



Prudential  
PGIM Custom Harvest  
655 Broad Street  
Newark, NJ 07102

March 28, 2025

## **PGIM Custom Harvest LLC Disclosure Documents**

This PDF document contains the following PGIM Custom Harvest LLC Disclosure Documents for Morgan Stanley:

- I. Form ADV, Part 2A Brochure
- II. Form ADV, Part 2B Brochure Supplement
- III. Privacy Notice
- IV. Proxy Voting Policy Summary

A Summary of Material Changes and Form CRS will be provided under separate covers.



**Prudential**  
**PGIM Custom Harvest**  
655 Broad Street  
Newark, NJ 07102

I. Form ADV, Part 2A Brochure

**PGIM Custom Harvest LLC**

(“PGIM Custom Harvest” or “Adviser”)

**655 Broad Street Newark, New Jersey 07102**

**[www.pgim.com/investments/pgim-custom-harvest-sma-platform](http://www.pgim.com/investments/pgim-custom-harvest-sma-platform)**

**Form ADV Part 2A Firm Brochure (“Brochure”)**

**March 28, 2025**

**This brochure provides information about the qualifications and business practices of PGIM Custom Harvest. If you have any questions about the contents of this brochure, please contact us at 973-802-9908 or [pgiminvestmentscompliance@pgim.com](mailto:pgiminvestmentscompliance@pgim.com). 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.**

**Additional information about PGIM Custom Harvest also is available on the SEC’s web site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

PGIM Custom Harvest is a registered investment adviser. Registration does not imply a certain level of skill or training.

## **Item 2 - Material Changes**

This Item is used to provide our clients with a summary of material updates that have been made to the Brochure since the last annual update of the Brochure dated March 25, 2024.

The following material updates have been made to the Brochure:

Item 8. The Brochure has been revised to list U.S. Equity Plus 130/30 Hedged strategy as an investment strategy that is available through PGIM Custom Harvest. The U.S. Equity Plus 130/30 Hedged strategy offers investors access to a managed portfolio of passive ETFs designed to provide a broad domestic equity exposure with additional long positions equivalent to 30% of the account value along with a 30% short position.

In addition to the material changes described above, certain of the risk descriptions in Item 8 of the Brochure have been updated, including artificial intelligence risk, inflation risk and risk associated with global conflict.

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## Item 4 - Advisory Business

PGIM Custom Harvest is an investment advisory firm registered with the United States Securities and Exchange Commission (“SEC”) and has been in business since 2017. PGIM Custom Harvest is an indirect, wholly-owned subsidiary of Prudential Financial, Inc. (Prudential), a publicly held company (NYSE Ticker “PRU”). When we use the terms “we,” “us” and “our” in this Brochure, we are referring to PGIM Custom Harvest and the functional groups that support PGIM Custom Harvest (i.e., compliance, law and finance). In addition, any references to “our employees” or “our officers” mean PGIM Custom Harvest’s officers or employees and employees who work in the functional groups.

As of December 31, 2024, PGIM Custom Harvest managed \$5,373,954,186 of regulatory assets under management on a discretionary basis.

PGIM Custom Harvest specializes in creating and managing portfolios invested across asset classes, indices and custom models while seeking to maximize after-tax returns using capital loss harvesting strategies. PGIM Custom Harvest provides tax-loss harvesting (“TLH”) investment advisory services to various types of clients, including high net worth and other individuals, trusts, corporations/other businesses, registered investment advisers and other financial intermediaries such as broker-dealers.

### Discretionary Advisory Services (Direct and Sub-Advised Accounts)

PGIM Custom Harvest provides discretionary advisory services to clients that enter into an investment advisory agreement with PGIM Custom Harvest directly or through a sub-advisory or similar arrangement with the sponsor of a managed account program or another investment adviser. Under such arrangements, PGIM Custom Harvest has full authority to determine which securities to buy and sell in the client account and, as described in Item 12 - Brokerage Practices, typically has the authority to select the broker-dealers with which to execute such securities transactions.

PGIM Custom Harvest’s investment philosophy in managing client accounts is that it is driven to meet the needs and expectations of its clients by providing tailored investment advisory services to each client. Clients may impose restrictions on investing in certain securities or types of securities, most of which will be honored unless it is not feasible for PGIM Custom Harvest to incorporate a requested restriction into the management of a client’s account, in which case the client will be notified of the issue. PGIM Custom Harvest or the client’s sponsor firm or financial professional consults with the client initially and on an ongoing basis to ascertain the client’s investment objectives and any restrictions that the client may request. Client portfolios are monitored on an ongoing basis to ensure that any restrictions on a client’s portfolio are maintained and complied with. A client also may request a customized version of a PGIM Custom Harvest strategy or a customized investment strategy by establishing reasonable investment guidelines for management of the client’s account. Such guidelines may include allocation guidelines that vary significantly from those followed by PGIM Custom Harvest in managing non-customized client accounts. Most customization requests will be honored unless it is not feasible for PGIM Custom Harvest to comply with such guidelines in managing the client’s account, in which case the client will be notified of the issue.

A client account that is subject to client-imposed restrictions or that is managed in accordance with a customized PGIM Custom Harvest strategy could experience performance that is significantly different from non-custom strategy composite returns and could experience significant tracking error relative to the relevant PGIM Custom Harvest strategy's benchmark. In addition, a client-imposed restriction on transactions in specific exchange-traded funds ("ETFs") within a sector could negatively impact PGIM Custom Harvest's ability to harvest tax losses in that sector in the client's account and the account's after-tax performance relative to the after-tax performance of other PGIM Custom Harvest accounts.

### Non-Discretionary Advisory Services

In addition to providing discretionary advisory services, PGIM Custom Harvest might enter into an advisory agreement with a managed account program sponsor or another investment adviser to provide non-discretionary services. Under such arrangements, PGIM Custom Harvest provides investment recommendations to the program sponsor or another investment adviser and such party has the ultimate authority to follow or not follow such recommendations. Depending on the provisions of the agreement between PGIM Custom Harvest and the program sponsor or investment adviser and the degree, if any, to which PGIM Custom Harvest's advice is tailored to the circumstances of each of the program sponsor's or investment adviser's clients, PGIM Custom Harvest might or might not be treated as having its own advisory client relationship with program clients.

### Wrap Fee Programs

Certain of the managed account programs under which PGIM Custom Harvest offers its strategies and provides either discretionary or non-discretionary advisory services are unaffiliated third-party programs sponsored by registered broker-dealer and/or advisory firms that charge a bundled or wrap fee for investment advisory services and the execution of client trades ("Wrap Fee Programs"). The sponsor of a Wrap Fee Program is responsible for the execution of trades placed with the sponsor by the party with discretion over the client's account. Where PGIM Custom Harvest provides discretionary or non-discretionary advisory services under a Wrap Fee Program and does not contract directly with the client, PGIM Custom Harvest is compensated for its services by the program sponsor out of the bundled or wrap fee that is charged to the client's account. Accounts managed by PGIM Custom Harvest on a discretionary basis under a Wrap Fee Program are managed similarly to accounts managed by PGIM Custom Harvest on a discretionary basis that are not part of a Wrap Fee Program.

### Conflicts of Interest

Conflicts of interest or potential conflicts of interest commonly refer to activities or relationships in which the interests of PGIM Custom Harvest or its affiliates compete with the interests of PGIM Custom Harvest's clients. Like other investment advisers, PGIM Custom Harvest is subject to various conflicts of interest in the ordinary course of our business. When actual or potential conflicts of interest are identified we seek to address such conflicts through one or more of the following methods:

- Elimination of the conflict;

- Disclosure of the conflict; or
- Management of the conflict through policies, procedures, training or other mitigants.

To address potential conflicts, PGIM Custom Harvest follows its own Conflicts of Interest Policy and Prudential's standards on business ethics, inside information and information barriers. We also follow Prudential's Code of Conduct, "Making the Right Choices," which reflects Prudential's core values and clarifies Prudential's expectations of acceptable behavior. PGIM Custom Harvest also has adopted its own code of ethics, gifts and entertainment policy, and proxy voting policy, among others, and has adopted supervisory procedures to monitor compliance with our policies. We cannot guarantee, however, that our policies will detect and address, or result in the disclosure of, every situation in which a conflict could arise.

*Affiliate Relationships:*

As an indirect wholly-owned subsidiary of Prudential, PGIM Custom Harvest is part of a diversified, global financial services organization. We are affiliated with many types of financial service providers, including broker-dealers, insurance companies and other investment advisers. These relationships could present potential or actual conflicts of interest. For example, our affiliates have an incentive to seek to influence decisions relating to client investment strategies to, among other things, invest in products that are managed by an affiliate or otherwise sponsored by Prudential. Further, certain third-party ETFs in which we invest that seek to track the performance of certain market sectors could invest in turn in securities of PRU. We seek to mitigate the risk from this conflict through policies, procedures, communication protocols, and periodic conflicts training of applicable PGIM Custom Harvest personnel.

*Client Relationships:* PGIM Custom Harvest and its affiliates also derive certain indirect or incidental benefits from their advisory relationships with a client, other than advisory fees. Please see "Item 14 – Client Referrals and Other Compensation" for examples of such indirect or incidental benefits.

*Employee Roles:* Some PGIM Custom Harvest senior managers perform other duties for Prudential affiliates. Conflicts of interest could arise from time to time in connection with these duties with respect to allocating management time, services, or functions among PGIM Custom Harvest and other Prudential affiliates.

*Outside Business Activities:* From time to time, certain of our employees or officers could engage in an outside business activity. Any outside business activity is subject to prior approval pursuant to our personal conflicts of interest and outside business activities policy. Actual and potential conflicts of interest are analyzed during such approval process.

## Item 5 - Fees and Compensation

How PGIM Custom Harvest is compensated for its services depends on whether PGIM Custom Harvest provides services under an advisory agreement directly with the client (commonly referred to as “Dual Contract Arrangements”) or provides services pursuant to an agreement with a managed account program sponsor, including a Wrap Fee Program sponsor (commonly referred to as “Single Contract Arrangements”).

### Dual Contract Arrangements

Under Dual Contract Arrangements, PGIM Custom Harvest calculates investment advisory fees based upon a percentage of the value of the client’s assets under management. The specific manner in which fees are charged by PGIM Custom Harvest is established in a client’s written agreement (i.e., a Client Service Agreement) with PGIM Custom Harvest. PGIM Custom Harvest’s current standard form of Client Service Agreement provides that PGIM Custom Harvest’s investment advisory fees are charged quarterly in advance. Previously, PGIM Custom Harvest has entered into agreements with clients under Dual Contract Arrangements that provide for investment advisory fees to be charged in arrears. PGIM Custom Harvest has adopted policies that provide for a pro rata refund of any prepaid advisory fees upon account termination.

PGIM Custom Harvest has adopted policies, including valuation and fee billing policies, designed to ensure that assets in client accounts, including ETF holdings, are priced accurately for fee billing purposes and that advisory fees are calculated and debited correctly. PGIM Custom Harvest believes that such policies address any conflict of interest faced by PGIM Custom Harvest in calculating client advisory fees. Under certain Dual Contract Arrangements, the program sponsor may calculate PGIM Custom Harvest’s fees based on the fee rate agreed to by the client and PGIM Custom Harvest and the value of client account assets, as determined by the program sponsor.

Fees might be paid directly to PGIM Custom Harvest by the client or might be withdrawn by the custodian from the client’s account and paid over to PGIM Custom Harvest. For client accounts from which fees are withdrawn by the custodian and paid over to PGIM Custom Harvest:

1. Clients must provide written authorization (which is typically provided in the investment management agreement or Client Service Agreement) permitting fees to be withdrawn from the client’s account and paid over to PGIM Custom Harvest upon the direction of PGIM Custom Harvest.
2. Pursuant to the written authorization provided by the client, PGIM Custom Harvest will bill the custodian the amount of the fee, as calculated based on each client’s agreement with PGIM Custom Harvest, or request that the program sponsor calculate the amount of the fee owed to PGIM Custom Harvest and pay such fee over to PGIM Custom Harvest.
3. The custodian will send to the client, at least quarterly, a statement that details the amounts disbursed from the account, including any advisory fees paid by the custodian directly to PGIM Custom Harvest. Clients who have authorized PGIM Custom Harvest to instruct the custodian to deduct its advisory fee from their account should compare any reports or account statements provided by PGIM Custom Harvest to the statements they receive from their custodian. PGIM Custom Harvest’s ability to instruct the custodian to pay its fees

from a client's account will result in PGIM Custom Harvest being deemed to have custody (see Item 15) of the assets in such client account.

A client may terminate the client's Client Service Agreement or other investment advisory agreement with PGIM Custom Harvest by providing notice to PGIM Custom Harvest in accordance with the provisions of the agreement. Investment advisory fees typically will accrue through the date of termination. However, certain investment advisory agreements between PGIM Custom Harvest and its clients allow PGIM Custom Harvest to continue to collect advisory fees after the termination of the agreement, for the time period that PGIM Custom Harvest continues to provide discretionary management to the account.

Fees for all services for clients are generally negotiable depending on the selected investment strategy, the size of the client's investment or the size of the overall relationship with the client's financial adviser, the scope and complexity of the services and other factors. Because fees are negotiable, the actual fees paid by any client or group of clients might differ from the fees discussed below (i.e., may be a flat fee or may include fee breakpoints). Sponsors may also require that the fee be calculated and billed in accordance with their procedures and methodologies that differ from the those described above.

#### Standard Fee Schedule for Dual Contract Arrangements:

The table below reflects our standard fee schedule by type of strategy. PGIM Custom Harvest may offer fee breakpoints based upon the account's asset size. Fees are typically charged quarterly in advance.

