

## Department of Labor Participant Disclosure Requirements Applicable to Participant-Directed Individual Account Plans

### Background

Sections 404(a)(1)(A) and (B) of the Employee Retirement Income Security Act of 1974 (ERISA) require plan fiduciaries to act prudently and solely in the interest of plan participants and beneficiaries. With respect to participant-directed individual account plans, the Department of Labor (DOL) requires plan administrators (generally plan sponsors) ensure that participants and beneficiaries:

- are made aware of their rights and responsibilities with respect to managing their individual plan accounts
- are provided sufficient information regarding the plan (including its fees and expenses and investment alternatives available under the plan) to make informed decisions about the management of their individual accounts

The DOL issued rule in 29 C.F.R. § 2550.404a-5 ("Rule 404a-5" or the "rule") requires that plan administrators of participant-directed individual account plans (e.g., 401(k) plans) provide their eligible participants and beneficiaries with certain plan-related information and investment-related information regarding their plans and the "designated investment alternatives" thereunder (the "Required Investment-Related Information"). A "designated investment alternative" is defined in the rule as an investment alternative designated by the plan into which participants and beneficiaries may direct the investment of assets in their accounts. The Required Investment-Related Information for each designated investment alternative includes a comparative chart reflecting performance information and an applicable benchmark as well as fee and expense levels.

In order to help plan administrators whose plans invest in Columbia Funds meet their obligations under Rule 404a-5, Columbia Threadneedle Investments has prepared this document summarizing the major provisions of the rule and identifying where Required Investment-Related Information regarding Columbia Funds may be obtained. This document is not intended to provide plan participants and beneficiaries with all the information plan administrators are required to provide under Rule 404a-5. Disclosures under Rule 404a-5 are the responsibility of the plan administrator and plan administrators should consult with counsel or other plan service providers, as appropriate, to obtain any information required to be disclosed that is not contained herein. A plan administrator may hire a third party administrator or record keeper to provide these disclosures on its behalf. Columbia Threadneedle Investments does not provide this service for plan administrators.

Following the initial disclosures, the plan administrator or his or her designee must provide a new participant or beneficiary the required information on or before the date that they are first eligible to direct investments in the account. Disclosures must be made to all participants and beneficiaries annually thereafter. The plan administrator must also provide quarterly statements containing certain expense information, as discussed further below.

### Covered individual account plans

The rule is applicable to any plan that provides an individual account for each participant and permits participants to direct investments. The most common type of participant-directed individual account plan covered by the rule is a 401(k) plan. Other types of plans that would be covered include individual account plans if they permit participant direction include profit sharing, money purchase pension and thrift plans. The rule specifically is not applicable to IRAs and IRA-based plans such as SEPs, SARSEPs, and SIMPLE IRAs.

## Required plan-related information

The rule requires all covered individual account plans to provide the following plan-related information:

1. General operational and identification information, including
  - a. How participants and beneficiaries may provide investment instructions
  - b. Any limitations on investment instructions, including any restrictions on transferring to or from a designated investment alternative
  - c. The plan provisions related to the exercise of voting, tender and similar rights related to an investment alternative
  - d. A list of designated investment alternatives under the plan
  - e. A list of any designated investment managers
  - f. A description of any brokerage windows, self-directed brokerage account or similar arrangement that enables the participant to select investment other than those designated by the plan
2. Administrative expenses charged to the plan that may be charged to or deducted from individual accounts (e.g., fees and expenses for legal, accounting and recordkeeping services)
3. Individual expenses that may be charged to or deducted from a participant's individual account based on actions taken by the participant or beneficiary (e.g., fees and expenses associated with plan loans or qualified domestic relations orders)
4. In addition, covered individual account plans must provide participants with statements, no less frequently than quarterly, that reflect the dollar amount of the plan-related fees and expenses (both administrative and individual) actually charged to or deducted from the participant's individual account. These statements must also include a description of the services for which the fee or expense was assessed. This information must be included in the first quarterly statement after the initial disclosure is required and within 45 days of the end of the quarter.

