is withdrawn from client accounts pursuant to separate authorization. MAM also refers clients to an FDIC-insured bank deposit program managed by StoneCastle Cash Management, LLC ("StoneCastle"). For assets invested in this program, MAM receives a placement fee from StoneCastle.

### **Representative and Portfolio Manager Compensation**

Our wrap fee programs are often recommended to clients by investment adviser representatives associated with MAM. These representatives earn a portion of the advisory fee paid to MAM for the services offered in the account. Compensation varies depending on the program, the representative's overall revenue and any discounts offered. Our representatives are paid on the same schedule regardless of the product offered and have no financial incentive to recommend one product over another. Adviser Directed and Private Wealth Management portfolios are managed by individual advisers who may receive a portion of the advisory fee paid to MAM for the services offered in the account. Portfolio managers for other commonly offered investment strategies are compensated primarily through a salary and bonus structure.

### **Brokerage Practices**

MAM may elect to aggregate trades executed for a client's account with trades being executed for the same securities in other accounts we manage, including trades for the Meeder Funds. Each client participating in an aggregated transaction receives the same average share price and transaction costs are shared equally and on a pro-rata basis. If the full amount of an aggregated order is not filled, the partially executed order will be allocated on a pro-rata basis based on the size of the original allocation.

## ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

MAM has established minimum account requirements for client accounts in its wrap fee programs, which vary based on the nature of the program, investment strategy and underlying assets. Minimums are subject to waiver. If a program account falls below the minimum account requirement, MAM reserves the right to terminate the account at its discretion. The minimum account size for our wrap fee programs are as follows:

<b>Meeder Investment Portfolios</b>	\$5,000
<b>Meeder Select Portfolios</b>	\$5,000
<b>Meeder Premier Portfolios</b>	\$250,000
<b>Separately Managed Accounts</b>	\$250,000
<b>Private Wealth Management</b>	\$250,000
<b>Adviser Directed Accounts</b>	\$250,000
<b>Short Term Fixed Income</b>	\$1,000,000
<b>Bank Deposit Program</b>	\$250,000

MAM provides investment advisory services to a wide variety of clients, including but not limited to individuals, corporations, trusts, estates, charitable organizations, retirement plans, investment companies, and public entities.

## ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

### Portfolio Managers

All client accounts offered under the wrap fee program are managed by portfolio managers employed by MAM or its affiliates. Each strategy is generally assigned to a team of portfolio managers who report to the firm's Chief Investment Officer. In Adviser Directed Accounts, your investment adviser representative acts as the portfolio manager for the account or the portion of the account allocated to this program. Meeder generally requires that investment adviser representatives who approve portfolios in these accounts have a CFP, CFA or other similarly recognized designation with an emphasis in portfolio management or related topics and one year's prior experience with the firm.

Some programs utilize sub-advisers to manage portions of an account or strategy. When selecting sub-advisers, MAM places greatest weight on performance relative to the sub-adviser's peers. Factors relevant to MAM's selection of sub-advisers include the sub-adviser's performance, methods of analysis, fees, expertise and experience. MAM will periodically monitor the sub-adviser's performance to ensure that its management and investment style remain aligned with the objectives and goals of the portfolio. MAM investment adviser

representatives who serve as portfolio managers are not subject to the same selection and review process described for non-affiliated sub-advisers.

### **Advisory Services**

Meeder Asset Management, Inc. designs investment solutions that manage risk and improve investor outcomes. The firm is a defensive investing pioneer, whose tactical asset allocation expertise dates back to the firm's inception in 1974. MAM offers its clients a model-driven, multi-discipline, multi-factor approach to investing. Our investment solutions include mutual funds, investment portfolios, separately managed accounts, retirement plan services, cash management solutions, and individualized financial planning services.

### **Reasonable Restrictions**

Clients may request reasonable restrictions on the management of their wrap fee program accounts. Such restrictions may include imposition of limitations or preferences concerning transactions in certain securities or asset classes, frequency of rebalancing and tax-loss selling. Depending on its nature and investment holdings, each wrap fee program can accommodate these requests differently.

### **Performance-Based Fees and Side-by-Side Management**

MAM does not charge or accept performance-based fees.

