



DAP

A lifelong retirement plan

Heads Up

ANNUAL PLAN EXPENSE REVIEW

Your 401(k) plan expenses are reviewed every year in the January Heads Up newsletter. We are happy to report that the cost of operating the DAP has gone down again in 2023. The 2023 Operation Budget is 9% lower than the 2022 Budget. The DAP continues to deliver a best in class 401(k) plan at a low cost for our participants.

General Overview of Fees & Expenses

Plan fees and expenses fall into 3 categories:

Plan Administration Fees - The day-to-day operations of a 401(k) plan involves expenses for basic and necessary administrative services. The DAP plan administration fee includes all fees paid to service providers such as the Trustee, Investment Advisor, Recordkeeper, Lawyer, DAP Office, Board and Accountant. Any fees related to the operations of the plan fall under this category of fees. **Table One** describes the fee in detail.

Investment Fees - The largest component of 401(k) plan fees and expenses is associated with managing plan investments.

Individual Services - There are individual service fees associated with optional features such as express delivery, loan services, financial advisory services and a full account withdrawal. Individual service fees are charged separately to the accounts of individuals who choose to take advantage of an optional service.

How Much am I Paying?

Your DAP 401(k) plan continues to operate at a low cost and plan expenses have been decreasing over time. The cost to operate the DAP in 2023 is budgeted at \$712,000. Every participant in the Plan is charged a monthly fee of 0.01% of their average account balance. The total amount collected monthly is used to pay for the plan expenses.

Your investment fees are disclosed monthly online at dap401k.com. Log into your personal account, and select Account, Overview from the menu bar at the top of the landing page. The navigational bar on the left side of the Account Overview page is organized into four sections - Account Overview, Investments, Withdrawals, and Plan Information. Your Notice of Investment Returns & Fee Comparison is posted monthly under Plan Information, Disclosure Notices. This notice is also delivered to you every November according to your communication preference on record. Your investment fees depend on your

investment allocation. For example, if your account balance is invested - 50% Vanguard Target Retirement 2050 Fund and 50% Russell All Cap Index, your annual investment fee 0.05%. $(50\% \times 0.08\%) + (50\% \times 0.02\%) = 0.05\%$. In a recent investment expense analysis performed by Fiducient Advisors, the Plan Investment Advisor, the median expense ratio for the DAP funds (excluding the brokerage option) was an annual 0.35% as compared to 0.63% for peer Plans.

TABLE ONE - PLAN ADMINISTRATION FEE

Current Fee	The annual plan administration fee is 0.12% or a 0.01% monthly.
How is Fee Determined?	The Plan Administration Fees are collected monthly from participant accounts to pay for the operation of your 401(k) plan. The Board of Directors and Investment Advisor meet quarterly and review the main factors that affect this fee at each meeting. The main factors are total plan assets and budgeted operating expenses. When the fee is changed, you will be notified 30 days in advance by the communication preference that you have elected - either mail or electronic delivery.
When is the Fee Charged?	Monthly between the 5th and 8th day
Where do I See the Fee?	On your statement, the description is participant account maintenance fee . Online at www.dap401k.com , under transaction activity , the description is fee .
Calculation Method	Your previous month's average asset balance X 0.01%.
Example of the Fee Charge	January Average Balance: \$100,000 Monthly Plan Administration Fee: 0.01% Calculation: \$100,000 X 0.0001 = \$10.00 \$10.00 Fee is collected from your account in February to pay plan fees.



