# LPL FINANCIAL PAYOUTS AND PRICING

Quick Reference Guide as of 06/21/19

## Representative Payout Rate

| Security Type | LPL Financial Payout *Starting At:* |
|---|---|
| Mutual Funds | 90% |
| Alternative Investments | 90% |
| Variable Annuities | 90% |
| Unit Investment Trusts (UITs) | 90% |
| Fixed Income | 90%* |
| Stocks, Options, ETPs, Closed-End Funds | 90%** |

Commissions on stock and option trades are based on the published commission schedule and may be discounted up to 50%. The minimum commission is $30. Markup/markdown on fixed income trades varies with the particular product and length of maturity.

*Excluding any LPL markup/markdown

**After the application of an LPL trade surcharge of 16.6%

## Production Bonuses

| Individual | Bonus |
|---|---|
| $100,000 | 1% |
| $200,000 | 2% |
| $500,000 | 3% |
| $750,000 | 4% |
| $1,000,000 | 5% |
| $2,000,000 | 6% |
| $3,000,000 | 7% |
| $4,000,000 | 8% |
| **Branch** | **Bonus** |
| $300,000 | 1% |
| $500,000 | 2% |
| $1,000,000 | 3% |
| $3,000,000 | 4% |
| $4,000,000 | 5% |
| $5,000,000 | 6% |

## Advisory Payout Rate

| Type | Payout |
|---|---|
| Strategic Asset Management (SAM) | **SAM I:** 90% of advisory fee, and net of administrative fee (client pays transaction charges)<br>**SAM II:** 90% of advisory fee, and net of administrative fee, and transaction charges (advisor pays transaction charges) |
| Manager Select | 90% of net advisory fee, after deduction of administrative fee, custody and clearing fee, and separate account manager fee |
| Guided Wealth Portfolios (GWP) | 90% of advisor fee |
| Optimum Market Portfolios (OMP) | 90% of total advisory fee |
| Model Wealth Portfolios (MWP) | 90% of advisor fee |
| Personal Wealth Portfolios (PWP) | 90% of net advisory fee, after deduction of administrative fee, custody and clearing fee, overlay portfolio management fee, and separate account manager fee |

## Admin Fee Reimbursement Program

| Individual Advisor Reimbursement as of 08/20/18 | |
|---|---|
| Tiers Based on Advisory Revenue | Administrative Fee Reimbursement Rate |
| $250,001 – $600,000 | 10% |
| $600,001+ | 25% |



LPL Financial

## Affiliation Costs

| | |
|---|---|
| **Annual** | |
| Errors and Omissions Insurance | $3,650, plus an additional fee of $600 if a registered representative is engaged in an approved outside business activity of life or health insurance or as a registered investment advisor (RIA) |
| Compliance Inspection Fee | $300 – $600 |
| FINRA Renewal | $75 |
| State Renewal | $75 |
| **Monthly** | |
| Resource Fee | $175 |
| Bonding Fee | $10 |
| Core Technology Fee | $75 |
| **Miscellaneous** | |
| SIPC Assessment | 0.1875% of gross commissions |
| FINRA Assessment | 0.23% of gross commissions |

## Strategic Asset Management (SAM)

| | |
|---|---|
| **Advisory Charges** | |
| Equities/ETFs/Closed-End Funds | $9 online |
| Options | $25 online |
| Fixed Income | $50 online or phone |
| UITs | $35 online |
| Mutual Funds | $0 – $26.50 (depending on fund family) online |
| FBVAs | $50 online |
| **SAM Fees** | |
| Minimum Account Size | $25,000 |
| Annual Account Fee | Minimum: 0.50%<br>Maximum: 2.50% |
| AI Admin Fee | $35 per position/per account/per year ($100 annual max) |
| Alternative Investment Product Processing Fee | $50 per transaction |
| Custody and Clearing | None |
| Separate Account Manager Fee | None |
| Overlay Portfolio Management Fee | None |
| Program Fee | None |
| Strategist Fee | None |
| Small Account Fee | $10 per quarter if under $100,000 |

