



Consistent with evolving best practices in the financial services industry, the Cook County Deferred Compensation Plan has improved its fee structure. As mentioned in the last two quarterly statements, effective July 1, 2017, as the result of negotiations with Nationwide Retirement Solutions, the total annualized Administrative Fees collected from all participants will be 0.1025% of the value of your investments. This equates to \$10.25 annually on a \$10,000 account balance, reflecting a reduction from the 0.1400% average imbedded asset fee previously paid by participants on an aggregate, Plan-level basis.

How does this impact me?

This change will provide full transparency of the amount of Administrative Fees you pay for your deferred compensation plan account. Between now and the end of this year, you will notice the following changes on your quarterly account statement and in the transaction history available within your online account profile:

- Effective July 1, 2017, an express monthly Administrative Fee of 0.1025% (annualized) will be assessed on your entire account balance, with fee payments occurring on the last business day of the month. The first fee payment occurred on July 31, 2017.
- If you are invested in the Cook County Blended Fixed Option, your fixed investments will reflect a higher declared crediting yield which is 0.0475% (annualized) higher than it would have been had no changes been made to the fee structure. This change was effective July 1, 2017.
- If you are invested in a mutual fund that provides service fee payments, as of July 1, 2017, these amounts will be credited to your account on a quarterly basis, with the first amounts being credited for the 3rd Quarter 2017 in November 2017.

What do I need to do?

This change has been made and requires no action on your part. Please review the Frequently Asked Questions below to assist in your understanding of this change. If you still have questions after reading the FAQs, please contact Nationwide's national contact center at (877) 677-3678.



Cook County Deferred Compensation Plan – Transition to Fee Levelization

Frequently Asked Questions (FAQs)

1. Why is this change being made?

The retirement plan industry has evolved significantly over the past several years. While imbedded administrative fees paid by revenue sharing from plan investments have historically been the norm, emerging best practices speak to explicit, transparent administrative fees reflected on participant accounts. This move to full transparency regarding the administrative fees you pay allows you to see exactly how much you are paying to help cover the expenses associated with the operation of the Plan.

2. What are Administrative Fees and how are they used?

Administrative Fees are those fees paid by participants to cover the expenses of administering the Deferred Compensation Plan and to protect the Plan's integrity and strength. The largest single Plan expense relates to costs associated with the Plan's third-party administrator and marketer. (This is the role currently filled by Nationwide Retirement Solutions.) In addition, the Plan pays for other expenses, including those associated with 1) an annual Plan audit, 2) a Plan consultant and 3) continuing education for members of the County's Deferred Compensation Committee, to help them fulfill their fiduciary responsibilities to the Plan and its participants. Administrative Fees are different from the fees that participants pay to the asset managers associated with various investment options.

3. How much did I pay in Administrative Fees before the change?

Depending upon the investment option(s) you have chosen, you were previously contributing up to 0.25% annually to cover the Plan's costs from embedded revenue sources described in 5. below.

4. Under the new approach, what will I pay in Administrative Fees?

Moving forward, all participants contribute 0.1025% on an annualized basis toward Plan expenses, and the dollar amount this translates into will be reflected on all participants' account statements. A table reflecting all fees associated with each investment option offered within the Plan, along with the Administrative Fees, follows these FAQs.

5. How were Administrative Fees identified and collected in the past?

The Plan's administrative expenses have been covered on an imbedded basis, under which Plan expenses were covered by revenue sources that were not readily identifiable to Plan participants. For those invested in the Cook County Blended Fixed Option, a recordkeeping offset was netted out of the declared quarterly crediting yield to help cover Plan expenses. For those invested in mutual funds, many mutual funds provided imbedded service fee payments to the Plan for use in covering Administrative Fees.



6. What are Mutual Fund Service Fee Payments?

Mutual fund service fee payments are a component of many mutual fund expense ratios. The service fee payments are remitted back to the Plan to help cover the Administrative Fees of the Plan. This is in recognition of the fact that the mutual fund companies do not have to provide recordkeeping, administration, statements, customer service, distribution and tax reporting for each individual participant because the Plan's recordkeeper performs these functions.