## Required investment-related information

The rule also requires covered individual account plans to provide the following investment-related information to participants and beneficiaries for each investment alternative under the plan:

1. Performance data
  - a. Historical investment performance
    - i. For investment options that do not have fixed or stated rates of return, 1-, 5- and 10-year returns (or since inception, if shorter) and a statement that an investment's past performance is not necessarily an indication of future results
    - ii. For investment options that have fixed or stated rates of return, the annual rate of return and the term of the investment. If the issuer of the designated investment alternative reserves the right to change the fixed rate prospectively, the statement must include the current rate of return, the minimum guaranteed rate, a statement advising participants that the issuer may adjust the rate prospectively and how to obtain the current rate.
  - b. Benchmark information
    - i. For investment options that do not have fixed or stated rates of return, the name of an appropriate broad-based securities market index and its 1-, 5- and 10-year returns (or returns since the inception of the alternative, if shorter)
    - ii. Investment options that have fixed or stated rates of return are not subject to this requirement

2. Fee and expense information
  - a. For investment options that do not have fixed or stated rates of return, the total operating expenses expressed as both a percentage of assets and as a dollar amount for each \$1,000 invested, the amount and a description of any shareholder-type fees, any restrictions on the participant's ability to purchase or withdraw from the investment, a statement indicating that fees and expenses are only one of several factors to consider when making investment decisions and a statement that the cumulative effect of fees and expenses can substantially reduce the growth of a participant's account and a reference to the DOL's website for an example of the long-term effects of fees and expenses
  - b. For investment options that have fixed or stated rates of return, the amount and a description of any shareholder-type fees and any restrictions on the participant's ability to purchase or withdraw from the investment
3. Internet web site address where participants and beneficiaries may obtain additional or more current information about the investment alternative, including:
  - a. Name of the designated investment alternative's issuer
  - b. The designated investment alternative's objectives and goals
  - c. The designated investment alternative's principal strategies (including a general description of the types of assets held by the investment) and principal risks
  - d. The designated investment alternative's portfolio turnover rate
  - e. The designated investment alternative's performance data described in 1 above updated on at least a quarterly basis
  - f. The designated investment alternative's fee and expense information described in 2 above
4. Glossary - a glossary of terms to assist participants and beneficiaries in understanding the plan's investment options or an internet address containing such glossary
5. Annuity Options - if a designated investment alternative is an annuity, alternate disclosures are required relating to the annuity contract

The performance and fee and expense information must be presented in a chart or similar format, designed to facilitate a comparison of the investment alternatives offered under the plan. The DOL has created a model comparative chart that may be used by plan administrators to satisfy the rule requirements. For your convenience, we have attached the DOL's model comparative chart as Appendix A to the end of this document.

### **Additional DOL guidance**

The DOL provided additional guidance in its Field Assistance Bulletin (FAB) 2012-02R<sup>1</sup> issued July 30, 2012 and available on the DOL website at <https://www.dol.gov/agencies/ebsa/employers-and-advisers/guidance/field-assistance-bulletins/2012-02r>. Plan fiduciaries should review the FAB to determine whether the additional guidance impacts their efforts to comply with Rule 404a-5.

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<sup>1</sup>Field Assistance Bulletin 2012-02R supersedes Field Assistance Bulletin 2012-02 (issued May 7, 2012).

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## Other provisions

The rule contains other provisions that are summarized below:

- The rule protects plan administrators from liability for the completeness and accuracy of information provided to participants as long as the plan administrator reasonably and in good faith relies on information supplied by a service provider.
- Participants who have invested in a particular investment alternative must be provided any materials that the plan receives regarding voting, tender or similar rights with respect to the investment alternative.
- Plan administrators must provide participants with prospectuses, financial reports and statements of valuation and of assets held by an investment alternative as requested.
- Disclosures must be written in a manner calculated to be understood by the average plan participant.