Assets Managed	<u>Equity</u>	<u>Hedged Strategies</u>	<u>Fixed Income</u>
\$100,000 - \$100,000,000	40 basis points (0.40%)	60 basis points (0.60%)	25 basis points (0.25%)
\$100,000,001 - \$350,000,000	35 basis points (0.35%)	55 basis points (0.55%)	23 basis points (0.23%)
Over \$350,000,000	30 basis points (0.30%)	50 basis points (0.50%)	20 basis points (0.20%)

#### Single Contract Arrangements

Under Single Contract Arrangements, the program client compensates the sponsor for its investment advisory and other services, and the program sponsor, in turn, compensates PGIM Custom Harvest for its investment advisory services. Under Single Contract Arrangements and on an exception basis, PGIM Custom Harvest calculates investment advisory fees based upon a percentage of the value of the client's assets under management. The specific manner in which fees are charged by PGIM Custom Harvest is established in the written agreement with the program sponsor with PGIM Custom Harvest.

PGIM Custom Harvest has adopted policies, including valuation and fee billing policies, designed to ensure that assets in client accounts, including ETF holdings, are priced accurately for fee billing purposes and that advisory fees are calculated and debited correctly.

The fees agreed to by PGIM Custom Harvest and a sponsor are negotiable and dependent upon a host of factors, including, without limitation, the size of the program, the strategies made available under the program, the sponsor's administrative requirements and administrative charges, the sponsor's parameters for compensating managers and investment advisers under the program, and the nature and extent of the respective responsibilities of the program sponsor and PGIM Custom Harvest under the program. Based on such factors, PGIM Custom Harvest and a program sponsor could agree to a fee rate that is outside the fee range for a strategy set forth in the table below. In addition, a program sponsor and PGIM Custom Harvest could agree to a fee rate with respect to a particular account that is lower than the standard fee rate at which PGIM Custom Harvest is compensated by the program sponsor. Such fee concessions are very unusual and agreed to by PGIM Custom Harvest only in special circumstances. In addition, a program sponsor and PGIM Custom Harvest could agree to a fee rate with respect to a particular client that is higher than the fee rate at which PGIM Custom Harvest is ordinarily compensated based on such client's unique servicing needs and requirements.

#### Standard Fee Schedule for Single Contract Arrangements

PGIM Custom Harvest generally receives, or anticipates receiving, fees from the program sponsor within the following ranges depending upon the strategy selected by the client:

<u>Equity</u>	<u>Hedged Strategies</u>	<u>Fixed Income</u>
Up to 40 basis points (0.40%)	Up to 60 basis points (0.60%)	Up to 25 basis points (0.25%)

In certain managed account programs, including Wrap Fee Programs, the program sponsor collects fees from client accounts in advance based on the value of quarter-end assets and actual number of days in the upcoming quarter and pays PGIM Custom Harvest for its services in advance. When these accounts terminate during a quarter, the pro rata portion of fees is reimbursed to the client for the remainder of the quarter.

#### Transition Plus Services (Applicable to Dual Contract and Single Contract Arrangements)

As described in Item 8 under the heading "Transition Plus Services", PGIM Custom Harvest's fee is charged on all assets in a client account receiving transition services, including assets that are invested immediately in accordance with the designated PGIM Custom Harvest investment strategy and assets that are invested in legacy positions and transitioned to the designated strategy over time.

#### Third-Party Model Management Services (Applicable to Dual Contract and Single Contract Arrangements):

PGIM Custom Harvest does not have a standard fee schedule for its Third-Party Model Manager services, which are described in Item 8. Such fees are subject to negotiation and will be set forth in the Client Service Agreement or other investment advisory agreement entered into with the client or with the program sponsor.

**Additional Fees and Expenses (Applicable to Dual Contract and Single Contract Arrangements):**

In addition to fees for PGIM Custom Harvest's advisory services, a client could also incur certain charges imposed by unaffiliated third parties. Such charges include, but are not limited to: fees charged by the client's program sponsor, including Wrap Fee Program fees; margin account fees; custodial fees; brokerage commissions on transactions not covered by a Wrap Fee Program's bundled fee; transaction fees; proxy voting fees and costs; odd-lot differentials; transfer taxes; wire transfer and electronic fund fees; other fees and taxes on brokerage accounts and securities transactions; and fees and expenses paid indirectly by client accounts through investment of client account assets in ETFs and through investment of cash balances in client accounts in money market funds. Fees and expenses (including management fees and other ETF expenses) imposed by an ETF purchased for client account are disclosed in the ETF's prospectus. ETF prospectus can be obtained from your program sponsor or custodian or accessed via the ETF provider's website.

PGIM Custom Harvest, its supervised persons and its affiliates do not receive direct compensation for the sale of securities or other investments, including the sale of ETFs, to PGIM Custom Harvest's clients.

For more information on brokerage costs, see "Item 12 - Brokerage Practices" below.

**Item 6 - Performance-Based Fees and Side-By-Side Management**

PGIM Custom Harvest does not manage any accounts with a performance-based fee. Please refer to Item 11 for a discussion of PGIM Custom Harvest's management of proprietary accounts on a side-by-side basis with non-proprietary accounts and the policies that PGIM Custom Harvest follows to address conflicts of interest associated with such side-by-side management.

**Item 7 - Types of Clients**

PGIM Custom Harvest provides TLH investment advisory services to various types of clients, including high net worth and other individuals, trusts, corporations/other businesses, registered investment advisers and other financial intermediaries. Given the tax-oriented nature of its investment strategies, PGIM Custom Harvest's clients are predominantly U.S.-based. However, PGIM Custom Harvest may accept a non-U.S. based client in its discretion. In addition, PGIM Custom Harvest's strategies are not designed for tax-exempt investors as such clients will not benefit from the TLH component of the strategies. PGIM Custom Harvest's minimum account size for strategies other than its hedged strategies is generally \$100,000. PGIM Custom Harvest's minimum account size for its hedged strategies is \$500,000. PGIM Custom Harvest's minimum account size for a custom strategy is \$1,000,000. PGIM Custom Harvest's minimum account size for clients seeking to provide customized transition instructions in connection with PGIM Custom Harvest's provision of Transition Plus services is \$500,000. PGIM Custom Harvest may waive the applicable minimum for any one or more client accounts. In addition, PGIM Custom Harvest and a program sponsor may establish investment minimums for accounts under a particular sponsor program that are higher or lower than those indicated above.

## **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

As PGIM Custom Harvest's business and client base grows and evolves over time, PGIM Custom Harvest might implement changes in the processes described in this Item 8 that PGIM Custom Harvest determines are consistent with the best interests of its clients and consistent with the objectives of its investment strategies. Such changes may be implemented without the prior approval or consent of clients.

### **Strategies and Services**

PGIM Custom Harvest offers the following strategies and services, each of which seeks to deliver core benchmark index exposure as well as tax benefits through TLH, as described below under "Tax Loss Harvesting":

- **PGIM Custom Harvest ETF-based strategies** seek to provide low-cost, core benchmark index exposure while efficiently delivering tax benefits to clients. The strategies seek to closely track the risk profile and return of a broad market index. The strategies can be implemented on U.S. domestic equities, global equities, a targeted allocation of U.S. and global equities, a municipal bond portfolio or an equity hedged strategy. All the strategies are implemented using ETFs. PGIM Custom Harvest's ETF-based strategies include:

- U.S. Equity Plus
- U.S. Equity Equal Sector Weight
- Global Equity Plus
- International Equity Plus
- U.S. Equity Plus 50% Hedged
- U.S. Equity Plus 130/30 Hedged
- High Income Municipal Plus
- Quality Municipal Plus

The U.S. Equity Plus strategy allocates an account's assets to the market sectors that comprise the strategy's capitalization-weighted benchmark (i.e., the S&P 500 Index) based on the sector's weighting in the benchmark. The U.S. Equity Equal Sector Weight strategy allocates an account's assets in equal percentages to the market sectors that comprise the strategy's equal sector-weighted benchmark (i.e., S&P 500 Sector Equal Allocation Index).

The Global Equity Plus strategy allocates an account's assets to ETFs that primarily hold equity securities issued by domestic companies and to ETFs that primarily hold equity securities issued by foreign companies or domestic companies with significant foreign operations. The International Equity Plus strategy allocates an account's assets to ETFs that primarily hold equity securities issued by foreign companies or domestic companies with significant foreign

operations.

The U.S. Equity Plus 50% Hedged strategy and the U.S. Equity Plus 130/30 Hedged strategy implement the hedging component of the strategies by taking a “short” position in one or more index ETFs that are intended to have an opposing or “inverse” relationship to the long positions in the client’s account. The U.S. Equity Plus 50% Hedged strategy, the U.S. Equity Plus 130/30 Hedged strategy and other hedged strategies are more fully described below under “Tax Loss Harvesting” and “Hedged Strategies – Additional Risks”.

Customized versions of the PGIM Custom Harvest strategies could be offered by PGIM Custom Harvest to clients on certain custodial platforms.

PGIM Custom Harvest makes its Wealth Manager strategy available to third party wealth management firms. The Wealth Manager strategy allows a wealth management firm to offer its clients customized versions of PGIM Custom Harvest’s strategies that reflect the firm’s views and preferences (e.g., sector allocation tilts). PGIM Custom Harvest manages Wealth Manager client accounts in accordance with the customized version of its strategy requested by the client’s firm and selected by the firm’s clients.

Each of the PGIM Custom Harvest strategies are customizable to meet the specific needs of a particular client. However, a program sponsor might restrict or limit the ability of a program participant to request customization of a PGIM Custom Harvest strategy.

A client account managed in accordance with a customized PGIM Custom Harvest strategy is likely to experience performance that is significantly different from non-custom strategy composite returns and to experience significant tracking error relative to the relevant PGIM Custom Harvest strategy’s benchmark.

- **PGIM Custom Harvest Third-Party Model Management.** PGIM Custom Harvest may agree to implement a third-party manager’s investment model for clients of such third-party manager. Third-Party Model Management differs from Wealth Manager in that a third-party manager’s investment model reflects that firm’s own investment strategy and may include market sectors and asset types that are not included in PGIM Custom Harvest’s core strategies. PGIM Custom Harvest manages Third-Party Model Management client accounts in accordance with the third-party manager’s model while efficiently managing portfolio transactions to minimize transaction costs and capital gains and employ TLH to capture capital losses to offset portfolio capital gains.
- **PGIM Custom Harvest Transition Plus Services.** PGIM Custom Harvest Transition Plus services seek to provide a tax-sensitive conversion from a legacy securities portfolio with embedded gains to a PGIM Custom Harvest strategy. If you are planning on funding a PGIM Custom Harvest account with legacy securities, please refer to the description of PGIM Custom Harvest’s Transition Plus services below.

## **Transition Plus Services**

**General.** Consistent with the tax-sensitive nature of its investment strategies, PGIM Custom Harvest offers transition services to clients that fund their accounts, in whole or in part, on an in-kind basis with securities. In providing transition services to clients, PGIM Custom Harvest seeks to sell the securities that are used to fund the account (referred to as “legacy positions” or “legacy securities”) in a manner that seeks to mitigate and reduce the tax impact of such sales instead of immediately selling such securities without regard to the tax impact of such sales.

Currently, PGIM Custom Harvest’s standard, “default” practice is to furnish “**estimated tax neutral**” transition services, as described below, for an account in the following circumstances:

- the client funds the account, in whole or in part, with securities; and
- such account meets PGIM Custom Harvest’s parameters for the receipt of transition services.

A client that does not wish to have PGIM Custom Harvest furnish transition services is encouraged to fund the client’s account solely with cash. Alternatively, a client may instruct PGIM Custom Harvest to promptly sell all securities contributed to an account without regard to the tax consequences of such sales.

PGIM Custom Harvest’s parameters for the receipt of transition services will be disclosed to potential clients and their financial professionals upon request. PGIM Custom Harvest might vary such parameters for a particular client account in its sole discretion. Typically, any such exception will be made only if the client and PGIM Custom Harvest agree upon a mutually acceptable transition plan and the client furnishes instructions to PGIM Custom Harvest to implement such plan.

If a client account does not meet its parameters for the receipt of transition services and PGIM Custom Harvest does not agree to make an exception to allow such client account to receive transition services, PGIM Custom Harvest’s standard practice is to promptly sell securities that are used to fund the account (typically through the program sponsor or broker-dealer custodian in order to seek to avoid incremental brokerage costs as described in Item 12 - Brokerage Practices) without regard to tax consequences, and then invest the sales proceeds in accordance with the PGIM Custom Harvest strategy designated by the client.

**Estimated Tax Neutral Transition Services.** In providing estimated tax neutral transition services, PGIM Custom Harvest seeks: (i) promptly following account inception and on an ongoing basis, to sell legacy securities that are in a loss position in order to realize losses as well as appreciated legacy securities where the realized gains can be matched against such losses, and (ii) on an ongoing basis, to continue to sell appreciated legacy positions as sufficient losses become available in the account that can be used to offset the gains from such sales. The proceeds from the sale of legacy positions are invested in accordance with the PGIM Custom Harvest strategy designated by the client. A client that funds an account with securities but does not wish to receive estimated tax neutral transition services must provide alternative instructions to PGIM Custom Harvest.

A client may request that PGIM Custom Harvest provide transition services other than in accordance with an estimated tax neutral approach by furnishing specific transition instructions to PGIM Custom Harvest. Such transition instructions could be accepted or rejected by PGIM Custom Harvest in its sole discretion.

Consistent with the nature of its investment strategies, PGIM Custom Harvest generally will continue, without further communication with the client, to harvest losses even if the amount of losses harvested exceed those requested in a transition instruction.

**Performance of Accounts Receiving Transition Services.** The performance of an account receiving transition services will differ from the performance of an account that is fully invested in accordance with a PGIM Custom Harvest strategy and will deviate from the performance of the strategy's benchmark to a greater extent than such a fully invested account.

**No Investment Review of Legacy Positions.** PGIM Custom Harvest does not engage in any review or analysis of the investment merits of legacy positions held in a client account receiving transition services. Unless otherwise agreed to, PGIM Custom Harvest will not accept or exercise proxy voting authority with respect to legacy positions or monitor or take action with respect to voluntary corporate actions relating to such positions. PGIM Custom Harvest's services with respect to legacy positions are limited to closely monitoring such positions from a tax perspective and effecting the sale of such positions to the extent that such sales can be implemented in a manner consistent with the client's transition instructions and, to the extent PGIM Custom Harvest has agreed, exercising proxy voting authority or acting with respect to voluntary corporate actions relating to such positions.

