



PLAN FEES

FREQUENTLY ASKED QUESTIONS

1. Why did Alameda County make changes to the fee structure of the Plan?

As part of our fiduciary responsibility, the Alameda County Ad Hoc Advisory Committee, together with an independent investment consultant, performs regular checkups on the Plan. In 2020, a new investment lineup was implemented to provide a less-expensive fee structure. These changes allowed for more equitable sharing of fees and overall, the expenses associated with participating in the plan, were lowered. You have always been paying fees, but these changes allowed for greater transparency of those fees.

2. What are the types of fees associated with participating in the plan?

- Participant fees
- Investment management fees
- Transactional fees

3. What is a Participant Fee?

The participant fee helps cover the costs associated with administering and recordkeeping the plan as well as the tools and resources available to assist you on your journey to and through retirement. This annual Participant Fee is 0.20% (or 20 basis points) and is based on the value of the assets in your account. Here is how it is broken down:

- 5.25 of the 20 basis points annualized is paid to the recordkeeper (Empower) and is labeled as “Plan Administration Expense” on your quarterly statement.
- 14.75 of the 20 basis points is paid to Alameda County to cover the administrative costs associated with the plan. For example, the Deferred Compensation Staff, as well as consulting and legal expenses are included in this cost. This fee is labeled as “Third-Party Expenses” on your quarterly statement.

The following chart provides examples of the potential impact of the fees to your account:

Account Balance	Annual Participant Fee Percentage	Annual Participant Fee	Quarterly Participant Fee
\$10,000	0.20%	\$20.00	\$5.00
\$15,000	0.20%	\$30.00	\$7.50
\$25,000	0.20%	\$50.00	\$12.50
\$40,000	0.20%	\$80.00	\$20.00
\$100,000	0.20%	\$200.00	\$50.00

4. Specifically, what does the Participant Fee cover the cost of?

The Participant Fee gives you access to:

- A recordkeeping platform (through Empower, formerly with Prudential Retirement).
- Costs associated with County administrative, legal, and investment consulting costs.
- A Toll-free information phone line and participant service representatives.
- An online account website that includes financial wellness tools, calculators, webinars and articles to help you achieve financial security.
- Access to our licensed financial guidance counselors, who are available to meet with you one-on-one to discuss your financial wellness and help you better for retirement.

5. Where can I find the Participant Fee and the amount I am paying?

This fee is located on your quarterly plan statement as well as in your online account. Here is a view of how it is listed on your statement:

Non-Investment Fee/Expense & Other Adjustments		
Transaction Date	Description	Amount
10/01/21	Plan Administration Expense	\$-4.11
	Third Party Expenses	-11.55
10/27/21	Fee Credit	0.76
Total		\$-14.90

6. What are investment management fees (expense ratios)?

- Investment management fees, also known as expense ratios, are costs associated with the fund company managing the investment options offered in the plan.
- Each investment option you select has a fee associated with it, which is determined by the investment manager. This fee covers the cost of operating the investment fund, which includes the buying and selling of securities, fund governance, reporting, fund administration, and other costs.
- Under the prior fee structure of the plan, revenue sharing from the investments was paid by the fund companies directly to the recordkeeper, which was then credited to the Plan to help offset plan expenses. As a result, participants may not have understood when or how they were paying fees.
- You can find the expense ratio of a fund on the fund’s fund fact sheet which is located on the investment options page of www.prudential.com/retirewow. You can also call 855-WOW-457B (855-969-4572) for additional help.

7. What is a fee credit?

- You may also see fee credits on your statement. There is one credit which all participants get annually. This comes from any excess County administration fees that are not spent to reimburse the County for its costs.

- Under the new fee structure, currently there are two funds that provide fees back to the participants. This is referred to as “revenue share,” and if you are invested in either of these funds, you will see some credits on your statement.

8. What are transactional fees?

Transactional fees cover optional plan features, such as express mail and loan fees and are charged to participants when applicable.

9. What is a revenue reimbursement?

With the cost-saving initiative the County has put into place, the County will continue to review the fees and costs associated with administering the plan and pass along any savings to you. These are one-time reimbursements the County directs. The first reimbursement took place in October 2020 with another reimbursement set to take place in Q2 2022. These are labeled as ‘Miscellaneous Adjustment’ on your quarterly statements.

10. Who do I contact if I have additional questions?

You have access to three dedicated, licensed financial guidance professionals at no additional cost. They are available to meet with you one-on-one over the phone, virtually, or in person. To schedule an appointment, or to contact directly, please visit www.prudential.com/retirewow and click *Personalized Guidance*.

Important Information: Effective 4/1/2022, Empower officially acquired the retirement business of Prudential. Please click [here](#) for more information associated with the acquisition.

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