In addition, the DOL is simultaneously making conforming changes to the regulations under ERISA §404(c).

If you would like to learn more about these new regulations or your responsibilities thereunder, please visit the Department of Labor's website at [dol.gov/ebsa/](http://dol.gov/ebsa/).

## Required investment-related information for the Columbia mutual funds

The Required Investment-Related Information for the Columbia Mutual Funds that may be held within a Covered Individual Account Plan is generally available on the Columbia Funds web sites.

### Columbia mutual funds

Investment-related information for Columbia mutual funds, including the Columbia Acorn Funds<sup>1</sup>, is available on the Columbia Funds website at: <https://www.columbiathreadneedleus.com/investor/investment-products/mutual-funds>.

Exhibit 1 below shows an example of the Required Investment-Related Information available for certain share classes of Columbia mutual funds. The page contains the following information that may be used by plan administrators to prepare disclosures required under Rule 404a-5 to be provided to eligible plan participants and beneficiaries:

1. Name of the fund
2. Corresponding performance data for the fund and, if selected, the primary benchmark over 1-, 3-, 5- and 10-year periods (if available) and since inception of the share class of the fund
3. The annualized expense ratio of the fund both before (gross) and after (net) any fee waivers or expense reimbursements<sup>3</sup>

The site includes an option to export the data as a spreadsheet or text file. In order to view the fund's primary benchmark<sup>2</sup>, you must follow the link associated with the individual fund to go the fund-specific page.

Exhibit 1

**Mutual Funds**

Option to select share class

Option to display primary benchmark

Performance based on Net Asset Value (NAV) and Public Offering

+ Filters (0 applied)

Class: Institutional | Performance: NAV | MONTHLY |  Primary Benchmark |  Morningstar Category Average

Performance data shown represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data shown. Returns shown assume reinvestment of distributions and do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares. [View disclosures](#)

Displaying 96 fund(s)

Fund Name	YTD % as of 3/8/2022	Average Annual Total Returns (%) at NAV as of 2/28/2022				Since Fund Incept. *	Fund Incept. Date	Expense Ratio as of 3/1/2022	
		1 Year	3 Year	5 Year	10 Year			Gross	Net
<a href="#">Columbia Acorn European Fund</a> CAEZ   Institutional	-30.14	-3.65	14.92	13.05	10.34	10.80	8/19/2011	1.61	1.20
MSCI AC Europe Small Cap Index-Net				9.99	9.33	-			
<a href="#">Columbia Acorn Fund</a> ACRN   Institutional				10.08	10.32	13.90	6/10/1970	0.86	0.86
Russell 2500 Growth Index		-13.74	12.63	13.22	12.80	-			

Each fund name includes a hyperlink to a fund specific

Benchmark presented beneath funds to which it applies when Primary Benchmark is selected above

Expense ratios are presented both before (gross) and after (net) any fee waivers or expense reimbursements

The objective (goals), principal strategies and risks and portfolio turnover for each Columbia fund are presented in the fund's prospectus available through the fund-specific page accessible by following the link for the relevant fund and share class.

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## Columbia exchange traded funds

Required Investment-Related Information for Columbia Exchange Traded Funds (ETFs) is available on the Columbia Threadneedle Investments Actively Managed Exchange Traded Funds Site at:

<http://www.columbiathreadneedleus.com/investment-products/exchange-traded-funds/>

By following the individual Exchange Traded Fund links on the page, you will be routed to the applicable fund-specific page that contains links to the ETF's prospectus and fact sheet. The prospectus and fact sheet contain the following information that may be used by plan administrators to prepare disclosures required under Rule 404a-5 to be provided to eligible plan participants and beneficiaries:

1. Name of the ETF
2. Name of the ETF's primary benchmark<sup>2</sup>
3. Corresponding performance data for the ETF over 1-, 3-, 5- and 10-year periods (if available) and since inception of the ETF
4. The annualized expense ratio of the fund both before (total) and after (net) any fee waivers or expense reimbursements<sup>3</sup>

The objective (goals), principal strategies and risks and portfolio turnover for each ETF is presented in the fund's prospectus also available on the fund specific page.

