



## Important Information About Your Investment Options, Fees, and Other Expenses for the DXC Matched Asset Plan—Annual Information Statement on Investment Options and Fees and Expenses as of December 31, 2018

The DXC Matched Asset Plan (the “Plan”) is a great way to build savings for your future. Through the Plan you get:

- The convenience of **automatic savings** through payroll deductions and the opportunity for **tax advantages** through before-tax or Roth after-tax contributions
- **Contributions from DXC**, if applicable
- A **flexible, comprehensive investment line-up** that is monitored by the plan’s named fiduciary
- **Access to professionally managed institutional investment options** that generally charge lower fees than retail investment options

You’ll want to make sure you are taking full advantage of the Plan by choosing a savings rate and plan investments that meet your long-term retirement needs. Use the tools available on the Plan’s website to explore how your savings and investment decisions impact your long-term savings goals.

Review this statement to learn more about fees and expenses, the plan’s investment options, and where to go for more information or to take action. To learn more about the Plan, please see the Summary Plan Description available on the Plan’s website.

### 1. About Fees and Expenses

As a participant in the Plan and as an investor in the investments offered by the Plan (sometimes referred to in this Information Statement as “designated investment alternatives”), you are required to pay certain fees and expenses. This Information Statement is intended to provide you with a summary of all legally required information on fees and expenses that are imposed by the Plan and the Plan’s designated investment alternatives, or direct you to where you can obtain this information. These fees and expenses are summarized below:

#### Investment-Related Fees

- Investment-related fees are charged to you as an investor in the designated investment alternatives offered by the Plan in which you have chosen to invest your Plan account balance. In general, there are two types of investment-related fees: **asset-based fees** and **shareholder fees**. (See Section 4 for a glossary of terms you should know.) Each of the Plan’s designated investment alternatives charges only **asset-based fees**, so no **shareholder**

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**fees** are chargeable under the Plan for any investments that you make in designated investment alternatives.

- **Asset-based fees.** Asset-based fees relate to the operating expenses and costs incurred by the investment fund in managing the business of the investment fund. Examples of these expenses and costs are trustee, legal, accounting, audit, recordkeeping and compensation paid to the fund's investment managers and employees. However, since the investment fund's investors ultimately pay these expenses or costs as "fees," the fees have the effect of reducing the investment return of the fund's investors. These fees are shown in Section 3 of this statement. Remember that when you direct your plan account balance to be invested in one or more of the plan's designated investment alternatives, you become an investor in the investment fund or investment account via the plan.
- **Shareholder Fees.** Some investment funds also charge separate fees to the fund's investors or shareholders, such as early redemption fees, transfer or withdrawal fees. These fees are distinguishable from the **asset-based fees** since **shareholder fees** only apply to the particular shareholder based on actions they have taken regarding their specific investment in the fund. Currently, no shareholder fees are imposed by the Plan's designated investment alternatives.

### General Plan Administrative Fees

- The Plan incurs certain costs and expenses for providing administrative services to all Plan participants. The fees charged by the Plan to defray or cover the costs of providing these services are **general plan administrative fees**. These fees are separate from **asset-based fees** charged by the investment funds offered by the Plan. **General plan administrative fees** are charged against the plan accounts of participants as a flat dollar amount for participants with a vested benefit in the Plan. These fees are assessed and deducted from their account balances that remain in the Plan. See the box on this page for more information on the **general plan administrative fees**.

### Individual Plan Administrative Fees

- The Plan provides several administrative services to participants strictly based on the individual's request or needs. Accordingly, the Plan charges fees for these services only to the participant

who needs or has requested the services (for example, plan loans). These fees are referred to as **individual plan administrative fees**. See the box on this page to learn more about **individual plan administrative fees**.

Fees and expenses (whether investment-related or administrative) are important because they can substantially reduce the amount of money in your plan account over the long term. You can find an example that illustrates this concept on the Department of Labor's website, [www.dol.gov/sites/default/files/ebsa/about-ebsa/our-activities/resource-center/publications/a-look-at-401k-plan-fees.pdf](http://www.dol.gov/sites/default/files/ebsa/about-ebsa/our-activities/resource-center/publications/a-look-at-401k-plan-fees.pdf). Keep in mind, however, that fees are still only one of several factors to consider when making investment decisions. Therefore, you also should carefully consider other key factors, including asset class and investment risk, potential for an investment return, investment objectives, principal investment strategies, and historical performance.