**No Adjustment of Asset Allocation by PGIM Custom Harvest to Account for Legacy Positions.** PGIM Custom Harvest does not take legacy positions into account when investing an account's investable assets in accordance with a designated PGIM Custom Harvest investment strategy, including when allocating account assets to particular sectors, regions or countries in accordance with the strategy. However, a client, working with the client's financial professional, may request that a particular market sector be restricted, in whole or in part, or that an account's asset allocation be customized by furnishing written allocation instructions to PGIM Custom Harvest.

**Fees.** As described in Item 5 – Fees and Compensation, PGIM Custom Harvest's strategy fee is charged on all assets in a client account receiving transition services, including assets that are invested immediately in accordance with the designated PGIM Custom Harvest investment strategy and assets that are invested in legacy positions and transitioned to the designated strategy over time. No additional fees beyond the strategy fee are charged by PGIM Custom Harvest for its provision of transition services. While PGIM Custom Harvest does not review the investment merits of legacy positions, the fee charged by PGIM Custom Harvest on such assets supports its close monitoring of such positions from a tax perspective for potential sale in accordance with the client's transition instructions and, to the extent PGIM Custom Harvest has agreed, its exercise of proxy voting authority or action regarding voluntary corporate actions relating to such positions. A client may withdraw a particular legacy position from the client's PGIM Custom Harvest account at any time in order to avoid continuing to pay a fee on such position.

## **Tax Loss Harvesting**

PGIM Custom Harvest's investment advisory services and investment strategies involve identifying effective TLH opportunities and then selling securities at a loss for the purpose of capturing, or "harvesting," a loss to offset a current or expected capital gain. PGIM Custom Harvest uses one basic technique for its strategies that invest on a long-only basis: selling a security (typically, one or more ETFs) and simultaneously replacing (swapping) the security with a similar security to attempt to maintain the client's exposure to the applicable market(s), which will differ for each swap.

For the hedged strategies that take long and short positions, including the U.S. Equity Plus 50% Hedged strategy and the U.S. Equity Plus 130/30 Hedged strategy, PGIM Custom Harvest also sells one or more securities (typically, one or more ETFs) that the portfolio does not own to attempt to hedge market risk and provide the additional TLH opportunity of purchasing the shorted security in the future at a loss. The ETFs utilized for the "short" positions generally will not hold securities that have more than what PGIM Custom Harvest believes, based on applicable regulatory guidance, to be an appropriate level of overlap with securities that are held in the ETFs selected for long exposure. For the hedged strategies, portfolio transactions, including the short positions that are used for hedging purposes, are effected through a margin account that the client is required to establish with the client's custodian or program sponsor.

PGIM Custom Harvest utilizes a proprietary SmartCapture methodology that generates estimated optimum tax loss capture based on tax loss thresholds established by PGIM Custom Harvest, which vary on a sector by sector or country/region by country/region basis as well as by ETF tiers within sectors and countries/regions. The sale of a security (or purchase of a security to close a short position) in order to harvest the loss is executed with the simultaneous purchase (or short sale) of a similar security to maintain the client's exposure to the desired broad market index.

While PGIM Custom Harvest monitors client accounts for TLH opportunities on an intra-day basis, PGIM Custom Harvest typically does not seek to harvest losses in each market sector or country/region every day. Rather, PGIM Custom Harvest exercises its discretion to prioritize and pursue those tax loss capture opportunities that it believes will have a meaningful impact across client accounts based on various factors, including sector and country/region weightings and market activity. PGIM Custom Harvest believes that prioritizing tax loss capture opportunities facilitates its ability to efficiently manage and trade client accounts across multiple sponsor and custodian platforms while capturing significant tax loss benefits on behalf of its clients.

## **ETF Selection**

PGIM Custom Harvest considers various fund-related factors in selecting ETFs to implement its ETF-based strategies, including, without limitation, the following: experience and reputation of the adviser, composition of benchmark index, fees and expenses, inception date, asset level, trading volume and liquidity, performance relative to benchmark index and similar ETFs, tracking error, risk exposures and fund closure risk. PGIM Custom Harvest has the discretion to make changes in the ETFs that it utilizes in implementing its strategies on behalf of client accounts, including the ETFs that it utilizes to establish short positions in connection with PGIM Custom Harvest's hedged strategies.

As described in Item 10 of this Brochure, PGIM Custom Harvest has entered into a research arrangement with the Strategic Investment Research Group (“SIRG”) of PGIM Investments LLC, an affiliate of PGIM Custom Harvest. The arrangement allows PGIM Custom Harvest to supplement its own research and analysis by leveraging SIRG’s expertise with respect to the identification, selection and monitoring of ETFs. SIRG provides PGIM Custom Harvest with information and research concerning ETFs identified by PGIM Custom Harvest covering fund-related factors mutually agreed to by SIRG and PGIM Custom Harvest, including those described in the previous paragraph. PGIM Custom Harvest retains sole and exclusive responsibility for the management of client accounts, including all decisions regarding the purchase, holding and sale of ETF shares by PGIM Custom Harvest in connection with such management.

### **Material Risks**

As with all investments, you can lose money by investing according to any of PGIM Custom Harvest’s strategies. Investing in securities involves the risk of loss of some or all of your investment. You should be prepared to bear the loss of your investment before investing.

TLH strategies and investments in ETFs are subject to all or some of the material risks discussed below. Each of these risks has the potential (individually or in any combination) to negatively affect the value of your account and cause you to lose money. It is not practical to list all possible risks and one or more risks that are not identified in this Brochure could result in losses for client portfolios. The prospectus for an ETF purchased and held in client accounts contains specific information concerning such ETF’s investment objective, risks, fees and expenses. ETF prospectuses can be obtained from your program sponsor or custodian or accessed via the ETF provider’s website.

**Tax Risk.** The tax consequences of PGIM Custom Harvest’s TLH techniques are complex and uncertain and could be challenged by the Internal Revenue Service (“IRS”) or by state or local tax authorities. PGIM Custom Harvest’s TLH techniques involve purchasing an asset with similar exposure to the “harvested” security but that PGIM Custom Harvest believes, based on applicable regulatory guidance, is not “substantially identical” for purposes of the IRS’s “wash sale” rule. The “wash sale” rule disallows a loss from selling a security if a “substantially identical” security is purchased within the 30 days after or before the sale. The IRS has not issued any guidance on whether and when two index ETFs would be considered to be “substantially identical” but may do so without notice at any time, potentially with retroactive effect. Therefore, although PGIM Custom Harvest purchases ETFs that it believes should not be considered by the IRS to be “substantially identical” to the ETF sold, there is no guarantee that the IRS (or other tax authorities) will take that view. Under the wash sale rule, if the IRS deems the two index ETFs to be “substantially identical,” the IRS will not allow the loss, and therefore the loss cannot be used to offset the targeted capital gain.

Transactions in a client’s accounts not managed by PGIM Custom Harvest could affect whether a loss is successfully harvested and, if so, whether that loss is usable by the Client in the most efficient manner.

Clients should be aware that if the client and/or the client’s spouse have other taxable or non-taxable investment accounts, and accounts hold any of the ETFs or other securities (including options

contracts) held in the client's account at PGIM Custom Harvest, the client and/or client's spouse cannot trade any of those securities 30 days before or after PGIM Custom Harvest trades those same securities to avoid possible wash sales and resulting nullification of any tax benefits of the strategy. However, upon client request, accounts may be linked under the "family" functionality (Family Identification Linking) – where accounts have the same custodial platform, invested in the same strategy, and share the same tax identification number – wash sales linked between accounts are prevented for the purpose of tax-loss harvesting. This functionality is designed solely to avoid possible wash sales.

The tax consequences of PGIM Custom Harvest's hedging techniques (i.e., the establishment of short positions in an account to hedge the market risk of the account's long positions) in connection with its hedged strategies are complex and uncertain and could be challenged by the IRS or by state or local tax authorities. If a client account's long and short positions in ETFs are deemed to constitute a "tax straddle", the client will be subject to negative tax consequences and the anticipated TLH benefits of a hedged strategy will not be achieved. While PGIM Custom Harvest will seek to establish long and short positions in ETFs in a manner that it believes, based on applicable regulatory guidance, should not be considered a tax straddle, there is no definitive legal authority on this exact scenario and no guarantee that the IRS or other tax authorities will take that view.

**PGIM Custom Harvest does not provide legal or tax advice. You should consult your tax advisor as to the tax considerations of your investments, including the application of state, local or other tax laws and the possible effects of changes in federal or other tax laws.** Furthermore, you and your tax advisor should consider any other tax issues arising from the arrangement, it being understood that the issues mentioned herein are not exhaustive of the tax and economic issues presented by the strategy, and that you are solely liable for any adverse tax consequences and associated risks associated with an investment. Clients and their tax advisors are responsible for how the transactions in the client's account are reported to the IRS or any other taxing authority. PGIM Custom Harvest assumes no responsibility to you for the tax consequences of any transaction, including any capital gains, wash sales or tax straddles that could result from its TLH and hedging strategies. The income tax considerations of your investments could be subject to adverse income tax consequences. PGIM Custom Harvest has made no representations to you as to the tax treatment of your account or any transactions therein. Federal, state and local tax laws, rules, regulations and interpretations (collectively, the "Tax Law") are subject to change. PGIM Custom Harvest is not responsible for advising client at any time of any developments or changes in the Tax Law or for monitoring the impact of any such developments or changes. This Brochure is not intended to be relied upon as legal, investment or tax advice in any form or for any specific client. The information provided does not take into account the specific objectives, financial situation or particular needs of any specific person. The tax consequences of the strategies are complex and could be subject to challenge by the IRS or by state or local tax authorities. The strategies were not developed to be used by, and they cannot be used by, any investor to avoid penalties or interest.

**Reportable Transactions; Material Advisor Reporting.** Applicable U.S. Department of the Treasury regulations require taxpayers that participate in "reportable transactions" to disclose their participation to the IRS by attaching Form 8886 to their U.S. federal tax returns and to retain a copy of all documents and records related to the transaction. Generally, an investor is required to disclose

a loss transaction to the IRS as a “reportable transaction” if the loss meets certain thresholds. For an individual, that threshold is \$2 million in any single tax year or \$4 million in any combination of six taxable years. Additionally, a person that acts as a “material advisor” to a reportable transaction also has reporting and recordkeeping obligations with respect to the reportable transaction. A material advisor is a person that makes any statement (including another person’s statement), oral or written, that relates to a tax aspect of a transaction that causes the transaction to be a reportable transaction and derives gross income from the transaction of at least \$50,000. A reportable transaction can have more than one material advisor, which could include the managed account program sponsor or custodian at which your PGIM Custom Harvest advised account is maintained. The fact that a loss is reportable under these regulations does not affect the legal determination of whether the taxpayer’s treatment of the loss is proper. The reporting requirements as they relate to the services PGIM Custom Harvest provides remain unclear, and if you have a loss that meets the threshold of a reportable transaction, you should discuss PGIM Custom Harvest’s services with your tax advisor. Since PGIM Custom Harvest’s strategies primarily rely upon ETFs that are taxed as regulated investment companies to pursue their objectives, an exception from the definition of reportable transactions for loss transactions when the taxpayer has qualifying basis in the asset might not apply.

***TLH Investment Approach Risk.*** The TLH techniques employed by PGIM Custom Harvest, while designed to capture or harvest a loss to offset a current or expected capital gain, might not produce the desired results. There is no guarantee that PGIM Custom Harvest will be able to identify and implement effective TLH opportunities. Market conditions could limit PGIM Custom Harvest’s ability to capture tax losses for client accounts. In addition, PGIM Custom Harvest’s ability to capture losses for a client account could become limited over time if gains build up in the client account.

***Advisory Risk.*** There is no guarantee that PGIM Custom Harvest’s judgment and investment decisions in implementing its investment strategies, including its selection of ETFs and replacement ETFs to include in client accounts, will produce the intended results.

***Software/Algorithm Risk.*** PGIM Custom Harvest makes extensive use of software and algorithms, including its proprietary SmartCapture methodology, in providing advisory services. PGIM Custom Harvest rigorously designs, develops, tests and monitors the software and algorithms it uses in managing client accounts. Notwithstanding PGIM Custom Harvest’s rigorous oversight of the software and algorithms used in managing client accounts, it is possible that such software might not always perform as intended.

***Data Source Risk.*** PGIM Custom Harvest uses a variety of proprietary and non-proprietary data to evaluate securities and formulate investment advice. If a data source is incorrect or unexpectedly becomes unavailable or unreliable, client accounts could be negatively impacted. PGIM Custom Harvest also subscribes to external data sources for various purposes and functions, including in making investment decisions. While PGIM Custom Harvest believes those third-party data sources to be generally reliable, it does not guarantee that the data received will be accurate or complete and is not responsible for errors by these sources.

***Tracking Error Risk.*** Client accounts managed in accordance with one of PGIM Custom Harvest’s ETF-based strategies that seek to closely track the risk profile and return of a broad market index

while capturing tax benefits through TLH are subject to tracking error risk. Tracking error will fluctuate over time and could result, among other reasons, from fees and trading costs and imperfect correlations between a portfolio's investments and the applicable benchmark index. Tracking error could cause the performance of a client account to vary from the performance of the applicable strategy's composite and benchmark, either on a daily or longer-term basis.

**ETF Risk.** In addition to the risks associated with the underlying assets held by an ETF, investments in ETFs are subject to the following additional risks: (1) the market price of an ETF's shares might trade above or below its net asset value; (2) an active trading market for the ETF's shares might not develop or be maintained; (3) trading an ETF's shares might be halted if the listing exchange's officials deem such action appropriate; (4) a passively managed ETF might not accurately track the performance of the reference asset; and (5) a passively managed ETF would not necessarily sell a security because the issuer of the security was in financial trouble unless the security is removed from the index that the ETF seeks to track. Investment in ETFs involves duplication of management fees and certain other expenses, as the client indirectly bears its proportionate share of any expenses paid by the ETFs in which it invests. The prospectus for an ETF purchased and held in client accounts contains specific information concerning such ETF's investment objective, risks, fees and expenses. ETF prospectuses can be obtained from your program sponsor or custodian or accessed via the ETF provider's website.

