Fidelity Fee Changes & How They Affect You

Important: This change affects only participants whose ORP 401(a) and/or TDI 403(b) accounts are held with Fidelity Investments.

The Oregon Public Universities Retirement Plan Investment Committee has worked with Fidelity Investments to optimize the fees in the plan to be more equitable for all participants. On top of this change, the ORP and TDI plans have several funds moving to a lower cost share class, and/or moving to a fund with a lower cost ratio. Those funds are as follows:

2. Fidelity Contrafund – Share Class Change with Cost Reduction.
3. Fidelity International Index Fund – Share Class Change with Cost Reduction.
5. Metropolitan West Total Return Bond Fund – Share Class Change with Cost Reduction.
6. Victory Integrity Small Cap Value Fund – Share Class Change with Cost Reduction.
7. Fidelity Freedom K Target Date Retirement Funds (13 funds) – Fund Change with Cost Reduction. The Fidelity Freedom K Target Date Funds are being replaced by the Fidelity Freedom Index Target Date Funds – Institutional Premium Class.

As for the new fee allocation, we are moving away from revenue share funds, which have provided the bulk of recordkeeping and administrative fees until now, and are implementing an equal cost structure, wherein the fees are distributed equally to every participant. This new structure will mean participants see new line items on their statements, but this does not mean you are being charged a completely new and additional fee. If you were participating in a revenue share fund prior to this change, fees were coming out of your account based on your funds in that account; wherein you will now be charged a flat fee that will easy to see on your statement. This change strives to make the plan costs more transparent and equitable.

Your new fee structure is as follows:

- Recordkeeping Fee – $62 per year ($15.50 per quarter)
- Administrative Fee – $20 per year ($5.00 per quarter)

*TIAA and VALIC plans will be undergoing a similar change in the future.*
To those participants in BrokerageLink®:

If you are currently more than 95% invested in the Fidelity BrokerageLink®, you will be required to move at least 5% of your funds back into the core line-up in order for you to cover your portion of the fees. You should have received a communication from Fidelity regarding moving the 5%. If the changes has not been made or before March 31, Fidelity will transfer 5% of your BrokerageLink® account to the Target Date Fund most closely associated with your retirement age. Once the money has been moved to that fund, you may move it to other funds in the core line-up. Future allocations going into the BrokerageLink® will also be limited to 95% of your monthly contribution, so you will need to choose a fund or funds for the other 5% or it will go into the Target Date Fund. New participants will also be restricted to allocating or transferring a maximum of 95% of their contribution or plan assets.

The 95% limitation is necessary to provide a non-brokerage link account to charge the quarterly plan cost amounts.

If you have any questions about the fee changes or BrokerageLink® limitations, please call Fidelity at 800-343-0860.