<u>QUICK GUIDE</u>

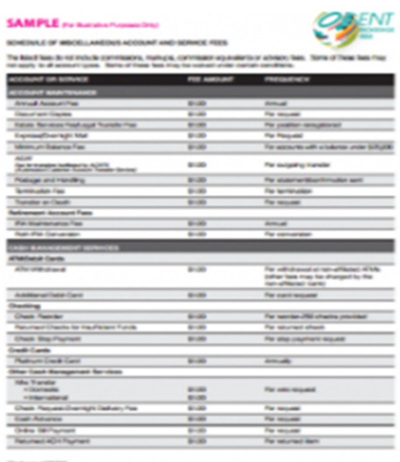
NASAA MISCELLANEOUS ACCOUNT AND SERVICE FEE DISCLOSURE SCHEDULE

WWW.NASAA.ORG | 202 737 0900 | 750 FIRST ST NE STE 1140 WASHINGTON, DC 20002

THE MODEL FEE SCHEDULE

- Located on NASAA's website
  - Model Fee Disclosure Resource Center (http://www.nasaa.org/industry-resources/broker-dealers/model-fee-disclosure-resource-center/)
- See: "Guidelines and Instructions for the Model Fee Schedule"
  - Includes detailing of the history and purpose of Model Fee Schedule

Model Fee Disclosure Resource Center



NASAA Fee Disclosure Resources

Sample: Model Fee Schedule

Guidelines and Instructions for the Model Fee Schedule

Reports:

NASAA Survey: Investor Confusion About Brokerage Service & Maintenance Fees

NASAA Broker-Dealer Fee Survey Report

Informed Investor Advisory: Understanding Broker-Dealer Fees

A Working Group convened by the North American Securities Administrators Association (NASAA) has developed a model fee disclosure schedule and related accessibility guidelines to help investors better understand and compare various broker-dealer service and maintenance-related fees. The template and guidelines make fee disclosure easily accessible and simple for retail investors to read and use to understand and compare fees.

The Working Group consists of state securities regulators, representatives of the Financial Industry Regulatory Authority (FINRA), the Securities Industry and Financial Markets Association (SIFMA), the Financial Services Institute (FSI), LPL Financial LLC, Morgan Stanley Smith Barney LLC, Prospera Financial Services, and Signator Investors, Inc. The Working Group was formed in 2014 following the release of a study by NASAA's Broker-Dealer Section uncovering a wide disparity in how broker-dealers disclose the fees they charge customers.

The Working Group's model fee table can be customized to be consistent with a firm's branding and should include all miscellaneous account and service fees, including account maintenance fees. The table does not, however, include commissions, mark-ups, commission equivalents, or advisory fees.

The following firms have informed NASAA that they have adopted and are in the process of implementing both the model fee disclosure and related accessibility guidelines:

SAMPLE (For Illustrative Purposes Only)

1. Name/Logo

2. Title

SCHEDULE OF MISCELLANEOUS ACCOUNT AND SERVICE FEES

3. Preamble

The listed fees do not include commissions, markups, commission equivalents or advisory fees. Some of these fees may not apply to all account types. Some of these fees may be waived under certain conditions.

4. Three Columns

5. Three Categories under "Account or Service" column

UNIFORMITY

ACCOUNT OR SERVICE	FEE AMOUNT	FREQUENCY
ACCOUNT MAINTENANCE		
Annual Account Fee	$X.00	Annual
Document Copies	$X.00	Per request
Estate Services Fee/Legal Transfer Fee	$X.00	Per position reregistered
Express/Overnight Mail	$X.00	Per Request
Minimum Balance Fee	$X.00	For accounts with a balance under $25,000
ACAT *Fee for transfers f… (Automated Custo…*		…fer
Postage and H…		…irmation sent
Termination Fe…		
Transfer on De…		
Retirement Account Fees		
IRA Maintenance Fee	$X.00	Annual
Roth IRA Conversion	$X.00	Per conversion
CASH MANAGEMENT SERVICES		
ATM/Debit Cards		
ATM Withdrawal	$X.00	Per withdrawal at non-affiliated ATMs (other fees may be charged by the non-affiliated bank)
Additional Debit Card	$X.00	Per card request
Checking		
Check Reorder	$X.00	Per reorder-250 checks provided
Returned Checks for Insufficient Funds	$X.00	Per returned check
Check Stop Payment	$X.00	Per stop payment request
Credit Cards		
Platinum Credit Card	$X.00	Annually
Other Cash Management Services		

FREQUENTLY MADE ERRORS

Header, Title Is not uniform	Columns other than 3	Categories Not uniform
Imbedded Descriptions	Alternate lines are not shaded & font is too small	Footnotes are not numbered

INCORRECT TITLE AND PREAMBLE

Incorrect Sample 1

Miscellaneous Account and Service Fees Schedule

Wrong Title

The listed fees below do not include commissions, markups, commission equivalents or advisory fees. These fees apply to brokerage accounts serviced b[redacted]and [redacted]me of these fees may not apply to all brokerage account types. Some of these fees may be waived under certain conditions.

