Choose Your Future TODAY

Understanding 401(k) Fees

Determining the fees you're paying in your 401(k) Plan is now easier than ever. Most fees are shown on your quarterly statement, right alongside information about your contributions, investment earnings/losses and other account data. Those that aren't displayed on your statement can be calculated using information that accompanies your statement and is also available online when you log into your account. This newsletter will help you better understand 401(k) fees.

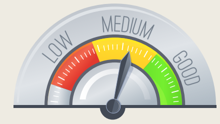
What do the fees cover and who receives them?

Investment fees account for the highest percentage of fees you pay in your 401(k) or 403(b) plan. They cover the management and advisory services connected to the investments available in your plan. Investment fees are not reflected on your statement because they have been taken from your investment returns. However, you can calculate these fees using your **Investment Options Comparative Chart (IOCC)** that accompanies each statement and is available online anytime. Here is an example: the PIMCO All Asset Admin Fund (Ticker: PAALX) has an expense ratio of 1.14%. If the fund had investment returns (gains) reported on your IOCC of 2.06% for the quarter ending September 30, 2013, the fund actually returned 3.20%. However, PIMCO retained 1.14% to pay expenses. If you had $1,000 in that fund for the entire year, you paid $11.40 in investment fees for that fund.

Administration fees cover the everyday costs to operate your plan and are shown on your statement. They are charged by your plan's investment advisor, recordkeeper, custodian, trustee and legal counsel. The fees are used to pay for holding the funds, tracking transactions, maintaining accounts, monitoring and recommending investments, providing phone and web support, and providing education. These fees are sometimes assessed against the assets of the entire plan. Other times, they are paid with a flat fee taken from each participant's account. These fees may also be paid in full or in part by your employer.

Service Fees pay for special features or options that may be available in your plan and are assessed when you access these features/options. For example, plans that offer loans will typically apply a loan fee. Others may apply a trading fee on certain transactions. However, service fees like these are usually only charged to participants who elect to use the plan's special feature, not to everyone participating in the plan. These fees are paid to the service providers at the time a loan or other applicable transaction takes place.

Are You on Track?



Your quarterly statement now shows you what your estimated monthly income will be when you retire. Log into your account at www.tri-ad.com, and go to "Tools" to use the retirement calculator and see how your savings translate into a monthly income when you're no longer working.

Where to Find Out More

As mentioned above, your Investment Options Comparative Chart (IOCC) accompanies each statement and can also be found online. The IOCC helps you compare and benchmark the fees and performance of each investment option in the plan. You should also read the **Administrative and Individual Expenses Information Notice** that was sent to you and is always available online under "Reports/Transactions." Any time you have a question about the fees you're paying, you can also contact TRI-AD Participant Services at 401kmail@tri-ad.com or by phone at 877-690-4015 Monday through Friday between 5:00 a.m. and 6:00 p.m. Pacific Time.

Make it your New Year's Resolution to Sign Up for Paperless Statements

Log into your account at www.tri-ad.com, give us your email address and change your notification preferences to receive all communications from us electronically.

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