



**SUMMARY OF MATERIAL CHANGES  
TO  
FORM ADV PART 2A**

You have received this notification because you are currently a client of Parametric Portfolio Associates LLC (Parametric), an investment adviser registered with the Securities and Exchange Commission (SEC). In accordance with Rule 204-3 under the Investment Advisers Act of 1940, Parametric is required to deliver to each client, on an annual basis, a free updated firm brochure or a summary of material changes that includes an offer to provide a copy of the updated firm brochure.

Form ADV Part 2A (the Brochure) provides information about the qualifications and business practices of Parametric. You may obtain a copy of Parametric's Brochure, free of charge, by contacting Parametric via e-mail at [ppacompliancerequests@paraport.com](mailto:ppacompliancerequests@paraport.com) or by telephone at 206-694-5575. A copy of the Brochure may be obtained by visiting the Parametric website: [www.parametricportfolio.com/disclosure](http://www.parametricportfolio.com/disclosure). The information in the Brochure has not been approved or verified by the SEC or by any state securities authority.

The Brochure, dated March 31, 2023, contains the following material change from the previously annual amended Brochure dated March 31, 2022:

- Item 11 has been updated to disclose the treatment of Morgan Stanley Stock (MS Stock) in Parametric's Custom Core® and Centralized Portfolio Management products. Parametric has adopted a trading program under which it buys and sells MS Stock in accordance with third-party index(es) or model(s) weighting, subject to certain restrictions.

In addition to the material change summarized above, other enhancements and updates were made throughout the Brochure including, among others, the following:

- Item 5 has been updated to reflect revised fee schedules for certain investment strategies offered by Parametric, including the addition of new strategies listed in Item 8 below, the addition of breakpoints for the International Equity strategy, and an increase to the fees for the Option Absolute Return strategy.
- Item 8 has been updated to (i) include information about new investment strategies offered by Parametric including *Liability Driven Investing Corporate Bonds*, *Tax-Advantaged Bond Strategies (TABS) Enhanced Managed Municipals*, *TABS Enhanced Municipal Ladders*, *Tax Optimized Ladders* and *U.S. Treasury Ladders*; and (ii) remove the Low Beta VRP and Multi-Asset VRP strategies, which have been discontinued.
- Certain material risk descriptions disclosed in Item 8 have been updated and/or enhanced, including: *Equity*, *Fixed Income*, *Derivative*, *ETF*, *Leverage*, *Model and Quantitative*, *Municipal Securities*, *Small- and Mid-Capitalization Companies*, and *Tax-Managed Investing Risks*. *Hedging Strategy*, *Repurchase Agreement* and *Reverse Repurchase Agreements* risks have been added.
- Item 10 has been updated to remove Eaton Vance WaterOak Advisors as a material affiliate. MSIM Fund Management (Ireland) Limited has been added as a material affiliate.
- Item 11 has been updated with additional disclosures regarding the Code of Ethics applicable to Parametric employees

- In Item 12, Parametric has updated disclosure regarding the purchase and sale of odd-lot municipal bonds executed with third-party broker-dealers by Parametric's municipal fixed income team. Parametric has additionally updated disclosures related to counterparty oversight, trade-away fees, updates to Best Execution Committees, and cross trades.
- Item 13 has been updated to consolidate the disclosures related to oversight of accounts across different investment departments.

You may obtain information about Parametric by visiting the Firm's website at [www.parametricportfolio.com](http://www.parametricportfolio.com). Additional information about Parametric (CRD# 114310) is also available on the SEC's Investment Adviser Public Disclosure system at [www.advisorinfo.sec.gov](http://www.advisorinfo.sec.gov).

**FACTS**

**WHAT DOES PARAMETRIC DO WITH YOUR PERSONAL INFORMATION?**

<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
<b>What?</b>	The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> <li>▪ Social Security number and income</li> <li>▪ investment experience and risk tolerance</li> <li>▪ checking account number and wire transfer instructions</li> </ul>
<b>How?</b>	All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons Parametric chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Parametric share?	Can you limit this sharing?
<b>For our everyday business purposes</b> — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes</b> — to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	No	We don’t share
<b>For our investment management affiliates’ everyday business purposes</b> — information about your transactions, experiences, and creditworthiness	Yes	Yes
<b>For our affiliates’ everyday business purposes</b> — information about your transactions and experiences	Yes	No
<b>For our affiliates’ everyday business purposes</b> — information about your creditworthiness	No	We don’t share
<b>For our investment management affiliates to market to you</b>	Yes	Yes
<b>For our affiliates to market to you</b>	No	We don’t share
<b>For non-affiliates to market to you</b>	No	We don’t share

<b>To limit our sharing</b>	<p>Call 206 694 5575 or email: <a href="mailto:webmaster@paraport.com">webmaster@paraport.com</a></p> <p><b>Please note:</b> If you are a <i>new</i> customer, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.</p>
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<b>Questions?</b>	Call 206 694 5575 or email: <a href="mailto:webmaster@paraport.com">webmaster@paraport.com</a>
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Who we are	
<b>Who is providing this notice?</b>	Parametric Portfolio Associates LLC and our investment advisory affiliates ("Parametric") (see Investment Management Affiliates definition below)
What we do	
<b>How does Parametric protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We have policies governing the proper handling of customer information by personnel and requiring third parties that provide support to adhere to appropriate security standards with respect to such information.
<b>How does Parametric collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>▪ open an account or make deposits or withdrawals from your account</li> <li>▪ buy securities from us or make a wire transfer</li> <li>▪ give us your contact information</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>▪ sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>▪ affiliates from using your information to market to you</li> <li>▪ sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
Definitions	
<b>Investment Management Affiliates</b>	Parametric's Investment Management Affiliates include registered investment advisers, registered broker-dealers, and registered and unregistered funds. Investment Management Affiliates does not include entities associated with Morgan Stanley Wealth Management, such as Morgan Stanley Smith Barney LLC and Morgan Stanley & Co.
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>Our affiliates include companies with a Morgan Stanley name and financial companies such as Morgan Stanley Smith Barney LLC and Morgan Stanley &amp; Co.</i></li> </ul>
<b>Non-affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>Parametric does not share with non-affiliates so they can market to you.</i></li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>▪ <i>Parametric doesn't jointly market</i></li> </ul>
Other important information	
<p><b>Vermont:</b> Except as permitted by law, we will not share personal information we collect about Vermont residents with Non-affiliates unless you provide us with your written consent to share such information.</p> <p><b>California:</b> Except as permitted by law, we will not share personal information we collect about California residents with Non-affiliates and we will limit sharing such personal information with our Affiliates to comply with California privacy laws that apply to us.</p>	