### **Methods of Analysis and Investment Strategies**

Through its investment advisory affiliates, Meeder offers a broad array of equity, fixed income and other investment strategies designed to meet the needs of individual investors and retirement participants. Depending on the product or service selected, Meeder will allocate assets across a wide variety of securities and other investments, including Meeder mutual funds, unaffiliated mutual funds, ETFs, closed-end funds, fixed income securities, individual equities and alternative investments.

Meeder specializes in quantitative investment analysis. This is a method of evaluating securities and other assets by analyzing large amounts of data through the use of quantitative models. Our investment models consider a wide breadth of factors – from traditional valuation and profitability measures, to momentum indicators, to other price signals. This data universe, combined with our proprietary signal construction methodology and optimization process, is used to create the proprietary models that guide our investment process. Meeder performs ongoing research to continually maintain and improve the effectiveness of its quantitative investment models and analysis.

Some MAM separately managed accounts utilize the Defensive Equity Strategy, a quantitative approach to investing developed by Robert Meeder, Sr. in 1974 that still serves as the foundation for MAM's investment approach. Combining long-term and short-term signals generated from our proprietary quantitative model, our Defensive Equity Strategy seeks out the best opportunities for returns in the financial markets, while managing the inherent risks of

investing. In separately managed accounts utilizing this strategy, MAM invests more heavily in equities when our investment models indicate that the risk/reward relationship of the stock market is positive. When the relationship turns negative, we invest defensively in fixed income securities, fixed income funds or cash products until the market turns more favorable for investors according to our investment models.

### **Risks Associated with Portfolio Investments**

Investing in securities involves risk of loss that clients should be prepared to bear. Although MAM manages client assets in a manner consistent with the stated investment objective and risk tolerance of the portfolio product, the investment decisions we make may not produce the expected returns, may cause the portfolio to lose value, or may cause the portfolio to underperform other portfolios with similar investment objectives. There is no assurance that a portfolio's objective will be achieved. Material risks associated with the strategies include:

**Asset Allocation Risk.** The strategies rely heavily upon allocation of assets among different asset classes to achieve their investment objectives through diversification. If asset classes perform differently than expected, the portfolio may perform worse than a non-diversified portfolio.

**Commodities Risk.** The strategies may cause us to invest in commodities. Investments in commodities are subject to greater volatility than traditional securities. Commodity prices are influenced by unique factors distinct from those that affect stocks and bonds, including supply and demand factors, weather, currency movement, and international government policy.

**Concentration Risk.** Some portfolios are concentrated in Meeder Funds, which are managed by the same investment adviser. A strategy followed by the adviser could adversely affect all or most of the funds in the portfolio, causing it to perform worse than a portfolio diversified over multiple managers.

**Credit Risk.** A decline in the credit quality of a fixed income investment in bonds or corporate debt obligations could cause the fund to lose value. An issuer of a fixed income security may not be able to make interest and principal payments when due. Such default could result in additional losses.

**Derivatives Risk.** We may utilize derivatives in connection with their investment strategies, including futures and options. Derivatives are riskier than other types of investments because they may be more sensitive to changes in economic or market conditions and could result in losses that significantly exceed the original investment. Derivatives also are subject to the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index.

**Exchange-Traded Funds Risk.** Many of the portfolios include exchange-traded funds, which may not be able to exactly replicate the performance of the indices they track. The fund may also trade at a discount to its net asset value.

**Fixed Income Risk.** The portfolios may include fixed income securities. These securities will increase or decrease in value based on changes in interest rates. If interest rates rise, the value of a portfolio's fixed income investments generally declines.

**Foreign Investment Risk.** Investments in securities of foreign issuers present additional components of risk; including economic, political, legal, and regulatory differences compared to domestic investments. Foreign currency fluctuations may also affect the value of foreign investments.

**Investment Company Risk.** Some portfolios are comprised of mutual funds and the value of the portfolio will fluctuate in response to the performance of the underlying fund. Mutual funds also generate taxable capital gains distributions to a greater extent than would be the case for a direct investment in equities held by the fund.

**Leverage Risk.** The strategies may utilize leverage, such as borrowing money to purchase securities or the use of derivatives, which may result in additional expenses and magnify the gains or losses.

**Market Capitalization Risk.** A portion of the portfolios may be allocated to mid and small capitalization investments. Investments in these capitalization ranges may be more sensitive to events and market conditions than large capitalization stocks.