#### **Administrative Fees in the Matched Asset Plan**

- **General Plan Administrative Fees:** The Plan is charged fees for plan services such as trustee, recordkeeping, advisory and accounting services. These fees are paid directly by participants. Participants will be charged \$5.25 per month for these general plan administrative fees. This amount will be automatically deducted from the participant's plan account balance on **the last business day of the calendar month**.
- **Individual Plan Administrative Fees:**
  - Loan fees: You will pay a \$75 fee whenever you take a loan from the Plan.
  - Expedited Delivery Fee: You will pay a \$7 fee when you request overnight delivery of your loan or payment check.
- **Self-directed brokerage window fees:** If you establish a self-directed brokerage window account within the Plan, you are charged a fee of \$15 per quarter. This fee is deducted from other assets you have in the Plan rather than directly from your self-directed brokerage window account. Depending upon the activity you request, you may also pay additional trading fees and commissions within your self-directed brokerage window account.

## 2. The Plan's Investment Options

As a participant in the Plan you're responsible for investing your Plan account in the Plan's investment options; that is, in one or more of the Plan's designated investment alternatives. Section 3 provides more specific information about the designated investment alternatives. The Plan's investment funds are considered variable return funds, meaning that the return is not fixed but is based on values that change in accordance with market trading activity. Variable return funds involve a potential risk of loss of the amounts you decide to invest in the fund in addition to the potential for a gain on invested amounts.

### Voting Rights for Certain Investments

As a participant in the Plan, you can direct the manner in which the Trustee will vote the DXC Common Stock Shares, if any, credited to your DXC Company Stock Fund account. The Trustee votes your common shares in accordance with the voting instructions received from you. If you fail to vote your Common Shares, those not voted shares are voted in proportion to the common shares voted by all voting plan participants. In addition, if a tender offer or exchange offer is made for DXC Common Stock, you can decide whether to tender or exchange the DXC Common Stock held in your plan account by providing instructions to the Trustee. If you fail to provide timely instructions, your DXC stock will not be tendered or exchanged.

The Plan offers you a **Self-Directed Brokerage Window**, which provides access to a marketplace of retail investment options. The self-directed brokerage window is designed for participants who have a strong knowledge of the investment marketplace; want greater flexibility to create a more customized portfolio; and have the ability, time, and desire to personally research and evaluate different investments. The platform is provided through Alight Financial Solutions, a broker-dealer subsidiary of Alight Associates LLC and member FINRA/SIPC.

**Note:** The Plan Administrator will not review the investments available through the self-directed brokerage window. This means that you are solely responsible for your investments in the self-directed brokerage

window. There is information available to all investors in these retail investments, for example a mutual fund prospectus. You can request that a copy of a fund prospectus be sent to you from the **www.AlightFinancialSolutions.com** website, by contacting an Alight Financial Solutions representative at **1-800-890-3200**, or by going to the fund's website directly.

There may be individual account maintenance fees applicable to the self-directed brokerage window and paid from the Core Funds as noted in the box on page 2. In addition, depending upon the investments purchased and sold in the self-directed brokerage window, other commissions and fees may apply and will be charged within your self-directed brokerage window account. Before you purchase or sell securities through the self-directed brokerage window you should find out about any fees associated with the purchase or sale of the particular investment you are trading. You can obtain a fee schedule of applicable trading fees and commissions online by logging into your account at **www.yourbenefitsresources.com/dxc** or by contacting an Alight Financial Solutions representative at **1-800-890-3200**.

You may enroll in the self-directed brokerage window by accessing **www.yourbenefitsresources.com/dxc** and selecting Open Self-Directed Brokerage Account. You must keep at least \$500 in the Core Funds when transferring money into the Brokerage Account.

You may change your investment elections as often as you like on any day the market is open. But keep in mind that some investments within the self-directed brokerage window may be subject to regulatory and fund company trading restrictions.

## Choosing Your Investment Strategy

Ultimately, you are the one who determines the investment approach that makes sense for you. The Plan provides many resources to support you in developing an investment style and strategy that you are comfortable with and that will assist you in reaching your retirement goals. Some of the factors that you may wish to consider as you think about what investment approach makes sense for you

are: your age, lifestyle, accumulated wealth, years to retirement, and comfort level around risk.

