

## Form ADV Part 3 – Client Relationship Summary (Form CRS) ADP Strategic Plan Services, LLC

### 1. Introduction

ADP Strategic Plan Services, LLC (“SPS,” “we” or “us”), was incorporated as a Delaware Limited Liability Company on December 8, 2016. SPS is 100% indirectly owned by Automatic Data Processing, Inc. (“ADP”), a publicly-traded company whose common stock is listed on the NASDAQ Global Select Market. SPS is registered with the Securities and Exchange Commission as an investment adviser. ADP is a comprehensive global provider of human capital management solutions that unite human resources, payroll, talent, time, tax and benefits administration, business outsourcing services, analytics, compliance expertise, and also investment advisory and asset management services to retirement plans through SPS. This Client Relationship Summary is designed for those retirement plan clients that, because of their number of participants or structure may be deemed under applicable regulations to constitute “retail clients,” who generally are seeking to receive services primarily for personal, family or household purposes. Brokerage and investment advisory services and fees differ, and it is important for retail clients to understand the differences. In addition to the information below, free and simple tools to research firms and financial professionals are available at [www.investor.gov/CRS](http://www.investor.gov/CRS), which also provides educational materials about broker-dealers, investment advisers and investing.

### 2. What investment services and advice can you provide me?

We provide investment advisory and management services to retirement plans that purchase recordkeeping and administrative services from ADP. SPS's services offered to retirement plan clients include benchmarking of underlying investment fund expense ratios, plan design strategies, analysis, fiduciary consulting and oversight, investment fund selection and fund performance monitoring services, and certain educational services. Once you select an “investment guideline” that you determine is appropriate for your retirement plan, our services provided to retirement plans that may be deemed to be retail clients are “discretionary” – meaning that you authorize us to act on behalf of the plan to make investment decisions without your additional approval about which investment funds are included in the guideline you have chosen for the retirement plan. For more information about investment services offered by SPS, see its most recent Form ADV Part 2A, available at <https://adviserinfo.sec.gov/firm/brochure/286555>.

Some additional details about our investment services and advice include the following:

**Monitoring:** Our investment management team monitors the investment funds associated with the guideline you have selected for your plan. Once a quarter, we will provide you with a review of the investment funds that are included in your plan, which will include an assessment of each fund's performance, expenses, investment policy, style consistency, portfolio management team, and evaluation of any legal or regulatory actions that might have impact. This monitoring is part of the standard services provided by SPS.

**Investment Authority:** Once you have selected the investment guideline that you have determined to be most appropriate for your plan, you grant us full discretionary authority over choosing the investment funds that are included in that guideline and made available in your plan, which means we will remove or add investment funds made available in your plan when we determine it is appropriate to do so. You grant us this authority at the time you sign the Investment Management Agreement (the “IMA”), and it lasts for the duration of your client relationship with us as defined in the IMA. You should be aware that our investment services and discretionary authority do not involve advice to you personally (or any other plan participant) about your individual investments in or among the investment funds available in your plan. In other words, it is your sole responsibility to make your own individual investment decisions from among the investment funds made available in your plan.

**Limited Investment Offerings:** Our advisory services are limited to only those mutual funds and collective investment funds that are available on the ADP retirement platform. We do not select or recommend any other funds or types of investments, which may have comparable investment strategies and lower expense ratios than certain mutual funds or share classes. Other firms provide advice on a wider range of investment options, some of which may or may not have lower costs.

**Account Minimums and Other Requirements:** There are no account minimums for discretionary services.

#### → Conversation Starters

- *Given my financial situation, should I choose an investment advisory service? Why or why not?*
- *How will you choose investment funds to include in my plan?*
- *What is your relevant experience, including your licenses, education, and other qualifications? What do these qualifications mean?*

### 3. What fees will I pay?

You will pay an annual fee equal to 0.10% of your plan's eligible assets, subject to a monthly minimum of \$20.83, or if billed quarterly, subject to a quarterly minimum of \$62.50. You may also pay miscellaneous fees that are separate from our advisory fees that your plan account's recordkeeper or custodian may charge, including wire fees, transfer fees, bank charges and other

fees, as well as fees and expenses that are included in the expense ratios of the mutual funds or collective investment pools that you invest in through your retirement plan.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying. For more information about how we determine your plan's eligible assets, or how your plan's fees and costs are assessed by SPS, see Form ADV Part 2A, Item 5: Fees and Compensation, available at: <https://adviserinfo.sec.gov/firm/brochure/286555>.**

**→ Conversation Starter**

- *Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?*

**What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?**

**When we act as investment adviser to your retirement plan as our client**, we must act in the best interest of the plan and not put our interests ahead of those of our client. At the same time, the way we or our affiliates make money may create some conflicts with the interests of the plan. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means. Certain investment funds that may be included in the plan from time to time may share revenue with SPS affiliates, which may be deemed to create a conflict of interest for SPS, its management personnel, employees, or affiliates. Also, ADP Broker-Dealer, Inc. may be designated as the broker dealer of record for the funds on the ADP retirement platform and selected for your plan. Additional information about potential conflicts of interest between us and our clients is available in Part 2 of Form ADV, Items 4, 6 and 9. For more information about potential conflicts of interest and policies and procedures designed to mitigate them, please refer to Items 5, 6, 11, 12, and 14 of the Form ADV Part 2A.

**→ Conversation Starter**

- *How might your conflicts of interest affect me, and how will you address them?*

**How do your financial professionals make money?**

Associated Persons who market and sell SPS' investment services receive cash compensation from our affiliate in relation to the recordkeeping services provided to the corresponding retirement plan. Associated Persons receive compensation which is based on some portion of a calculated annualized value associated with the sale of the recordkeeping services purchased. The components of the calculated annualized value include (1) an amount of hard dollar fees in recordkeeping the retirement plan, referred to as a "hard dollar fee," (2) revenue received from participating funds or the revenue described in Section 3 above and (3) revenue generated from participants, if any, in the plan related to 1<sup>st</sup> year contributions, loan activity, and disbursements. SPS's institutional investment consultants who provide investment fund analysis and selection for inclusion in our investment guidelines that are applied to our retirement plan clients are paid salaries and may also receive bonuses.

**4. Do you or your financial professionals have legal or disciplinary history?**

No. Neither SPS nor its financial professionals (in their capacity as representatives of SPS) have been the subject of legal or disciplinary findings. . You may visit [www.investor.gov/CRS](http://www.investor.gov/CRS) for a free and simple search tool to research SPS and its financial professionals.

**→ Conversation Starter**

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

**5. Additional Information**

For more information about SPS's investment advisory services, please see its most recent Form ADV available at <https://adviserinfo.sec.gov/firm/summary/286555>. To request up-to-date information and a copy of this Client Relationship Summary, please call 855-583-4407.

**→ Conversation Starter**

- *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*