



# Employer-Sponsored Plans Compensation Range Chart

## Overview:

In preparation of setting up a new employer-sponsored retirement plan (ESP) relationship (ERISA and Non-ERISA) or supporting a platform conversion of an existing relationship, the Financial Professional (FP) is required to review and ensure the compensation is within the compensation range as based on the plan asset size. Within the specific range, the compensation is required to be based on the services being provided.

## Instructions for Plan Compensation coded as Commission:

- The commission is required to be a Basis Points calculated based on all the plan's assets on the specific record-keeping platform provider.
  - This excludes any Self-Directed Brokerage Account (SDBA) assets if the Plan offers SDBAs as an investment option.
- The FP cannot charge an advisory fee for a service(s) provided in a commission-based plan relationship.
- Periodically, the FP should be reviewing their compensation to ensure it is within the appropriate compensation range for the plan size as well as specifically based on the services being provided.

## TRAIL COMMISSIONS CHART:

Plan Asset Size			BPS Trail Maximum
			Annual
\$0.00	to	\$750,000	1.25%
\$750,001.00	to	\$1,500,000	1.00%
\$1,500,001	to	\$3,000,000	0.75%
\$3,000,001	to	\$10,000,000	0.50%
\$10,000,001	to	\$25,000,000	0.40%
\$25,000,001	to	\$40,000,000	0.25%
\$40,000,001	to	\$100,000,000	0.20%
\$100,000,001	to	\$150,000,000	0.15%
\$150,000,001	to	\$200,000,000	0.10%
\$200,000,001	to	\$300,000,000	0.08%
\$300,000,001	to	\$450,000,000	0.05%
\$450,000,001	to	\$700,000,000	0.03%
\$700,000,001	to	Up	Custom

**Instructions for Plan Compensation coded as an advisory fee:**

- The advisory fee is required to be a Basis Point fee calculated based on all the plan’s assets on the specific record-keeping platform provider **&/OR** a flat \$ amount.
  - This excludes any SDBA assets if the Plan offers SDBAs as an investment option.
- The FP can charge a separate fee for an additional service as long as the additional service is not already being covered under the plan level advisory fee.
  - If a separate fee is charged, then the sum of the separate fee and plan level advisory fee cannot exceed the maximum fee allowed in the chart below based on the plan’s current asset size.
- If a tier schedule is used, each compensation % in the tier is required to be within the matching plan asset range below.
  - If the FP is providing investment advice on a participant’s assets, then it must be done through the Firm’s Non- Discretionary Investment Advisory (NDIA) Program **AND** the fee received is required to be outside of the plan level relationship.
  - Periodically, the FP should be reviewing their compensation to ensure it is within the appropriate compensation range for the plan size as well as specifically based on the services being provided.

**ADVISORY FEE CHART:**

Plan Asset Size			BPS Asset-based Fee Maximum	Flat \$ Fee Maximum
			Annual	Annual
\$0.00	to	\$750,000	1.25%	Flat \$ fee cannot exceed the max % multiplied by plan size. (ie., The maximum flat \$ fee for a \$1M Plan is 1% x \$1M = \$10,000) *For Plans under \$400k, the max flat fee is \$5k
\$750,001.00	to	\$1,500,000	1.00%	
\$1,500,001	to	\$3,000,000	0.75%	
\$3,000,001	to	\$10,000,000	0.50%	
\$10,000,001	to	\$25,000,000	0.40%	
\$25,000,001	to	\$40,000,000	0.25%	
\$40,000,001	to	\$100,000,000	0.20%	
\$100,000,001	to	\$150,000,000	0.15%	
\$150,000,001	to	\$200,000,000	0.10%	
\$200,000,001	to	\$300,000,000	0.08%	
\$300,000,001	to	\$450,000,000	0.05%	
\$450,000,001	to	\$700,000,000	0.03%	
\$700,000,001	to	Up	Custom	

### Training Video:

For more guidance on the FP's compensation in an ESP Relationship, the following is quick video (2 to 5 minute) to watch:

- [How to Evaluate, Select, and Monitor reasonable compensation for an ESP Relationship](#)

### Contact:

After reviewing this information and listening to the video, if you have further questions, please reach out to the **ESP Consulting Team** at [erisadisclosure@osaic.com](mailto:erisadisclosure@osaic.com)

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