
Guide to Table of Fees for Services

The Table of Fees for Services is a required one-page, stand-alone document streamlining disclosure of investment adviser fees for services to be provided to clients and prospective clients. 950 MASS. CODE REGS. 12.205(8)



William Francis Galvin
Secretary of the Commonwealth
Securities Division
One Ashburton Place, Room 1701
Boston, MA 02108
1-800-269-5428
www.sec.state.ma.us/sct

Table of Contents

Instructions	p. 3-8
Exhibit 1. Table of Fees for Services Template.....	p. 9
Table 1. Key Features of Fee Table	p. 10-12
Exhibit 2 Table of Fees for Services marked with Key Features	p. 13

Guide to Table of Fees for Services

The required Table of Fees for Services (“Fee Table”) provides your clients and prospective clients with a streamlined presentation of your firm’s fees that will aid their comprehension of the fees and costs associated with your services, and enable more informed comparisons when seeking financial advice. Be mindful that the Fee Table serves as a snapshot of your fees for services that is easily digestible and simple to use. This Fee Table supplements, but does not replace, your disclosure obligations. See Exhibit 1 for a template of the Fee Table.

Instructions (See also, Table 1-Key Features and Exhibit 2)¹

The Fee Table contains four primary parts:

- Part 1: Firm Name and Logo, Document Title, and Preamble;
- Part 2: Fee Table;
- Part 3: Discussion box; and
- Part 4: Date.

See below for detailed instructions for each part.

Part 1: Firm Name and Logo, Document Title, and Preamble

The Fee Table should show your firm’s name and logo, if applicable. The Fee Table must be titled “Table of Fees for Services.” A preamble must be included which states, at a minimum:

- That a complete explanation of fees and services can be found in the firm’s Form ADV Part 2A;
- That fees below are only charged when clients request the services listed;
- That the fees may not apply to all clients; and
- Whether or not fees are negotiable.

If your firm offers different fee models for similar services or packages of services based on the client’s circumstances or different levels of the same general service(s), you may insert the following into the preamble:

Different fees may represent alternative payment options for similar services or combinations of services. Talk with [insert firm name] about what services are appropriate for you and the fees that will apply.

Part 2: Fee Table

The Fee Table must include a total of three sections. The first two sections have four columns each (and only four columns) and the third section contains only one row — no columns.

¹ The Division modeled the Fee Table in part on the NASAA Model Fee Schedule, located at <http://www.nasaa.org/industry-resources/broker-dealers/model-fee-disclosure-resource-center/>.

Section 1

The top row of Section 1 must include four columns with the following four headings (reading left to right): (a) “Fees Charged by Investment Adviser”, (b) “Fee Amount”, (c) “Frequency Fee is Charged”, and (d) “Services”. These four column headings should not be modified, however the cell color and font type can be modified to match your firm’s logo and other branding.

Fees Charged by	Fee Amount	Frequency Fee is Charged	Services
-----------------	------------	--------------------------	----------

(a) Fees Charged by Investment Adviser: The first column, Fees Charged By Investment Adviser, will list fee types as they appear in Form ADV Part 1A, Item 5E. (reading from top to bottom):

- Assets under management fee;
- Hourly charges;
- Subscription fees;
- Fixed fees;
- Commissions paid to the adviser;**
- Performance-based fees; and
- Other.

These categories should not be modified. However, you do have discretion to use the “Other” category to list fees you have identified on your firm’s Form ADV Part 1A, Item 5E.(5) as “Other” (e.g., assets under advisement fee, educational seminar or workshop fee, household income fee, membership fee, net worth fee, or retainer fee).

**“Commissions” is the fee type identified in Form ADV Item Part 1A, Item 5E. Identify commissions received by the adviser or an employee of the adviser, including, but not limited to, commissions paid to an employee of the adviser who sells insurance to the adviser’s clients or who is dually registered to sell products to the adviser’s clients, regardless of if that is done through an independent insurance company or broker-dealer. (See Part 3 Discussion Box for disclosure of whether a client will pay commissions to a custodian or unaffiliated broker for trade execution).

Note: If your firm does not charge a particular fee or identify “other” fees on its Form ADV Part 1A, please complete the row for that fee type by listing “\$0” under fee amount and “n/a” under frequency fee is charged and services.

(b) Fee Amount: Fee amount or range of fee amounts for the corresponding advisory service.