This Information Statement is not intended to address what investment approach makes sense for you. Rather, it is intended to provide useful information about certain administrative fees charged by the Plan and investment-related fees charged by the designated investment alternatives offered by the Plan for services that these entities provide to you as a Plan participant. This statement also provides comparative investment return information on the Plan's designated investment alternatives in relation to relevant financial benchmarks.

Your investment approach and any particular investment decision you make regarding money in your plan account should be based on the full picture, taking into account your individual situation, not just the information in this statement.

- **Learn More About the Designated Investment Alternatives.** To learn more about the designated investment alternatives offered and fees that apply to these alternatives, visit the Plan website. There, you can find fund facts, fund performance, information on the fund manager, the legal status of the fund, and other investment information. You can also receive more information about the funds, including paper copies of the information that is provided online, by calling the DXC Benefits Center at **1-877-627-4015**. Representatives are available from 8:00 a.m. to 8:00 p.m., Eastern Time, Monday through Friday.

Some of the information you can find on the website or receive in hard copy includes:

- Copies of summary prospectuses or similar documents.
- Copies of any financial statements or reports, such as statements of additional information and shareholder reports, and of any other similar materials relating to the Plan's funds, to the extent such materials are provided to the Plan.
- A statement of the value of a share or unit of each fund as well as the date of the valuation.
- A list of the assets in the portfolio of each designated investment alternative, which constitutes "plan assets" under

the federal law known as the Employee Retirement Income Security Act (ERISA) and the value of each such asset.

- An explanation of the importance of a well-balanced and diversified investment portfolio.

**Enroll or Make Changes to Your Investments.** You can enroll in the Matched Asset Plan or make changes to your investments at any time by logging on to the plan's website. Once you have logged on you can:

- **Enroll**—simply go to Savings and Retirement > Contributions > Start Saving
- **Change your current investment mix or your investment elections for future contributions**—go to Savings and Retirement > Manage Investments > Change Investments and follow the instructions on the website.
- **NOTE: You are permitted to make only two transfers per calendar month into or out of the plan's designated investment alternatives. For example, if you transfer money out of a fund in which you are currently invested and into a new investment fund and you transfer money between two investment funds in which you are currently invested, you may not make any more investment fund transfers for the remainder of the calendar month in which these transfers occurred.**

If you are unable to log on to the website you may also enroll or change investment options by calling the DXC Benefits Center at **1-877-627-4015**. Representatives are available from 8:00 a.m. to 8:00 p.m., Eastern Time, Monday through Friday.

### 3. Investment-Related Information

The following table provides you with information on the Plan's designated investment alternatives, all of which have a variable rate of return. When you invest your Plan money in a designated investment alternative, you are investing in a fund that is managed by an investment manager appointed by the Plan's named fiduciary. In general, the plan assets that are managed by an investment manager are invested in a collective fund, which is a pooled investment trust that is subject to federal and state regulations. Although collective funds are similar to registered mutual funds, they are not subject to the same requirements. You can get more information on the collective funds by logging onto the Plan's website.

You'll find three things in the table:

1. General information about the investment types (sometimes referred to as "asset classes") offered by the Plan, including any limitations or restrictions on investing in a particular fund.
2. Fee information including asset-based fees<sup>1</sup> and a description of any investment or transfer restrictions<sup>2</sup> applicable to the fund.
3. Historical performance for the fund and an appropriate benchmark for the same period of time<sup>3</sup>

Keep in mind, however, that past performance does not guarantee how the investment option will perform in the future. Any investment you make in any of the Plan's investment funds is subject to loss. Information about an option's principal risks is available on the Plan's website.

For more information about this statement, you may contact the DXC Benefits Center at <b>1-877-627-4015</b> or the Plan Administrator:
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DXC Employee Benefits Fiduciary Committee 1775 Tysons Blvd. Tysons, VA 22102
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Federal regulations require plan sponsors to provide this Information Statement to plan participants and eligible employees. It includes important information to help you understand your retirement plan and compare the investment options offered by the plan to you. Most or all of the fund information available in this statement is also available to you on the plans website or in hard copy upon your request. Certain information included in this statement has been provided to plan fiduciaries by third parties.