## SAM (continued)

| | |
|---|---|
| **SAM Admin Fees** | |
| Account Size | Annual Fee |
| $25,000 – $99,999 | 0.200% |
| $100,000 – $249,999 | 0.150% |
| $250,000 – $499,999 | 0.125% |
| $500,000 – $749,999 | 0.100% |
| $750,000 – $1,249,999 | 0.075% |
| $1,250,000 – $4,999,999 | 0.050% |
| $5,000,000 – $24,999,999 | 0.025% |
| $25,000,000+ | 0.015% |
| **Flat SAM Admin Fees*** | |
| Effective January 1, 2019, individual advisors with more than $25M in LPL custodied advisory assets under management (AUM) will be able to take advantage of flat basis point pricing transaction charges. | |
| Advisory AUM (in all fee-based AUM) | Annual Fee |
| $25,000,000+ | 8 basis points |
| $50,000,000+ | 5 basis points |
| $100,000,000+ | 3 basis points |
| **SAM Ticket Charges** | |
| Equities/ETFs | $9 |
| Mutual Funds: Fully Participating | None |
| Mutual Funds: Partial Participating | $4.50 |
| Mutual Funds: Non-Participating | $26.50 |
| Bonds | $50 |
| UITs | $35 |
| Options | $25 |
| Transaction Fee/ Service Charge | None |
| Fee-Based VAs | None |
| **Advisor Payout** | |
| **SAM I:** 90% of advisory fee, net of administrative fee (client pays transaction charges) | |
| **SAM II:** 90% of advisory fee, net of administrative fee and transaction charges (advisor pays transaction charges) | |

*This eliminates the old admin fee reimbursement program.

## Manager Select

| Manager Select Fees | | | |
|---|---|---|---|
| Minimum Account Size | Starting at $50,000 | | |
| Annual Account Fee | Minimum: 0.50%<br>Maximum: 2.50% | | |
| AI Admin Fee | $35 per position/per account per year ($100 annual max) | | |
| **Manager Select Custody and Clearing Fee** | | | |
| Account size | A | B | C |
| $50,000 – $99,999 | 0.20% | N/A | N/A |
| $100,000 – $149,999 | 0.15% | 0.20% | 0.10% |
| $150,000 – $249,999 | 0.15% | 0.20% | 0.05% |
| $250,000 – $499,999 | 0.10% | 0.15% | 0.05% |
| $500,000 – $749,999 | 0.10% | 0.125% | 0.05% |
| $750,000 – $1,999,999 | 0.10% | 0.10% | 0.05% |
| $2,000,000 – $4,999,999 | 0.075% | 0.075 | 0.05% |
| $5,000,000 – $24,999,999 | 0.05% | 0.05% | 0.05% |
| $25,000,000+ | 0.025% | 0.025% | 0.025% |
| Manager Fee | Varies by manager, but typically:<br>▪ 0.05% – 0.40% for model delivery strategies<br>▪ 0.50% for non-model delivery equity strategies<br>▪ 0.15% for bond ladder strategies<br>▪ 0.30% for non-ladder fixed income strategies<br>To view specific fees for individual portfolio managers, go to the Resource Center, and search for "Manager Select" to find the Manager Select Participation List. | | |
| Overlay Portfolio Management Fee | None | | |
| Program Fee | None | | |
| Strategist Fee | None | | |
| Small Account Fee | None | | |

| Manager Select Admin Fee | |
|---|---|
| **Account Size** | **Annual Fee** |
| $50,000 – $249,999 | 0.150% |
| $250,000 – $749,999 | 0.100% |
| $750,000 – $1,249,999 | 0.075% |
| $1,250,000 – $4,999,999 | 0.050% |
| $5,000,000 – $9,999,999 | 0.025% |
| $10,000,000 – $24,999,999 | 0.015% |
| $25,000,000+ | 0.010% |

| Manager Select Transaction Charges | |
|---|---|
| Equities | None |
| Mututal Funds: Fully Participating | None |
| Mutual Funds: Partial Participating | None |
| Mutual Funds: Non-Participating | None |
| Bonds | None |
| UITs | None |
| Options | None |
| Transaction Fee/ Service Charge | None |
| Fee-Based VAs | None |
| **Advisor Payout** | |
| 90% of net advisory fee, after deduction of administrative fee, custody and clearing fee, and separate account manager fee | |