**Equity Market Risk.** PGIM Custom Harvest's strategies invest in ETFs that primarily hold equity securities that are traded on U.S. exchanges, although the issuers of the equity securities could be foreign companies. PGIM Custom Harvest Third-Party Model Management strategies might invest directly in equity securities. Market values of equity securities could fall, sometimes rapidly or unpredictably, or fail to rise. An issuer of an equity security could perform poorly, and the value of its securities could therefore decline, which would negatively affect the performance of an ETF holding the security. Poor performance of individual equity securities could be caused by poor management decisions, competitive pressures, breakthroughs in technology, reliance on suppliers, labor problems or shortages, corporate restructurings, fraudulent disclosures, natural disasters or other events, conditions or factors.

**Large Capitalization Companies Risk.** The securities of large market capitalization companies could underperform other segments of the market because such companies could be less responsive to competitive challenges and opportunities, such as changes in technology and consumer tastes. Large market capitalization companies could be unable to attain the high growth rates of successful smaller companies, especially during periods of economic expansion.

**Mid-Capitalization Companies Risk.** Investments in mid-capitalization companies generally involve greater risks and the possibility of greater price volatility than investments in larger, more established companies. Mid-capitalization companies often have narrower commercial markets and more limited operating history, product lines, and managerial and financial resources than larger, more established companies. As a result, performance can be more volatile and they face greater risk of business failure, which could increase the volatility of a portfolio. Generally, the smaller the company size, the greater these risks. Additionally, mid-capitalization companies could have less market liquidity than large capitalization companies, and they can be sensitive to changes in interest rates, borrowing costs and earnings.

***Small Capitalization Companies Risk.*** Investing in the securities of small capitalization companies involves greater risk and the possibility of greater price volatility than investing in larger capitalization and more established companies. Since smaller companies may have limited operating history, product lines, and financial resources, the securities of these companies could lack sufficient market liquidity, and they can be particularly sensitive to expected changes in interest rates, borrowing costs and earnings.

***Foreign Investing Risk.*** PGIM Custom Harvest's International Equity Plus strategy invests in ETFs that primarily hold equity securities issued by foreign companies or domestic companies with significant foreign operations and PGIM Custom Harvest's Global Equity Plus strategy invests a portion of client accounts in such foreign-focused ETFs. PGIM Custom Harvest Third-Party Model Management strategies might invest in ETFs or directly in equity securities entailing foreign investing risk. Investing in securities issued by foreign entities carries potential foreign exposure considerations, including but not limited to the risk of: (1) political and financial instability, (2) less liquidity, (3) lack of uniform accounting, auditing and financial reporting standards, and (4) increased price volatility. Global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. A rise in protectionist trade policies, the risks associated with ongoing trade negotiations with China, and the possibility of changes to some international trade agreements, could affect the economies of many nations, including the U.S., in ways that cannot necessarily be foreseen at the present time. The severity or duration of adverse economic conditions could also be affected by policy changes made by governments or quasi-governmental organizations. Foreign investments also are subject to the risk of fluctuations in the value of the U.S. dollar against the currencies in which such investments are denominated.

***Emerging Markets Risk.*** Foreign investing risk, which applies to PGIM Custom Harvest's Global Equity Plus and International Equity Plus strategies, is increased for securities issuers and markets in emerging markets countries. Emerging markets tend to have economic, political and legal systems that are less developed and less stable than those of the United States and other developed countries. In addition, securities markets in emerging markets could be relatively illiquid and subject to extreme price volatility. Securities in emerging markets also are subject to the risk of fluctuations in the value of the U.S. dollar against the currencies in which such investments are denominated.

***Municipal Securities Risk.*** PGIM Custom Harvest's High Income Municipal Plus and Quality Municipal Plus strategies invest in municipal securities. Municipal securities are issued by states, territories or other local governments and their agencies. These securities can be backed by the issuer's general obligations, or by revenue from a particular project. They can be particularly impacted by economic or political changes, such as legislative events, impacting the issuer. Further, the issuer's ability to pay can be impacted by litigation, or, in the case of securities backed by revenue from particular projects, issues collecting revenue on such projects. Like other fixed income securities, municipal securities are subject to various risks, including credit risk, interest rate risk and market risk, as well as uncertainties related to the tax status of the securities or rights of investors therein. Credit risk (sometimes referred to as "default risk") is the risk that the value of a fixed income security will decline due to investor perception that the security issuer or guarantor's payment of its obligations with respect to the security has become less likely or due to an actual default by the issuer or guarantor. Interest rate risk is the risk that market interest rates will rise,

causing fixed income securities prices to fall. The risk of price declines caused by interest rate increases generally is higher for fixed income securities with longer maturities. Additionally, as compared to other issuers of securities, there is often a relative lack of information related to issuers of municipal securities.

***Inflation Risk.*** Certain investments are subject to inflation risk, which is the risk that the value of assets, or income from investments, will be less in the future as inflation decreases the present value of money. Inflation rates can fluctuate rapidly and significantly on account of various factors, such as economic policy changes or unexpected shifts in global or the United States economies. Inflation in the United States and elsewhere has increased in recent years, and it remains uncertain whether substantial inflation will be sustained over time. There can be no assurance that governmental efforts to curb inflation will not have negative effects on the economy. Thus, inflation could negatively affect the performance of client accounts.

***Financial Institution Risk.*** Investments in client accounts are subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a “Financial Institution”) of some or all of the account assets fails to timely perform or otherwise defaults on its obligations, or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty. Such events can be caused by a variety of factors, such as eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a such an event, we (or the accounts or portfolio companies) may be unable to access deposits, borrowing facilities or other services. Such events can have adverse effects on our ability to manage the accounts and their investments, and on our ability (or that of an account or portfolio company) to maintain operations, which in each case could result in operational burdens, significant losses, and unconsummated investment acquisitions and dispositions. While assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation (in the case of banks), amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While governmental intervention can result in additional protections for depositors and counterparties in connection with such events, there can be no assurance that any intervention will occur, be successful or avoid the risks of loss, substantial delays, or negative impact on banking or brokerage conditions, or financial markets.

***Sustainability Risk.*** Sustainability risk means an environmental, social, or governance event or condition, that, if it occurs, could potentially or actually cause a negative material impact on the value of investments. Sustainability risk can represent a risk on its own, and can contribute significantly to other risks, such as market risks, liquidity risks or operational risks. Sustainability risks could have a negative impact on the market price of securities, and thus on the return of a client account. For example, climate change could lead to increasing intensity and instances of severe weather, leaving issuers vulnerable to financial hardships such as work stoppages, decreases in revenues and increased insurance premiums (or, if the issuer is an insurer, increased claims). Thus, issuers abilities to repay debt, and the value of equity securities, could be negatively impacted. Further, if issuers underestimate or fail to adequately assess sustainability risks, negative impacts of sustainability-related events on their securities would be heightened. In addition, reputational risks caused by unsustainable acts of an issuer could adversely affect the market price of its

securities.

**ESG Investing Risk.** If a client's account is customized to incorporate a ESG (Environmental, Social and Governance) strategy that invests in ESG-oriented ETFs that select or exclude securities of certain issuers for reasons other than financial risk/return considerations, such account could have lower returns than accounts that invest in ETFs whose investment criteria are solely focused on seeking the highest risk-adjusted returns. The application of a ESG strategy could affect the account's direct or indirect exposure to certain sectors or types of investments, which could negatively impact the account's performance. ESG investing is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by an ETF in which account assets are invested, as applicable, or any judgment exercised by an ETF in which account assets are invested will reflect the beliefs or values of any particular client, and the ESG views of an ETF in which account assets are invested with respect to a particular investment could differ from the views of others. Socially responsible norms differ by region, and an issuer's ESG practices or an ETF's assessment of an issuer's ESG practices could change over time. The screens or constraints related to certain ESG strategies could result in an ETF forgoing opportunity to make certain investments when it might otherwise be advantageous to do so. Successful application of an ETF's ESG strategy will depend on the skill of the ETF's manager in identifying and analyzing material ESG issues and there can be no assurance that the strategy or techniques employed will be successful. The global regulatory environment applicable to ESG strategies is evolving and will lead to increased complexity and potentially conflicting regulatory regimes applying to us and the accounts we manage. Further, certain ESG-related regulations (including the European Union's Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector), contain elements of subjectivity, which could lead to our regulatory and legal interpretation differing from that of others and could also result in the regulatory reclassification of products that we manage, changes to our account-level disclosures and changes to our internal policies, procedures and processes. Compliance with ESG-related regulations could indirectly lead to increased costs for relevant accounts.

**Conflicts of Interest Risk.** Custom Harvest is subject to various actual and potential conflicts of interest in the ordinary course of its business. Conflicts of interest and potential conflicts of interest refer to activities or relationships in which the interests of PGIM Custom Harvest or its affiliates compete with the interests of PGIM Custom Harvest's clients. Please see Item 4 above and Item 11 below for a description of certain conflicts and potential conflicts of interest and the manner in which PGIM Custom Harvest and its affiliates seek to mitigate and address such conflicts.

**Extraordinary Events.** Extraordinary events such as natural disasters, epidemics and pandemics, power outages, terrorism, war, conflicts and social unrest can occur that have significant impacts on issuers, industries, governments and other systems, including the financial markets. As global systems, economies and financial markets are increasingly interconnected, events that once had only local impact are now more likely to have regional or even global effects. These impacts can be exacerbated by failures of governments and societies to appropriately respond to, and by public fear of, such an event or threat. For example, any preventative or protective actions taken by governments in response to such crises or events could result in periods of regional, national or international business disruption. Clients could be negatively impacted if there are fewer investment opportunities, if there is reduced credit available to borrowers, if markets are more difficult to model reducing the accuracy of projections or valuations, if the value of their portfolio holdings decreases as a result of such events, if these events adversely impact the operations and effectiveness of the

adviser or key service providers, or if these events disrupt systems and processes necessary or beneficial to the management of accounts.

**Trading Halt Risk.** An exchange or market could close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which could result in a client's account or an ETF in which a client account invests being unable to buy or sell certain securities or financial instruments. In such circumstances a client's account or an ETF in which a client invests could incur trading losses and there could be increased volatility and illiquidity. In addition, in such cases the value of account holdings may decrease, and the accuracy of valuations could be impacted.

**Liquidity Risk.** All investments are subject to liquidity risk, especially when markets are not functioning normally (see, “*Extraordinary Events Risk*” and “*Trading Halt Risk*”). Liquidity risk is the risk that PGIM Custom Harvest will be unable to acquire or dispose of holdings quickly or at prices that represent perceived market value. Examples of events that can lead to heightened liquidity risk include domestic and foreign economic crises, natural disasters, political instability and regulatory changes.

**Margin Account Risk.** Effecting securities transactions in a margin account subjects a client's account to additional risks. Those risks should be disclosed to a client by the client's custodian at the time the client establishes a margin account with its custodian. A client should carefully read the margin disclosure statement provided to the client by its custodian and consult with the custodian and the client's professional advisors regarding margin account arrangements and documentation. The securities held in a margin account are collateral for loans made by the custodian to the client. If the securities in a margin account decline in value, the custodian can take action such as issuing a margin call and/or selling securities or other assets in the client's account in order to maintain the required equity in the Account. Clients that select one of PGIM Custom Harvest's hedged strategies, which involve establishing “short” positions in one or more ETFs for hedging purposes, are subject to increased Margin Account Risk. See “*Hedged Strategies – Additional Risks*” below.

### **Hedged Strategies - Additional Risks.**

**General.** The U.S. Equity Plus 50% Hedged strategy, the U.S. Equity Plus 130/30 Hedged strategy, and other hedged strategies implement the hedging component of the strategies by taking a “short” position in one or more index ETFs.

Short selling involves selling an index ETF that the client portfolio does not own, which exposes the portfolio to costs and risks that are not associated with owning securities long. A short position in an index ETF will lose money when the index that the ETF is tracking increases in value, a result that is the opposite from traditional strategies. These losses, when available, could add to the total loss capture for a client account. Any dividends paid by ETFs underlying the short position must be paid to the institution lending the security and thus will not generate income for a client's account. The ETFs utilized for the “short” position generally will not hold securities that have more than what PGIM Custom Harvest believes, based on applicable regulatory guidance, to be an appropriate level of overlap with securities that are held in the ETFs selected for long exposure, which increases the inverse correlation risk described below.

Short positions are established through a margin account that the client is required to establish with the client's custodian or program sponsor. Certain of the costs and risks associated with short selling are described in the margin disclosure statement provided to clients by the financial institution holding the margin account, and we encourage clients to discuss those risks and costs with their professional advisors.

U.S. Equity Plus 50% Hedged strategy seeks to provide hedged exposure to the broad domestic equity market through a portfolio that holds long positions in ETFs, as well as short positions in ETFs believed to have an inverse correlation to the portfolio's long positions, while seeking to capture tax benefits through tax loss harvesting. The U.S. Equity Plus 130/30 Hedged strategy offers investors access to a managed portfolio of passive ETFs designed to provide a broad domestic equity exposure with additional long positions equivalent to 30% of the account value along with a 30% short position. Hedging is implemented through short positions in broad U.S. market ETFs.

*Inverse Correlation Risk.* A short position in an index ETF is intended to have an opposing or "inverse" relationship to the long positions in the client's portfolio. Generally, the short index position will lose money when the overall long portfolio is rising in value, and the short index position will increase in value when the long portfolio is losing money. This relationship provides the "hedging" aspect of the hedged strategies. PGIM Custom Harvest seeks to short one or more index ETFs that are expected to have a strong inverse relationship with the strategy benchmark. In most cases, the index ETFs being shorted will not track the same index(es) that are being tracked by the ETFs held in the long side of the portfolio. In addition, the index ETFs utilized for a portfolio's short position generally will not hold securities that have more than what PGIM Custom Harvest believes, based on applicable regulatory guidance, to be an appropriate level of overlap with securities held in the index ETFs utilized for long exposure. If a hedged strategy's short position in an index ETF deviates from the expected inverse correlation to the benchmark performance, then the hedged strategy will not perform as desired, and you could have limited TLH outcomes as well as low or negative portfolio returns. Although the short positions are intended as a hedge against negative or low returns of the markets, a hedged strategy's return could be negative.