7. What will happen to Mutual Fund Service Fee Payments going forward?

In the past, mutual fund service fee payments were used by the Plan to cover its expenses. Effective July 1, 2017, all mutual fund service fee payments will be refunded and credited to the Plan accounts of those participants invested in any mutual fund that provides service fee payments. Participants will receive an allocation to their Plan account of their proportional share of the service fee payments returned from those mutual funds providing service fee payments. Keep in mind that not all mutual funds provide service fee payments, so it is possible you may not receive a refund of service fee payments depending upon which mutual funds you hold in your account.

8. How does this change impact my current loan(s)?

There is no impact to any loan(s) you initiated prior to July 1, 2017. You should continue to pay the loan per your loan agreement until the loan is paid off.

9. How does this change impact any new loan(s) I may take?

Effective July 1, 2017, any loans initiated on or after that date will include a loan finance charge of 0.095% to cover Nationwide's Administrative Fee on outstanding loan balances. This means the interest rate you pay on new loans has increased compared to the previous fee structure. Going forward, the interest rate will be Prime Rate + 1.00% + 0.095% for the life of the new loan(s). This equates to 5.345% for the 3rd Quarter 2017. The Prime Rate + 1.00% portion of the interest rate is credited to your account with the loan payment transaction and the remaining 0.095% portion is retained by Nationwide.

10. How does this change impact my balance in the Schwab Personal Choice Retirement Account (PCRA)?

Effective July 1, 2017, the 0.1025% Administrative Fee applies to any balances held in the Schwab PCRA. This fee is assessed monthly on the last business day of the month like the core investment options in the Plan. However, since such a fee cannot be assessed directly on PCRA assets, the fee amount for the PCRA assets is deducted on a pro-rata basis across your investments in the core investment options. This first fee was assessed on July 31, 2017.

Fund/Share Class Information

Category & Fund/Share Class Name	Ticker	Gross Expense Ratio	Net Expense Ratio (A)	Mutual Fund Service Fee Payment* (B)	Administrative Fee (C)	Total Expense (A - B + C)
Target Date						
T. Rowe Price Retirement 2055 Fund – Investor Class	TRRNX	0.76%	0.76%	0.15%	0.1025%	0.7125%
T. Rowe Price Retirement 2050 Fund – Investor Class	TRRMX	0.76%	0.76%	0.15%	0.1025%	0.7125%
T. Rowe Price Retirement 2045 Fund – Investor Class	TRRKX	0.76%	0.76%	0.15%	0.1025%	0.7125%
T. Rowe Price Retirement 2040 Fund – Investor Class	TRRDX	0.76%	0.76%	0.15%	0.1025%	0.7125%
T. Rowe Price Retirement 2035 Fund – Investor Class	TRRJX	0.74%	0.74%	0.15%	0.1025%	0.6925%
T. Rowe Price Retirement 2030 Fund – Investor Class	TTRCX	0.72%	0.72%	0.15%	0.1025%	0.6725%
T. Rowe Price Retirement 2025 Fund – Investor Class	TTRHX	0.69%	0.69%	0.15%	0.1025%	0.6425%
T. Rowe Price Retirement 2020 Fund – Investor Class	TTRBX	0.66%	0.66%	0.15%	0.1025%	0.6125%
T. Rowe Price Retirement 2015 Fund – Investor Class	TTRGX	0.62%	0.62%	0.15%	0.1025%	0.5725%
T. Rowe Price Retirement 2010 Fund – Investor Class	TTRAX	0.59%	0.59%	0.15%	0.1025%	0.5425%
Asset Allocation						
Vanguard LifeStrategy Growth Fund – Investor Shares	VASGX	0.15%	0.15%	0.00%	0.1025%	0.2525%
Vanguard LifeStrategy Moderate Growth Fund – Investor Shares	VSMGX	0.14%	0.14%	0.00%	0.1025%	0.2425%
Vanguard LifeStrategy Conservative Growth Fund – Investor Shares	VSCGX	0.13%	0.13%	0.00%	0.1025%	0.2325%
International Stock						
Capital World Growth & Income Fund – Class R6	RWIGX	0.45%	0.45%	0.00%	0.1025%	0.5525%
EuroPacific Growth Fund – Class R5	RERFX	0.54%	0.54%	0.05%	0.1025%	0.5925%
Small Cap Stock						
Neuberger Berman Genesis Fund – Institutional Class	NBGIX	0.85%	0.85%	0.10%	0.1025%	0.8525%
William Blair Small Cap Growth Fund – Class I	WBSIX	1.27%	1.25%**	0.15%	0.1025%	1.2025%
Vanguard Small-Cap Index Fund – Institutional Shares	VSCIX	0.05%	0.05%	0.00%	0.1025%	0.1525%
Victory Sycamore Small Company Opportunity Fund – Class I	VSOIX	0.96%	0.96%	0.10%	0.1025%	0.9625%
Mid Cap Stock						
Vanguard Mid-Cap Index Fund – Institutional Shares	VMCIX	0.05%	0.05%	0.00%	0.1025%	0.1525%
Fidelity Advisor Leveraged Company Stock Fund – Class I	FLVIX	0.81%	0.81%	0.25%	0.1025%	0.6625%
JPMorgan Mid Cap Value Fund – Class L	FLMVX	0.95%	0.75%**	0.10%	0.1025%	0.7525%

