



CITY OF PHOENIX

457 DEFERRED COMPENSATION, and 401(a) DEFINED CONTRIBUTION PLANS (“DCP”)

FEE AND EXPENSE POLICY STATEMENT

February 12, 2026

Introduction and Purpose

The purpose of the Fee and Expense Policy Statement is to detail procedures for payment of Plan related expenses for the City of Phoenix's 457 Deferred Compensation Plan, and 401(a) Defined Contribution, Plan (collectively "DCP"). This document is reviewed at least annually by the Deferred Compensation Plan Board ("DCP Board"), hereinafter "Board" which serve as fiduciaries to the DCP Plans.

Participant Administrative Fees

Effective on or around April 10, 2026, an administrative fee of 5.50 basis points (0.0550%) will be applied to each unique participant account and be withdrawn from participant core (non-brokerage) accounts. Participants shall pay no more than \$625 in administrative fees each year ("fee cap").

Participants are required to maintain a \$1,000 minimum core (non-brokerage) balance in all DCP accounts so that fees may be collected. If a participant has a 457 and 401(a) account, the participant must maintain a minimum core balance of \$1,000 in each account.

The Board and DCP consultant will revisit the fee structure at least annually to determine the most appropriate administrative fee and fee cap combination.

Payment of Expenses

All expenses incidental to the administration or protection of the Plans, and the management of the assets of the Plans, shall be paid from the assets of the Plans or by the Plan participants, unless the Employer chooses to pay such expenses directly.

Expenses may be paid or reimbursed from the Account only upon the review and approval by the Boards, or by such other appropriate fiduciary of the Plan.

Qualified Expenses

Qualified expenses that may be paid from the Plan or reimbursed to the Employer from the Plan include all expenses of administration of the Plan, any expenses reasonably incurred by the Board and the Trustee in performing their duties under the Plan, and fees incurred by Administrative Service Providers including without limitation, the following:

- (a) Ongoing Plan administrative expenses, such as record keeping, legal, auditing, annual reporting, claims processing, insurance and similar administrative expenses;
- (b) Investment advisory, investment management, administrative investment or service fees and expenses;
- (c) Costs incurred in preparing, printing and distributing plan-related documents and other Participant communication materials;
- (d) Costs associated with benefit distributions and transactions;
- (e) Expenses to provide investment assistance and education to Participants; and
- (f) Costs for providing on-going education, including the costs of attending seminars and conferences, for members of the Board, fiduciaries and staff with respect to the Plan as necessary or appropriate to assist in the discharge of their responsibilities to the Plan.

Participant Fees in Excess of Plans' Administration Service Provider Costs

The agreements entered between the Employer and Plan Administration Service Provider ("recordkeeper") state that participants shall pay an explicit fee which shall be used to pay for various aspects of Plan Administration. This fee may exceed the amount retained by the recordkeeper to pay for its services.

Fees collected in excess of those retained by the recordkeeper and received by the Plans shall be held in an unallocated trust assets account maintained under the Plans, to be called the Retained Revenue Account.

Thereafter funds accrued in this account shall be used exclusively for the benefit of Participants and their Beneficiaries, or to defray the reasonable expenses of administering and managing the Plans.

Allocation of Excess Plan Administration Fees

Excess revenue remaining in the Retained Revenue Account may be allocated to Plan participants at the Boards' discretion. Such amounts shall be allocated to Plan participants based on their pro-rata share of Plan assets. It is the Board's intent that the Retained Revenue Account balance not to exceed 2 (0.02%) basis points of Plan Assets. If the Retained Revenue Account balance exceeds 2 basis points, the Board will determine how to allocate the excess balance.

Amendment

This Fee Policy may be amended by a majority vote of the Boards at a meeting called for that purpose.

Approved by DCP Board vote on this day, February 12, 2026.