## Columbia closed-end funds

Required Investment-Related Information for Columbia closed-end funds is available on Columbia Threadneedle Investments site at: <https://www.columbiathreadneedleus.com/investor/investment-products/closed-end-funds>.

The page contains the following information that may be used by plan administrators to prepare disclosures required under Rule 404a-5 to be provided to eligible plan participants and beneficiaries:

1. Name of the fund and share class
2. Performance data for the fund or share class over 1-, 3-, 5- and 10-year periods (if available) and since inception of the share class
3. The annualized expense ratio of the fund<sup>3</sup>

The site includes an option to export the data as a spreadsheet or text file.

In order to view the corporation's primary benchmark,<sup>2</sup> you must follow the link associated with Tri-Continental Corporation and then follow the link to the Fact Sheet. The objective (goals), principal strategies and risks and portfolio turnover for Tri-Continental Corporation is presented in the corporation's prospectus, which is also available on the fund-specific page.

In order to view the corporation's primary benchmark,<sup>2</sup> you must follow the link associated with Columbia Seligman Premium Technology Growth Fund and then follow the link to the annual report. The objective (goals), principal strategies and risks and portfolio turnover for Columbia Seligman Premium Technology Growth Fund is presented in the fund's annual report also available on the fund-specific page.

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## Columbia Variable Products

The Columbia Variable Portfolios and Wanger Funds<sup>4</sup> (the "Variable Funds") are available only through variable annuity contracts and variable life insurance policies issued by participating insurance companies or certain eligible retirement plans. The Variable Funds are not offered to the public. Not all Variable Funds and classes are available in all contracts, policies or plans. Please contact your financial advisor or insurance representative for more information.

In order to view the fund's primary benchmark,<sup>2</sup> please refer to the fund's prospectus available through the financial advisor or insurance representative through whom you have your variable annuity contract, variable life insurance policy or eligible retirement plan.

The objective (goals), principal strategies and risks and portfolio turnover for each Variable Fund is presented in the fund's prospectus also available through your financial advisor or insurance representative.

**Investors should consider the investment objectives, risks, charges and expenses of a mutual fund or variable fund and its related variable contract carefully before investing. For a free prospectus and if available, a summary prospectus, which contains this and other important information about the funds, contact your investment professional or visit [columbiathreadneedle.com/us](http://columbiathreadneedle.com/us). The prospectus should be read carefully before investing.**

Columbia Funds are distributed by Columbia Management Investment Distributors, Inc., member FINRA and managed by Columbia Management Investment Advisers, LLC.

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<sup>1</sup> The Columbia Acorn Funds are Columbia Mutual funds managed by Columbia Wanger Asset Management, LLC.

<sup>2</sup> Note that the plan administrator may choose to use a different primary benchmark.

<sup>3</sup> In order to calculate the total operating expense as a dollar amount for each \$1,000 invested, multiply the expense ratio by \$1,000. For example, if the expense ratio is 0.80%, the total operating expense as a dollar amount for each \$1,000 invested would be \$8 (0.80% multiplied by \$1,000).

<sup>4</sup> The Wanger Funds are Variable Funds managed by Columbia Wanger Asset Management, LLC.

**APPENDIX to §2550.404a-5 – Model Comparative Chart****ABC Corporation 401k Retirement Plan**

Investment Options – January 1, 20XX

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to the specific Internet Web site address shown below or you can contact [insert name of plan administrator or designee] at [insert telephone number and address]. A free paper copy of the information available on the Web site[s] can be obtained by contacting [insert name of plan administrator or designee] at [insert telephone number].

**Document Summary**

This document has 3 parts. Part I consists of performance information for plan investment options. This part shows you how well the investments have performed in the past. Part II shows you the fees and expenses you will pay if you invest in an option. Part III contains information about the annuity options under your retirement plan.

