

## Understanding Your First Statement

Now that CU's retirement plan modernization is complete, you will receive your first statement from TIAA-CREF after the third quarter ends on Sept. 30, 2015. We want to help you understand this statement. A few things will be included that you may not be used to seeing. They are:

- the transfer of your previously held assets with Fidelity and Vanguard;
- the transfer of your previously held TIAA-CREF mutual funds; and
- Plan administrative fees.

Below are sample sections of a statement to demonstrate how key elements will appear on your new statement. *Please note these are not actual fund values and are for illustrative purposes only.*

### Asset Transfers

For assets that were transferred to the university's new investment lineup, you will see this transaction listed on your TIAA-CREF account statement as shown below:

#### Your transaction details

Processing date	Effective date	Description	Number of units/shares	Unit/share price	Amount
<b>Transfers/Rollovers In</b>					
7/17/2015	7/15/2015	Sample Dodge and Cox Fund	463.8761	\$183.4600	\$85,102.70
7/17/2015	7/15/2015	Sample American Fund	1,340.2550	51.0200	68,379.81
7/17/2015	7/15/2015	Sample Metropolitan Fund	5,511.4076	10.1800	56,106.13
7/17/2015	7/15/2015	Sample Conversion Fund	5,657.1931	11.6439	65,871.79
<b>Total Transfers/Rollovers In</b>					<b>\$275,460.43</b>

You will not see the source of the transfer (i.e., Fidelity, Vanguard or TIAA-CREF mutual funds) but you will see how the balance was invested in the new lineup.

### Fees

CU's Retirement Plans contain two types of fees – a participant administrative fee and fund-specific investment management fees.

#### Administrative Fees

Prior to the transition, your fees and expenses were bundled, which could make it difficult to determine what you were actually paying for your investments. Under the new lineup, your fees are now transparent. Previously, you did not see administrative fees and expenses listed on your quarterly statements, even though you were paying them.

The annual participant administrative fee is now 0.07% of your Tier 1 and Tier 2 investments' account balance (\$0.70 for every \$1,000) and pays for the educational and administrative services associated with your account. This fee is converted to a quarterly rate of 0.0175% and charged at the end of each quarter. You can expect to see this fee listed on your statement as a "TIAA-CREF Plan Servicing Fee." The fee is applied separately to each Tier 1 and Tier 2 fund that a participant is invested in, as shown below:

<b>Fees</b>					
9/30/2015	9/30/2015	TIAA-CREF Plan Servicing Fee Sample Vang Target Ret Fund	- 0.0114	\$29.0400	- \$0.33
9/30/2015	9/30/2015	TIAA-CREF Plan Servicing Fee Sample Dodge and Cox Fund	- 0.0555	29.7100	- 1.65
9/30/2015	9/30/2015	TIAA-CREF Plan Servicing Fee Sample American Fund	- 0.0127	11.0600	- 0.14
9/30/2015	9/30/2015	TIAA-CREF Plan Servicing Fee Sample Metropolitan Fund	- 0.0103	14.6200	- 0.15
9/30/2015	9/30/2015	TIAA-CREF Plan Servicing Fee Sample Morgan Stanley Fund	- 0.0068	22.0400	- 0.15
9/30/2015	9/30/2015	TIAA-CREF Plan Servicing Fee Sample Vanguard Fund	- 0.0137	10.9800	- 0.15
<b>Total Fees</b>					<b>- \$2.57</b>

- The column at the far right shows the dollar value of the 0.0175% fee for each fund's balance.
- The "Number of Units/Shares" will be negative, reflecting how many units/shares were sold to pay for the fees out of each fund.
- The "Unit/Share Price" is the closing value of the fund on the day they were sold to pay the fee.

#### Fund-specific management fees

The fund-specific investment management fees (i.e., expense ratios) are not listed on quarterly statements but can be viewed in the "Total Annual Operating Expenses" column of each Plan's quarterly *Plan Performance Card*.

- View the [401\(a\) Plan Performance Card](#).
- View the [403\(b\) Plan Performance Card](#).

Fund-specific fees are reflected in the net return for a given fund. If a fund had a gross annual return of 6.45% and the fund's expense ratio is 0.06%, then the fund's annual net return is  $6.45\% - 0.06\% = 6.39\%$ . These fees are deducted from a fund's balance on a daily basis. While the expense ratio is expressed at an annual rate, in reality it is converted into a daily rate applied to the value of a participant's balance.

#### Self-Directed Brokerage Option fees

The self-directed brokerage option does not have an annual maintenance fee.

See a complete listing of fees on page 9 of [TIAA-CREF's self-directed brokerage option customer agreement](#).

#### **Questions?**

If you have any questions about your statement, the fees that you are paying or how they are calculated, please call TIAA-CREF at 1-800-842-2252, 6 a.m. to 8 p.m. (MT) Monday through Friday and 7 a.m. to 4 p.m. (MT) on Saturday.