*Margin Call Risk.* Portfolio losses could result in margin calls from the client's financial institution (see, "*Margin Account Risk*"). If PGIM Custom Harvest is instructed to sell portfolio assets in response to margin calls, such sales could generate taxable capital gains. Alternatively, clients will be required to add cash to the account in response to margin calls. Actions taken by PGIM Custom Harvest in response to margin calls could negatively impact PGIM Custom Harvest's ability to implement its investment strategy for the client's account.

*Liquidity Risk.* The ETFs that PGIM Custom Harvest sells short to implement the hedging component of a hedged strategy could experience periods of low trading volume or reduced liquidity, which would restrict the ability to enter short positions in such ETFs. In these periods, PGIM Custom Harvest can seek to enter short positions through other available transactions, which could have higher transaction costs. All investments are subject to liquidity risk, especially when markets are not functioning normally. If PGIM Custom Harvest is unable to acquire or dispose of holdings quickly or at prices that represent perceived market value, then a hedged strategy will be negatively impacted. Examples of events that can lead to heightened liquidity risk include domestic and foreign economic crises, natural disasters, political instability, and regulatory changes.

***Transition Plus Services – Additional Risks.***

*No Investment Review of Legacy Positions.* Please see discussion under “No Oversight of Legacy Positions” above.

*Client Bears Risk of Legacy Positions.* Legacy positions could decline in value prior to their sale by PGIM Custom Harvest in connection with its provision of transition services.

*Account will not be Fully Invested in Accordance with the Designated PGIM Custom Harvest Investment Strategy.* A client account will not be pursuing the designated PGIM Custom Harvest strategy with respect to account assets that are invested in legacy positions.

*No Adjustment of Asset Allocation by PGIM Custom Harvest to Account for Legacy Positions.* Please see discussion under “No Adjustment of Asset Allocation by PGIM Custom Harvest to Account for Legacy Positions” above.

*Highly Appreciated Positions.* While PGIM Custom Harvest seeks to complete the transition of client accounts as promptly as possible consistent with its provision of transition services, PGIM Custom Harvest could be limited in its ability to sell highly appreciated legacy positions, particularly those positions that continue to appreciate after being placed in an account.

*No Guarantee that Objectives of Transition Services will be Achieved.* PGIM Custom Harvest will use its reasonable efforts to implement the client’s transition instructions. However, there can be no assurance that an account’s transition-related objectives will be achieved.

*Anticipated Tax Loss Harvesting Opportunity could not Materialize.* Where a client requests transition services that include the realization of gains in anticipation, consistent with historical annual tax loss harvesting opportunities, of being able to realize future losses to offset such gains, the actual tax loss harvesting opportunity could be less than anticipated. In such event, there could be realized gains without offsetting realized losses.

***Risks Relating to Regulation.*** We operate in a heavily regulated environment, and are subject to regulation by various government entities, the laws and regulations affecting our business change from time to time. Further, political changes in the U.S. and globally can lead to uncertainty in the legal and regulatory environments applicable to PGIM Custom Harvest. Currently we are operating in an environment of significant global regulatory reform in which such changes are frequent. New or revised laws and regulations could adversely impact our ability to pursue investment strategies and could increase the costs of investing and trading activities. Changes in laws, regulations or executive policies governing foreign relations, trade, development, and investment with respect to countries could adversely impact performance. We cannot predict the effects, if any, of future legal and regulatory changes on our business or the services we provide.

***Sanctions and Related Considerations.*** Economic sanction laws in the United States and other jurisdictions prohibit us, our personnel and accounts we manage, and the ETFs in which client accounts are invested, from dealing or transacting with certain countries, organizations, companies, issuers, individuals, and investments. Economic sanctions, and other similar and related laws and regulations, could make it difficult for an account or an ETF in which the account invests to pursue certain investment opportunities and for portfolio investments to obtain or retain certain business,

which could adversely impact, cause increased volatility and illiquidity and impact the accuracy of valuations.

In the United States (“U.S.”), the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) administers and enforces laws, executive orders and regulations establishing U.S. economic and trade sanctions, which restrict or prohibit, among other things, direct and indirect transactions with, and the provision of services to, certain non-U.S. countries, territories, individuals, and entities. These types of sanctions could significantly restrict or completely prohibit investment activities in certain jurisdictions, and violation of any such laws or regulations, could result in significant legal and monetary penalties, as well as reputational damage. OFAC sanctions programs change frequently, which could make it more difficult for us, our affiliates, or our clients to ensure compliance. Moreover, OFAC enforcement is increasing, which could increase the risk that we, our affiliates or our clients become the subject of such actual or threatened enforcement.

**Risks Associated with Global Conflict.** War, conflict and civil disturbances around the world can have significant and negative economic effects, given the increasing interconnectedness of financial markets across the world. Recent examples of such events include armed conflicts between Russia and Ukraine in Europe, and Israel and Hamas – a Palestinian group which has ruled the Gaza Strip since 2007 – in the Middle East. These events can increase the threat of full-scale war, cyberattacks, and further regional or global conflicts. They can cause significant disruptions to the global financial system and international trade; for example, they could impact supply chains and commodity prices, leading to inflation. They could impact our ability to source, diligence and execute investments on behalf of client accounts. Further, they could result in sanctions against impacted countries, which could lead to various negative consequences as explained under “Sanctions and Related Considerations.” For example, the armed conflict between Russia and Ukraine led to broad-ranging sanctions issued by various governments, primarily against Russia. The ultimate impact of events such as these, including and their effects on global economic and commercial activity and conditions, and on the operations, financial condition and performance of client accounts and their investments, is impossible to predict. There is no guarantee that any steps taken by us to mitigate any adverse impact of these conflicts will be successful.

**Recent European Events.** In recent years in Europe, many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts; many other issuers have faced difficulties obtaining credit or refinancing existing obligations; financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit; and financial markets in Europe and elsewhere have experienced extreme volatility and declines in asset values and liquidity. Responses to these financial problems by European governments, central banks and others, including austerity measures and reforms, may not be effective in addressing these issues.

**Risks Relating to Cybersecurity and Technology.** Investment advisers, including PGIM Custom Harvest, must rely in part on digital and network technologies to conduct their businesses and to maintain substantial computerized data relating to client account activities. These technologies include those owned or managed by PGIM Custom Harvest as well as those owned or managed by others, such as custodians, financial intermediaries, transfer agents and other parties to which PGIM

Custom Harvest or they outsource the provision of services or business operations.

Like all businesses that use computerized data, PGIM Custom Harvest and its affiliates and their respective third-party service providers, and the systems such parties use, are, under some circumstances, subject to a variety of cybersecurity-related risks, including ransomware and other cyber or data extortion risks, and exposed to incidents or similar events that lead to the inadvertent disclosure of confidential personal, proprietary, or other non-public data to unintended parties, or are subject to the intentional misappropriation, misuse, disclosure, encryption, threat to disclose, or destruction of such data by unauthorized parties or malicious actors mounting an attack on computer systems. Various actors, such as for-profit criminal hackers, engage in cyberattacks against the financial services sector. PGIM Custom Harvest could experience cybersecurity attacks from numerous sources. These attacks would likely be aimed at our computers, systems, networks, and cloud operations.

Each of PGIM Custom Harvest and its affiliates are subject to an information technology security program that includes various privacy and cybersecurity policies and certain technical and physical safeguards intended to protect the integrity, availability, and confidentiality of the data we have and the systems that store it. PGIM Custom Harvest takes other commercially reasonable precautions to limit the potential for cybersecurity incidents or similar events, and to protect data from inadvertent disclosure or wrongful misappropriation or destruction. Nevertheless, despite reasonable precautions, cybersecurity incidents occur, and in some circumstances could result in unauthorized access to or acquisition of sensitive information about PGIM Custom Harvest or our clients. In addition, such incidents might cause damage to client accounts, data or systems or affect account management.

Furthermore, PGIM Custom Harvest's systems could fail to operate properly or become disabled as a result of events or circumstances wholly or partly beyond our or others' control. Technology failures, whether deliberate or not, including those arising from use of third-party service providers or client usage of systems to access accounts, could have a material adverse effect on our business or our clients and could result in, among other things, financial loss, reputational damage, regulatory penalties or the inability to transact business.

***Artificial Intelligence Risk.*** Artificial intelligence technologies, including machine learning and generative artificial intelligence (collectively, "AI Technology"), and their potential future applications, continue to rapidly evolve. Currently, PGIM Custom Harvest does not use AI, generative AI, or machine-learning technologies, but could elect to use such technologies in the future. Although PGIM Custom Harvest does not currently use such AI Technology, consultants, service providers, or other persons associated with PGIM Custom Harvest could use such tools, or could misuse them. It is also possible that your account could be invested in companies that utilize AI Technology. While we conduct diligence on such potential investments and third-party service providers, we cannot control how they develop or maintain AI Technology.

AI Technology could exacerbate existing, or create new and unpredictable, risks to us and your account including competitive, operational, reputational, legal, and regulatory risks. For example, AI Technology uses complex software, hardware, and data systems; if any of these were disrupted (such as by technical glitches or power failures), our ability to process data, generate reports, or perform operational tasks could be impaired. Further, if any of the data input into AI Technologies

contains errors, or is incomplete or becomes corrupted, the output may be inaccurate or misleading. Moreover, the algorithms used in AI Technologies may not always function as intended due to unforeseen limitations or biases, or changing operational or market conditions, thereby reducing these tools' effectiveness. Use of AI Technologies also increases our exposure to cybersecurity threats. While we maintain cybersecurity measures to protect against these risks, no system can be entirely immune from them.

To address these risks, we developed a robust governance framework that evaluates AI Technology tools before they are utilized. We also require human oversight of AI processes to reduce the risk of acting on incorrect outputs. Despite these precautions, the novelty and rapid evolution of AI Technology tools increase the likelihood of associated risks materializing. Further, it is not possible to predict the full nature or extent of current or future risks related to the use and development of AI Technology.

***Social Media and Internet-Based Information Risks.*** In recent years, social media platforms have become a means for instantaneous information sharing. Given the relative lack of regulation of these platforms, they can be used as vehicles for dissemination of inaccurate information. Any such information related to issuers could negatively impact the value of their securities.

***Public Health Risk.*** Occurrences of epidemics and pandemics, depending on their scale, could cause different degrees of damage to the national and local economies. Global economic conditions could be disrupted by widespread outbreaks of infectious or contagious diseases, and such disruption could adversely affect investment returns. There can be no certainty as to how long effects of such outbreaks will continue, particularly as markets grapple with unintended consequences of fiscal and monetary policies designed to curb any economic impact (such as inflation). These economic disruptions might negatively impact the value and performance of investments in client accounts, and there is no way to predict the extent of any such future consequences for clients.

### **Item 9 - Disciplinary Information**

PGIM Custom Harvest does not have any legal or disciplinary events to disclose that are material to a client's or prospective client's evaluation of PGIM Custom Harvest's advisory business or the integrity of its management.

### **Item 10 - Other Financial Industry Activities and Affiliations**

As an indirect wholly-owned subsidiary of Prudential Financial, we are part of a diversified, global financial services organization. We are affiliated with many types of financial service providers, including broker-dealers, insurance companies and other investment advisers. Some of our employees are officers of some of these affiliates. Please refer to Item 4 and Item 11 for a discussion of actual and potential conflicts of interest faced by PGIM Custom Harvest, including as a result of such affiliate relationships, and the manner in which PGIM Custom Harvest seeks to address and mitigate such actual and potential conflicts of interest.

#### Broker/Dealer Affiliates

PGIM Custom Harvest is affiliated with Prudential Investment Management Services LLC (PIMS) a registered broker-dealer (CRD 18353). Certain of our management persons and other employees are registered representatives of PIMS. PIMS does not execute securities transactions on behalf of PGIM Custom Harvest accounts. Certain registered representatives of PIMS also might assist in promoting Custom Harvest's advisory services to Wrap Fee Program sponsors and other financial intermediaries.

PGIM Custom Harvest might solicit broker-dealers, investment advisers and financial planners to invest selected client accounts through PGIM Custom Harvest and might act as a sub-adviser to such firms. The advisory fees for PGIM Custom Harvest's services might be in addition to fees charged by the broker-dealer, investment adviser or financial planner. PGIM Custom Harvest does not pay any compensation to the broker-dealers, investment advisers and financial planners in exchange for the investment of their client assets with PGIM Custom Harvest.

#### Investment Adviser Affiliates

PGIM Custom Harvest is affiliated with PGIM Investments LLC (CRD 105670/SEC 801-31104), a registered investment adviser (PGIM Investments). PGIM Investments provides administrative and other support in connection with the investment strategies that PGIM Custom Harvest provides. Certain of our management persons and other employees are officers of PGIM Investments.

PGIM Custom Harvest has entered into a research arrangement with the Strategic Investment Research Group ("SIRG") of PGIM Investments LLC. SIRG is comprised of experienced and specialized professionals who know and understand the participants in the global money management community. The research arrangement allows PGIM Custom Harvest to supplement its own research and analysis by leveraging SIRG's expertise with respect to the identification, selection and monitoring of ETFs. Under the research arrangement, SIRG provides PGIM Custom Harvest with information and research concerning ETFs identified by PGIM Custom Harvest that might be considered and used by PGIM Custom Harvest in selecting ETFs used by PGIM Custom Harvest in managing client accounts. PGIM Custom Harvest retains sole and exclusive responsibility for its management of client accounts, including all decisions regarding the purchase, holding and sale of ETF shares by PGIM Custom Harvest in connection with such management.

#### **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

PGIM Custom Harvest has adopted its Code of Ethics (the "Code") pursuant to Rule 204A-1 of the Investment Advisers Act of 1940, as amended, in order to prevent persons who are actively engaged in investment advisory services for clients from participating in fraudulent, deceptive, or manipulative acts, practices or courses of conduct in connection with managing client accounts.

