RVK Insights January 2025



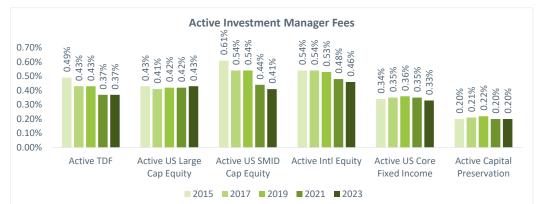
DC Fee Survey Trends

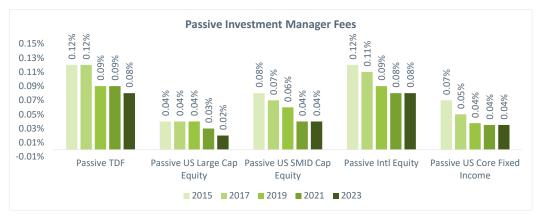
Since 2014, RVK has collected data from our defined contribution (DC) clients to construct an annual peer group survey of plans of varying types and sizes. The survey focuses primarily on fee data, spanning across investment manager, recordkeeping, administrative, and participant fees. Over the last ten years, we've observed the following key trends:

- Investment manager fees have been trending downward across asset classes; and
- The approach to participant and recordkeeper fee structures has evolved.

DC Plan Investment Manager Fees

- Active investment manager fees have generally declined across asset classes. Active Target Date Funds, US SMID Cap Equity, and International Equity have seen the largest fee declines, with US SMID Cap Equity seeing the largest change, and the median fee declining by 0.20% since 2015.
- Among passive funds, fee savings have been more moderate but consistent across asset classes, with reductions ranging from 0.02% to 0.04% since 2015.





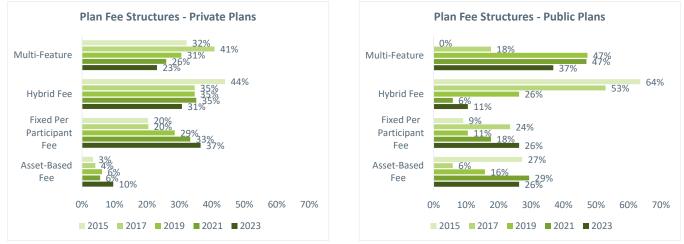
Active Capital Preservation includes both money market and stable value funds. Investment managers fees shown reflect the weighted average fee for each asset class, using December 31 market values. Data shown for select survey years.

Portland	Boise	www.RVKInc.com	Chicago	New York



DC Plan Total Participant Administrative Fee Structures

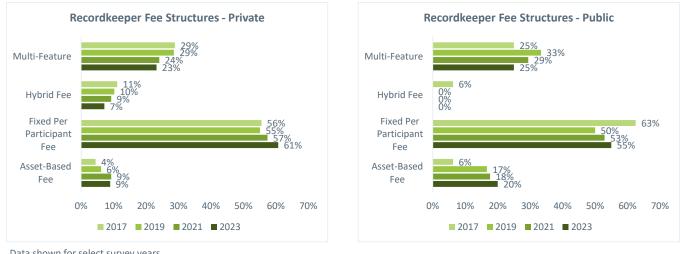
- Fixed per participant fees have now become the most popular participant fee structure in private plans, with 37% of private plans utilizing this structure.
- Within public plans, multi-feature replaced hybrid as the most popular participant fee structure in 2019 and has remained the most popular since, with 37% of plans now using this structure. Multifeature fee structures cap or waive fees to participants depending on balances. Hybrid fee structures incorporate two or more fee model types (asset-based wrap fee, revenue sharing, and/ or direct per participant fee).



Data shown for select survey years.

DC Plan Recordkeeper Fee Structures

- Fixed per participant recordkeeper fee structures remain the most popular, used in the majority of both public and private plans.
- Multi-feature fee structures are the second most popular fee structure in both private and public plans, representing 23% and 25%, respectively.





Portland	Boise	www.RVKInc.com	Chicago	New York



Additional Information

RVK's Defined Contribution Solutions Group (DCSG) conducts an annual fee analysis for about 70 DC plans consisting of a variety of plan types—401(a), 401(k), 403(b), 457(b), and non-qualified plans—across different recordkeepers. The survey portion includes a wide variety of plan participant administrative fee structures, including asset-based, per participant, revenue sharing, and hybrid structures. These reports provides RVK clients with a deeper understanding of their fees and general fee trends.

If you are interested in a comprehensive fee review, please contact <u>Business.Development@RVKInc.com</u>.



Disclaimer of Warranties and Limitation of Liability

This document was prepared by RVK, Inc. (RVK) and may include information and data from some or all of the following sources: client staff; custodian banks; investment managers; specialty investment consultants; actuaries; plan administrators/record-keepers; index providers; as well as other third-party sources as directed by the client or as we believe necessary or appropriate. RVK has taken reasonable care to ensure the accuracy of the information or data, but makes no warranties and disclaims responsibility for the accuracy or completeness of information or data provided or methodologies employed by any external source. This document is provided for the client's internal use only. It should not be construed as legal or tax advice. It does not constitute a recommendation by RVK or an offer of, or a solicitation for, any particular security and it is not intended to convey any guarantees as to the future performance of the investment products, asset classes, or capital markets. This document should not be construed as investment advice: it does not reflect all potential risks with regard to the client's investments and should not be used to make investment decisions without additional considerations or discussions about the risks and limitations involved. Any decision, investment or otherwise, made on the basis of this document is the sole responsibility of the client or intended recipient.

About RVK

RVK was founded in 1985 to focus exclusively on investment consulting and today employs over 100 professionals. The firm is headquartered in Portland, Oregon, with regional offices in Boise, Chicago, and New York City. RVK is one of the five largest consulting firms in the world, as reported by *Pensions & Investments' 2024 Special Report–Consultants*. RVK's diversified client base spans over 30 states, and covers endowments, foundations, corporate and public defined benefit and contribution plans, Taft-Hartley plans, and high-networth individuals and families. The firm is independent, employee-owned, and derives 100% of its revenue from clients for investment consulting services.