## Guided Wealth Portfolios (GWP)

| GWP Fees | |
|---|---|
| Minimum Account Size | $5,000 |
| Annual Advisor Fee | Minimum: 0.00%<br>Maximum: 1.00% |
| AI Admin Fee | None |
| Custody and Clearing | None |
| Separate Account Manager Fee | None |
| Overlay Portfolio Management Fee | None |
| Program Fee | 0.35% |
| Strategist Fee | None |
| Small Account Fee | $20 per year if under $10,000 |
| **GWP Admin Fees** | |
| None | |
| **GWP Transaction Charges** | |
| Equities | None |
| Mutual Funds: Fully Participating | None |
| Mutual Funds: Partial Participating | None |
| Mutual Funds: Non-Participating | None |
| Bonds | None |
| UITs | None |
| Options | None |
| Transaction Fee/Service Charge | None |
| Fee-Based VAs | None |
| **Advisor Payout** | |
| 90% of advisor fee | |

## Optimum Market Portfolios (OMP)

| OMP Fees | |
|---|---|
| Minimum Account Size | $10,000 |
| Annual Account Fee | Minimum: 0.50%<br>Maximum: 2.50% |
| AI Admin Fee | None |
| Custody and Clearing | None |
| Separate Account Manager Fee | None |
| Overlay Portfolio Management Fee | None |
| Program Fee | None |
| Strategist Fee | None |
| Small Account Fee | None |
| **OMP Admin Fees** | |
| None | |
| **OMP Transaction Charges** | |
| Equities | None |
| Mutual Funds: Fully Participating | None |
| Mutual Funds: Partial Participating | None |
| Mutual Funds: Non-Participating | None |
| Bonds | None |
| UITs | None |
| Options | None |
| Transaction Fee/Service Charge | $5.00 per trade on rebalances, allocations, and nonsystematic withdrawals |
| Fee-Based VAs | None |
| **Advisor Payout** | |
| 90% of total advisory fee | |

## Model Wealth Portfolios (MWP)

| MWP Fees | |
|---|---|
| Minimum Account Size | Minimums vary based on strategist and model, starting at $10,000 |
| Annual Account Fee | Advisor Fee: Minimum 0.00%<br>Maximum: 2.00%<br>Total Account Fee: May increase or decrease with model selection changes or model investment value changes, depending on the applicable strategist fee, and the program fee level |
| AI Admin Fee | None |
| Custody and Clearing | None |
| Separate Account Manager Fee | None |
| Overlay Portfolio Management Fee | Included in program fee |

| Program Fee | | |
|---|---|---|
| | Schedule | |
| Model Size | A | B |
| $10,000 – $99,999 | 0.35% | 0.45% |
| $100,000 – $749,999 | 0.25% | 0.35% |
| $750,000 – $1,249,999 | 0.20% | 0.30% |
| $1,250,000 – $4,999,999 | 0.18% | 0.28% |
| $5,000,000 – $24,999,999 | 0.13% | 0.23% |
| $25,000,000+ | 0.08% | 0.18% |

| Strategist Fee | |
|---|---|
| LPL Research | 0.00% |
| AB (AllianceBernstein) | 0.00% |
| Alpha Simplex | 0.00% |
| BlackRock | 0.00 – 0.15% |
| Brinker Capital | 0.00% |
| Columbia | 0.00% |
| Cougar | 0.20% |
| Innealta | 0.20% |
| J.P. Morgan | 0.00% |
| Morningstar | 0.00 – 0.15% |
| PIMCO | 0.00% |
| Russel: | 0.00% |
| S&P | 0.16% |
| State Street Global Advisors | 0.15% |
| **Small Account Fee** | |
| None | |