The Code establishes certain standards of business conduct to which certain persons of PGIM Custom Harvest are expected to adhere. In particular, the Code is designed to uphold the following principles: (1) that PGIM Custom Harvest's duty at all times is to place the interests of PGIM Custom Harvest's clients first; (2) that all personal securities transactions conducted by an officer or employee of PGIM Custom Harvest shall be conducted consistently with the provisions of the Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of

that individual's position of trust and responsibility; and (3) that PGIM Custom Harvest's officers and employees shall not take inappropriate advantage of their positions with PGIM Custom Harvest.

The Code outlines prohibited transactions and conduct by certain officers and employees of PGIM Custom Harvest and sets forth sanctions that could be imposed in response to any violations. The Code incorporates Prudential's Personal Securities Trading Standards and Prudential's U.S. Information Barrier Standards which are intended, among other things, to deter and prevent insider trading and contain detailed information barrier requirements pertaining to material nonpublic information. The Code, including Prudential's Personal Securities Trading Standards and Prudential's U.S. Information Barrier Standards, also contains restrictions on employee's personal security trading and reporting and certification requirements with respect to employee's personal security holdings and transactions. Employees are required to report any Code violations to the Chief Compliance Officer.

PGIM Custom Harvest also implements an insider trading policy that is designed to prevent the misuse of material, non-public information by PGIM Custom Harvest and its officers and employees. The insider trading policy expressly forbids any officer or employee from either trading on material non-public information or communicating material non-public information to others in violation of federal law.

PGIM Custom Harvest will provide a copy of the Code to any client or prospective client upon request and without charge.

PGIM Custom Harvest manages accounts for itself, its directors, officers, and/or employees. These accounts could or could not be required to pay advisory fees to PGIM Custom Harvest. Whether fee-paying or not, all such accounts are considered proprietary accounts. PGIM Custom Harvest could have an incentive to favor proprietary accounts over other client accounts. PGIM Custom Harvest could also have an incentive to disproportionately allocate partially filled orders to proprietary accounts.

PGIM Custom Harvest implements a trade aggregation and allocation policy and procedures that require proprietary accounts to be traded alongside other discretionary client accounts. All trades for proprietary accounts shall be aggregated with client trades (to the extent permitted by clients) and allocated in accordance with such policy and procedures.

Employees of PGIM Custom Harvest are permitted to buy or sell securities that PGIM Custom Harvest recommends to clients, but such purchases and sales are governed by the Code and Prudential's Personal Securities Trading Standards.

Please refer to Item 4 for additional information concerning actual and potential conflicts of interest faced by PGIM Custom Harvest, including those relating to the outside business activities of its employees and officers, and the manner in which PGIM Custom Harvest seeks to address and mitigate such conflicts.

Please refer to Item 14 for information concerning the policies, including a gifts and entertainment policy, that have been adopted by PGIM Custom Harvest to address and mitigate conflicts of interest relating to the potential receipt by PGIM Custom Harvest of marketing benefits and the

potential receipt by PGIM Custom Harvest's employees of meals, gifts and entertainment from the sponsors of ETFs that are held, or proposed to be held, in client accounts.

## **Item 12 - Brokerage Practices**

As PGIM Custom Harvest's business and client base grows and evolves over time, PGIM Custom Harvest might implement changes to the practices described in this Item 12, including with respect to the selection of broker-dealers, order aggregation and the communication of trade orders. Provided that PGIM Custom Harvest determines that such changes are consistent with the best interests of its clients and the fair and equitable treatment of client accounts, such changes may be implemented without the prior approval or consent of clients.

### Selection of Brokers and Dealers; Best Execution

Except in the case of directed brokerage clients (see "Directed Brokerage" below), PGIM Custom Harvest is authorized to select brokers or dealers to execute the transactions for the purchase or sale of portfolio securities for its clients and to determine the commission rates to be paid for such services.

PGIM Custom Harvest has full authority and discretion to engage any broker or dealer to execute securities transactions for the client that, in PGIM Custom Harvest's opinion, is capable of providing best execution. In selecting broker-dealers to effect client transactions, PGIM Custom Harvest considers a number of factors, including: any fees charged by client custodians for trading with other brokers; price of securities; commissions; market conditions; execution capabilities; abilities and financial wherewithal of the broker-dealer; and, in connection with particularly difficult transactions, the broker-dealer's expertise with respect to such transactions. Consideration of best execution factors is performed by PGIM Custom Harvest's trading personnel under the supervision of PGIM Custom Harvest's Chief Investment Officer. PGIM Custom Harvest does not consider client referrals from a broker-dealer or other parties as a factor in the selection of broker-dealers to execute a client's portfolio transactions.

Clients in Wrap Fee Programs and other managed account programs could be charged added costs in the form of brokerage commissions or other transaction fees (which could be assessed on a flat fee or per share basis) on any trades that PGIM Custom Harvest executes away from the sponsor. In discharging its duty of best execution in placing orders for such clients, PGIM Custom Harvest considers these costs against the potential benefits of executing trades away from the sponsor. In general, PGIM Custom Harvest deems these costs to outweigh the benefits of trading away and thus generally trades all Wrap Fee Program and other managed account program clients through the respective sponsor.

Certain direct and sub-advised clients maintain their accounts on a broker-dealer platform and subscribe to the broker-dealer's brokerage and custody services. Under such arrangements, the broker-dealer could charge the client a fee (which could be assessed on a flat fee or per share basis) when a trade is executed at another broker-dealer. This fee would be charged to the client in addition to the brokerage commission charged to the client for the trade, and PGIM Custom Harvest has no ability to negotiate the amount of the fee. In discharging its duty of best execution in placing orders for such clients, PGIM Custom Harvest considers these costs against the potential benefits of

executing trades away from the client's broker-dealer custodian. In general, PGIM Custom Harvest deems these costs to outweigh the benefits of trading away from the broker-dealer custodian. To further its best execution duty to these clients, PGIM Custom Harvest attempts to identify ETFs for its strategies that do not entail brokerage commissions on trading platforms, although its ability to do so is dependent on brokerage platforms continuing to offer commission-free trades for ETFs.

As noted above, PGIM Custom Harvest's standard practice currently is to execute trades with each program client's sponsor or broker-dealer custodian due to the considerations relating to "trading away" described above and anticipates continuing to do so in the ordinary course. However, PGIM Custom Harvest reserves the ability to "trade away" from a client's sponsor or broker-dealer custodian where it determines that doing so would be in the best interest of such clients and consistent with its best execution obligations. Please see discussion under "Trade Order Aggregation and Allocation; Trade Communication" below.

#### Trade Order Aggregation and Allocation; Trade Communication

Transactions for client accounts generally are effected independently unless PGIM Custom Harvest is purchasing or selling the same securities for several clients at the same sponsor or broker-dealer custodian at approximately the same time. PGIM Custom Harvest might (but is not obligated to) combine or "batch" such orders to seek best execution, to negotiate more favorable commission rates, or to more efficiently communicate such transactions to the broker-dealer. This could result in differences in prices and commissions or other transaction costs from those that might have been obtained had such orders been placed independently. If purchases or sales of portfolio securities by client accounts at the same sponsor or broker-dealer custodian are executed at or about the same time, transactions in such securities will be allocated among the clients in a manner deemed equitable to all participating accounts by PGIM Custom Harvest.

Where PGIM Custom Harvest determines to aggregate orders for the purchase or sale of the same security for groups of clients at multiple sponsors and broker-dealer custodians and to place such aggregated orders with each sponsor or broker-dealer custodian, PGIM Custom Harvest seeks to transmit such aggregated orders to each sponsor and broker-dealer custodian in a manner that treats clients at the different sponsors and broker-dealer custodians fairly and equitably with respect to the timing of trade execution. As the number of sponsor programs and broker-dealer custodian platforms through which PGIM Custom Harvest offers its services has grown, PGIM Custom Harvest uses a trade rotation approach in which it communicates such orders to each sponsor and custodian in a sequential manner. Under PGIM Custom Harvest's trade rotation approach, PGIM Custom Harvest establishes a rotation order on a daily basis and follows such order for all trades effected at multiple sponsors and broker-dealer custodians on such day. The daily trade rotation order is determined in accordance with procedures that are designed to ensure that clients at different sponsors and broker-dealer custodians are treated fairly and equitably over time with respect to the timing of trade execution. Currently such procedures provide that each sponsor or broker-dealer custodian will move down one position in the rotation each day (with the exception that the sponsor or broker-dealer custodian in the last rotation position on a business day will assume the first position in the rotation on the following business day). Alternative rotation procedures may be established and followed by PGIM Custom Harvest provided that PGIM Custom Harvest determines that such alternative rotation procedures are designed to ensure that clients at different sponsors and broker-dealer custodians are treated fairly and equitably over time. Under

PGIM Custom Harvest's trade rotation policies and procedures, PGIM Custom Harvest might choose to group together and treat as a single trade rotation participant two or more program sponsors or broker-dealer custodians that require that client trades be communicated to the sponsor or broker-dealer custodian using the same trading system or protocol. For example, PGIM Custom Harvest might choose to treat sponsors and broker-dealer custodians that require the use of FIX electronic trading as a group and as a single rotation participant. When a particular group comes up in the rotation order, PGIM Custom Harvest seeks to communicate trade orders to each program and broker-dealer custodian included in the group at the same time.

There is the potential for movement in securities prices over the period of time needed to complete a trade rotation. Particularly during volatile markets, a trade rotation approach could lead to greater differences in execution prices obtained for client accounts, greater differences in tax loss harvesting outcomes obtained for client accounts and greater performance dispersion across client accounts. To seek to mitigate these potential effects, PGIM Custom Harvest will seek to complete a trade rotation as promptly as practicable. However, administrative and technological considerations at one or more program sponsors or broker-dealer custodians may impact the speed with which PGIM Custom Harvest is able to complete a trade rotation.

PGIM Custom Harvest's standard practice currently is to not aggregate or "batch" orders for the purchase or sale of the same securities for clients with different sponsors and broker-dealer custodians due to the considerations relating to "trading away" described above. However, PGIM Custom Harvest reserves the ability to aggregate orders for the purchase or sale of the same securities for clients with different sponsors and custodians into a "block trade" in circumstances in which PGIM Custom Harvest believes that the benefits of doing so outweigh any incremental costs to clients associated with such trades. In addition to the incremental costs to clients associated with trading away, factors considered by PGIM Custom Harvest in deciding whether to aggregate trades for clients across different sponsors and custodians into a single "block trade" include the execution quality, liquidity and commissions rates that can be obtained from the executing broker or trading venue selected by PGIM Custom Harvest, the nature of the security being traded and market conditions. An aggregated order could cover client accounts at all sponsors and custodians or only clients at certain sponsors and custodians, as determined by PGIM Custom Harvest in its discretion and giving consideration to the factors noted above. If an aggregated order covers only clients at certain sponsors and custodians, PGIM Custom Harvest will communicate the aggregated order to the executing broker-dealer and orders to sponsors and custodians whose clients are not included in the aggregated order following a trade rotation approach, as described above.

### Directed Brokerage

A client may direct PGIM Custom Harvest to use a particular broker or dealer to execute transactions for the client's account. Any such direction is subject to acceptance or rejection by PGIM Custom Harvest in its sole discretion. In this circumstance, the client's direction must be in written form instructing PGIM Custom Harvest to execute all or certain transactions with the particular broker or dealer, and the client will provide PGIM Custom Harvest with a written acknowledgment that the client understands that: (A) in directing PGIM Custom Harvest to use a particular broker or dealer, PGIM Custom Harvest might not be in a position where it can freely negotiate commission rates or spreads, obtain volume discounts, or select brokers or dealers on the basis of best execution; (B) such directed brokerage transactions might not be commingled or

“batched” for purposes of execution with orders for the same securities for other accounts managed by PGIM Custom Harvest; and (C) accordingly, the client’s direction of a particular broker or dealer to execute transactions for the account might result in higher commissions, greater spreads, or less favorable net prices than might be the case if PGIM Custom Harvest were empowered to freely negotiate commission rates or spreads, or to select brokers or dealers on the basis of best execution. In these circumstances, the client should recognize that a disparity in commission charges may exist among clients of PGIM Custom Harvest.

#### Research and Other Soft Dollar Benefits

PGIM Custom Harvest does not utilize research, research related products or other brokerage services on a soft dollar commission basis.

#### Trade Errors

Consistent with PGIM Custom Harvest’s fiduciary duties, contractual obligations, and applicable law, PGIM Custom Harvest has a responsibility to effect investment decisions correctly, promptly and in the interests of its clients and to verify that placed orders are correct and properly executed. Although PGIM Custom Harvest strives to assure proper execution of investment decisions, errors could occur in the trading process. Consequently, PGIM Custom Harvest has adopted a policy with respect to the identification, escalation, and resolution of trade errors (the “Trade Error Policy”). The Trade Error Policy seeks to confirm that appropriate care is taken in implementing investment decisions on behalf of client accounts, any potential trade errors are identified and reported promptly to compliance, and each identified error is corrected on a timely basis. The Trade Error Policy generally applies only to the extent that PGIM Custom Harvest has control of resolving errors in client accounts. For many investment programs, the program sponsor maintains control over the resolution of errors on the part of participating managers.

#### **Item 13 - Review of Accounts**

PGIM Custom Harvest employs its proprietary SmartCapture methodology to identify TLH opportunities within market sectors and countries/regions, as described in Item 8. PGIM Custom Harvest monitors client accounts on an intra-day basis. PGIM Custom Harvest typically does not seek to harvest tax losses in each market sector or country/region every day. Rather, PGIM Custom Harvest exercises its discretion to prioritize and pursue those tax loss opportunities that it believes will have a meaningful impact across client accounts. In addition, client accounts are reviewed on a periodic basis by the portfolio management team, supervised by the Chief Investment Officer.

Clients investing through financial intermediaries typically will be provided regular account statements or reports by their financial institutions. PGIM Custom Harvest will provide performance reports to financial intermediaries and direct clients upon request.