Fund Name/ Benchmark	Asset Class	Total Asset- Based Fees <sup>1</sup>	Annual Cost Per \$1,000 of Investment <sup>1</sup>	Shareholder-Type Fees and Investment Restrictions <sup>2</sup>	Net Performance Return <sup>3</sup> as of 12/31/2018 (Fund and Benchmark)				
					1 yr.	5 yr.	10 yr.	Incept. to date	
<b>Target Date Funds</b>									
Retirement Fund (65% / 26.5% / 8.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date Retirement Income</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-2.80% -2.79% -2.54%	2.67% 2.69% 3.06%	5.67% 5.77% 5.31%	3.81% 3.88% 3.42%	
Retirement 2015 Fund (62.5% / 29.0% / 8.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2015</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-3.16% -3.15% -3.67%	3.34% 3.34% 3.79%	7.60% 7.61% 7.11%	4.34% 4.43% 3.95%	
Retirement 2020 Fund (50.0% / 42.0% / 8.0%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2020</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-4.52% -4.53% -4.16%	3.88% 3.88% 4.10%	8.56% 8.56% 7.86%	4.75% 4.65% 4.13%	
Retirement 2025 Fund (37.5% / 57.0% / 5.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2025</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-5.89% -5.88% -5.02%	4.34% 4.34% 4.31%	9.22% 9.22% 8.46%	4.91% 4.80% 4.23%	
Retirement 2030 Fund (29.0% / 67.5% / 3.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2030</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-6.72% -6.70% -5.99%	4.50% 4.50% 4.50%	9.69% 9.68% 8.96%	4.90% 4.81% 4.26%	
Retirement 2035 Fund (21.5% / 75.0% / 3.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2035</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-7.35% -7.34% -6.88%	4.62% 4.61% 4.69%	10.00% 9.98% 9.38%	4.76% 4.69% 4.31%	
Retirement 2040 Fund (16.0% / 80.5% / 3.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2040</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-7.92% -7.91% -7.41%	4.69% 4.67% 4.82%	10.12% 10.10% 9.68%	4.85% 4.79% 4.37%	
Retirement 2045 Fund (11.0% / 85.5% / 3.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2045</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-8.47% -8.47% -7.74%	4.75% 4.72% 4.91%	10.16% 10.13% 9.88%	4.91% 4.82% 4.35%	
Retirement 2050 Fund (10% / 86.5% / 3.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2050</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-8.58% -8.58% -7.94%	4.72% 4.70% 5.01%	10.16% 10.15% 10.02%	4.90% 4.83% 4.38%	
Retirement 2055 Fund (10%/86.5%/3.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2055</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-8.58% -8.58% -7.97%	X.X% <sup>3</sup> 4.70% 5.07%	X.X% <sup>3</sup> X.X% <sup>3</sup> 10.1%	3.83% 4.15% 4.46%	
Retirement 2060 Fund (10% / 86.5% / 3.5%) <sup>4</sup> <i>Benchmark: Target Custom Benchmark</i> <i>Benchmark: S&amp;P Target Date 2060+</i>	Premixed	0.08% <sup>6</sup>	\$0.80	N/A	-8.60% -8.58% -7.95%	X.X% <sup>3</sup> X.X% <sup>3</sup> 5.12%	X.X% <sup>3</sup> X.X% <sup>3</sup> X.X% <sup>3</sup>	3.84% 4.15% 4.53%	

