Fees and expenses are a part of every workplace savings plan. Knowing the costs associated with your plan, relative to the return or services you receive, can help you become more confident in making investment decisions.

Understanding fees and expenses. Some fees and expenses are associated with the administration of the plan, and are not within your control. Others are connected to specific investment options or to the plan services you choose.

Your employer may pay some of the fees, while others are paid by you. One thing to keep in mind is that higher fees are not necessarily bad and lower fees are not necessarily good.

What's important to consider is the balance between what is paid and the service, support, and performance you receive in return.

Which fees and expenses are generally associated with workplace savings plans? Most fees and expenses associated with your workplace savings plan fall into one of the following three categories:

1. **Asset-based fees**
   This category is often the largest component of retirement plan costs, and includes the management fees and other operating expenses of your plan’s investment options.*

   **Who pays them?**
   These fees aren’t deducted directly from your workplace savings account, so you won’t see them on your account statement. Instead, they are typically deducted from the fund’s assets, resulting in a reduction in the fund’s investment return.

*Investment options may also carry other fees that don’t fit into this “asset-based” category. These could include sales loads or redemption fees, for example. The existence, and form, of these types of fees can vary widely from one savings plan to another.
How are they calculated?
Asset-based fees are often expressed as a percentage and represent the annual expenses paid by all shareholders in the investment option or share class, regardless of whether they purchased the shares inside or outside a retirement plan. Multiplying the expense ratio by your balance in the investment option can be used to estimate the annual expenses associated with your holdings. An investment option's expenses can vary from year to year.

For mutual funds, the fund's management and operating expenses are standardized based on regulations and are referred to as an “expense ratio.” It's the total of the mutual fund's operating expenses (before waivers or reimbursements) paid by the fund and is stated as a percentage of the fund's total net assets.**

**Detailed information about a mutual fund's fees and expenses can be found in its prospectus. The prospectus will also indicate if the fund waives or reimburses any of its fees and expenses, thus lowering the expenses that a shareholder pays.

<table>
<thead>
<tr>
<th>Example</th>
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| $10,000 invested in Fund A  
 x 0.0084 = expense ratio of .84%  
 $84 fee deducted from fund asset† |

For non-mutual funds, the fee and expense percentages may be calculated using different methodologies than those for mutual funds.

Keep in mind
Expenses and fees can vary significantly among investment options and often reflect, at least in part, the risks and complexities of the option’s investment strategy. For example, fees for international stock funds are typically higher than fees for domestic stock funds. Domestic stock funds are, in turn, usually more expensive than bond funds. Also remember that management fees, which are part of the overall expense ratio, are usually higher for actively managed funds than for index funds.

It's important to note that as your account assets grow, even if the asset-based fee remains the same, the dollar amount of the fee increases because the percentage is calculated on the higher account balance.

Choosing investments
Your choice of investment options should not depend exclusively on the expense ratio assigned to the fund. It's important to also consider the fund's goals and objectives as they relate to your risk tolerance, time horizon and financial situation. Understanding what type of investor you are can also help when choosing investment options.

The return on your investment options is also an important consideration. The key here is knowing what fees you are charged relative to the services and investment returns you receive. Your investment options’ return is a number that shows the historical performance of your investments at a given point in time.

e-Learning
Fidelity has online educational tools to help you determine the type of investor you are, as well as how to evaluate investment options. Go to http://e-learning.fidelity.com for more information.

2. Plan administration fees
These are the costs related to the administration of your workplace savings plan. Generally, they include charges for recordkeeping, accounting, legal and trustee services, and other administrative services.

Who pays them?
In some cases, your employer pays these fees. In others, you’re responsible for paying them. Ultimately, it’s your employer who determines who pays the plan administration fees. If you pay these fees, they will be deducted from your workplace savings account and the deduction will appear on your account statement.
How are they calculated?
Plan administration fees are calculated based on the plan rules which can be obtained via the Summary Plan Description you can receive from your employer. Your quarterly statement will show any plan administration fees that have been charged to your account.

<table>
<thead>
<tr>
<th>Example</th>
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<tbody>
<tr>
<td>$5 plan administration fee per quarter x 4 number of quarters in a year = $20 annually</td>
</tr>
</tbody>
</table>

3. Transaction and service-based fees
This category includes charges for plan features you might use. These fees are based on the execution of a particular service, transaction, or event. For example, if your plan offers loans and you take one, a service fee may apply.

Who pays them?
Your employer may pay these fees, although in other cases you may be responsible for paying them. If you pay these fees, they will be deducted from your workplace savings account and the deduction will appear on your account statement.

How are they calculated?
Your transaction fees are determined by the type of transactions you make. Be sure to note the frequency of the charges.

<table>
<thead>
<tr>
<th>Example</th>
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<tbody>
<tr>
<td>$20 loan transaction (one-time fee)</td>
</tr>
<tr>
<td>$3 quarterly maintenance fee x 4 number of quarters in a year = $12 annual maintenance fee</td>
</tr>
</tbody>
</table>

Summary
The fees that you pay are a combination of the asset-, transaction-, and plan administration-based fees. Some fees may be recurring charges and some may be a one-time charge.

Compare the estimated amount you are paying in fees to the returns and services you are receiving.

<table>
<thead>
<tr>
<th>Hypothetical Example</th>
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</thead>
<tbody>
<tr>
<td>Total Assets</td>
</tr>
<tr>
<td>Fund A</td>
</tr>
<tr>
<td>Fund B</td>
</tr>
<tr>
<td>Expense Ratio</td>
</tr>
<tr>
<td>Fund A 0.84%</td>
</tr>
<tr>
<td>Fund B 0.62%</td>
</tr>
<tr>
<td>1. Total asset-based fees</td>
</tr>
<tr>
<td>2. Plan administration or (admin) fee $5 per quarter</td>
</tr>
<tr>
<td>3. Loan maintenance fee $3 per quarter</td>
</tr>
<tr>
<td>Total estimated recurring cost†</td>
</tr>
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When reviewing your fees, it may be helpful to convert the dollar amount into a percentage of your account assets. In this example, the recurring fees are $240, therefore the percentage would be .80% of your plan assets.

HERE’S HELP
- Visit Fidelity NetBenefits®
- Call your plan’s toll-free number
Next Steps

Here are some next best steps to help you stay informed regarding the fees and expenses in your workplace savings plan.

Checklist

☐ Go to NetBenefits to view your account statement and investment options return.

☐ Monitor your account transactions and service charges on your account statement.

☐ Determine the expense ratios for the funds you are invested in by reading each mutual fund’s prospectus. Log on to NetBenefits.com to view fees and expenses for other investment options or call your plan’s toll-free number for more information.

☐ Consult your Summary Plan Description to understand what fees your employer charges. You can view these fees on your account statement.


☐ Ensure that you are invested in funds that are appropriate for your time horizon, risk tolerance, and financial situation.

†These calculations represent an estimate of an annual fee (versus a partial-year fee).

For a mutual fund, the expense ratio reported on NetBenefits or your performance report is the total annual fund or class operating expenses (before waivers or reimbursements) paid by the fund and stated as a percent of the fund’s total net assets. Where the investment option is not a mutual fund, the figure displayed in the expense ratio field on NetBenefits or within your performance report is intended to reflect similar information. However, it may have been calculated using methodologies that differ from those used for mutual funds. Mutual fund data has been drawn from the prospectus. For non-mutual fund investment options, the information has been provided by the trustee or plan sponsor. When no ratio is shown for these options, it is due to the fact that none was available. Nevertheless, there may be fees and expenses associated with the investment option.

Over time, the value of your account will vary and you may have more or less than the original amount invested.