

# How to read the fee disclosure document

Helping make sense of it all

In 2012, the Department of Labor released a final regulation defining what information plan service providers must furnish to plan fiduciaries regarding their services and fees. The intent of the regulation, which was effective July 1, 2012, is to assist plan fiduciaries in assessing the reasonableness of compensation paid to its service providers and to identify conflicts of interest that may affect a service provider's performance of services.

To help meet your fiduciary responsibilities, our commitment is to provide the information needed regarding MetLife's products and services in an understandable and meaningful format. MetLife's fee disclosure document is designed to provide information in an easy to follow format with a simple summary and followed up with comprehensive detail.

This guide illustrates a sample of MetLife's fee disclosure document. Plan-specific documents are available on the Plan Service Center, and each month, individuals will receive an email reminder to retrieve it.

## Report sections

**Section A:** Summary of fee and expense estimates

**Section B:** Explanation of services

**Section C:** Estimated cash flow summary

**Section D:** Disclosures

**Section E:** Itemized services and fees and expenses

# A. Summary of fee and expense estimates

## Summary of fee and expense estimates

This summary shows the estimated annual fees a plan pays by category of service in a clear and concise format. For each service, we show fees in dollar and percentage amounts.

Category of service	Estimated annual fees and expenses	Estimated average cost per participant
Payments to Investment Providers (IP)	(Q) \$xx,xxx	\$xx
Payments to Recordkeeper (RK)	(X) \$xx,xxx	\$xx
Payments for services provided by others	(Z) \$xx,xxx	\$xx
<b>Total estimate</b>	<b>(K) \$xxx,xxx</b>	<b>\$xx</b>

The superscripted letters next to the summary numbers serve to help track additional details about the figures in other sections of this fee disclosure document. These superscripts can help identify and track different parties involved in providing services to a plan and how those services drive a plan's fees. If individuals want to follow exactly how we arrived at the totals in Section A, they can review the details in Sections C and E by connecting back to the superscripted letters in each section.

## B. Explanation of services

### Explanation of services

Section B is a summary of services provided in connection with a Plan. Each section is designated by a number that is used throughout the document, making it easier to track. Additionally, each service shown on the Explanation of Services Section is broken down into more specific categories. Later on, we'll show more detail on the fees for these services.

Service section	Investment Providers (IP)
1.1	<b>Investment Provider Services:</b> Includes certain Plan investments selected by the Plan Sponsor, for which MetLife provides Plan administrative and recordkeeping services. These investments can include mutual funds, fixed accounts, stable value products, and variable annuity products.
Service section	Recordkeeper (RK)
2.1	<p><b>Plan Services</b></p> <ul style="list-style-type: none"> <li>Plan document services, ERISA compliance support services and distribution tax reporting.</li> <li>Creation and maintenance of records of all participant and beneficiary accounts on the MetLife platform and the transactions and changes affecting them.</li> <li>Plan sponsor communications including reporting, Plan Service Center (PSC) website, and voice response system.</li> <li>Participant communications, enrollments, electronic or paper statements, website, and voice response system.</li> </ul> <p><b>Trustee/Custodial Services</b></p> <ul style="list-style-type: none"> <li>Plan trustee, custodial or sub custodial services provided by a non-affiliated third party as required by the plan.</li> </ul>
2.2	<p><b>Additional Participant Services</b></p> <ul style="list-style-type: none"> <li>Loan initiation and maintenance. (if applicable)</li> <li>Self-directed account maintenance. (if applicable)</li> </ul>
Service section	Others
3.1	<p><b>Third party broker services</b></p> <ul style="list-style-type: none"> <li>Sales and service support.</li> </ul>

# C. Estimated cash flow summary

## Estimated cash flow summary

Displayed in this section are the total amounts each investment provider receives from the plan through the Net Asset Value (NAV), the amount the provider pays in 12b-1 or other fees to the recordkeeper, and the net total fee, which is what the investment provider keeps.

### Payments to Investment Providers (IP)

Service Section	Investment Provider	Estimated Gross Payments to IP	Estimated Payments from IP to RK	Estimated Net Payments to IP
1.1	Large cap funds	\$xxx,xxx	(\$xx,xxx)	\$xxx,xxx
	Small cap funds	\$xx,xxx	(\$x)	\$xx,xxx
	Global funds	\$xx,xxx	(\$xx,xxx)	\$xx,xxx
Total estimated payments to IP		\$xxx,xxx	(V) (\$xx,xxx)	(Q) \$xxx,xxx

## Total links to Section A summary

The superscripted “Q” represents the total Estimated Net Payment the Plan will pay and links back to the Summary of Fee and Expense Estimates in Section A.

Payments to recordkeeper

The first row (2.1) shows the Plan Services fees associated with superscripted “Y,” which include the Plan’s direct payments to MetLife and what MetLife, as the recordkeeper (“RK”), received from the Investment Providers represented by the superscripted “V.” The next line (2.2) shows the amounts for Participant Services. Just like the investment provider expenses, the superscripted “X” in Total Estimated Payments to RK shows how the total fee links back to the original summary of Fee and Expense Estimates in Section A.

Payments to Recordkeeper (RK)

Service section	Service provided	Estimated direct payments to RK [A]	Estimated payments from IP to RK [B]	Estimated net payments to RK [A+B=C]
2.1	Plan services	(Y) \$xx,xxx	(V) (\$xx,xxx)	\$xx,xxx
2.2	Additional participant services	(W) \$xx,xxx		\$x,xxx
Payments to others				(Z) (\$xx,xxx)
Total estimate				(X) \$xx,xxx

Total links to Section A summary

# C. Estimated cash flow summary

The last table in Section C is Payments to Others. Indicated by the superscripted “Z,” this section includes payments to other parties such as a Third Party Broker. This amount links back to the Section A Summary.