Note: If needed for tiered AUM fees, you may split the individual cell into two columns. For example:

Fees Charged by Investment Adviser	Fee Amount		Frequency Fee is Charged	Services
Assets Under Management Fee	\$0 - \$500,000 Next \$500,000 - \$1,000,000 Next \$1,000,000 - \$2,500,000 Next \$2,500,000 - \$5,000,000 Above > \$5,000,000	1.25% 1.00% 0.90% 0.80% 0.70%	Quarterly in advance	Portfolio management for individuals and small businesses; and Financial planning services

(c) Frequency Fee is Charged: Frequency or intervals in which advisory fees are charged to the client (e.g. monthly, quarterly, annually, as needed, or per project).

(d) Services: The Services column is exclusively limited to the labels your firm checked off in Form ADV Part 1A, Item 5G. and the labels should not be modified:

- Financial planning services;
- Portfolio management for individuals and/or small businesses;
- Portfolio management for investment companies;
- Portfolio management for pooled investment vehicles;
- Portfolio management for businesses or institutional clients;
- Pension consulting services;
- Selection of other advisers;
- Publication of periodicals or newsletters;
- Security ratings or pricing services;
- Market timing services;
- Educational seminars/workshops; and
- Other.

You have discretion to use the “Other” category to indicate categories of services not otherwise listed, but which are included on your firm’s Form ADV Part 1A, Item 5G.(12).

Section 2

The top row of Section 2 must include four columns with the following four headings (reading left to right): (a) “Fees Charged by Third Parties”, (b) “Fee Amount”, (c) “Frequency Fee is Charged”, and (d) “Services”. These four column headings should not be modified.

Fees Charged by Third Parties	Fee Amount	Frequency Fee is Charged	Services
-------------------------------	------------	--------------------------	----------

(a) Fees Charged by Third Parties: Advisory fees of third parties (who handle the day to day portfolio management of the client account) will be listed under the following categories (reading from top to bottom):

- Third party money manager fee;
- Robo-adviser fee; and
- Other (if needed).

You should also identify the name of any third party money manager or Robo-Adviser provider in the first column of Section 2. You have discretion to use the “Other” category to explain fees charged by third parties that are otherwise not covered consistent with the content requirements and limitations applicable to the rest of the Fee Table. An example of an “Other” fee includes a platform fee to the extent it relates to access to third party managers with whom you place your clients and the fee is borne by the client.

Note: This Section does not include third-party managers of products such as mutual funds. See Part 3, Discussion box for disclosure of this fee type.

(b) Fee Amount: Fee amount or range of fee amounts for the advisory services provided by the third party.

(c) Frequency Fee is Charged: Frequency or intervals in which advisory fees are charged by the third party to the client (e.g. monthly, quarterly, annually, as needed, or per project).

(d) Services: The Services column is exclusively limited to the labels the third party has checked off on its Form ADV Part 1A, Item 5G. and the labels should not be modified:

- Financial planning services;
- Portfolio management for individuals and/or small businesses;
- Portfolio management for investment companies;
- Portfolio management for pooled investment vehicles;
- Portfolio management for businesses or institutional clients;
- Pension consulting services;
- Selection of other advisers;
- Publication of periodicals or newsletters;
- Security ratings or pricing services;
- Market timing services;
- Educational seminars/workshops; and
- Other.

You have discretion to use the “Other” category to indicate categories of services not otherwise listed, but which are included on the third-party’s Form ADV Part 1A, Item 5G.(12).

Section 3

Section 3 must read “Talk with your Adviser about fees and costs applicable to you”. This Section should not be modified with the exception of including your firm name as indicated below.

Talk with your Adviser about fees and costs applicable to you

The purpose of this row in Section 3 is to prompt your clients to discuss the total fees assessed to client accounts or the total fees involved associated with your advisory services.

Note: A numerical total fee amount is not expected to be on the Fee Table.

- (a) Talk with your Adviser about your total fees: You may substitute the word “Adviser” in this column heading with your firm name.

Part 3: Discussion Box

The purpose of the Discussion Box is to prompt your clients or prospective clients to ask questions regarding additional costs and fees their accounts may incur in connection with implementation of the adviser’s recommendations and/or services. These additional fees may affect overall account performance. Generally these additional costs and fees are not paid to the adviser. The discussion box does not include commissions earned by an individual dually registered as an investment adviser and broker-dealer agent. (See Part 2 Section 1(a). above for disclosure of commissions paid to the adviser).

The Discussion Box has one section with header: “Additional fees and costs to discuss with your Adviser.” The header should not be modified.

