Osaic
Empowering Wealth

Self-directed brokerage accounts (SDBA)

The Osaic policy on handling SDBA accounts for clients is that you cannot also be the advisor of record for the retirement plan that that they participate in. You must have a relationship with the participant only – not the plan.

If the plan documents do not specify where the SDBA account must be opened, you can set up an account at Pershing or NFS, using WMP to manage the assets.

If you want to support a participant whose plan offers an SDBA option that is required to be held at either Schwab or Fidelity, you must work with one of the Osaic approved third-party money managers (TPMM)*.

Approved TPMM's include the following:

- Advisor Capital Management (ACM) PathFinder Retirement: Self Directed Brokerage Account (SDBA)
- Flexible Plan Investments Investor share class
- AssetMark SDBA | AssetMark

Before proceeding:

Review the plan summary to confirm that the participant has an option to move money to a self-directed brokerage account.

Questions that you can ask include:

- Does the plan have self-directed brokerage account services provided by Fidelity Brokerage Link or Schwab PCRA?
- Does the plan allow financial advisors to be appointed to those accounts?
- Are there any plan restrictions?

  Common restrictions include:

  - Restrictions on pulling fees from the account
  - Restrictions on how much of a client's plan balance can be in an SDBA
  - Restrictions on which investments are eligible (ex: no emerging markets exposure)

***Establishing an SDBA account with a TPMM:**

- Set up a Natural Person Client Profile for the SDBA participant in eQuipt (new)
- Set up a Non-Brokerage (Direct Sponsor) advisory account with the registration of 'Plan Participant' and the appropriate plan type
- The Osaic IA Overlay Agreement (Quik form ID 35859) is required to be completed and executed with the Client, then uploaded into the Documents Section of the Non-Brokerage account in eQuipt.