#### **Item 14 - Client Referrals and Other Compensation**

PGIM Custom Harvest does not receive any direct compensation for providing investment advisory services to its clients other than investment advisory fees. PGIM Custom Harvest’s supervised persons are permitted to receive meals, gifts and entertainment from the sponsors of ETFs that are held, or proposed to be held, in client accounts, subject to compliance with PGIM Custom Harvest’s

gifts and entertainment policy. From time to time, ETF sponsors will provide marketing benefits to PGIM Custom Harvest, such as by hosting client events or sponsoring PGIM Custom Harvest's participation in conferences. PGIM Custom Harvest has implemented policies to mitigate the risk that it or its employees would select ETFs for client accounts based on the receipt of these benefits rather than based strictly on clients' best interests. For example, PGIM Custom Harvest regularly screens available ETFs based on defined characteristics to support the selection of certain ETFs for client portfolios.

PGIM Custom Harvest might compensate its employees or third parties for client referrals. Any person receiving compensation will be appropriately registered as an investment adviser or investment adviser representative under the laws of any state requiring such persons who receive compensation for client referrals to be registered as such. If PGIM Custom Harvest provides compensation for client referrals, it will do so in compliance with applicable laws and regulations and internal policies.

In addition, PGIM Custom Harvest and its affiliates might make payments for marketing, promotional and related expenses and provide related benefits to intermediary firms and their personnel that recommend or offer PGIM Custom Harvest's services. If PGIM Custom Harvest or its affiliates make such payments or provide such benefits, they will do so in compliance with applicable laws and regulations and internal policies.

### **Item 15 - Custody**

PGIM Custom Harvest does not maintain physical custody or possession of the ETFs and other securities in its clients' accounts. A client that contracts directly with PGIM Custom Harvest may authorize PGIM Custom Harvest to directly debit fees from their account held at the custodian for credit to PGIM Custom Harvest subject to applicable regulations. Under this circumstance, PGIM Custom Harvest is deemed to have custody of client assets. Each client should receive statements at least quarterly from the broker-dealer, bank or other qualified custodian that holds and maintains the client's account assets. PGIM Custom Harvest urges its clients to carefully review such statements. PGIM Custom Harvest will comply with applicable obligations under the SEC's custody rule with respect to dual contract accounts for which PGIM Custom Harvest is deemed to have custody.

### **Item 16 - Investment Discretion**

PGIM Custom Harvest usually receives discretionary authority from a client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In the case of direct clients of PGIM Custom Harvest, the grant of discretionary authority is provided for in the investment advisory contract that PGIM Custom Harvest asks each client to sign in order to establish the investment adviser relationship. In the case of managed account programs where PGIM Custom Harvest provides discretionary advisory services pursuant to an agreement with the program sponsor or another investment adviser but does not contract directly with the client, the grant of discretionary authority typically is provided for in the investment advisory or similar agreement between PGIM Custom Harvest and the program sponsor or investment adviser. PGIM Custom Harvest intends to exercise discretion over each client account in a manner that is consistent with the investment objectives of such account.

When exercising investment discretion over client accounts, PGIM Custom Harvest observes the client's reasonable investment guidelines, limitations, and restrictions. Investment guidelines, limitations and restrictions must be provided to PGIM Custom Harvest in writing and accepted by PGIM Custom Harvest.

### **Item 17 - Voting Client Securities**

PGIM Custom Harvest will accept a clear delegation of authority to vote proxies with respect to securities over which it has investment discretion. Unless otherwise agreed to, PGIM Custom Harvest will not accept or exercise proxy voting authority with respect to legacy security positions in an account receiving Transition Plus services, as described in Item 8. Unless otherwise agreed to by PGIM Custom Harvest to exercise proxy voting authority with respect to legacy security positions, if a client wishes to have proxies relating to legacy security positions voted, the client should consider arranging for the client's primary investment adviser or the client's sponsor or custodian to vote proxies relating to all securities in the client's account or voting such proxies on its own, as described in the following paragraph.

Instead of delegating proxy voting authority to PGIM Custom Harvest, a client may rely on the client's primary investment adviser or the client's sponsor or custodian to vote proxies, or the client may elect to receive proxies from their sponsor or custodian and to vote such proxies on its own. Where the client chooses to vote proxies on its own, the client typically will receive proxies and other related solicitation materials for securities in their accounts from the custodian. PGIM Custom Harvest will not provide advice or recommendations to the client with respect to such proxy solicitations.

PGIM Custom Harvest has adopted proxy voting policies designed to implement its duty to vote proxies in the best interests of any client account for which PGIM Custom Harvest has proxy voting authority. Solely with respect to legacy securities, if PGIM Custom Harvest contractually agrees to exercise proxy voting authority, PGIM Custom Harvest will utilize a third-party proxy advisor to make recommendations for such proxies and will utilize such third-party proxy advisor to vote such proxies.

For routine proposals that will not materially change the strategy, structure, bylaws or operations of an ETF or other issuer to the detriment of its shareholders, PGIM Custom Harvest's general policy is to follow the recommendation of the third-party proxy advisor absent contrary instructions from the client or a determination by PGIM Custom Harvest's determination that a particular proposal should be voted in a different way considering financial and other interests of client accounts.

Non-routine proposals, such as board elections, advisory contract and distribution plan approvals, and mergers, the recommendations will generally be reviewed on a case-by-case basis with PGIM Custom Harvest first and foremost considering the effect of the proposal on the financial interest of client accounts. For the avoidance of doubt, PGIM Custom Harvest can determine to abstain from voting.

When PGIM Custom Harvest or one of its employees also invests in a security alongside a client, PGIM Custom Harvest's or the employee's interests could be conflicted with the client's interests

in deciding how to vote a proxy proposal for that security. To avoid the appearance of a conflict of interest in these cases, PGIM Custom Harvest will either vote the proposal in accordance with the recommendation of the issuer's board of directors or based on a consensus among PGIM Custom Harvest's CEO and portfolio managers to vote against the board's recommendation. If other potential conflicts of interest are identified when voting a proxy, PGIM Custom Harvest will follow this same procedure.

A copy of PGIM Custom Harvest's proxy voting policies is available upon request using the contact information located on the first page of this Brochure. A client may also contact PGIM Custom Harvest to receive a detailed record of any proxies voted on its behalf.

### **Item 18 - Financial Information**

A balance sheet is not required to be provided because PGIM Custom Harvest does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

As of the date of this Brochure, PGIM Custom Harvest has no financial commitment that impairs its ability to meet contractual commitments to clients, and PGIM Custom Harvest has not been the subject of a bankruptcy proceeding.

**ADV Brochure Addendum for Clients (“PAS Clients”) Participating in Merrill Lynch’s PAS Program (the “PAS Program”):**

The following information supplements Item 12 (Brokerage) of the Brochure:

“PGIM Custom Harvest is authorized to select brokers or dealers to execute the transactions for the purchase or sale of portfolio securities for PAS client accounts and to determine the commission rates to be paid for such services. Pursuant to the Client Services Agreement that each client enters into with Custom Harvest, the client requests that Custom Harvest execute all transactions for the client’s portfolio through Merrill Lynch, subject to Custom Harvest’s determination that doing so meets commercially reasonable efforts to obtain best execution. The factors considered by Custom Harvest’s trading personnel in selecting broker-dealers are set forth under the heading “Selection of Brokers; Best Execution” in Item 12 of the Brochure. Custom Harvest’s execution of trades for the client’s portfolio by or through Merrill Lynch will be commission-free under Merrill Lynch’s PAS Program agreement with the client, while trades executed by or through a broker-dealer other than Merrill may be subject to commissions and other charges that do not apply to trades executed through or with Merrill. Under the agreement between Merrill Lynch and Custom Harvest with respect to the PAS Program, Custom Harvest, not the Client, is required to pay any commissions and other charges on trades executed with a broker-dealer other than Merrill Lynch. The requirement that Custom Harvest be responsible for paying any commissions and other charges on trades effected away from Merrill Lynch creates a conflict of interest for Custom Harvest when seeking best execution and determining whether to execute trades through or with Merrill Lynch or through or with another broker-dealer. Custom Harvest addresses this conflict through the maintenance of “best execution” policies and procedures that include the ongoing assessment and monitoring of Merrill’s execution capabilities and the execution prices obtained on transactions executed by or through Merrill to confirm that Custom Harvest is meeting its best execution responsibilities with respect to trades placed with or through Merrill Lynch.”



**Prudential**  
**PGIM Custom Harvest**  
655 Broad Street  
Newark, NJ 07102

**II. Form ADV, Part 2B Brochure Supplement**

**ITEM 1 - COVER PAGE – ADV PART 2B**

**Brian K. Ahrens**

PGIM Custom Harvest LLC  
655 Broad Street  
Newark, NJ 07102  
(800) 210-0118

March 28, 2025

**This Brochure Supplement provides information about Brian K. Ahrens that supplements the PGIM Custom Harvest LLC Brochure. You should have received a copy of that Brochure. Please contact us at 1-800-210-0118 if you did not receive the Brochure or if you have any questions about the contents of this Supplement.**

**Item 2 – Educational Background and Business Experience**

**Brian K. Ahrens** (born 1966) is the Co-Chief Investment Officer of PGIM Custom Harvest LLC. Effective March 31, 2025, he will assume the role of Chief Investment Officer of PGIM Custom Harvest.

In addition, Mr. Ahrens is the Head of the Strategic Investment Research Group (SIRG) division of PGIM Investments LLC, a registered investment adviser, where he leads a team of analysts focused on investment consulting and portfolio construction services. The group provides consulting services across Prudential's domestic businesses, including annuities, separately managed accounts, and mutual funds. He also oversees a team responsible for the discretionary management of asset allocation portfolios, employing a multi-manager approach that integrates both top-down and bottom-up risk assessments across seven multi-asset allocation portfolios.

Mr. Ahrens has been with Prudential for over 25 years.

**Item 3 – Disciplinary Information**

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. We have no facts or events to report in response to this Item.

**Item 4 – Other Business Activities**

If a supervised person is actively engaged in any other investment-related business or occupation, we are required to disclose this fact and describe the business relationship, if any, between our advisory business and the other business, and if that creates a material conflict of interest with clients, describe the nature of the conflict and how we address it. Also, if a supervised person receives compensation based on sales of securities or other investment products, we must make disclosures and explain resulting incentives. We have no information to report in response to this Item.

#### **Item 5 – Additional Compensation**

If someone who is not our client provides an economic benefit to our supervised person for providing advisory services, we are required to describe the arrangement. Economic benefits include sales awards or other prizes or a bonus that is based at least in part on the number or amount of sales, client referrals or new accounts. We have no information to report in response to this Item.

#### **Item 6 – Supervision**

Brian K. Ahrens reports to Stuart S. Parker, the President of PGIM Custom Harvest LLC and PGIM Investments LLC. Mr. Parker can be contacted at the phone number provided above.

Mr. Ahrens is responsible for investment strategy and portfolio management activities for PGIM Custom Harvest.

Mr. Parker is kept up to date on the activities of Mr. Ahrens and PGIM Custom Harvest through reports provided by Mr. Ahrens. Mr. Parker provides input to and requests additional information from Mr. Ahrens as he deems appropriate.

#### **Item 7 – Requirements for State-Registered Advisers**

PGIM Custom Harvest is registered with the Securities and Exchange Commission. No information is applicable to this Item.

**ITEM 1 - COVER PAGE – ADV PART 2B**

**Robert C. Holderith**

PGIM Custom Harvest LLC  
655 Broad Street  
Newark, New Jersey 07102  
(800) 210-0118

March 28, 2025

**This Brochure Supplement provides information about Robert C. Holderith that supplements the PGIM Custom Harvest LLC Brochure. You should have received a copy of that Brochure. Please contact us at 1-800-210-0118 if you did not receive the Brochure or if you have any questions about the contents of this Supplement.**

**Item 2 – Educational Background and Business Experience**

**Robert C. Holderith** (born 1960) is Vice President and Head of PGIM Custom Harvest. Mr. Holderith has been with PGIM Custom Harvest (and its predecessor company formerly known as Green Harvest Asset Management LLC) since founding it in 2017. Prior to founding PGIM Custom Harvest, Mr. Holderith was a Managing Member and President of Emerging Global Advisors, LLC, and a Trustee and President of EGA Emerging Global Shares Trust and a portfolio manager for the series of EGA Emerging Global Shares Trust. Mr. Holderith was previously a Managing Director at ProFund Advisors and a senior member of UBS's wealth management team, where he helped develop the firm's first ETF models and an advisory ETF Portfolio Management platform.

**Item 3 – Disciplinary Information**

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. We have no facts or events to report in response to this Item.

**Item 4 – Other Business Activities**

If a supervised person is actively engaged in any other investment-related business or occupation, we are required to disclose this fact and describe the business relationship, if any, between our advisory business and the other business, and if that creates a material conflict of interest with clients, describe the nature of the conflict and how we address it. Also, if a supervised person receives compensation based on sales of securities or other investment products, we must make disclosures and explain resulting incentives. We have no information to report in response to this Item.

**Item 5 – Additional Compensation**

If someone who is not our client provides an economic benefit to our supervised person for providing advisory services, we are required to describe the arrangement. Economic benefits include sales awards or other prizes or a bonus that is based at least in part on the number or amount of sales, client referrals

or new accounts. We have no information to report in response to this Item.

#### **Item 6 – Supervision**

Robert C. Holderith reports to Joel Sauber, Executive Vice President of PGIM Custom Harvest. Mr. Sauber can be contacted at the phone number provided above.

Mr. Holderith oversees the personnel who manage the day-to-day operations of PGIM Custom Harvest and execution of the firm's investment strategies.

Mr. Sauber is kept up to date on the activities of Mr. Holderith through meetings with and reports provided by Mr. Holderith. Mr. Sauber provides input to and requests additional information from Mr. Holderith as he deems appropriate.

#### **Item 7 – Requirements for State-Registered Advisers**

PGIM Custom Harvest is registered with the Securities and Exchange Commission. No information is applicable to this Item.

