



## 408(b)(2) Disclosures

### Commission – definitions – Group Annuity

**Asset Based** – Compensation is paid on total assets in the plan, multiply total plan assets by commission rate, annualized

**Deposit Based** – Compensation is paid based on each deposit made into the plan, multiply deposit by commission rate

**Transfer Based** – Compensation is paid on any amounts transferred into the plan from other qualified plans or retirement accounts, multiply transferred amount by commission rate

### Basis Points - bps

A unit that is equal to 1/100th of 1%. For example, a fee of 50 basis points would equal \$50 compensation per \$10,000 of plan assets; 50 bps would equal .50% or .0050

### Revenue Sharing

Investment fund companies are permitted to rebate some of their fees to other plan service providers through transactions that are referred to as revenue sharing. For example, many fund companies contract the job of tracking individual account activity to other providers. In turn, fund companies may compensate these providers for their services by way of 12(b)-1 or sub t/a fees.

### 12(b)-1 Fees

Mutual fund companies are legally permitted to charge mutual fund investors 0.25 percent to 1.00 percent of fund assets annually for sales, promotion, and marketing expenses. These 12(b)-1 fees, which are a part of a mutual fund's expense ratio are payable to sales associates and service providers.

### Non-Monetary Compensation and Other Support

Various vendors, product providers, distributors and others may provide Parkland Securities, LLC with non-monetary compensation by paying some expenses related to training and education, including travel expenses, and attaining professional designations. Additionally, Parkland Securities, LLC might receive payments to us to subsidize our own training programs.

Certain vendors may invite Parkland Securities, LLC to participate in conferences, on-line training or provide us publications that may further our skills and knowledge. Some may occasionally provide Parkland Securities, LLC with gifts, meals and entertainment of reasonable value consistent with industry rules and regulations.