[To customize this information, type your name, firm, address, phone and any other contact information. If you do not wish to customize this sheet, highlight this text and delete.]

Financial Advisor Fee and Services Communication Template

A Summary of the Value We Deliver to [Company]

Client Name: ______________________

Financial Advisor Team: ______________________

Date: ______________________

Note: Review with your firm's legal counsel prior to use with clients.

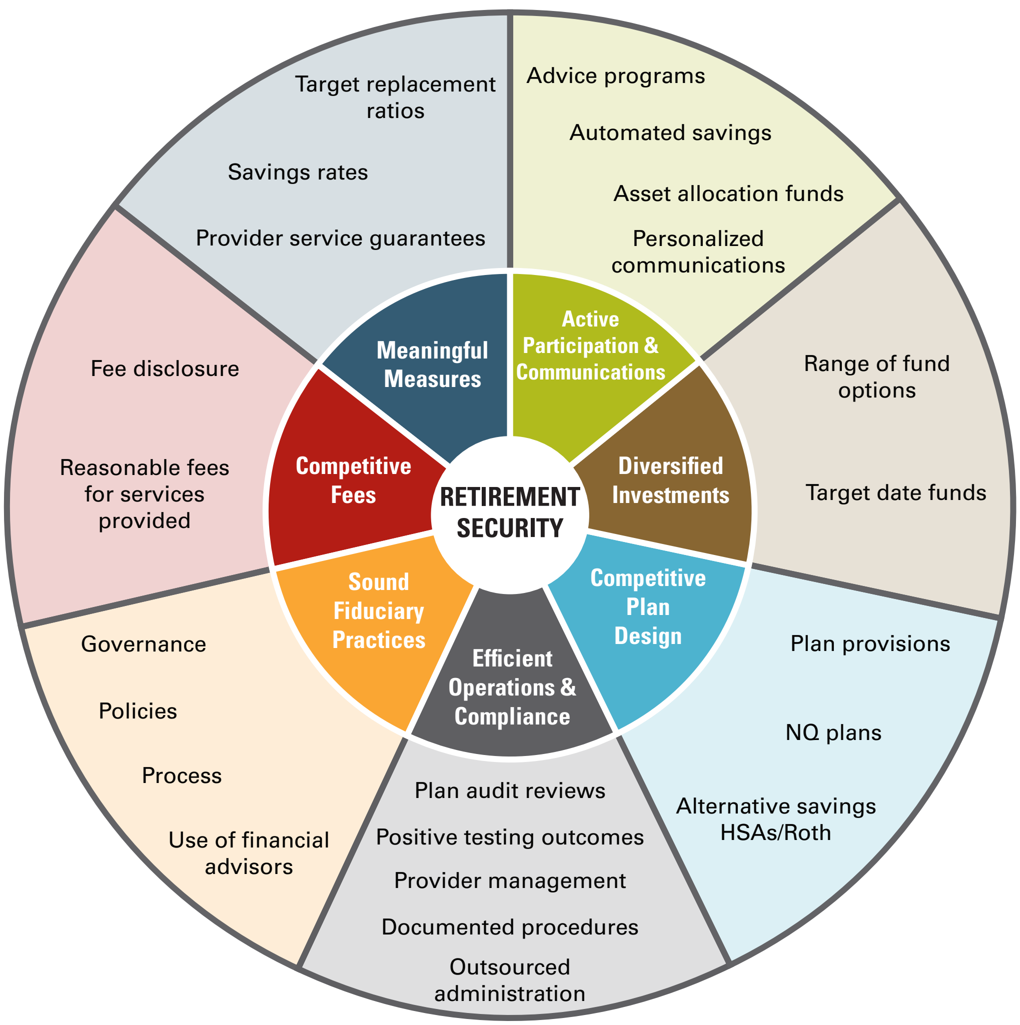
INTRODUCTION: FINANCIAL ADVISOR FEE AND SERVICES COMMUNICATION

We value our relationship. Our business goal is to provide objective and thoughtful retirement plan solutions to plan sponsors and your participants.

As part of the annual services we provide, we document and fully disclose our fees and services delivered during the year. The Financial Advisor Fee and Services Communication prepared outlines our fees, as well as the value we delivered across several critical plan components.

Plan Success Factors

There are many attributes that define a successful retirement plan. Our goal is to help you and your participants achieve retirement plan success.



OUR COMMITMENT TO [COMPANY NAME]

On behalf of your service team, we appreciate the opportunity to work with you.

Goals for Your Plan for 20[__]

Your team is committed to helping you achieve the following goals and objectives for 20[____] (*insert plan goals here*)

Goals	Results Expected

DEFINED CONTRIBUTION PLAN FEES – A PRIMER

Plan fiduciaries must make decisions that are in the best interests of plan participants and ensure the fees paid are reasonable.

Types of Fees in a Defined Contribution Plan

Plan fees fall into four primary categories:

1. **Financial advisor fees**, which can include:
   - plan design consulting
   - investment and fiduciary oversight
   - fund analysis and monitoring
   - participant communications
   - provider management
   - other consulting
2. **Investment management fees**, which can include:
   - investment fees for funds' management
   - custody fees
   - 12b-1 fees
   - transfer agency fees
3. **Recordkeeping and administration fees**, which can include:
   - trustee fees
   - recordkeeping administration and call center fees
   - audit/compliance fees
   - participant communication fees
4. **Participant transaction fees**, which can include:
   - benefit payments such as distributions and loans
   - brokerage accounts, if utilized
   - participant advice

How Fees Are Paid

Consulting fees can be paid directly by the plan sponsor, or, in some cases, may be paid by the plan if it is a legally permissible plan expense.