**Part I. Performance Information**

**Table 1** focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an option's principal risks is available on the Web site[s].

<b>Table 1—Variable Return Investments</b>								
Name/ Type of Option	Average Annual Total Return as of 12/31/XX				Benchmark			
	1yr.	5yr.	10yr.	Since Inception	1yr.	5yr.	10yr.	Since Inception
<b>Equity Funds</b>								
A Index Fund/ S&P 500 www. website address	26.5%	.34%	-1.03%	9.25%	26.46%	.42%	-.95%	9.30%
S&P 500								
B Fund/ Large Cap www. website address	27.6%	.99%	N/A	2.26%	27.80%	1.02%	N/A	2.77%
US Prime Market 750 Index								
C Fund/ Int'l Stock www. website address	36.73%	5.26%	2.29%	9.37%	40.40%	5.40%	2.40%	12.09%
MSCI EAFE								
D Fund/ Mid Cap www. website address	40.22%	2.28%	6.13%	3.29%	46.29%	2.40%	-.52%	4.16%
Russell Midcap								
<b>Bond Funds</b>								
E Fund/ Bond Index www. website address	6.45%	4.43%	6.08%	7.08%	5.93%	4.97%	6.33%	7.01%
Barclays Cap. Aggr. Bd.								
<b>Other</b>								
F Fund/ GICs	.72%	3.36%	3.11%	5.56%	1.8%	3.1%	3.3%	5.75%

www. website address					3-month US T-Bill Index			
G Fund/ Stable Value www. website address	4.36%	4.64%	5.07%	3.75%	1.8%	3.1%	3.3%	4.99%
					3-month US T-Bill Index			
Generations 2020/ Lifecycle Fund www. website address	27.94%	N/A	N/A	2.45%	26.46%	N/A	N/A	3.09%
					S&P 500			
					23.95%	N/A	N/A	3.74%
					Generations 2020 Composite Index*			

\*Generations 2020 composite index is a combination of a total market index and a US aggregate bond index proportional to the equity/bond allocation in the Generations 2020 Fund.

**Table 2** focuses on the performance of investment options that have a fixed or stated rate of return. Table 2 shows the annual rate of return of each such option, the term or length of time that you will earn this rate of return, and other information relevant to performance.

Name/ Type of Option	Return	Term	Other
H 200X/ GIC www. website address	4%	2 Yr.	The rate of return does not change during the stated term.
I LIBOR Plus/ Fixed- Type Investment Account www. website address	LIBOR +2%	Quarterly	The rate of return on 12/31/xx was 2.45%. This rate is fixed quarterly, but will never fall below a guaranteed minimum rate of 2%. Current rate of return information is available on the option's Web site or at 1-800-yyy-zzzz.
J Financial Services Co./ Fixed Account Investment www. website address	3.75%	6 Mos.	The rate of return on 12/31/xx was 3.75%. This rate of return is fixed for six months. Current rate of return information is available on the option's Web site or at 1-800-yyy-zzzz.

**Part II. Fee and Expense Information**

**Table 3** shows fee and expense information for the investment options listed in Table 1 and Table 2. Table 3 shows the Total Annual Operating Expenses of the options in Table 1. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option. Table 3 also shows Shareholder-type Fees. These fees are in addition to Total Annual Operating Expenses.

Name / Type of Option	Total Annual Operating Expenses		Shareholder-Type Fees
	As a %	Per \$1000	
<b>Equity Funds</b>			
A Index Fund/ S&P 500	0.18%	\$1.80	\$20 annual service charge subtracted from investments held in this option if valued at less than \$10,000.
B Fund/ Large Cap	2.45%	\$24.50	2.25% deferred sales charge subtracted from amounts withdrawn within 12 months of purchase.
C Fund/ International	0.79%	\$7.90	5.75% sales charge subtracted from amounts invested.

