

GET (K)ONNECTED 401(K) PLAN NEWSLETTER



ARE THERE HIDDEN FEES IN YOUR RETIREMENT SAVINGS PLAN?

Do you know what you and your employees are paying for your retirement savings plan? Are your fees reasonable based on the services provided? They may be, but unless you understand the expenses in your plan, you cannot make a prudent evaluation. And since the expenses in your plan can greatly impact your employees' ability to build their nest egg, the stakes are high.

Each of your providers, whether they are brokers, financial advisors, record keepers, TPAs, or custodians, will be compensated in some way for the services they provide to your plan. To understand how much they are being paid, first review any service agreements you have with them. Typical fees may include an annual administration fee, per account fee, and/or an asset fee, typically stated as a percentage of assets.

You may also find fees for plan document services or plan consulting services. Any fees explicitly stated in your service agreements are straightforward and should be easy to evaluate.

While you may find some fees explicitly stated, other expenses may be harder to find. Everyone who works on your plan is getting paid something. If their fees are not

explicitly stated in a service agreement, it is likely that they are getting paid through revenue sharing payments issued by mutual fund companies. Revenue sharing payments come in different forms and include 12b-1 fees, sub-transfer agency fees (Sub-TAs), shareholder service fees (SSFs), and finders fees. Sub-TAs and SSFs are typically paid by mutual funds to 401(k) providers who perform the recordkeeping function.

SIMPLY KNOWING
ABOUT THE EXISTENCE
OF REVENUE SHARING
PAYMENTS GIVES YOU
CONSIDERABLE POWER

12b-1s and finder's fees are typically paid by mutual funds to broker dealers who in turn pass these on to financial advisers servicing the plan. These revenue sharing payments are added to the mutual fund's operating expense, so the more revenue sharing embedded in the fund, the lower the participant's net return.

Simply knowing that such payments exist gives you considerable power. Ask your service providers how they are getting paid and whether they

receiving revenue sharing payments. Remember that your service providers do need to be compensated - the key is that they are compensated appropriately for the services they provide. Until you know what they are being paid, you can't make a reasonable determination.

Midwest Building Suppliers Association Retirement Plan

NO HIDDEN FEES!

In our Plan, there are no hidden fees. Every effort has been made to select mutual funds and share classes to minimize each fund's operating expense. To the extent 12b-1s, Sub-TAs, or SSFs are paid by mutual fund families, all such payments are returned to the plan to offset participant or plan expenses. We have explicit agreements with all of its service providers so plan expenses are transparent and easy to communicate to your employees. Because all of the fees are clearly stated in the enrollment kits and participant statements, your employees can make educated decisions regarding their savings.

Whether you already have a plan or are considering starting one, you can be confident that we have done our homework. By joining our multiple employer plan, you'll get great service as well as great pricing.

If you would like more information about joining a multiple employer plan, contact us today! We will arrange a plan consultation with a retirement specialist to help you determine if joining a multiple employer plan is the right move for your company.

Name of the Company: _____

Form of Entity (check one):

<input type="checkbox"/> Corporation	<input type="checkbox"/> S Corporation	<input type="checkbox"/> Non-Profit/Tax-Exempt	<input type="checkbox"/> Sole Proprietorship
<input type="checkbox"/> LLC	<input type="checkbox"/> LLP	<input type="checkbox"/> Partnership	<input type="checkbox"/> Other

Business Product or Service: _____

Company Address: _____ City: _____ State: _____ Zip: _____

Company Phone: _____ Fax: _____

Company Contact: _____

Name: _____ Title: _____

Email: _____ Phone: _____

Alternative Contact: _____

Name: _____ Title: _____

Email: _____ Phone: _____

Return this form to::

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