



Transamerica Retirement Solutions, LLC  
Transamerica Financial Life Insurance Company  
Transamerica Life Insurance Company  
Transamerica Investors Securities Corporation  
Administrative Offices:  
6400 C Street SW  
Cedar Rapids, IA 52499-0001  
ta-retirement.com

February 29, 2024

TAG Resources, LLC  
TAG Resources, LLC  
6501 Deane Hill Drive  
Knoxville, TN 37919

Re: Eastern Retirement Trust

### **Information on Fees and Charges Associated with the Investments in Your Plan**

As part of our ongoing services to your plan and in keeping with disclosure requirements from the U.S. Department of Labor, related to 408(b)(2) fee disclosure regulations and to Form 5500 Schedule C (applicable to large plan filers), we are providing you with additional information regarding the fees and expenses associated with your retirement plan's investments.

Transamerica Retirement Solutions, LLC ("TRS") makes available a wide array of investment advisory firms in connection with the investments offered to your retirement plan. These investment advisory firms include some well-known firms in the investment industry. All of these investment advisory firms and possibly their affiliates earn fees for investment management and advisory services to the underlying investment or the investment itself. Most of these investment advisory firms are independent, while two are TRS affiliates – Transamerica Asset Management Group, and AEGON USA Investment Management, LLC.

To provide additional transparency, we are disclosing investment fees and charges associated with TRS's product offering and any related fees and charges of TRS affiliates. Affiliates of TRS include Transamerica Life Insurance Company, Transamerica Financial Life Insurance Company, Transamerica Asset Management Group, Transamerica Trust Company, AEGON USA Investment Management, LLC, and Transamerica Investors Securities Corporation. To help understand the total cost associated with each Investment, this disclosure also describes investment fees and charges that are not retained by TRS or any of its affiliates.

Transamerica has entered into arrangements with the underlying mutual funds or Collective Investment Trusts ("CIT") and/or the advisory firms that sponsor such mutual funds or CIT and when applicable, any other investment vehicles that are the underlying investments of the Investments shown below. As noted above, some of these companies are affiliates of TRS. Pursuant to these arrangements, Transamerica makes such Investments available to clients on its investment platform. Transamerica, or its affiliates receive, as applicable, 12b-1, shareholder servicing, sub-ta, and other fees from the underlying mutual funds or CIT, the advisory firms, or both, in exchange for completing certain services.

To help you understand the total cost associated with each investment choice, the table below shows the fees, charges, and expenses associated with the investments in your plan's line-up as of December 31, 2023. Descriptions of each fee, charge, or expense are provided after the table. This table also describes fees and charges that are not retained by TRS or any of its affiliates.

Investment Choice Name	12b-1 Fees Received by Transamerica and its Affiliates	Other Fees Received by Transamerica and its Affiliates	Net Total Separate Account Maintenance / Administration Charge Received by Transamerica and its Affiliates	Expenses Collected by the Underlying Mutual Fund or CIT	Fees Not Retained by Transamerica or its Affiliates	Fees Retained by Affiliates of Transamerica	Total Fees Retained by Transamerica	Investment Choice Total Expense Ratio
AB Small Cap Growth Z	0.00%	0.00%	0.00%	0.78%	0.78%	0.00%	0.00%	0.78%
Allspring Special Mid Cap Value R6	0.00%	0.00%	0.00%	0.69%	0.69%	0.00%	0.00%	0.69%
American Funds 2010 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.29%	0.29%	0.00%	0.00%	0.29%
American Funds 2015 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.30%	0.30%	0.00%	0.00%	0.30%
American Funds 2020 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.31%	0.31%	0.00%	0.00%	0.31%
American Funds 2025 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.32%	0.32%	0.00%	0.00%	0.32%
American Funds 2030 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.33%	0.33%	0.00%	0.00%	0.33%
American Funds 2035 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.35%	0.35%	0.00%	0.00%	0.35%
American Funds 2040 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.37%	0.37%	0.00%	0.00%	0.37%
American Funds 2045 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.37%	0.37%	0.00%	0.00%	0.37%
American Funds 2050 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.38%	0.38%	0.00%	0.00%	0.38%
American Funds 2055 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.38%	0.38%	0.00%	0.00%	0.38%
American Funds 2060 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.39%	0.39%	0.00%	0.00%	0.39%
American Funds 2065 Trgt Date Retire R6	0.00%	0.00%	0.00%	0.39%	0.39%	0.00%	0.00%	0.39%
American Funds American Balanced R6	0.00%	0.00%	0.00%	0.25%	0.25%	0.00%	0.00%	0.25%