Note: See the Instructions for Part 2A of Form ADV, Item 5C. for reference of these additional fees your client may pay in connection with your advisory services.²

Section 1

The Discussion box should include three columns with the following three headings (reading left to right): (a) “Additional Fees/Cost”, (b) “Yes/No”, and (c) “Paid To”. These three column headings should not be modified, however the cell color may be modified.

Additional Fees/Cost	Yes/No	Paid To
----------------------	--------	---------

- (a) Additional Fees/Cost: The first column should read from top to bottom:

- Brokerage Fees;³
- Commissions;⁴
- Custodian Fees;⁵
- Mark-ups; and
- Mutual Fund/ETF Fees and Expenses.⁶

- (b) Yes/No: The second column will indicate only a “Yes” or “No”.

² <https://www.sec.gov/about/forms/formadv-part2.pdf>

³ A “Yes” response to Brokerage Fees means your clients may be assessed: brokerage fees transactional, ticket charges, and platform administrative fees (if separate from custodial fees).

⁴ A “Yes” response to Commissions means that your client may pay commissions for the purchase and/or sale of products your firm recommends or selects but are not paid to your firm or an employee of your firm.

⁵ A “Yes” response to Custodian Fees means that your clients may be assessed fees such as miscellaneous account and service fees such as annual account maintenance fees, check reorders, or early termination fees.

⁶ A “Yes” response to Mutual Fund/ETF Fees and Expenses means the mutual funds and/or ETFs recommended to your clients charge shareholder fees and annual fund operating expenses as disclosed on Form N-1A.

- (c) Paid To: The third column will identify the recipient of the fee such as the broker-dealer, custodian, or mutual fund company. Preferably, identify the specific recipient by company name such as the broker-dealer identified in your Form ADV, Part 2A, Item 12.

Note: Numerical amounts are not expected to be in the Discussion Box.

Part 4: Date

The Fee Table should include a date field to reflect the most current version in use by the firm. The date may be placed near the bottom of the document or as the document footer.

Note: You are permitted to use numerical footnotes to refer to the page/part in your firm's Brochure that describes in detail services provided.

Exhibit 1

[Firm Logo]

Table of Fees for Services

Carefully read Item 4 and Item 5 of Form ADV Part 2A (“Brochure”), as these sections of the Brochure contain important details about [insert firm name] advisory services and fees. Fees [may be/are not] negotiable. The fees below will only apply to you when you request the services listed.

Fees Charged by Investment Adviser	Fee Amount	Frequency Fee is Charged	Services
Assets Under Management Fee			
Hourly Fee			
Subscription Fee			
Fixed Fee			
Commissions to the Adviser			
Performance-based Fee			
Other			
Fees Charged by Third Parties	Fee Amount	Frequency Fee is Charged	Services
Third Party Money Manager			
Robo-Adviser Fee			
Talk with your Adviser about fees and costs applicable to you			

Additional fees and costs to discuss with your Adviser

Additional Fees/Cost	Yes/No	Paid To
Brokerage Fees		
Commissions		
Custodian Fees		
Mark-ups		
Mutual Fund/ETF Fees and Expenses		

Effective [date]

Table 1.

Key Features of the Fee Table (See Exhibit 1).

	Feature	Description	
Part 1 Firm Name, Document Title, and Preamble	1.a. Document Header	Investment Adviser name and logo (if applicable)	
	1.b Document Title	Table of Fees for Services	
	1.c. Preamble	<p>Located below the Document Title and above Fee Table</p> <p>Preambles may vary among investment advisers but should be brief and must include, at a minimum:</p> <ul style="list-style-type: none"> • That a complete explanation of fees and services can be found in the firm’s Form ADV Part 2A; • That fees below are charged when clients request the services listed; • That the fees may not apply to all clients; and • Whether or not fees are negotiable. 	
Part 2 Fee Table	Section 1	Part 2, Section 1	<p>Four columns reading from left to right:</p> <ul style="list-style-type: none"> • Fees Charged by Investment Adviser; • Fee Amount; • Frequency Fee is Charged; • Services
		2.1(a). Fees Charged by Investment Adviser	<p>Standard categories to organize fees listed under the Fees Charged by Investment Adviser column (See Form ADV, Part 1A, Item 5.G.):</p> <ul style="list-style-type: none"> • A percentage of assets under your management (“assets under management fee”); • Hourly Fee; • Subscription fee; • Fixed fee; • Commissions paid to the adviser; • Performance-based fee; and • Other: (identify fee name). <p>(Additional “Other” categories may be used as needed provided you have identified the “Other” fees on Form ADV, Part 1A, Item 5.G.).</p>
		2.1(b). Fee Amount:	Fee amount or range of fee amounts
		2.1(c). Frequency Fee is Charged	Frequency or intervals in which advisory fees are charged to the client