**Market Risk.** The portfolios hold equity investments, which fluctuate in value due to changes in general economic conditions and market developments.

**Quantitative Analysis Risk.** The adviser relies heavily on quantitative data supplied by third parties to evaluate investments and construct optimal portfolios. In the event this data is inaccurate or incomplete, investment decisions may be compromised. Quantitative analysis is unlikely to be successful unless the quantitative assumptions made by the adviser remain relevant in future market conditions. If future market environments do not reflect the assumptions made in our quantitative models, quantitative investment strategies employed may exhibit capital loss.

**Real Estate Risk.** The portfolios may invest in underlying funds that invest in real estate, including real estate investment trusts. The value of these securities will rise and fall in response to many factors, including economic conditions, the demand for rental property and changes in interest rates.

**Short-Selling Risk.** Our strategies involve short-selling of securities. The portfolio will incur a loss as a result of a short sale if the price of the security sold short increases in value between the date of the short sale and the date on which the fund purchases the security to replace the borrowed security. Fund losses are potentially unlimited in a short sale transaction, which are considered speculative in nature.

**Turnover Risk.** Our strategies or an underlying fund we select may actively trade portfolio securities to achieve a principal investment strategy, which can be driven by changes in quantitative investment models. A high rate of portfolio turnover involves correspondingly high transaction costs, which may adversely affect account performance over time and may generate more taxable short-term gains for shareholders or clients.

### **Voting Client Securities**

In discretionary accounts, MAM typically accepts authority to vote proxies for our clients; however, certain clients may retain proxy voting authority. For those clients who give MAM authority to vote proxies on their behalf, MAM has adopted proxy voting policies and procedures designed to ensure that we vote such proxies in a manner consistent with the best interest of our clients. MAM will neither advise nor act on behalf of clients in legal proceedings involving companies whose securities are held in a client's account, including the filing of "proofs of claim" in connection with class action settlements.

To assist MAM with voting proxies, MAM has engaged an unbiased, unaffiliated, third-party proxy voting service to provide proxy voting recommendations. Proxies are generally voted in accordance with the recommendations of the third-party proxy voting service, but MAM reserves the right to exercise its own judgment on a case-by-case basis. MAM will not vote proxies for any client in a manner designed to benefit any other client. In the event MAM becomes aware of a material conflict of interest relating to a proxy between MAM and a specific client, MAM will typically deliver the proxy to the client and disclose the nature of the conflict. MAM's proxy voting policy and procedures and a record of all proxy votes cast on behalf of clients are available upon request. MAM also keeps records regarding votes cast regarding client securities. Please contact MAM for further information.

### **ITEM 7 – Client Information Provided to Portfolio Managers**

In connection with each account, we collect and use personal information provided by our clients to recommend an appropriate wrap fee program and investment strategy. Meeder does not currently use third-party portfolio managers and does not share client information with sub-advisers.

### **ITEM 8 – Client Contact with Portfolio Managers**

The primary point of contact for clients in MAM's wrap fee program accounts is the client's designated investment adviser representative. Whether the account is managed by a separate portfolio manager or is one in which the client's own representative acts as the portfolio manager, the investment adviser representative is responsible for regular consultation regarding management of the account. Where necessary, the investment adviser representative can enlist portfolio managers to provide additional information.

## **ITEM 9 – Additional Information**

### **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. We do not have any information to disclose concerning, MAM, its affiliates or investment adviser representatives.

### **Other Financial Industry Activities and Affiliations**

MAM is a wholly owned subsidiary of Meeder Investment Management, Inc. Other wholly owned subsidiaries include Meeder Advisory Services, Inc. (“MAS”), Meeder Public Funds, Inc. (MPF), Meeder Distribution Services, Inc. (“MDS”), Mutual Funds Service Company (“MFSCo”) and Meeder Insurance Services, LLC.

MAS is registered investment adviser that typically serves as an investment strategist, providing independent broker-dealers, investment advisers, and other financial intermediaries with access to Meeder’s investment portfolios and retirement portfolios, which consist principally of Meeder Funds. In addition, MAS provides investment management services to retirement plans and their participants.