Investment Choice Name	12b-1 Fees Received by Transamerica and its Affiliates	Other Fees Received by Transamerica and its Affiliates	Net Total Separate Account Maintenance / Administration Charge Received by Transamerica and its Affiliates	Expenses Collected by the Underlying Mutual Fund or CIT	Fees Not Retained by Transamerica or its Affiliates	Fees Retained by Affiliates of Transamerica	Total Fees Retained by Transamerica	Investment Choice Total Expense Ratio
American Funds New World R6	0.00%	0.00%	0.00%	0.57%	0.57%	0.00%	0.00%	0.57%
BlackRock Strategic Income Opps K	0.00%	0.00%	0.00%	0.62%	0.62%	0.00%	0.00%	0.62%
BrandywineGLOBAL - Global Opportunities Bond IS	0.00%	0.00%	0.00%	0.56%	0.56%	0.00%	0.00%	0.56%
Fidelity 500 Index	0.00%	0.00%	0.00%	0.02%	0.02%	0.00%	0.00%	0.02%
Fidelity Mid Cap Index	0.00%	0.00%	0.00%	0.03%	0.03%	0.00%	0.00%	0.03%
Fidelity Small Cap Index	0.00%	0.00%	0.00%	0.03%	0.03%	0.00%	0.00%	0.03%
Fidelity Total International Index	0.00%	0.00%	0.00%	0.06%	0.06%	0.00%	0.00%	0.06%
Fidelity US Bond Index	0.00%	0.00%	0.00%	0.03%	0.03%	0.00%	0.00%	0.03%
Invesco Discovery Mid Cap Growth R6	0.00%	0.00%	0.00%	0.67%	0.67%	0.00%	0.00%	0.67%
Transamerica International Equity R6†	0.00%	0.00%	0.00%	0.75%	0.27%	0.48%	0.00%	0.75%
Undiscovered Mgrs Behavioral Value R6	0.00%	0.00%	0.00%	0.80%	0.80%	0.00%	0.00%	0.80%
Vanguard International Growth Adm	0.00%	0.00%	0.00%	0.31%	0.31%	0.00%	0.00%	0.31%
Vanguard International Value Fund	0.00%	0.00%	0.00%	0.38%	0.38%	0.00%	0.00%	0.38%
Vanguard US Growth Admiral	0.00%	0.00%	0.00%	0.20%	0.20%	0.00%	0.00%	0.20%
Vanguard Windsor II Adm	0.00%	0.00%	0.00%	0.26%	0.26%	0.00%	0.00%	0.26%
Western Asset Core Plus Bond IS	0.00%	0.00%	0.00%	0.42%	0.42%	0.00%	0.00%	0.42%

Investment Choice Name	12b-1 Fees Received by Transamerica and its Affiliates	Other Fees Received by Transamerica and its Affiliates	Net Total Separate Account Maintenance / Administration Charge Received by Transamerica and its Affiliates	Expenses Collected by the Underlying Mutual Fund or CIT	Fees Not Retained by Transamerica or its Affiliates	Fees Retained by Affiliates of Transamerica	Total Fees Retained by Transamerica	Investment Choice Total Expense Ratio
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Any fee, charge, or expense shown is charged against assets, and is withdrawn at a daily equivalent rate of the applicable effective annual rate shown in the table.

Affiliates of Transamerica include: Transamerica Life Insurance Company, ("TLIC"), Transamerica Financial Life Insurance Company, ("TFLIC"), Transamerica Asset Management, Group, AEGON USA Investment Management, LLC, and Transamerica Investors Securities Corporation.

‡ The advisory firm for this Investment Choice or the underlying investment of this Investment Choice is an affiliate of TRS.

The underlying investment for some Target Date Series investments offered by TRS invests a portion of its assets in a Transamerica Life Insurance Company (TLIC) general account stable value product. The level of allocation to the TLIC general account stable value product within the TDF Series will increase with each glidepath date through the expected retirement age. Transamerica earns income indirectly by including this general account stable value product within the TDF Series.