**ITEM 1 - COVER PAGE – ADV PART 2B**

**Harsh Paresh Parikh**

PGIM Custom Harvest LLC  
655 Broad Street  
Newark, New Jersey 07102  
(800) 210-0118

March 28, 2025

**This Brochure Supplement provides information about Harsh Paresh Parikh that supplements the PGIM Custom Harvest LLC Brochure. You should have received a copy of that Brochure. Please contact us at 1-800-210-0118 if you did not receive the Brochure or if you have any questions about the contents of this Supplement.**

**Item 2 – Educational Background and Business Experience**

**Harsh Paresh Parikh** (born 1977) is a Vice President and Portfolio Manager of PGIM Custom Harvest. Mr. Parikh previously held various roles at PGIM including serving as Vice President in the Portfolio Construction Group of PGIM Investments' Strategic Investment Research Group and Principal in the Institutional Advisory & Solutions group at PGIM Inc. Prior to joining PGIM, Mr. Parikh was a Vice President, Portfolio Manager & Strategist at BNY's Investment Strategy & Solutions Group. In addition, Mr. Parikh worked for GMAC ResCap (now Ally Financial) and Countrywide Capital Markets (now Bank of America). Mr. Parikh earned his B.E. degree in Computer Engineering from Gujarat University, his M.S. degree in Computer Science and M.S. degree in Mathematical Finance from the University of Southern California, and his PhD degree in Finance from EDHEC Business School.

**Item 3 – Disciplinary Information**

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. We have no facts or events to report in response to this Item.

**Item 4 – Other Business Activities**

If a supervised person is actively engaged in any other investment-related business or occupation, we are required to disclose this fact and describe the business relationship, if any, between our advisory business and the other business, and if that creates a material conflict of interest with clients, describe the nature of the conflict and how we address it. Also, if a supervised person receives compensation based on sales of securities or other investment products, we must make disclosures and explain resulting incentives. We have no information to report in response to this item.

**Item 5 – Additional Compensation**

If someone who is not our client provides an economic benefit to our supervised person for providing advisory services, we are required to describe the arrangement. Economic benefits include sales awards or other prizes or a bonus that is based at least in part on the number or amount of sales, client referrals

or new accounts. We have no information to report in response to this item.

**Item 6 – Supervision**

Harsh Paresh Parikh reports to Brian Ahrens, Co-Chief Investment Officer of PGIM Custom Harvest. Mr. Ahrens can be contacted at the phone number provided above.

Mr. Ahrens is kept up to date on the activities of Mr. Parikh through meetings with and reports provided by Mr. Parikh. Mr. Ahrens provides input to and requests additional information from Mr. Parikh as he deems appropriate.

**Item 7 – Requirements for State Registered Advisers**

PGIM Custom Harvest is registered with the Securities and Exchange Commission. No information is applicable to this Item.

**ITEM 1 - COVER PAGE – ADV PART 2B**

**Richard J. Tavis**

PGIM Custom Harvest LLC  
655 Broad Street  
Newark, NJ 07102  
(800) 210-0118

March 28, 2025

**This Brochure Supplement provides information about Richard J. Tavis that supplements the PGIM Custom Harvest LLC Brochure. You should have received a copy of that Brochure. Please contact us at 1-800-210-0118 if you did not receive the Brochure or if you have any questions about the contents of this Supplement.**

**Item 2 – Educational Background and Business Experience**

**Richard J. Tavis** (born 1977) is Vice President and Portfolio Manager of PGIM Custom Harvest. Prior to joining PGIM Custom Harvest, Mr. Tavis was a Vice President in the Strategic Investment Research Group's (SIRG) Investment Strategy Team. Before the formation of the Investment Strategy Team, he was a member of SIRG's Portfolio Construction group. Prior to joining SIRG, Mr. Tavis worked with Chartwell Consulting, an institutional investment consulting firm, primarily providing due diligence on investment management firms to corporate pension plans, endowments, and foundations. Mr. Tavis earned a B.S. in Economics and Finance, summa cum laude, from Rider University and holds the Chartered Financial Analyst (CFA) designation.

**Item 3 – Disciplinary Information**

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. We have no facts or events to report in response to this Item.

**Item 4 – Other Business Activities**

If a supervised person is actively engaged in any other investment-related business or occupation, we are required to disclose this fact and describe the business relationship, if any, between our advisory business and the other business, and if that creates a material conflict of interest with clients, describe the nature of the conflict and how we address it. Also, if a supervised person receives compensation based on sales of securities or other investment products, we must make disclosures and explain resulting incentives. We have no information to report in response to this Item.

**Item 5 – Additional Compensation**

If someone who is not our client provides an economic benefit to our supervised person for providing advisory services, we are required to describe the arrangement. Economic benefits include sales awards or other prizes or a bonus that is based at least in part on the number or amount of sales, client referrals or new accounts. We have no information to report in response to this Item.

### **Item 6 – Supervision**

Richard J. Tavis reports to Brian K. Ahrens, Co-Chief Investment Officer of PGIM Custom Harvest. Mr. Ahrens can be contacted at the phone number provided above.

Mr. Ahrens is kept up to date on the activities of Mr. Tavis through meetings with and reports provided Mr. Tavis. Mr. Ahrens provides input to and requests additional information from Mr. Tavis as he deems appropriate.

### **Item 7 – Requirements for State-Registered Advisers**

PGIM Custom Harvest LLC is registered with the Securities and Exchange Commission. No information is applicable to this Item.



**Prudential**  
**PGIM Custom Harvest**  
655 Broad Street  
Newark, NJ 07102

### III. Privacy Notice

# US Consumer Privacy Notice

**LAST UPDATED:** January 6, 2025

Prudential values your business and your trust. We respect the privacy of your personal information and take our responsibility to protect it seriously. This privacy notice is provided on behalf of the Prudential companies listed at the end of this notice and applies to our current and former customers. **This notice describes how we treat the information we receive about you, including the ways in which we will disclose your personal information within Prudential and your right to opt out of such disclosing.**

## Protecting Your Personal Information

We maintain physical, electronic, and procedural safeguards to protect your personal information. The people authorized to access your personal information need it to do their jobs, and we require that they keep your information secure and confidential.

## Personal Information We Collect

We collect your personal information from you, such as when you fill out applications and other forms, when you visit or enter personal details on our websites, when you respond to our emails, and when you provide information over the telephone. We also collect personal information about you that others give to us. Collectively, this personal information includes, for example:

- Name
- Address, email address, telephone number, and other contact information
- Employment and occupation, demographic, income, and financial information
- Government ID
- Transaction history
- Medical information for insurance applications & products
- Consumer reports from consumer reporting agencies
- Participant information from organizations that purchase products or services from us for the benefit of their members or employees
- Video and audio recordings, and biometric data
- Information gathered from your internet or network activity
- Information gathered as part of internal investigations

## Using Your Information

We use your personal information for various business purposes, including:

- Normal everyday business purposes, such as providing services to you and administrating your account or policy
- Strategic planning and effectuating certain business relationships and partnerships
- Business research and analysis
- Data analytics, modeling (such as predictive modeling), the deployment of automated tools, and in certain instances, artificial intelligence in accordance with applicable law or other regulatory guidance
- Marketing products and services of Prudential and other companies that may interest you
- Detecting and preventing identity theft, fraud, or misuse of your accounts
- As required by law

## Disclosing Your Information

We may disclose your personal information, including information about your transactions and experiences:

- Among Prudential companies and with other non-Prudential companies that perform services for us or on our behalf for our everyday business purposes, such as providing services to you, administering your account or policy, and marketing products and services of Prudential and other companies that may interest you.
- As necessary in connection with business operations, limited information may be disclosed to certain business partners and their service providers in order to effectuate and manage business partnerships.
- With another financial institution if you agree that your account or policy can be transferred to that companyAs permitted or required by law, including, for example, to law enforcement officials and regulators, in response to subpoenas, and to prevent fraud.

- For those customers who have one of our products through a plan sponsored by an employer or other organization, we will disclose your personal information in a manner consistent with the terms of the plan agreement or consistent with our agreement with you.
- We may also disclose consumer report information among Prudential companies, which may include information about you from credit reports and certain information that we receive from you and from consumer reporting agencies or other third parties. You can limit this disclosing by following the instructions described in this notice.

Unless you agree otherwise, we do not disclose your personal information with non-Prudential companies for them to market their products or services to you. We may tell you about a product or service that other companies offer and, if you respond, that company will know that we selected you to receive the information. We will not disclose your phone number with non-Prudential companies for the purposes of text messaging. Only Prudential companies who have obtained your prior express written consent will be able to contact you via text messaging.

**Note:** PGIM, Inc. and its affiliates comprising Prudential's global investment management businesses do not sell or share Personal Information. PGIM does disclose information internally and with certain third parties. These third parties are our business partners and contractors, and they are bound by contracts, agreements, and monitoring to ensure that your data is treated with utmost protection and respect. Each third-party is carefully vetted, to ensure that they have adequate protection in place to protect your data before we agree to work with them.

### **Limiting Our Sharing – Opt Out/Privacy Choice**

You may tell us not to share your personal information among Prudential companies for marketing purposes, and not to share consumer report information among Prudential companies, by "opting out" of such sharing. To limit our sharing for these purposes:

- Visit us online at: <https://www.prudential.com/links/privacy-center>.
- Call us at: 1-877-248-4019

Note that you are not able to limit our ability to disclose your personal information among Prudential companies and with other non-Prudential companies for servicing and administration purposes.

### **Questions?**

If you have any questions or concerns about how we protect, use, and disclose your personal information or about this privacy notice, please call us. The toll-free number is 1-877-248-4019. We reserve the right to modify this notice at any time. This notice is also available anytime at [www.prudential.com](http://www.prudential.com).

#### **Prudential companies include the following:**

**Insurance Companies and Insurance Company Separate Accounts:** The Prudential Insurance Company of America; Pruco Life Insurance Company; Pruco Life Insurance Company of New Jersey; Prudential Legacy Insurance Company of New Jersey; Insurance company separate accounts that include the following names or are otherwise identified as maintained by an entity that includes the following names: Prudential or Pruco (except for insurance company separate accounts sponsored by Prudential Retirement Insurance and Annuity Company (PRIAC), which were transferred to Empower as part of the sale of PRIAC to Empower Annuity Insurance Company of America and are no longer affiliated with Prudential)

**Insurance Agencies:** Prudential Insurance Agency, LLC;

**Broker-Dealers and Registered Investment Advisers:** AST Investment Services, Inc.; Prudential Annuities Distributors, Inc.; Pruco Securities, LLC; PGIM, Inc.; Prudential Investment Management Services LLC; PGIM Investments LLC; PGIM Private Placement Investors, L.P.; Prudential Select Strategies LLC; PGIM Quantitative Solutions LLC; Jennison Associates LLC; PGIM Custom Harvest LLC; PGIM DC Solutions, LLC; PGIM Multi-Asset Solutions, LLC; PGIM Real Estate Advisors LLC; Deerpath Capital Management LP; Montana Capital Partners AG

**Bank and Trust Companies:** Prudential Trust Company

**Investment Companies and Other Investment Vehicles:** PGIM Funds; Prudential Insurance Funds; All funds that include the following names: Prudential, PCP, PGIM, PEP, PCEP, or PSLO

**Other Companies:** Prudential Workplace Solutions Group Services, LLC; Prudential Mutual Fund Services LLC; PGIM Real Estate Finance, LLC; High Peak Innovations, LLC

**Vermont Residents:** We will not disclose information about your creditworthiness among Prudential companies, other than as permitted by Vermont law, unless you authorize us to make those disclosures.



**Prudential**  
**PGIM Custom Harvest**  
655 Broad Street  
Newark, NJ 07102

#### IV. Proxy Voting Policy Summary

## Proxy Voting Policy Summary

### Overview

PGIM Custom Harvest Proxy Voting Policy is designed to implement its duty to vote proxies in the best interests of any client account for which PGIM Custom Harvest (Custom Harvest) has proxy voting authority.

Generally, Custom Harvest will vote proxies on its strategy ETFs. In addition, generally, and unless otherwise agreed to under contract, Custom Harvest will not accept or exercise proxy voting authority with respect to legacy security positions in an account receiving Transition Plus services.

Instead of delegating proxy voting authority to Custom Harvest, a client may rely on the client's primary investment adviser or the client's sponsor or custodian to vote proxies, or the client may elect to receive proxies from their sponsor or custodian and to vote such proxies on their own. Where the client chooses to vote proxies on their own, the client typically will receive proxies and other related solicitation materials for securities in their accounts from the custodian. Further, Custom Harvest will not provide advice or recommendations to the client with respect to such proxy solicitations.

### Legacy Positions

Solely with respect to legacy positions in securities held by a client that is not a Custom Harvest strategy ETF and where Custom Harvest has contractually agreed to vote proxies on such legacy positions, Custom Harvest has retained a third-party proxy advisory firm to make recommendations and to vote such proxies. While Custom Harvest has retained such third-party proxy advisory firm, Custom Harvest retains discretion to determine how to vote the clients' legacy securities, including voting differently from the third-party proxy advisory firm. Custom Harvest conducted initial and conducts ongoing due diligence of the third-party proxy advisory firm.

For all other legacy positions, Custom Harvest will not vote proxies on such legacy positions. For such legacy positions, a client should rely on the client's primary investment adviser or the client's sponsor or custodian to vote proxies, or the client may elect to receive proxies from their sponsor or custodian and to vote such proxies on its own.

### Custom Harvest Strategy ETFs

For ETFs held by a client that are within the Custom Harvest strategies, Custom Harvest will vote each proxy in accordance with its fiduciary duty to act in the best interest of its clients.

- For routine proposals that will not materially change the strategy, structure, by laws or operations of an ETF or other issuer to the detriment of its shareholders, PGIM Custom Harvest's general policy is to support management. However, each proposal will be considered individually focusing on the best interests of client accounts.
- Non-routine proposals, such as board elections, advisory contract and distribution plan approvals, and mergers, will generally be reviewed by Custom Harvest individually and independently with the focus on the best interest of the client.

### Conflicts of Interest

Custom Harvest and its employees may invest alongside clients in ETFs. To avoid a conflict or a perceived conflict of interest in these cases, Custom Harvest employees are not permitted to personally invest directly in an ETF that Custom Harvest has in its strategies. In other instances, where there may be a conflict of interest, PGIM Custom Harvest will either vote the proposal in accordance with the recommendation of the issuer's board of directors/trustees or based on a consensus among Custom Harvest's senior management and portfolio managers to vote against the board of directors/trustees' recommendation. If other potential conflicts of interest are identified when voting a proxy, Custom Harvest will follow this same process.