*MWP continued on next page*

## MWP (continued)

| MWP Admin Fees | |
|---|---|
| Included in program fee | |
| **MWP Transaction Charges** | |
| Equities | None |
| Mutual Funds: Fully Participating | None |
| Mutual Funds: Partial Participating | None |
| Mutual Funds: Non-Participating | None |
| Bonds | None |
| UITs | None |
| Options | None |
| Transaction Fee/Service Charge | None |
| Fee-Based VAs | None |
| **Advisor Payout** | |
| 90% of advisor fee | |

## Personal Wealth Portfolios (PWP)

| PWP Fees | |
|---|---|
| Minimum Account Size | $250,000 |
| Annual Account Fee | Minimum: Dependent on manager selection<br>Maximum: 2.50% |
| AI Admin Fee | $35 per position/per account/ per year ($100 annual max) |
| **Custody and Clearing** | |
| Account Size | Fee |
| $250,000 – $499,999 | 0.45% |
| $500,000 – $749,999 | 0.35% |
| $750,000 – $1,249,999 | 0.30% |
| $1,250,000 – $4,999,999 | 0.25% |
| $5,000,000 – $24,999,999 | 0.20% |
| $25,000,000 – $49,999,999 | 0.15% |
| $50,000,000+ | 0.08% |

| PWP Fees *continued* | |
|---|---|
| Separate Account Manager Fee | Varies by manager: 0.15% – 0.50% |
| Overlay Portfolio Management Fee | 0.10% for all account size |
| Program Fee | None |
| Strategist Fee | None |
| Small Account Fee | None |
| **PWP Admin Fees** | |
| Account Size | Annual Fee |
| $250,000 – $499,999 | 0.125% |
| $500,000 – $749,999 | 0.100% |
| $750,000 – $1,249,999 | 0.075% |
| $1,250,000 – $4,999,999 | 0.050% |
| $5,000,000 – $9,999,999 | 0.025% |
| $10,000,000 – $24,999,999 | 0.020% |
| $25,000,000+ | 0.015% |
| **PWP Transaction Charges** | |
| Equities type size | None |
| Mutual Funds: Fully Participating | None |
| Mutual Funds: Partial Participating | None |
| Mutual Funds: Non-Participating | None |
| Bonds | None |
| UITs | None |
| Options | None |
| Transaction Fee/Service Charge | None |
| Fee-Based VAs | None |
| **Advisor Payout** | |
| 90% of net advisory fee, after deduction of administrative fee, custody and clearing fee, overlay portfolio management fee, and separate account manager fee | |

## Brokerage Charges

| Annual | |
|---|---|
| Equities | $15 online market orders<br>$18 online limit orders<br>$25 order by phone |
| Options | $15 online market orders<br>$18 online limit orders<br>$25 exercise and assignments |
| Fixed Income | $35 online or phone |
| UITs | Buy: $30 online<br>Sell: $20 online |
| Mutual Funds | Load fund buy: $0 – $30 (depending on the fund family) online<br>Load fund sell: $0 online<br>No load funds sell: $15 online |

## LPL Technology Pricing

| LPL Technology | |
|---|---|
| LPL Core Technology Package | $75/month per advisor |
| Client Reporting | $75/month per advisor |
| Redtail CRM | $50/month for up to 60 users |
| Salesforce CRM | 10 or fewer users: $65/month per user;<br>11 or more users: $60/month per user |
| Enhanced Trading | Included with LPL Core Technology subscription; Rebalancer add-on subscription for $150/month |
| WealthVision | $300/month per advisor (1 advisor and 3 assistants); $21/month per additional assistant |
| WealthVision Select | $150/month per advisor (1 advisor and 3 assistants); $21/month per additional assistant |
| WealthVision Planner | $125/month per user |