Investment management fees are typically embedded in the fund's overall expense ratio and paid proportionately by the participants in the fund. Rates of return communicated by the plan provider are net of fees charged.

Administration fees can be paid by the plan sponsor directly or allocated back to the plan (plan document permitting). Revenue-sharing received from investments in mutual funds can be used to offset administrative fees.

Participant transaction fees are typically paid by the participants.

Factors Driving Fees

The characteristics of your plan, the investments offered, and the services you receive impact fees. Primary factors determining fees are:

- plan size, type, and average participant balance
- plan complexity
- payroll frequency and format
- transaction volumes
- fund type and asset allocation (percent of assets in revenue-producing funds)
- cash flow going into revenue-producing funds
- scope of services
- communication program deliverables such as number of onsite locations, meeting frequency, customization requirements, or print or electronic materials
- level of automation versus manual processes required to administer your plan

Fee Disclosure

Fees should be documented and disclosed at the plan level and to participants on a periodic basis.

Fee Approach and Disclosure for [Financial Advisor Name]

[Insert specifics regarding the types of fee disclosures delivered for this client]

PLAN FEES SUMMARY

COMPANY NAME: ______________________________

PLAN STATISTICS

Total plan assets $ ____________________

Participants ____________________

SUMMARY OF FEES FOR PLAN YEAR 20[__]

CONSULTANT/FINANCIAL ADVISOR FEES $ ____________________

[Insert fee schedule here]
[Insert fee calculation here]
[Insert how these fees are paid here]

As a percentage of assets __________bp

RECORDKEEPING FEES (refer to Schedule A for details)

Per participant fee of $[__] per
[Insert calculation]
$ ____________________

INVESTMENT FEES (refer to Schedule B for details) $ ____________________

OTHER FEES (list)
$ ____________________
$ ____________________
$ ____________________

TOTAL FEES FOR 20[__]

Total plan expense before revenue share credit $ ____________________

Total as a percentage of plan assets ______%

Revenue credit $ ____________________

Final annual plan fees $ ____________________

As a percentage of plan assets ________%

Annual fees billed to sponsor $ ____________ __________%

Annual fees paid by participants $ ____________ __________%

PLAN FEES SUMMARY (CONT'D)

Schedule A – Administration and Transaction Fee Details

ADMINISTRATION FEES

Administration fees	*Unit cost*	*Volume*	*Total fee charged*
Trustee fees			$ ______________
Recordkeeping fees			$ ______________
Testing/compliance fees			$ ______________
Payroll processing fees			$ ______________
Conversion (one-time)			$ ______________
Communication program fees			$ ______________
Other plan administration fees			$ ______________

TOTAL $ ______________

PARTICIPANT TRANSACTION FEES

Administration fees	*Unit cost*	*Volume*	*Total fee charged*
Loan origination fees			$ ______________
Distribution fees			$ ______________
QDRO fees			$ ______________
Self-directed brokerage fees			$ ______________
Advice/Managed Accounts fees			$ ______________
Other fees (list)			$ ______________
			$ ______________
			$ ______________
			$ ______________

TOTAL $ ______________

PLAN FEES SUMMARY (CONT'D)

Schedule B – Investment Fees

Fund name	*Asset balance*	*Annualized fund operating expense ratio*	*Total annual fees*
	Total $ ____________	*Average weighted expense* ____________%	*Total fees* ____________%

TOTAL INVESTMENT FEES $ ____________

AS A PERCENTAGE OF ASSETS % ____________

REVENUE SHARE $ (__________)

INVESTMENT MENU FOR [COMPANY NAME]

Asset class	*Fund name*	*Fund performance*				*Annual expense ratios*	*Morningstar rating*
		1 Year	*3 Year*	*5 Year*	*10 Year*		
Money Market Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Stable Value Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Bond Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Asset Allocation Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Large Value Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Large Growth Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Large Blend Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Small Cap Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Mid Cap Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	
Foreign/International Benchmark		______% ______%	______% ______%	______% ______%	______% ______%	__________	

AVERAGE EXPENSE RATIO ______%

SCOPE OF SERVICES DELIVERED BY [Financial Advisor]

List of Services Provided to [ABC Company]

Financial advisor services available	*Utilized*	*Not utilized*
Act as investment fiduciary to plan	☐	☐
Act as fiduciary to participants	☐	☐
Investment policy development	☐	☐
Fund menu design	☐	☐
Investment monitoring/committee meetings	☐	☐
Fund replacements/fund manager search	☐	☐
Asset allocation modeling	☐	☐
Plan design consulting	☐	☐
Compliance review	☐	☐
Vendor search	☐	☐
Transition services to new recordkeeper	☐	☐
Provider fee and service reviews	☐	☐
Provider management and oversight	☐	☐
Education program strategy	☐	☐
Employee meetings	☐	☐
Other (list):	☐	☐
	☐	☐
	☐	☐
	☐	☐
	☐	☐

SERVICES DELIVERED IN 20[____]

Plan benchmark	*Last year*	*Current year*
Number of Team Members Assigned to Your Plan		
Tenure of Team Members		
Accessibility and Meeting Frequency		
Consulting Projects and Results		

COMMUNICATING FINANCIAL ADVISOR FEES AND SERVICES TO PLAN SPONSORS

SERVICES DELIVERED IN 20[___]

Plan benchmark	*Last year*	*Current year*
Fiduciary Support		
Asset Classes Covered in the Plan		
Plan Diversification Statistics		
Fund Performance to Benchmarks		
Average Expense Ratio Compared to Industry Benchmarks		