Account or Service	Fee Amount	Frequency
Account Maintenance		
Annual Custody and Recordkeeping Fee (non-retirement accounts)	$50.00	Annual
Annual Maintenance Fee (retirement accounts)	$40.00	Annual

Incorrect Sample 2

[redacted]

Client Fees and Charges

For Brokerage Accounts held at [redacted]

Wrong Title

Note: This information is subject to change. The most current list is available on th[redacted] website under Investors.

Missing Preamble

Retirement Account Fees or Service Fees

Title and Preamble

- Instructions
  - The Schedule should show the broker-dealer’s name and logo.
  - It should be titled “Schedule of Miscellaneous Account and Service Fees”.
  - There should be included a preamble, a brief statement that, at a minimum, explains:
    - That the listed fees do not include commissions, markups, commission equivalents, or advisory fees;
    - That the fees may not apply to all accounts; and
    - That some of the fees may be waived under certain conditions.

INCORRECT NUMBER OF COLUMNS

1 2 3 4

Retirement Account Fees or Service Fees

Name	Description	Fee	Frequency
IRA Maintenance Fee	Applicable to Traditional, Roth, Rollover, IRA Beneficiary Distribution Accounts, SEP and SIMPLE IRAs where FMTC/NFS is the Custodian.	$40	Per year
IRA Termination Fee	One-time fee charged when terminating your retirement account where FMTC/NFS is the custodian.	$95	Per account

Three (3) Columns – no more, no less

Instructions:

Columns

Account or Service	Fee Amount	Frequency
Read left to right	Should not be modified	

INCORRECT FEE CATEGORIES

Retirement Account Fees or Service Fees

Name	Description	Fee	Frequency
IRA Maintenance Fee	Applicable to Traditional, Roth, Rollover, IRA Beneficiary Distribution Accounts, SEP and SIMPLE IRAs where FMTC/NFS is the Custodian.	$40	Per year
IRA Termination Fee	One-time fee charged when terminating your retirement account where FMTC/NFS is the custodian.	$95	Per account

Non-Retirement Account Fees or Service Fees

Name	Description	Fee	Frequency
Inactivity Fee	Assessed on inactivity for a fiscal year. Not applicable to certain Asset Management Accounts, retirement accounts where FMTC/NFS is the custodian or managed accounts.	$50	Per year
Full Account Transfer Fee	Fee for processing a full account transfer (does not apply to qualified accounts where FMTC/NFS is the custodian).	$150	Per event*

Checkwriting Account Fees

Name	Description	Fee	Frequency
Brokerage Portfolio Checking Account Fee	A full service brokerage account that offers valuable cash management tools to help manage your financial needs through a single source.	$125 Gold $175 Platinum Free for accounts over $100K	Per year -includes Visa Gold debit card Per year - includes Visa Platinum Debit Card with Rewards option
Brokerage Portfolio Debit Card Fee	Included	$0	n/a

Categories of Fees

Instructions:

Categories

Account Maintenance

↓

Cash Management Services

↓

Investment Specific

These categories should not be modified and include all services provided by the firm for which there is a fee charged.

Discretion to use subcategories

(e.g., Cash Management Services subcategories- ATM/Debit Card, Checking, Credit Card, Other).

INCORRECT: FEE NAMES AND DESCRIPTIONS

Description is duplicative of frequency column

Retirement Account Fees or Service Fees

Name	Description	Fee	Frequency
IRA Maintenance Fee	Applicable to Traditional, Roth, Rollover, IRA Beneficiary Distribution Accounts, SEP and SIMPLE IRAs where FMTC/NFS is the Custodian.	$40	Per year
IRA Termination Fee	One-time fee charged when terminating your retirement account where FMTC/NFS is the custodian.	$95	Per account