← General Information →

← Fee Information →

← Historical Performance →

Fund Name/ Benchmark	Asset Class	Total Asset- Based Fees <sup>1</sup>	Annual Cost Per \$1,000 of Investment <sup>1</sup>	Shareholder-Type Fees and Investment Restrictions <sup>2</sup>	Net Performance Return <sup>5</sup> as of 12/31/2018 (Fund and Benchmark)			
					1 yr.	5 yr.	10 yr.	Incept. to date
<b>Core Funds</b>								
Money Market Fund <i>Benchmark: Bank of America Merrill Lynch 3 Month US Treasury Bill</i>	Money Market	0.10%	\$1.00	N/A	1.99% 1.87%	0.74% 0.63%	0.48% 0.37%	2.70% 2.56%
DynCorp Frozen Stable Value Fund <i>Benchmark: Citigroup 3-Month Treasury Bill Index</i>	Stable Value	0.45%	\$4.50	This fund is frozen and not available for new investments. You cannot transfer money directly from this fund into the self-directed brokerage window. You must first transfer money into another investment option for at least 90 days before it is moved into the self-directed brokerage window.	1.93% 1.87%	1.78% 0.63%	2.39% 0.37%	4.08% 2.56%
Bond Option <i>Benchmark: Barclays Capital U.S. Aggregate Index</i>	Interm Term Bond	0.17%	\$1.70	N/A	-0.16% 0.01%	2.63% 2.52%	4.00% 3.48%	5.08% 5.09%
Strategic Real Asset Option <i>Benchmark: Barclays Capital U.S. Treasury Inflation Protected Securities Index</i>	Inflated Protected Bond	0.29% <sup>7</sup>	\$2.90	N/A	-0.03% -1.26%	X.X% <sup>3</sup> 1.69%	X.X% <sup>3</sup> 3.64%	1.20% 0.91%
Strategic Allocation Option <i>Benchmark: 60% MSCI All Country World Index, 40% Citi World Government Bond Index</i>	World Allocation	1.25% <sup>8</sup>	\$12.50	After moving any amount out of this Option, you must wait 30 days before moving any amount back into the Option.	-6.22% -5.21%	X.X% <sup>3</sup> 4.11%	X.X% <sup>3</sup> 8.22%	1.51% 3.44%
Strategic Equity Option <i>Benchmark: MSCI All Country World Index</i>	Global Equity	0.61% <sup>9</sup>	\$6.10	N/A	-8.24% -9.42%	X.X% <sup>3</sup> 4.26%	X.X% <sup>3</sup> 9.46%	3.23% 3.94%
Global Equity Index Option <i>Benchmark: MSCI All Country World Index</i>	Global Equity	0.05% <sup>10</sup>	\$0.50	N/A	-9.57% -9.42%	X.X% <sup>3</sup> 4.26%	X.X% <sup>3</sup> 9.46%	4.07% 3.94%
DXC Stock Fund <i>Benchmark: S&amp;P 500 Index</i>	Large Cap	0.00%	\$0.00	No more than 10% of your balance can be invested in the DXC Stock Fund. This restriction impacts new employee contributions, investment fund transfers and fund reallocations.	-34.22% -4.38%	4.66% 8.49%	7.88% 13.12%	6.55% 9.02%
Perspecta Stock Fund <sup>11</sup> <i>Benchmark: S&amp;P 500 Index</i>	Large Cap	0.00%	\$0.00	This fund has been removed from the DXC Matched Asset Plan as of 6/1/2019.	X.X <sup>11</sup> -4.38%	X.X <sup>11</sup> 8.49%	X.X <sup>11</sup> 13.12%	-30.15% -6.28%

<sup>1</sup> Total asset-based fees are fees paid to the investment manager, plus other variable costs incurred by the investment fund for services provided to the fund, such as custodial, trustee, accounting, legal, and other fund-level costs. Fee information is based on actual expenses incurred through the 12-month period ending on December 31, 2018. Annual cost per \$1,000 investment is rounded to the nearest ten cent.

<sup>2</sup> Shareholder-Type Fees and Investment Restrictions outlines any fees paid directly from your investment in this option (e.g., sales loads, sales charges, deferred sales charges, redemption fees, exchange fees, account fees, purchase fees, transfer or withdrawal fees, surrender charges, contract maintenance fees, and mortality and expense charges) and any restrictions (e.g., round trip, equity wash and purchase block provisions) on trading that might exist for a specific investment option.

<sup>3</sup> The Retirement 2055 Fund, Retirement 2060 Fund, Strategic Real Asset Option, Strategic Allocation Option, Strategic Equity Option, and Global Equity Index Option were inceptioned on 4/1/2015. These options do not have five or ten year trailing performance track records and have been intentionally left blank.

<sup>4</sup> Target Series Retirement Funds are provided with the fixed income / equity / other split, respectively. Other includes REITs and commodities. Totals may not add to 100% due to rounding.

<sup>5</sup> Fund historical performance is shown after fees. Benchmark historical performance is shown without fee impact.

