MSRS Minnesota State Retirement System
MNDCP Minnesota Deferred Compensation Plan
HCSP Health Care Savings Plan

Investment Option Change Notice

Minnesota Target Retirement Funds

What's Changing

MSRS and the State Board of Investment (SBI) regularly review plan investment options to ensure they align with participant needs and investment goals. Two changes will be made to the Minnesota Target Retirement Funds in the Minnesota Deferred Compensation Plan (MNDCP) and Unclassified Employees Retirement Plan (UNCL):

1. Lower Costs

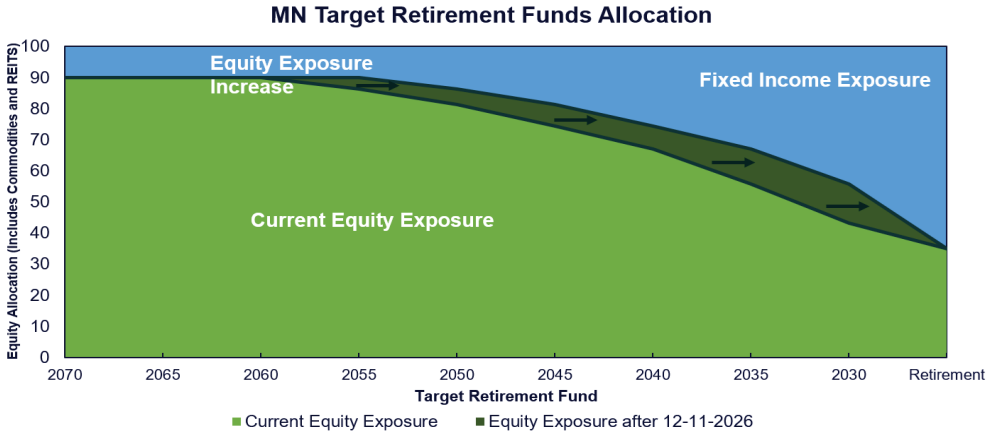
The cost of the Minnesota Target Retirement Funds will decrease effective ***December 11, 2026*** for plan participants. This means you will pay less fees for this investment option.

INVESTMENT NAME	*FORMER* Expense Ratio [1]	*NEW* Expense Ratio [1]
Minnesota Target Retirement Funds	0.055%	0.045%

[1] *Represents the funds total annual operating expense ratios*

2. Asset Allocation

Asset allocation is the mix of stock (equity) and bond (fixed income) investments within each Minnesota Target Retirement Fund. The asset allocation for the 2030–2055 Funds will be updated December 11 to include more stock in the investment mix. This change aligns the asset allocation with the industry average. More stock may help reduce long-term inflation risk and longevity risk (the risk of outliving your retirement savings). It may also increase your short-term market volatility risk.



The date in the target retirement fund's name represents an approximate date when an investor is expected to retire (which is assumed to be at age 65) and/or begins withdrawing money. The principal value of the fund is not guaranteed at any time, including the target date. A target retirement fund will gradually shift its emphasis from more aggressive investments to more conservative investments as the fund nears the target retirement date.

Fund changes may alter the risk exposure of an investment account. Carefully consider the importance of a well-balanced and diversified investment portfolio, while considering all your assets, income and investments. Adjustments may be needed to realign the account with its desired investment strategy.

You should consider the investment objectives, risks, and charges and expenses of the investment options offered through a retirement plan, carefully before investing. The fund prospectuses and information booklets containing this and other information may be obtained by contacting 800.657.5757 or visiting mnretire.gov. Please read the information carefully before investing.

What to Know

How will this change affect me?

You will pay less in fees and the asset allocation of your Minnesota Target Retirement Fund will change. However, there is no change to the management, strategy, or selection of the underlying investments in each fund.

What are the benefits of this change?

Fees are an important consideration when deciding how to invest your contributions.

Reducing a fund's cost means more of your contribution dollars have the potential to work for you. Even a small difference in fees you pay on your investment can add up over time.

Do I need to take action?

Your balance in the Minnesota Target Retirement Fund will adjust to the updated asset allocation and lower-cost fund.

No action on your part is required unless you choose to invest in a Target Retirement Fund with less exposure to the stock market.

How can I learn more about the Minnesota Target Retirement Funds?

Visit our website at www.mnretire.gov/simplify-investing.

Questions?

Contact the MSRS Service Center:
1.800.657.5757 or 651.284.7730

Go online:
www.mnretire.gov

Email us:
info@mnretire.gov

Make an appointment to speak with a retirement specialist.

Locations

St. Paul—Main Office
60 Empire Drive, Suite 300
St. Paul, MN 55103
Monday–Friday 8:00 a.m.–4:30 p.m.

Additional Offices
Addresses and hours of operation available online.

- Duluth
- St. Cloud
- Mankato
- Detroit Lakes

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