Non-Retirement Account Fees or Service Fees

Name	Description	Fee	Frequency
Inactivity Fee	Assessed on inactivity for a fiscal year. Not applicable to certain Asset Management Accounts, retirement accounts where FMTC/NFS is the custodian or managed accounts.	$50	Per year
Full Account Transfer Fee	Fee for processing a full account transfer (does not apply to qualified accounts where FMTC/NFS is the custodian).	$150	Per event*

Checkwriting Account Fees

Name	Description	Fee	Frequency
Brokerage Portfolio Checking Account Fee	A full service brokerage account that offers valuable cash management tools to help manage your financial needs through a single source.	$125 Gold $175 Platinum Free for accounts over $100K	Per year -includes Visa Gold debit card Per year - includes Visa Platinum Debit Card with Rewards option
Brokerage Portfolio Debit Card Fee	Included	$0	n/a

Description is a selling tool, not a definition of the fee

Fee Names

Instructions:

Fee names may be customized, but consistent with industry standards

Definitions or descriptions should be used to clearly indicate or imply the service (in footnotes or separate listing)	e.g., ACAT fee—a fee charged on outgoing account transfers

INCORRECT: ALTERNATING LINES ARE NOT SHADED

Missing Line Shading

Account or Service	Fee Amount	Frequency
Account Maintenance		
Custodial and Record Keeping Annual Fee	$50	Annual
Account Transfer Fee	$150	Per outgoing transfer
Document Copy Fee	$5	Per document
Overnight Fee	$20	Per item
Overnight with Saturday Delivery	$40	Per item
Confirmation Service Fee/ Postage and Handling	$5.00	Per transaction
Activity Assessment Fee *(Regulatory Fee assessed on proceeds from most equity and option sell transactions)*	$21.80 per million as of 2/16/16	Per transaction
Options Regulatory Fee	$0.04310 as of 2/06/2017	Per contract
Cash Debit Interest	4% above Broker's Call Rate	Per account
Retirement Account Fees		
IRA Maintenance Fee	$40	Annual
Retirement Account Maintenance Fee	$35	Annual
IRA Termination Fee	$95	Per account termination
Cash Management Services		
Returned Deposits	$35	Per returned check
Stop Payment Order	$25	Per stop payment request
Third Party Check	$15	Per check

ALTERNATE LINES SHADED

Shading Allows for Ease of reading

SAMPLE (For Illustrative Purposes Only)

SCHEDULE OF MISCELLANEOUS ACCOUNT AND SERVICE FEES

The listed fees do not include commissions, markups, commission equivalents or advisory fees. Some of these fees may not apply to all account types. Some of these fees may be waived under certain conditions.

ACCOUNT OR SERVICE	FEE AMOUNT	FREQUENCY
ACCOUNT MAINTENANCE		
Annual Account Fee	$X.00	Annual
Document Copies	$X.00	Per request
Estate Services Fee/Legal Transfer Fee	$X.00	Per position reregistered
Express/Overnight Mail	$X.00	Per Request
Minimum Balance Fee	$X.00	For accounts with a balance under $25,000
ACAT *Fee for transfers facilitated by ACATS (Automated Customer Account Transfer Service)*	$X.00	Per outgoing transfer
Postage and Handling	$X.00	Per statement/confirmation sent
Termination Fee	$X.00	Per termination
Transfer on Death	$X.00	Per request
Retirement Account Fees		
IRA Maintenance Fee	$X.00	Annual
Roth IRA Conversion	$X.00	Per conversion
CASH MANAGEMENT SERVICES		
ATM/Debit Cards		
ATM Withdrawal	$X.00	Per withdrawal at non-affiliated ATMs (other fees may be charged by the non-affiliated bank)
Additional Debit Card	$X.00	Per card request
Checking		
Check Reorder	$X.00	Per reorder-250 checks provided
Returned Checks for Insufficient Funds	$X.00	Per returned check
Check Stop Payment	$X.00	Per stop payment request
Credit Cards		
Platinum Credit Card	$X.00	Annually
Other Cash Management Services		

INCORRECT SYMBOL NOTING FOOTNOTE

Full Account Transfer Fee	Fee for processing a full account transfer (does not apply to qualified accounts where FMTC/NFS is the custodian).	$150	Per event*	

Footnotes and References

Instructions:

Footnotes

Must be NUMBERED

(no asterisks or other symbols)

Footers

May be used on a limited basis

Date field

Reflects the most current version in use by the firm

RETAIL INVESTOR ACCESS GUIDELINES

- A paper version of the Schedule should be made available:
  - to potential retail customers upon request, and
  - to retail customers at the time of account opening.

- Easy access via searching the firm's website