

Washoe County Deferred Compensation Committee Revenue Equalization Policy (DRAFT)

It is the intent of the Washoe County Deferred Compensation Committee through this document to outline the policy and method by which plan expenses will be paid in a manner that is equitable for all participants that utilize the Washoe County Deferred Compensation Plans. The policy will be focused on ensuring that regardless of how a participant is invested, among the various investment menu options, that the fees directed toward record-keeping, administration and communications will be allocated equally among all account holders.

The Committee will analyze all asset-based investment management fees to determine that they are utilizing the lowest prices share class available for each of the investment offerings that are available to participants. It is understood that from time to time the lowest price share class may still provide a modest amount of revenue sharing back to the Recordkeeper. Because it is almost impossible to eliminate all revenue sharing, any revenue sharing collected will be used to offset the total plan record-keeping, administration and communications expenses.

Secondly, the Committee will evaluate all recognized plan costs such as: recordkeeping, administration, communications, advisory and audit costs to determine the annual amount that will be charged back to the trust each year. Some of these costs are constant, while others may fluctuate from year to year depending on special projects, etc. These costs will be stated in an annual asset-based percentage fee and deducted from each account, *pro-rated on a quarterly basis*. Please see the following example:

For 2025 Example-

Recordkeeping cost	=0.0225%
Plan internal administrative costs (Administration, communication, advisor, audit, etc.)	=0.02%
Plan level revenue sharing credit (Estimate) (Rebated to Participant Accounts)	=0.02%

Annual Total Deducted from each account =0.05%

Annually, fee revenue will be analyzed to determine if any excess revenue was collected. In the event excess revenue was collected, the Committee will determine if these excesses will be applied to the next year to reduce the percentage revenue requirement. As a secondary option, the Committee may also credit back the excess revenues collected on a pro-rata basis to participant accounts.

The ultimate goals of this plan expense policy are to minimize investment management fees at the individual fund level while equitably accessing plan costs at the individual participant level.