

Teamsters Local 346 Savings & 401(k) Plan

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Fund Administrators

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Investment Fee Changes

Plan Participant:

We write to inform you of changes to how Plan expenses and investment fees will be handled effective January 1, 2019. The mutual fund investments in the Plan charge fees (sometimes referred to as an “expense ratio”) that are deducted from the gains/losses in your account. Under the current framework a portion of the mutual fund fees are returned to the Plan as “revenue sharing” and are used by the Plan to offset administrative operating expenses.

Effective January 1, 2019, and in order to provide more transparency of fees and expenses, the Trustees of the Teamsters Local 346 Savings & 401(k) Plan will offer the same line up of mutual fund investments, but with lower fees that do not return revenue sharing to the Plan. Beginning January 1, 2019, your investment fees will generally decrease, but your share of administrative operating expenses will increase. In most cases you should experience an overall total decrease in expenses.

See the below chart for an example of how expenses will be reflected on your quarterly statements going forward.

Investment Choice	Previous Fee Setup Target Date 2035 A	New Fee Setup Target Date 2035 R6
Account Balance	\$50,000.00	\$50,000.00
Total “Expense Ratio”	0.266%	0.10%
Quarterly Investment Fees Total	\$133.00	\$50.00
Administrative Operating Expenses Pro Rata	0.109%	0.18%
Administrative Operating Expenses Per Capita	\$24.00	\$24.00
Quarterly Fees and Expenses	\$78.50	\$114.00
Total Quarterly Expenses	\$211.50	\$164.00

These fees are subtracted from the Gains/Losses on your quarterly statements.

These fees represent the Fees/Expenses on your quarterly statements.

If you have any questions, please contact the Fund Office at 218-727-7929.