



June 2024

Re: Disclosure About Your Ventura County 401(k) and 457(b) Retirement Plans – Fee Changes

Dear Plan Participant:

The County of Ventura's Deferred Compensation Committee is committed to reviewing the Plans on a regular basis to make sure they continue to help you meet your retirement and financial goals. Among the things considered are the range of investment options available through the Plans, the performance and value of these options, accessibility of services that enhance your account management, and the Plans' fee structure for recordkeeping and administrative costs with the objective of providing best in class services while maintaining value for our participants.

As a result of a recent review, the County of Ventura is making some changes to the Plans' fee structure with Fidelity.

How Were Recordkeeping Fees Charged Historically?

Beginning in 2013, the Plans have utilized revenue credit to pay for Fidelity's recordkeeping fees, investment-related services, and administrative costs. Revenue credit is a form of compensation provided by some investment providers or financial institutions to offset or reduce certain fees associated with managing investment accounts. Although the Committee has worked diligently to provide the lowest cost share classes to our participants, some funds do charge a recordkeeping fee that varies by investment option. However, many funds within the Plan have zero recordkeeping costs associated with them. This has resulted in some participants paying a higher fee than others. Recordkeeping fees include Fidelity's administration, trustee and custodian services, accounting, legal/compliance, investment consulting, participant education, and communications.

While using the compensation described above to offset the Plans' recordkeeping fees (sometimes referred to as an "indirect" fee structure) is a common approach to allocating these expenses to retirement plan participants, the actual fees are not directly deducted from your account or reflected on your account statement. These fees are reflected in the net expense ratio for a particular fund.

What is Changing and Why?

To be more transparent and equitable, we are pleased to announce the Committee has worked with Fidelity to negotiate a lower "direct" recordkeeping fee structure effective January 1, 2024. With this type of fee structure, all Plan participants will pay the same quarterly asset-based recordkeeping fee that will be charged separately from investment-related fees. The Fidelity recordkeeping fee for each Plan will be equal 0.032% annually or 0.008% of your Plan account's average asset value for each quarter. You will see it listed as a "Recordkeeping Fee" on your quarterly Fidelity statement and in your account transaction history online at [NetBenefits.com](https://www.fidelity.com/netbenefits).

You may also continue to incur fees associated with your investment options, individual fees and expenses, and other similar expenses depending on your investment activity and Plan transactions.

Along with the fee structure change, any excess revenue share associated with a fund will be allocated to the accounts of participants who invest in the mutual funds for which Fidelity receives a payment or for which there are offsets to cover recordkeeping costs. Previously, this revenue has been utilized to pay the recordkeeping and administrative fees of the Plan. Go to the *Participant Revenue Credit* section to learn more.

County of Ventura Administrative Fee

Beginning July 1, 2024, an additional County of Ventura (non-Fidelity) annual administrative fee will be deducted from your account(s) to cover the Plans' administrative costs. The amount of the fee is determined each fiscal year as part of the budget cycle. For fiscal year 2024-2025, the fee amounts will be:

- Active participants: \$50 annual fee per Plan, deducted quarterly in the amount of \$12.50.
- Terminated or retired participants: \$25 annual fee per Plan, deducted quarterly in the amount of \$6.25.

You will see these fees listed as an "Administrative Fee" on your quarterly Fidelity statements and in your online account transaction history at [NetBenefits.com](https://www.netbenefits.com). This fee is assessed by the County of Ventura, not Fidelity, to cover additional County expenses incurred such as Plan operations and oversight, legal, accounting, or consulting fees that were previously covered through the prior revenue credit fee structure.

Participant Revenue Credit

Beginning July 1, 2024, a quarterly revenue credit may be allocated to your account(s) based on the investments you held during the prior quarter. Revenue credits may help reduce your overall net cost to invest through the Plans. The credit represents the allocation of a portion of the revenue associated with the funds, based in part on your average daily balance in the funds.

Revenue credits are associated with some, not all, of the investment options in the Plans. Review the chart below to determine which funds have revenue credits associated with them. The information in this chart is provided as of May 8, 2024.

Investment Option	Ticker	Annual Crediting Rate
ABF SM CAP VAL R5	AVFIX	0.04%
AS GOVT SECS IS	SGVIX	0.15%
AS ULTRA ST INC IS	SADIX	0.15%
BARON ASSET INST	BARIX	0.15%
BLKRK TOT RETURN IS	MAHQX	0.15%
CALVERT BALANCED I	CBAIX	0.10%
CALVERT BOND I	CBDIX	0.10%
FID BALANCED K	FBAKX	0.20%
FID CAPITAL & INCOME	FAGIX	0.20%

Investment Option	Ticker	Annual Crediting Rate
FID INTL GROWTH	FIGFX	0.35%
FID INTL SM CAP OPP	FSCOX	0.35%
FID INTL SMALL CAP	FISMX	0.35%
FID OVERSEAS K	FOSKX	0.20%
FID PURITAN K	FPUKX	0.20%
FID SMALL CAP VALUE	FCPVX	0.35%
FID STK SEL MID CAP	FSSMX	0.35%
FID STRAT DIV & INC	FSDIX	0.35%
FID TOTAL BOND	FTBFX	0.20%
FID TREND	FTRNX	0.35%

You will be eligible to receive a revenue credit if you have been invested in one of the funds in the chart at any time during the relevant quarter and have a balance in the Plan(s) at the time the credit is allocated.

The credit will be allocated to your account and reinvested in the same fund that generated the credit. If you no longer hold the fund at the time of the allocation, the credit amount will be invested according to your current investment mix.

You will see the amount listed as a “Revenue Credit” on your quarterly Fidelity statement and in your account transaction history online at [NetBenefits.com](https://www.netbenefits.com).

Although fees and credits are common considerations in choosing investment options, it is important to also consider other crucial factors such as time horizon, risk tolerance, and financial situation when deciding on an investment mix that’s right for you.

For More Information

The changes described in this notice will take place without any action required on your part. However, if you have questions or would like more information regarding this change, or if you want to modify your current contribution and/or investment elections, please call Fidelity Investments at 800-343-0860, Monday through Friday, 5:30 a.m.–5:30 p.m. Pacific time. To review your account and current investments, visit [NetBenefits.com](https://www.netbenefits.com).

Please keep in mind that fees are subject to change. If any individual fees are deducted directly from your account, they will be reflected on your Plan(s) account statement(s).

Fidelity Investments Institutional Operations Company LLC, 245 Summer Street, Boston, MA 02210

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