- <sup>6</sup> The total asset based fees for the Target date funds include an investment management fee of 5 bps and an operating expense ratio which is capped at 3 bps. Fees presented here are inclusive of this cap; however, actual operating expense ratio for each fund may be lower.
- <sup>7</sup> The total asset based fees for the Strategic Real Asset Option include investment management, trust, custody and unitization fees of 26 bps and an operating expense ratio which is capped at levels averaging 3 bps. Fees presented here are inclusive of this cap; however actual operating expense ratio may be lower.
- <sup>8</sup> The total asset based fees for the Strategic Allocation Option include investment management, trust, custody and unitization fees of 124 bps and an operating expense which is capped at levels averaging 1 bps.
- <sup>9</sup> The total asset based fees for the Strategic Equity Option include investment management, trust, custody and unitization fees of 60 bps and an operating expense ratio which is capped at levels averaging 0.05 bps for the underlying strategies. Fees presented here are inclusive of this cap; however actual operating expense ratio may be lower.
- <sup>10</sup> The total asset based fees for the Global Equity Index Option include investment management, trust, custody and unitization fees of 2 bps and an operating expense ratio which is capped at levels averaging 3 bps for the underlying strategies. Fees presented here are inclusive of this cap; however actual operating expense ratio may be lower.
- <sup>11</sup> The Perspecta Stock Fund was incepted on 6/1/2018 and removed from the plan effective 6/1/2019. This fund does not have a one year, five year, or ten year performance track record and has been intentionally left blank.

## 4. Terms You Should Know

**For more definitions related to investments, go to the plan’s website. You will find definitions in Retirement and Savings > Investment Summary > Fund Detail.** Here are a few key terms and concepts to help you understand the information described in this Information Statement.

**Asset-based fees:** Fees that are charged as a percent of holdings in an investment to cover investment management fees plus any administrative service fees to cover operational costs and expenses of the investment fund. Asset-based fees are also referred to as the expense ratio, or, more technically, the fund’s total annual operating expenses. (See box on this page for an example of how asset-based fees work.)

**Asset class:** A specific category of assets or investments (such as stocks, bonds, or cash) as well as certain types of stocks (such as international stocks, large-cap stocks, etc.). Assets within the same class generally exhibit similar characteristics.

**Benchmark:** A standard against which the performance of a security, fund or investment manager can be measured. Generally, broad market and market –segment stock and bond indexes are used to evaluate the performance of an investment.

**Core Funds:** The group of investment funds from which a diversified investment portfolio can be constructed that will provide the most optimal long-term investment experience. Each investment fund that is part of the Core Funds represents a single asset class.

**Equity Wash:** A transfer restriction for a stable value fund requiring monies transferred out to be invested in an equity fund or other non-competing fund for a specific period of time (usually 90 days) before the monies can be reinvested into a stable value fund or other competing fund.

**General Administrative fees:** Fees paid to the plan’s third party record-keeper to cover expenses for things like keeping data on participants, communication materials, Internet services, and assisting participants with transactions; fees paid to a trustee to manage some operations of the plan including trading and holding assets; plus fees paid for legal and accounting services.

**Individual administrative fees:** These fees apply to your account and generally depend on transactions in your account, like taking a loan from the plan.

**Investment management fees:** The fee paid to the advisory firm or investment management company for the day-to-day investment management of the securities in the fund’s portfolio.

**Target date funds:** These funds are premixed, diversified investment strategies that are

designed to be a single investment solution. They have a mix of underlying investments that are generally appropriate for a given retirement date.

### How Asset-Based Fees Work

Let’s assume your current account balance is \$30,000, and you’ve invested in three funds as shown below. Here’s an estimate of what you might pay annually in total asset-based fees.

Investment	Balance	Asset-Based Fees	
		As % of Assets	Dollar Amount
Bond Option	\$10,000	0.17%	\$ 17.00
Strategic Allocation Option	\$17,000	1.25%	\$212.50
Global Equity Index	\$ 3,000	0.05%	\$ 1.50
Total	\$30,000	—	\$231.00

Because asset-based fees are accumulated daily, your actual cost will vary as your account value changes.

**Purchase Block:** This transfer restriction applies when money is moved out of a fund and then cannot be moved back into the fund for a specific period of time (usually 30 to 90 days)