MPF is a registered investment adviser that provides professional investment advisory and administrative services to state and local public funds managers. MPF provides both discretionary and non-discretionary investment management services limited to the purchase and sale of fixed income securities.

ADS is a limited purpose broker-dealer and FINRA member firm which serves as the principal underwriter and distributor of the Meeder Funds. ADS does not hold client accounts or execute trades for MIM affiliates.

MFSCo provides shareholder, transfer agent and dividend distribution services for the Meeder Funds. Acting as the administrator for Meeder Funds, MFSCo enters into selling agreements with unaffiliated broker-dealers and financial intermediaries to distribute and provide other services in connection with the sale of fund shares.

Meeder Insurance Services, LLC., is a licensed insurance agency. Some Meeder representatives are licensed insurance agents or representatives of Meeder Insurance Services who may recommend the purchase of certain insurance products. Insurance products are offered on a commission basis.

### **Custody**

MAM currently utilizes two qualified custodians for its wrap fee program accounts, Huntington National Bank (“HNB”) and Charles Schwab & Co. (“Schwab”). While many legacy accounts are maintained at HNB, new accounts will be opened directly at Schwab. Clients receive account statements directly from the qualified custodian at least quarterly. Clients are encouraged to

review carefully and compare the custodial records to the account statements provided by MAM.

### ***Huntington National Bank***

Accounts set up at HNB are held in separate accounts in the name of Meeder Asset Management for the benefit of the individual client. MAM is deemed to have custody of client assets held in these accounts by virtue of its authority to withdraw funds or securities from those accounts and it has implemented policies and procedures intended to safeguard client funds and securities held at HNB for the benefit of MAM's clients.

### ***Charles Schwab***

MAM has entered into an agreement with Charles Schwab & Co. ("CS&Co.") to provide custodial and brokerage services to its wrap fee clients and new wrap fee program accounts must generally be enrolled at Schwab. MAM is deemed to have custody of assets held at CS&Co. to the extent clients provide MAM with authority to deduct advisory fees directly from client accounts.

### **Code of Ethics**

MAM has adopted a Code of Ethics that complies with Rule 17j-1 of the Investment Company Act of 1940 and Rule 204A-1 of the Investment Advisers Act of 1940. The Code sets forth fiduciary standards that govern the conduct of directors, officers and employees who have access to client information. The Code incorporates the firm's outside employment, political contribution, and gift policies. Personnel subject to the Code must acknowledge their compliance with the Code and applicable securities laws and report any violations of the Code with which they become aware to the firm's Chief Compliance Officer. A copy of the Code is available to prospective and current clients upon request.

Directors, officers and employees of MAM and its affiliates may take positions in securities owned by the firm's clients, which may pose a potential conflict of interest. The firm has implemented policies designed to detect and mitigate such conflicts of interest, including prohibitions on unacceptable trading activities, such as front running, short-swing trading and insider trading. Directors, officers and employees who recommend securities or have access to non-public information are prohibited from personally trading in reportable securities recommended to clients in close proximity to the client's transaction. Employees having access to this information must also make periodic reports of their securities accounts and transactions in reportable securities.

### **Participation or Interest in Client Transactions**

Among its available investment options, MAM offers Meeder Investment Portfolios to its clients, which are allocated principally or exclusively among Meeder mutual funds selected by MAM to meet specific investment objectives and risk tolerance levels. Meeder Funds are often the only investment options utilized for a Meeder Investment Portfolio. In other cases, MAM exercises a preference for its affiliated proprietary mutual funds, but may supplement the



portfolio with limited third-party mutual funds to meet specific objectives. Because MAM and its affiliates earn fees when proprietary mutual funds are selected for the Meeder Investment Portfolios, this presents a conflict of interest. The mutual fund fees differ between the available Meeder funds and the total fees collected by MAM and its affiliates will vary depending on the fund allocation in each portfolio.

MAM acts to mitigate this conflict by not exercising discretion over whether or to what extent a client's assets will be invested in a Meeder Investment Portfolio solution. MAM also waives any investment management fee for the sums invested in the Meeder Funds. When allocating portfolios among Meeder Funds, MAM applies fund selection criteria that do not differentiate between or among Meeder Funds and portfolio managers responsible for these strategies are not compensated based on the amount earned by Meeder in management fees for the portfolio.

