



# DIRECT MEP Net Fee Examples

Assets: 3,100,000 Participants 80

Fund Group	I	II	III	IV
<b>Fees (Employer Paid):</b>				
Set Up (One Time)	\$600	\$600	\$600	\$600
Trustee Services & Reporting	\$2170	\$2170	\$2170	\$2170
<b>Total ER Paid:</b>	<b>\$2170</b>	<b>\$2170</b>	<b>\$2170</b>	<b>\$2170</b>
<i>As % of Assets: (after first year)</i>	<i>.07%</i>	<i>.07%</i>	<i>.07%</i>	<i>.07%</i>
<b>MEP Fees (Generally Participant Paid):</b>				
Recordkeeping, Custody and Trading	.19%	.19%	.19%	.19%
Total Paid:	\$5890	\$5890	\$5890	\$5890
<i>As % of Assets:</i>	<i>.19%</i>	<i>.19%</i>	<i>.19%</i>	<i>.19%</i>
Estimated Fund Credit (1)	(.0%)	(.48%)	(.73%)	(1.23%)
<b>Surplus (Net Participant Credit) (2),(3),(4)</b>	<b>.0%</b>	<b>.29%</b>	<b>.54%</b>	<b>1.04%</b>

Notes:

- (1) Any estimated fund credits will be applied to first pay or reduce the MEP fees. When fund credits are not adequate to pay the MEP fees, the remaining MEP fees will be paid from plan assets or by the Employer.
- (2) Surplus credits can pay for TPA and Advisory Fees, when Surplus fund credits are not adequate to pay the fees, any remaining fees can be paid from plan assets or by the Employer.
- (3) Example 1: Surplus Credits to pay TPA/RIA fees. The RIA selects Fund Group III for the Employer, the TPA and RIA fee equals/totals the .54% Surplus Credit. The Surplus Credits paid for 100% of the TPA and RIA fee. No fees are deducted from assets or due from employer for TPA/RIA Fees.
- (4) Example 2: No Surplus Credits to pay MEP/TPA/RIA fees. The RIA selects Vanguard funds with an average expense ratio of .20% from Fund Group I for the Employer. The MEP fee is .19%.

The TPA/RIA fee equals/totals .54%. The MEP/TPA/RIA fees totals .73%, the .73% of assets can be paid from plan assets or by the Employer. The All-In expense including the Vanguard Funds/MEP/TPA/RIA is .93%.

TPA, Recordkeeping Fees, and Advisory Fees can be paid from surplus credits, plan assets or by the Employer. Trustee Services and Reporting fees to be paid by Employer.

For more information, please visit us on the web at <http://www.401k-direct.com> or call us at 800-571-5104.