DAP

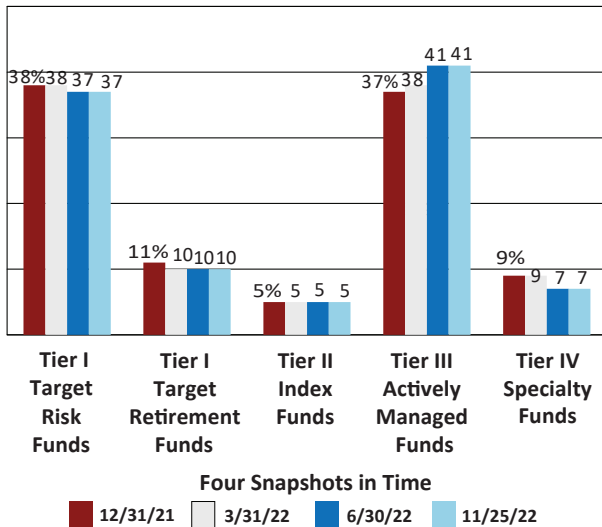
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Staying the Course During the 2022 Market Downturn

The chart below displays a positive picture on how the DAP participants stayed the course in their investment allocations during the market declines in 2022. There are four points in time charted below. The overall participant fund allocations remained consistent during each point in time. There was a slight shift into the Tier III - Stable Value Fund. The DAP participants also stayed the course overall during the 2020 pandemic.

**DAP Participant Asset Allocations
During the 2022 Market Downturn**



Plan News

Fund changes to the lowest net cost vehicle - There was a fund change for the Tier IV - Metropolitan West Total Return Bond Fund in December because Empower added a lower cost investment vehicle for this fund on their recordkeeping platform. The Board will exchange participants into the lowest net cost investment vehicle for an existing fund when one becomes available. The Department of Labor requires a 401(k) plan to deliver a notice to all participants.

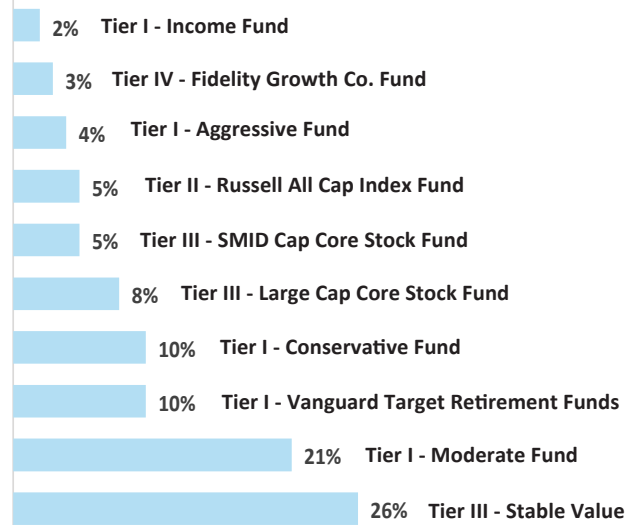
The Self-Directed Brokerage - Addition of Fixed Income - DAP participants now have access to Fixed Income investments such as bonds, CDs and treasuries in the Tier IV - Self-Directed Brokerage Option (SDBO). The Self-Directed Brokerage Option includes mutual funds, ETFs and fixed income securities. You are on your own when you open an SDBO account through TD Ameritrade.

The Top 10 Most Popular DAP Funds

There is a wide array of investment options from which to choose in the DAP. How are my DAP peers choosing to invest their retirement savings? The answer to this question is shown in the chart below. Eighty-eight percent of the DAP participants invest in a Tier I - Asset Allocation or Tier III - Actively Managed Fund. The Stable Value Fund is the most popular fund followed by the Moderate Fund. There are few DAP participants utilizing the Tier IV "do it yourself" funds with Fidelity Growth Company being the favorite fund in this category.

94% of DAP Participants are invested in the below ten funds

**The Top 10 Most Popular DAP Funds
and percent of usage as of November 25, 2022**



Plan Office Contact Information

Directed Account Plan
12400 Olive Blvd.
Suite 329
St. Louis, MO 63141
(p) 314-739-7373
(f) 314-739-7978

Empower
1-844-861-4327

Informational Web Site:
dapretirement.com

The intent of this communication is to provide useful information, not investment advice. Each participant in the Directed Account Plan is ultimately responsible to make his or her own investment decisions.

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