## How to read the chart

Investment Choice Name	12b-1 Fees Received by Transamerica and its Affiliates	Other Fees Received by Transamerica and its Affiliates	Net Total Separate Account Maintenance / Administration Charge Received by Transamerica and its Affiliates	Expenses Collected by the Underlying Mutual Fund or CIT	Fees Not Retained by Transamerica or its Affiliates	Fees Retained by Affiliates of Transamerica	Total Fees Retained by Transamerica	Investment Choice Total Expense Ratio
Example For Illustration Only: XYZ Sample Bond Ret Opt	0.00%	0.35%	0.40%	0.64%	0.29%	0.00%	0.75%	1.04%

*Here is an example of annual fees* paid on the XYZ Sample Bond Ret Opt assuming a plan balance of \$50,000 in this investment choice:

- The total annual cost for this investment choice is \$520 (\$50,000 x 1.04%).
- Of the \$520, Transamerica receives \$375 and XYZ Mutual Fund (the non-affiliated mutual fund) receives \$145.
- Transamerica's fees are comprised of *Other Fees* of \$175 (\$50,000 x 0.35%), and the *Net Total Annual Separate Account Maintenance/Administration Charge* of \$200 (\$50,000 x 0.40%).
- XYZ Mutual Fund's fee for investment management services is \$145 (\$50,000 x 0.29%).

All fees, charges and expenses shown are charged against assets, and are withdrawn daily at the daily equivalent rate of the applicable effective annual rate shown in the table.

*The Total Expense Ratio for each investment is paid by the participants as a percentage of assets invested and is the sum of any Fees Not Retained by Transamerica or its Affiliates (for example, these could be net investment advisory or underlying investment fees received by a non-affiliated investment advisor or underlying investment), plus any Fees Retained by Affiliates of Transamerica, plus the Total Fees Retained by Transamerica. The plan fiduciary should review the Investment's Total Expense Ratio, along with any additional **Contract Asset Charge ("CAC")** and other expenses, to determine if these charges and expenses are reasonable for the services rendered in the operation of the plan.*

## **Descriptions of Investment Fees and Charges**

### **12b-1 Fees Received by TRS and its Affiliates**

When the underlying investment is a mutual fund, TRS and its Affiliates may receive 12b-1 fees from the mutual fund to cover marketing, distribution, and sometimes shareholder service expenses. As a general rule, when TRS or its Affiliates receive 12b-1 fees, such 12b-1 fees are used to reduce separate account maintenance / administrative charges (if any), or subsidize Contract Asset Charges (if any).

### **Other Fees Received by TRS and its Affiliates**

For some Investment Choices, TRS and its Affiliates receive fees other than 12b-1 fees from the underlying mutual fund and /or its affiliates. These fees may cover shareholder service expenses (if not covered by any 12b-1 fees), sub-transfer agent expenses for participant account recordkeeping, and other administrative expenses. As a general rule, when TRS and its Affiliates receive these types of fees, such fees are used to reduce separate account maintenance / administrative charges (if any), or to subsidize Contract Asset Charges (if any). For most investment options, payment is made to TRS through National Financial Services, LLC, or Mid-Atlantic Capital Corporation who are subcontractors through which TRS's investment platform is maintained.

As of the date hereof, each of these firms receives the following percentage of the gross revenue sharing payments for their services: National Financial Services, LLC (see table below\*); Mid-Atlantic Capital Corporation 4%. National Financial Services, LLC and Mid-Atlantic Capital Corporation are paid by TRS. National Financial Services, LLC and Mid-Atlantic Capital Corporation do not reduce the revenue sharing payments received by TRS or its affiliates by the amounts paid by TRS or its affiliates to National Financial Services, LLC and Mid-Atlantic Capital Corporation.

\*National Financial Services Fund Revenue (\$) Table:

Low	High	(%)
\$0	\$50,000,000	3.35
\$50,000,001	\$100,000,000	2.75
\$100,000,001	\$150,000,000	2.00
\$150,000,001	\$200,000,000	1.50
\$200,000,000 and over		1.00

In addition, there is a daily trading fee for each Investment Choice as follows:

Investment Firm	Trading Fee Per Fund Per Day
Fidelity	\$0.50 - \$1.00
Mid-Atlantic Capital Corporation	\$0.75 - \$1.50

- There are no trading fees associated with Vanguard as TRS trades directly with Vanguard.