		2.1(d). Services	<p>The Services column is exclusively limited to the labels the third party has checked off on its Form ADV Part 1A, Item 5.G. and the labels should not be modified:</p> <ul style="list-style-type: none"> • Financial planning services; • Portfolio management for individuals and/or small businesses; • Portfolio management for investment companies; • Portfolio management for pooled investment vehicles; • Portfolio management for businesses or institutional clients; • Pension consulting services; • Selection of other advisers; • Publication of periodicals or newsletters; • Security ratings or pricing services; • Market timing services; • Educational seminars/workshops; and • Other.
Section 2		Part 2, Section 2	<p>Four columns reading from left to right:</p> <ul style="list-style-type: none"> • Fees Charged by Third Parties; • Fee Amount; • Frequency Fee is Charged; and • Services
		2.2(a).Fees Charged by Third Parties	<p>Reading from top to bottom, categories to be listed under Fees Charged by Third Parties:</p> <ul style="list-style-type: none"> • Third party money manager fee; • Robo-adviser fee; and • Other (if needed).
		2.2(b). Fee Amount	Fee amount or range of fee amounts
		2.2(c). Frequency Fee is Charged	Frequency or intervals in which advisory fees are charged to the client
		2.2(d). Services	<p>The Services column is exclusively limited to the labels the third party has checked off on its Form ADV Part 1A, Item 5G. and the labels should not be modified:</p> <ul style="list-style-type: none"> • Financial planning services; • Portfolio management for individuals and/or small businesses; • Portfolio management for investment companies; • Portfolio management for pooled investment vehicles; • Portfolio management for businesses or institutional clients; • Pension consulting services; • Selection of other advisers; • Publication of periodicals or newsletters; • Security ratings or pricing services; • Market timing services;

			<ul style="list-style-type: none"> • Educational seminars/workshops; and • Other.
	Section 3	Part 2, Section 3	This cell should read “Talk with your Adviser about fees and costs applicable to you”
Part 3 Discussion Box	Part 3: Title		Discussion Box Title must read: “Additional fees and costs to discuss with your Adviser”
	Part 3: Chart Columns		Three columns reading from left to right: <ul style="list-style-type: none"> • Additional Fees/Cost; • Yes/No; and • Paid To
	3(a). Additional Fees/Cost		The first column will only include the following reading from top to bottom: <ul style="list-style-type: none"> • Brokerage Fees; • Commissions; • Custodian Fees; • Mark-ups; and • Mutual Fund/ETF Fees and Expenses.
	3(b). Yes/No		In the second column identify whether the item applies with a Yes or No
	3(c). Paid To		In the third column identify the recipient of the fee, preferably by name.
Part 4 Date	4.a. Date		Refers to most current and up-to-date version in use by the firm. May be placed in a footer.

Exhibit 2

Part 1

Firm Name and Logo,
Document Title,
and Preamble

[Firm Logo]

Table of Fees for Services

Carefully read Item 4 and Item 5 of Form ADV Part 2A ("Brochure"), as these sections of the Brochure contain important details about [insert firm name] advisory services and fees. Fees [may be/are not] negotiable. The fees below will only apply to you when you request the services listed.

Part 2

Fee Table

Section 1

Section 2

Section 3

^{2.1(a)} Fees Charged by Investment Adviser	^{2.1(b)} Fee Amount	^{2.1(c)} Frequency fee is Charged	^{2.1(d)} Services
Assets Under Management Fee			
Hourly Fee			
Subscription Fee			
Fixed Fee			
Commissions to the Adviser			
Performance-based Fee			
Other			
^{2.2(a)} Fees Charged by Third Parties	^{2.2(b)} Fee Amount	^{2.2(c)} Frequency fee is Charged	^{2.2(d)} Services
Third Party Money Manager			
Robo-Adviser Fee	^{2.3}		
Talk with your Adviser about fees and costs applicable to you			

Part 3

Discussion Box

Additional fees and costs to discuss with your Adviser

^{3(a)} Additional Fees/Cost	^{3(b)} Yes/No	^{3(c)} Paid To
Brokerage Fees		
Commissions		
Custodian Fees		
Mark-ups		
Mutual Fund/ETF Fees and Expenses		

Part 4

Date

Effective [date]