## Payments to others

Service section	Service provided	Estimated net payments to others
3.1	Third party broker	\$xx,xxx
Total estimated payments to others		(Z) \$xx,xxx
Total annual net cost estimate		(K) \$xxx,xxx

Total links to Section A summary

# D. Disclosures

In this section, you will find general and investment-related disclosures regarding a specific Plan’s services and products, including parties who are unaffiliated with MetLife.

# E. Itemized services and fees and expenses

This section provides the detail behind the summary numbers shown in Sections A and C and details how each service fee and expense is calculated.

## Payments to Investment Providers (IP)

### Service section 1.1

Investment	Basis for estimate	Gross/net expense ratio	Estimated gross payments to IP [estimate X net expense ratio]	12B-1*	Admin	Estimated net payments from IP to RK [12B1+Admin]	Estimated net payments to IP [gross pmts — pmts from IP]
------------	--------------------	-------------------------	--	--------	-------	--	---

### Large cap funds

Fund A	Assets in fund \$99,999,999	x.xx%	\$xx,xxx [estimate X ratio]	x.xx% on assets	x.xx% on assets	(\$xx,xxx)	\$xx,xxx
	Number of participants				\$xx per participants		
Fund B	Assets in fund \$xx,xxx,xxx	x.xx%	\$xx,xxx	x.xx% on assets	x.xx% on assets	(\$xx,xxx)	\$xx,xxx,xxx
	Number of participants				\$xx per participants		
Fund C	Assets in fund \$xx,xxx,xxx	x.xx%		x.xx% on assets	x.xx% on assets	(\$xx,xxx)	\$xx,xxx,xxx
Total for large cap funds			\$xx,xxx			(\$xx,xxx)	\$xx,xxx,xxx

### Small cap funds

Fund A	Assets in fund \$xx,xxx,xxx	x.xx%	\$xx,xxx [estimate X ratio]	x.xx% on assets	x.xx% on assets	(\$xx,xxx)	\$xx,xxx
Fund B	Assets in fund \$xx,xxx,xxx	x.xx%		x.xx% on assets	x.xx% on assets	(\$xx,xxx)	\$xx,xxx,xxx
Total for small cap funds			\$xx,xxx			(\$xx,xxx)	\$xx,xxx,xxx

\*Not all 12b-1 fees will flow through the Recordkeeper. It is assumed that a third party is receiving the 12b-1 fee directly from the Fund Company. Due to this, the amount shown in the Estimated Payments from Investment Provider column may be overstated.



This section will populate with the total assets in the account if participants have an annuity contract as an investment option within their Plan.

Annuity Contract

Investment	Assets	Basis for estimate
ABC Fixed Annuity	Assets in account \$xxx.xxx	Will vary by product

Section E provides the detail behind the Plan Services Fees. Detailed breakdowns provide the basis for the estimate and the manner of receipt of the compensation. The gross payment links back to Section C: Estimated Cash Flow Summary.

Plan service fees

Service section	Fee type	Paid by	Annual fee	Basis for estimate	Gross payments
2.1	Plan services	Billed to plan	\$xx,xxx	Assets in plan*	\$xx,xxx

\*The Basis for Estimate may not be calculated on all plan assets or money types.

Total annual payment estimate for plan services	(Y) \$xx,xxx
---	--------------

Total links to Section C: estimated cash flow summary

Similar to the Plan Service Fees Service Section, a breakdown is provided for Participant Service Fees. Total Payments are flagged with the superscripted letter “W” so individuals can track them back to Section C of the Fee Disclosure document, which ultimately rolls up to Section A: Payments to Recordkeepers.

Additional participant service fees

Service section	Fee type	Paid by	Fee	Gross payments
2.2	Participant Loan Set Up	Netted from distribution	\$xx per request	\$xx,xxx
	Participant loan maintenance	Deducted from participant	\$xx annually	\$x,xxx
	Participant self-directed brokerage account maintenance	Deducted from participant	\$xxx per account	\$x,xxx

Total annual actual payments for participant services	(W) \$x,xxx
---	-------------

Participant Service Fees displayed above are not estimates, but are the actual assessed fees as of the date of this disclosure document, based on a rolling 12-month period.

Total links to Section C: estimated cash flow summary

Total links to Section A: estimated cash flow summary

Payments to others

Payments to others may include payments to third party brokers, and other service providers, if applicable. The superscripted “Z” can also be found in Section C: Estimated Cash Flow Summary which ultimately rolls up to Section A: Summary of Fee and Expense Estimates.

Payments to others/Revenue Share

Service section	Service provider	Service description	Fees	Basis for estimate	Gross payments
-----------------	------------------	---------------------	------	--------------------	----------------

Third party broker services

3.1	ABC brokerage	Sales and service support	Per agreement	Actual expense	\$xx,xxx
Total					\$xx,xxx
Total annual payment estimate for other services					(Z) \$xx,xxx

Total links to Section C: estimated cash flow summary

Total links to Section A: estimated cash flow summary

metlife.com

Any discussion of taxes is for general informational purposes only, does not purport to be complete or cover every situation, and should not be construed as legal, tax or accounting advice. Clients should confer with their qualified legal, tax and accounting advisors as appropriate.