Stock			
D Fund/ Mid Cap ETF	0.20%	\$2.00	4.25% sales charge subtracted from amounts withdrawn.
<b>Bond Funds</b>			
E Fund/ Bond Index	0.50%	\$5.00	N/A
<b>Other</b>			
F Fund/ GICs	0.46%	\$4.60	10% charge subtracted from amounts withdrawn within 18 months of initial investment.
G Fund/ Stable Value	0.65%	\$6.50	Amounts withdrawn may not be transferred to a competing option for 90 days after withdrawal.
Generations 2020/ Lifecycle Fund	1.50%	\$15.00	Excessive trading restricts additional purchases (other than contributions and loan repayments) for 85 days.
<b>Fixed Return Investments</b>			
H 200X / GIC	N/A		12% charge subtracted from amounts withdrawn before maturity.
I LIBOR Plus/ Fixed- Type Invest Account	N/A		5% contingent deferred sales charge subtracted from amounts withdrawn; charge reduced by 1% on 12-month anniversary of each investment.
J Financial Serv Co. / Fixed Account Investment	N/A		90 days of interest subtracted from amounts withdrawn before maturity.

The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the Department of Labor’s Web site for an example showing the long-term effect of fees and expenses at [http://www.dol.gov/ebsa/publications/401k\\_employee.html](http://www.dol.gov/ebsa/publications/401k_employee.html). Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

**Part III. Annuity Information**

**Table 4** focuses on the annuity options under the plan. Annuities are insurance contracts that allow you to receive a guaranteed stream of payments at regular intervals, usually beginning when you retire and lasting for your entire life. Annuities are issued by insurance companies. Guarantees of an insurance company are subject to its long-term financial strength and claims-paying ability.

Name	Objectives / Goals	Pricing Factors	Restrictions / Fees
Lifetime Income Option  www. website address	To provide a guaranteed stream of income for your life, based on shares you acquire while you work. At age 65, you will receive monthly payments of \$10 for each share you own, for your life. For example, if	The cost of each share depends on your age and interest rates when you buy it. Ordinarily the closer you are to retirement, the more it will cost you to buy a share.	Payment amounts are based on your life expectancy only and would be reduced if you choose a spousal joint and survivor benefit.  You will pay a 25%

	<p>you own 30 shares at age 65, you will receive \$300 per month over your life.</p>	<p>The cost includes a guaranteed death benefit payable to a spouse or beneficiary if you die before payments begin. The death benefit is the total amount of your contributions, less any withdrawals.</p>	<p>surrender charge for any amount you withdraw before annuity payments begin.</p> <p>If your income payments are less than \$50 per month, the option's issuer may combine payments and pay you less frequently, or return to you the larger of your net contributions or the cash-out value of your income shares.</p>
<p>Generations 2020 Variable Annuity Option</p> <p>www. website address</p>	<p>To provide a guaranteed stream of income for your life, or some other period of time, based on your account balance in the Generations 2020 Lifecycle Fund.</p> <p>This option is available through a variable annuity contract that your plan has with ABC Insurance Company.</p>	<p>You have the right to elect fixed annuity payments in the form of a life annuity, a joint and survivor annuity, or a life annuity with a term certain, but the payment amounts will vary based on the benefit you choose. The cost of this right is included in the Total Annual Operating Expenses of the Generations 2020 Lifecycle Fund, listed in Table 3 above.</p> <p>The cost also includes a guaranteed death benefit payable to a spouse or beneficiary if you die before payments begin. The death benefit is the greater of your account balance or contributions, less any withdrawals.</p>	<p>Maximum surrender charge of 8% of account balance.</p> <p>Maximum transfer fee of \$30 for each transfer over 12 in a year.</p> <p>Annual service charge of \$50 for account balances below \$100,000.</p>

**Please visit [www.ABCPlanglossary.com](http://www.ABCPlanglossary.com) for a glossary of investment terms relevant to the investment options under this plan. This glossary is intended to help you better understand your options.**