

401(k) Fees

Paying fees to a 401(k) record-keeper is not new, you paid fees to Wells Fargo during their time as our record-keeper. With Empower Retirement, we are now separating the fees to get a clearer picture of how much is paid in fees. Fees can be assessed in multiple ways:

Administrative Fees - these fees generally cover services such as record keeping, education, audits, plan consulting, mail services, website and customer service.

Investment Management Fees - these fees may be also known as an expense ratio. A fund's expense ratio covers the cost of operating the fund, which includes management and administrative expenses. Each fund in the plan charges a fee. What you pay depends on which funds you choose and your account balance.

Revenue Sharing Fees - these fees are paid by the mutual fund companies to the record-keepers to provide services such as tracking share balances and communicating fund information to participants.

WoodmenLife 401(k) plan participants pay 100% of the plan's administrative costs. Although these fees will still be paid by plan participants, the manner in which they are charged and the dollar amount of the fees are changing - **Fees are going down!** With Wells Fargo the costs were included in the investment fees, making the plan administration costs difficult to identify. The intent of the upcoming change is to remove the plan administrative costs from the investment fees and make the plan administrative costs identifiable and transparent to participants.

One of the benefits in moving to Empower was a reduction in fees paid by participants, below is the difference in fees between Wells Fargo and Empower.

	Wells Fargo	Empower
Administrative Fees	N/A	\$20.00 Annually and 0.17% of Account Balance
Investment Fees	Average of 0.85% of Account Balance	Average of 0.58% of Account Balance
Revenue Sharing Fees	Paid to Wells Fargo	Reimbursed to participant
Average Cost *	\$273	\$189
*based on account balance of \$32,600		

Let's look at a couple of examples:

*Using a participant with an account balance of \$32,600 invested in one fund, American Funds New Perspective or Target Date Fund 2040.

American Funds New Perspective	Wells Fargo	Empower
Administrative Fees	\$0.00	0.17% or \$55.00 + \$20.00 Annual Fee
Investment Fees	0.80% or \$260.00	0.44% or \$143.00
Total	\$260.00	\$218.00
Target Date Fund 2040	Wells Fargo	Empower
Administrative Fees	\$0.00	0.17% or \$55.00 + \$20.00 Annual Fee
Investment Fees	0.72% or \$235.00	0.18% or \$59.00
Total	\$235.00	\$134.00

Please note: Fees will vary based on fund choices and account balances.

If you have any questions please call Empower's customer service center at 888-411-4015.