### **Net Total Separate Account Maintenance/ Administration Charge Received by TRS and its Affiliates**

For some Investments offered under a group annuity contract, charges are assessed for expenses associated with the maintenance / administration of each Investment Choice. The expenses shown in this column are net of any amounts that TRS may have reimbursed the plan from fees received from the investment advisory firm and /or its affiliates. Not all amounts included in *Net Total Annual Separate Account Maintenance / Administration Charge Received by TRS and its Affiliates*, are necessarily retained by TRS or its Affiliates, who may use a portion of these fees to pay an advisor for investment management services. Any fees paid by TRS or its Affiliates to the advisor are also included in the amounts under *Fees Not Retained by TRS or its Affiliates*.

### **Expenses Collected by the Underlying Mutual Fund**

If the underlying investment is a mutual fund or Collective Investment Trust, expenses are shown as a percentage of fund assets.

### **Fees Not Retained by TRS or its Affiliates**

Non-affiliated investment advisor firms and/or their affiliates retain these fees for operating expenses of the underlying investment, or (if applicable) for advisory or sub-advisory services. Advisor or subadvisor fees are estimated based on current investment balances. Any advisory or sub-advisory fees included are also included in *Net Total Annual Separate Account Maintenance / Administration Charge Received by TRS and its Affiliates*.

### **Fees Retained by Affiliates of TRS**

TRS's Affiliates retain these fees for operating expenses of the Investment Choice or underlying investment, or (if applicable), for advisory or sub-advisory services. Advisor or subadvisor fees are estimated based on current investment balances. Any Advisory or sub-advisory fees included under Fees not Retained by TRS or its Affiliates are also included under *Net Total Annual Separate Account Maintenance / Administration Charge Received by TRS and its Affiliates*.

### **Total Fees Retained by TRS**

As discussed above, TRS or its affiliates retain fees including: 12b-1 fees from the mutual fund (if applicable) to cover marketing, distribution, and sometimes shareholder service expenses; sub-transfer agent expenses for participant account recordkeeping (if applicable), and other administrative expenses; fees associated with account maintenance and administration of each Investment Choice; and fees for operating expenses of the investment. Refer to the plan services agreement, and if applicable, the group annuity contract issued on behalf of the Plan, for a complete description of the services provided and the fees associated with such fees.

### **Investment Choice Total Expense Ratio**

The total expense ratio is ultimately paid by participants, as a percentage of assets invested. The plan fiduciary should review the Total Investment Choice Expense Ratio, along with any CACs and other expenses, to determine if these charges and expenses are reasonable for the services rendered in the operation of the plan. The Investment Choice Total Expense Ratio is shown above and on TRS's quarterly investment fact sheets, available at [www.ta-retirement.com](http://www.ta-retirement.com). The **Total Expense Ratio** for each Investment Choice is the sum of any Fees **Not Retained by TRS or its Affiliates** (for example, these could be net investment advisory fees charged by a non-affiliated investment advisory firm), plus any **Fees Retained by Affiliates of TRS**, plus the **Total Fees Retained by TRS**.

### **Stable Value - Indirect Compensation Earned**

Transamerica offers stable value Investment Choices that are invested in Transamerica's general account. The interest earned by plan participants invested in stable value Investment Choices is set prospectively. Transamerica earns indirect compensation on the assets held in the stable value Investment Choices, which compensation is used to pay for services provided, such as plan-level recordkeeping. This compensation is equal to the earned rate of interest on the financial instruments held in the general account, minus the interest rate credited to participant accounts ("Spread"). The "range" of Spread earned by Transamerica (or its insurance company affiliate) for 2020 for the stable value Investment Choice shown in this Plan Pricing Document, which Spread is derived from the actual performance of assets held within the general account of Transamerica's insurance company affiliate, is 0 – 150 bps. The purpose of receiving indirect compensation is to account for TLIC's and its affiliates' expenses and costs for procuring capital, the costs of managing investments, the cost of investment default, any other applicable costs, a pricing credit and revenue share, if any, to offset the cost of providing services, such as plan recordkeeping and similar services, to investing retirement plans. The actual compensation earned in any period will vary depending on the experience in the general account.