Category & Fund/Share Class Name	Ticker	Gross Expense Ratio	Net Expense Ratio (A)	Mutual Fund Service Fee Payment* (B)	Administrative Fee (C)	Total Expense (A - B + C)
Large Cap Stock						
Fidelity Contrafund	FCNTX	0.68%	0.68%	0.25%	0.1025%	0.5325%
The Growth Fund of America – Class R6	RGAGX	0.33%	0.33%	0.00%	0.1025%	0.4325%
T. Rowe Price Capital Opportunity Fund – Class I	PCCOX	0.57%	0.54%**	0.00%	0.1025%	0.6425%
Vanguard Institutional Index Fund – Institutional Shares	VINIX	0.04%	0.04%	0.00%	0.1025%	0.1425%
American Century Large Company Value Fund – Class R6	ALVIX	0.48%	0.48%	0.00%	0.1025%	0.5825%
Invesco Growth and Income Fund – Class Y	ACGMX	0.58%	0.58%	0.25%	0.1025%	0.4325%
Balanced						
T. Rowe Price Retirement Balanced Fund – Investor Class	TRRIX	0.57%	0.57%	0.15%	0.1025%	0.5225%
Bonds						
Dodge & Cox Income Fund	DODIX	0.43%	0.43%	0.08%	0.1025%	0.4525%
Short-Term Investments						
Cook County Blended Fixed Option	N/A	N/A	N/A	N/A	0.1025%	0.1025%
Short-Term Investments						
Schwab Personal Choice Retirement Account	N/A	N/A	N/A	N/A	0.1025%	0.1025%

[Disclosures from Nationwide](#)

Before investing, carefully read the fund prospectus and consider the fund’s investment objectives, risks, charges and expenses. The underlying fund prospectuses contain this and other important information, and are available to download at www.CookCountyDC.com or by calling 855-457-2665.

Expense ratio, mutual fund service fee payment and administrative fee percentages are subject to change without notice. This information is accurate as of 7/31/2017. Please contact Nationwide at 855-457-2665 or log on to www.CookCountyDC.com for the most up to date information.

* Mutual Fund Service Fee Payments may be offered when a company, such as Nationwide, provides marketing, record keeping, and other services for the mutual fund companies by making the investment funds available to Nationwide’s clients.

** This mutual fund currently has a management expense waiver or reimbursement in place. For more information about management expense waivers or reimbursements, please consult the fund’s prospectus.

International Funds: Investing internationally involves risks not associated with investing solely in the U.S., such as currency fluctuation, political risk, differences in accounting and the limited availability of information.

Small Cap Funds: Small and emerging companies may have less liquidity than larger, established companies. Therefore, funds investing in stocks of small or emerging companies may face greater price volatility and risk.

Bond Funds: Bond funds have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the fund. Funds that invest in high-yield securities are subject to greater credit risk and price fluctuations than funds that invest in higher-quality securities.