### ***Economic Benefits***

MAM has entered into an agreement with Charles Schwab & Co. ("CS&Co") to provide custodial and brokerage services to its wrap fee clients. Through its Schwab Adviser Services division, CS&Co. provides MAM and its clients with access to institutional brokerage services, including trading, custody and reporting, many of which are not typically available to retail customers. CS&Co.'s support services are made generally available to us so long as we maintain a total of at least \$10 million of our clients' assets at the firm. In addition, MAM does not pay custodial fees for accounts enrolled through the Institutional Intelligent Portfolios platform so long as we maintain \$100 million in client assets not enrolled in this program.

In connection with this agreement, CS&Co. provides MAM with various support services. Some of those services help us manage or administer our clients' accounts; while others help us manage and grow our business. In connection with its agreement with CS&Co., MAM has access to software and other technology that provides access to client account data, facilitates trade execution and allocates aggregated trade orders for multiple client accounts, provides pricing and other market data, facilitates payment of our fees from our clients' accounts, and assists with other back-office functions, such as recordkeeping and client reporting. CS&Co. may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. CS&Co. may also discount or waive its fees for some of these services or pay all or a part of a third party's fees.

### **Review of Accounts**

MAM regularly reviews and evaluates the models or investment strategies used to guide its client's accounts. Each such strategy is assigned to a portfolio manager who reviews the model no less than quarterly to ensure that it meets the selected asset allocation and diversification goals. Additional reviews may take place during significant market events. Recommended changes to funds selected for a portfolio are reviewed by the firm's Investment Committee. Client accounts allocated to one or more models are not typically reviewed individually, but MAM monitors accounts to ensure compliance with the selected strategy and any applicable investment restrictions.

## **Client Referrals and Other Compensation**

MAM receives referrals of clients through representatives of broker-dealers and investment advisers not affiliated with our firm (“Financial Advisers”) pursuant to a written agreement. Under this program, your Financial Adviser is responsible for obtaining information regarding your financial situation and investment objectives, determining whether any of the wrap fee programs offered by MAM would be suitable for you, providing you with information about the program and its adviser, assisting you with the account paperwork, and being reasonably available for ongoing consultation. Payments to unaffiliated Financial Advisers must be approved by the client after being provided with identity of the representative, the amount of the compensation, and the nature of the relationship. Financial Adviser fees are paid separately from any advisory fee charged by MAM and may increase the fees paid by the client. Annual fees payable to Financial Advisers are negotiable and vary by platform, but generally range from 0.50% to 1.50% of the assets under management.

MAM also pays solicitor fees to unaffiliated third-party broker-dealers and investment advisers pursuant to a written agreement. Under these agreements, MAM shares advisory fees with solicitors who refer business to MAM or one of its affiliated advisers pays a fee collected from the client to the referring broker-dealer or investment adviser. Solicitor fees are generally paid through a MAM affiliate, Meeder Advisory Services, Inc. Any solicitor payment must be approved by the client after being provided with identity of the solicitor, the amount of the compensation, and the nature of the relationship. Solicitor fees are paid solely from the Program fee paid to MAM and do not result in any additional charge to the client.

From time to time, MAM will make payments to third parties that introduce MAM to financial institutions that participate in MAM’s Bank Deposit Program. The financial institutions provide MAM with additional capacity for MAM to offer potential clients the opportunity to participate in MAM’s Bank Deposit Program. The payments by MAM do not create a potential conflict of interest as MAM receives no additional benefit from placing client’s money with the financial institutions to which MAM was introduced.

## **Financial Information**

MAM has no financial commitments that impair its ability to meet contractual and fiduciary commitments to its clients and has not been subject to a bankruptcy proceeding. While confident of its ability to meet contractual and fiduciary commitments, the firm evaluated resources made available by the government to help businesses handle the negative financial impact of COVID-19. In April 2020, MAM’s parent company, Meeder Investment Management, Inc., received a Paycheck Protection Plan (PPP) loan through the U.S. Small Business Administration in conjunction with the relief afforded under the CARES Act. Meeder Investment Management utilized the PPP loan to continue making payroll for various aspects of the firm’s business and for other permissible purposes, many of which are unrelated to the fiduciary and administrative services provided by the Adviser. The loan may be forgiven in whole or in part in the event the firm satisfies the terms of the program.