Stable Value Investment Choices may be subject to liquidity restrictions or risk under specific circumstances, such as sponsor-initiated total and partial discontinuance and certain transfers. For the stable value-type investment choice offered by TLIC or TFLIC, there may be a waiting period of up to 270 days for transfers out of the stable value investment choice when the declared rate remains the same or increases from the prior crediting period. TLIC and TFLIC also have the right to impose up to a 12-month hold period in the event all withdrawals from general account stable value investment choices exceed certain

percentages in certain time periods. Please see your contract for more details. Additionally, for separate account stable value choices, the underlying investment may impose separate hold periods or withdrawal restrictions.

The Transamerica stable value investment choices are backed by the general account of TLIC or TFLIC. While TLIC or TFLIC declare rates and back the principal and interest of these investment choices, any guarantees are subject to the claims paying ability of the insurance company. This investment choice is not guaranteed by the FDIC or any other government agency. Although plan participants generally may withdraw assets from the stable value investment choice without restrictions, TLIC or TFLIC may impose a hold period at the contract level in the event of a full contract discontinuance, partial contract discontinuance or certain transfers. Please see your contract for hold periods that may be applicable to your plan. Certain unaffiliated stable value investment choices (which are not supported by an insurance company general account) also may be available. These stable value investment choices instead invest in stable value fund bank collective trusts. These stable value investment choices may be subject to book value adjustments or hold periods for withdrawals under certain circumstances, and the fees associated with stable value investment choices generally reflect different crediting rate/charge structure combinations.

Cash-Equivalent Investment Choices seek to protect against loss of principal while providing returns comparable to money market funds and short-term Treasury instruments. An investment in a cash equivalent investment choice offered by TRS is not insured or guaranteed by the FDIC or any other government agency. TRS cash equivalent choices do not maintain a stable value of \$1.00 per unit and do not declare dividends on a daily basis (as many money market funds do). Undeclared investment income, or a default on a portfolio security, may cause the value to fluctuate. Although this type of investment seeks to preserve the value of principal, it is possible to lose money by investing in this type of investment. These types of investments generally have provided a dependable level of stability and liquidity; nevertheless, the investment is still subject to credit risk and to liquidity risk.

Each Asset Allocation Investment Choice has its own investment strategy and risk/reward profile, and the underlying investments automatically diversify and rebalance among stock and fixed income securities to fit that profile. The investment choices are subject to the same risks as the underlying assets in which they invest. The Asset Allocation Investment Choices are designed as a convenient approach to help participants meet retirement or other long-term goals. Plan sponsors should monitor their Asset Allocation Investment Choices over time to make sure they continue to meet their own risk/return profile, taking into account their objectives and investment time horizon. Although each Asset Allocation Investment Choice is intended to be appropriate for a specific risk/reward profile, there is no guarantee that any Asset Allocation Investment Choice will achieve its stated investment objectives. Asset allocation and diversification do not assure or guarantee better performance, cannot eliminate the risk of investment losses, and do not protect against an overall declining market.

Target Date Series Investment Choices are designed to allocate assets among stocks, bonds, and cash equivalents, based on the target date. Each investment choice will gradually shift its emphasis from more aggressive investments to more conservative investments based on its target date. The participant may choose an investment choice built on or near his or her year of retirement, and the asset allocation of that investment choice adjusts accordingly as the target retirement date approaches. The “target retirement date” is the date on which participants intend to retire and start receiving distributions from the plan. While asset allocation is key to a Target Date Series investment choice’s long-term returns, it should be understood that the principal value is not guaranteed at any time, including at the target date. The investment choices are subject to the same risks as the underlying assets in which they invest. Asset allocation and diversification do not assure or guarantee better performance, cannot eliminate the risk of investment losses, and do not protect against an overall declining market. In the event the Authorized Representative elects to participate in a Target Date Series, or an Asset Allocation group of funds offered by TRS, the Authorized Representative authorizes and directs TRS to add additional asset portfolios to the existing Investment Choices made available as such portfolios are made available by the mutual fund or collective investment trust sponsor.

All investments involve risk, including loss of principal and there is no guarantee of profits.

