



MONTGOMERY COUNTY EMPLOYEES' RETIREMENT PLANS

MEMORANDUM

June 30, 2020

TO: Participants – Deferred Compensation Plan, Retirement Savings Plan, Deferred Retirement Service Program (DRSP), MCGEO DROP, Elected Officials' Plan

FROM: Linda A. Herman, Executive Director *Linda A. Herman*

SUBJECT: Fidelity Managed Income Portfolio – Fund Change

The Board of Investment Trustees (Board), which oversees the investment options offered in the Retirement Savings Plan (RSP), Deferred Compensation Plan (DCP), Police DRSP, MCGEO DROP and the Elected Officials' Plan (EOP), continually seeks to improve the investment options and services available to participants.

The Board regularly reviews the investment products and service providers. Based on a recent review, the Board has been able to obtain a fee reduction for the Managed Income Portfolio (MIP) that is being implemented effective August 10, 2020.

To implement this fee reduction, MIP will be transitioned into Managed Income Portfolio II (MIP II). MIP II has a lower fee as shown in the table below, resulting in a higher return to participants. There is no difference in the investment objective, strategy, and management team between MIP and MIP II.

Old Investment Option		New Investment Option	Old Net Expense Ratio		New Net Expense Ratio
Managed Income Portfolio, Class 2	➔	Managed Income Portfolio II, Class 2	0.52%	➔	0.36%

At the close of the regular trading day, 4 PM EST, on August 7, 2020, any amount you have invested in MIP will automatically be transferred to MIP II. The transfer of your balance will appear as an exchange on your account history and quarterly statement. At no time will the balance of your account be uninvested. All future contributions that you have designated for the MIP will be invested in the MIP II after August 7, 2020.

You do not need to take action at this time as your dollars invested in the fund will be automatically converted. However, if you do not want your future contributions or balance to transfer to the new fund, you must contact Fidelity at (800) 343-0860 or through the website at www.netbenefits.com before 4:00 PM EST on August 6, 2020

Montgomery County Employee Retirement Plans

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240.777.8220 Fax 301.279.1424

Fidelity Investments: A full-time dedicated consultant, Ron Seegers, is located in the Executive Office Building (EOB), 101 Monroe Street, 15th Floor to assist you with your financial planning needs and investment related questions. He can be reached by phone at 240-777-8228, or at fidelityonsite@montgomerycountymd.gov. To register for a one-on-one meeting with Ron, visit our website at <http://www.montgomerycountymd.gov/mcerp/investment/counseling.html> and click on the Fidelity one-on-one session link.

Questions? Contact the Board of Investment Trustees by email at bit@montgomerycountymd.gov or by calling **240-777-8220**.