*The separate account investment choices offered are exempt from registration with the SEC; therefore, no prospectuses are filed for them. However, certain of the separate account investment choices, other than general account stable value investment choice(s), invest in mutual funds which are subject to SEC registration. **Investors should consider the investment objectives, risks, charges and expenses of the underlying mutual funds carefully before investing. The prospectus for each underlying fund contains this and other important information about that fund. In addition, comprehensive information on all the***



***investment choices is available on the investment fact sheets. Prospectuses for these underlying mutual funds can be ordered directly from the fund company, or by contacting Transamerica at (866) 498-4557 Monday through Friday from 9 a.m. to 8 p.m. Eastern Time. Read each prospectus carefully before investing.***

Plan-related recordkeeping and administration services are provided by TRS. The investment choices are available through a contract issued by Transamerica Financial Life Insurance Company ("TFLIC"), TA-AP-2001-CONT, or Transamerica Life Insurance Company ("TLIC"), TGP-439-194, TGP-416-192/194, TGP-430-192/194, CNT-TALIAC 05-02, or CNT-TLIC 10-05. TRS is an affiliate of TFLIC and TLIC. TFLIC is not authorized and does not do business in the following jurisdictions: Guam, Puerto Rico, and the U.S. Virgin Islands. TLIC is not authorized in New York and does not do business in New York. Contract form and number may vary, and these investment choices may not be available in all jurisdictions. Fees and charges may apply. Certain limitations on the number of investment choices for your plan will still apply. For complete information, contact your Transamerica representative.

## Float Income Disclosure

For the purpose of this Float Income Disclosure, Transamerica Retirement Solutions, LLC and its affiliates are hereinafter collectively referred to as “Transamerica”.

Transamerica may receive as additional compensation float income, separate and apart from the compensation otherwise payable to Transamerica in connection with Transamerica providing administrative and recordkeeping services to the plan. This additional compensation, which is discussed in more detail below, results from any earnings or bank credits derived from the flow of funds (float income) through certain bank depository accounts (which may invest in underlying overnight sweep investment vehicles), certain cash retention accounts or cash processing or transfer functions.

Transamerica may also receive gains from the adjustment of plan transaction errors (error correction gains). Our policy is to put the plan in the position that it would have been in, but for the error; and we fund any loss attributable to our error or we keep any gain associated with making the correction. We net all such gains against all such losses across all client plans and, last year, had a net loss on error corrections. As further discussed below, this policy ensures that the plan is made whole and reduces our administrative costs.

### I. Earnings/Credits from Flow of Funds (Float Income)

**Background/Description:** Retirement plan funds (such as contributions, loan repayments, etc.) sent to the plan are deposited into certain bank accounts held by or on behalf of the plan’s trust, custodial arrangement or group annuity contract issuer, as applicable. In the case of a trust or custodial arrangement, Massachusetts Fidelity Trust Company, an affiliate of Transamerica, is the agent through which the depository account is maintained. For any funds that are held in a depository account overnight, Transamerica will earn that night’s bank deposit interest rate or, if applicable, the earnings from any underlying overnight sweep investment vehicle, as float income.

Even after the time the deposit amount is allocated to the plan’s investment options and reflected as an investment on Transamerica’s recordkeeping system, these funds may still be in transit to the plan’s investment options. This occurs because investment fund transactions can take time to “settle” after the trade is placed. Pending settlement of the trade, cash may be held through a deposit account or overnight sweep investment vehicle. As a result, additional float income may then be earned by Transamerica after the deposit is recorded on Transamerica’s recordkeeping system, but prior to the settlement date for the fund transaction. During this time, the plan is benefitting from the investment performance of the investment option, including any gains or losses earned on the investment option.

Transamerica maintains a process that permits plan funds reflected on Transamerica’s recordkeeping system to be disbursed for distribution or other disbursement purposes to participants, beneficiaries or other payees by electronic funds transfer if requested for certain type of distributions and loans, rather than by check. The issuance of a check will result in float income to Transamerica until the check is presented for payment, the timing of which is uncertain and outside of Transamerica’s control. In general, if a check is returned as undeliverable or is held outstanding for more than six months, and the Participant cannot be located, the funds are either returned to the plan or escheated to the appropriate state in accordance with the plan’s unclaimed benefit procedures provided by Transamerica. Checks that are not timely presented or never presented create additional work for Transamerica such as addressing issues concerning unclaimed funds, including locating missing participants wherever reasonably possible. (A copy of Transamerica’s Unclaimed Benefit Procedures is available upon the employer’s request.) Check status reporting is available on Transamerica’s plan sponsor website.

Employer authorizes and directs Transamerica to retain float income under the circumstances described herein and acknowledges float income received by Transamerica constitutes additional compensation for the services that Transamerica provides to the plan. The accountholder or payor of the float income may rely on the foregoing authorization.

**Good Order Processing:** Float income may also be earned, in addition to as described above, when instructions provided by the employer or a plan participant are not in good order or if the employer, participant or other plan party directs contributions or disbursements in error. The amount of float income earned in such circumstances will depend on how long it takes the client to provide good order instructions.

**Weighted Average Annual Rate of Float Income Earned:** Funds remaining in bank depository accounts may earn the bank's deposit rate or may be transferred on an overnight basis to sweep investment vehicles and when applicable, are combined with life insurance entities general account sweep (such as money market funds, repurchase agreements, demand deposit accounts, etc.), which may change from time to time. The weighted average annual rate earned by Transamerica across all client plans from these accounts and sweep vehicles during 2023 was 1.56%. This rate is a gross amount meaning that this amount does not net out any account fees or expenses incurred for maintaining the accounts. Transamerica may also earn bank credits which are determined by each bank and which may be applied against such account fees or expenses or received as additional compensation. The depository accounts are maintained at various banking institutions, including State Street Bank & Trust Co., JP Morgan Chase Bank, N.A. and Wells Fargo Bank, N.A., which may change from time to time. Each banking institution posts its earnings monthly. Upon employer's written request, Transamerica will provide the weighted average monthly rate earned by Transamerica from the life entities' short-term investment vehicles, including State Street Bank & Trust Co., JP Morgan Chase Bank, N.A. and Wells Fargo Bank, N.A., which may change from time to time.

## **II. Gains and Losses from Correction of Processing Errors**

**Transamerica's Error Correction Policy:** Transamerica has corporate policies and procedures in place to help avoid transaction processing errors in the first instance and, if they occur, to help identify and address them in a timely manner. Transamerica's policy is to correctly and timely process transaction requests that are received in good order and, in the event that an inadvertent transaction error for which Transamerica is responsible has been identified, to promptly restore the plan and/or the participant to the position that they would have been in as if the transaction error had not occurred. Due to unpredictable day-to-day movement in the share or unit values of the investment options making up a plan's or a participant's account, the processing adjustment may result in a gain or loss to Transamerica. The size of the gain or loss depends on the amount of the transaction, market volatility during the period between the original transaction date and the actual date of the processing of the correction.

Transamerica will make the plan and/or participant whole for any such losses incurred due to a processing error of Transamerica at no cost to the plan or to the participant. (Transamerica is not responsible for funding any losses that are not attributable to Transamerica.) If there is instead a gain, Transamerica retains any gains that result from a processing adjustment, including gains earned by Transamerica for correcting an error for which the employer or a third party is responsible. Transamerica offsets any losses due to error correction processing across its plan clients with any gains it may receive due to error correction processing across its client base. Employer agrees that Transamerica may retain any gains it may receive as a result of error correction processing and to offset any losses it may bear as a result. Transamerica has an incentive to minimize processing errors, and any gains or losses from such processing errors, because any such errors may significantly affect the financial exposure of Transamerica and its affiliates due to market fluctuations and the time and resources required to process corrections.

**Amount of Compensation Transamerica will derive from Error Corrections:** The gains, if any, retained by Transamerica are additional compensation from the plan. Employer acknowledges that whether or not the plan will experience processing or transaction errors is unforeseeable and any gains from such processing or transaction errors cannot be quantified in advance. Transamerica tracks gains and losses from error corrections through a daily blotter.

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### III. Contacting Transamerica

**Negative Consent:** We believe that our cash processing and error correction procedures are appropriate to your needs and we believe any benefit we receive is reasonable in light of the services we perform. In addition, we are confident that these practices are consistent with applicable law and contemporary industry practice.

If you have any questions about the above information, please contact Transamerica. Unless we hear from you, we will assume that you are in agreement with the above information. Failure to object in writing within 120 days will be considered a direction from you to follow the processes and procedures described above.

*Except as specifically provided in a written agreement or contract with a plan, Transamerica does not exercise discretionary control or management with respect to the assets of the plan and is not otherwise a fiduciary of the plan. Nothing in this communication shall be construed as such. The explicit provisions of any such agreement or contract shall control in the event of any inconsistency herewith.*

**For more information about Transamerica, please visit [www.TA-Retirement.com](http://www.TA-Retirement.com), or call (866) 498-4557, Monday through Friday, 9 a.m. to 8 p.m. Eastern Time.**

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