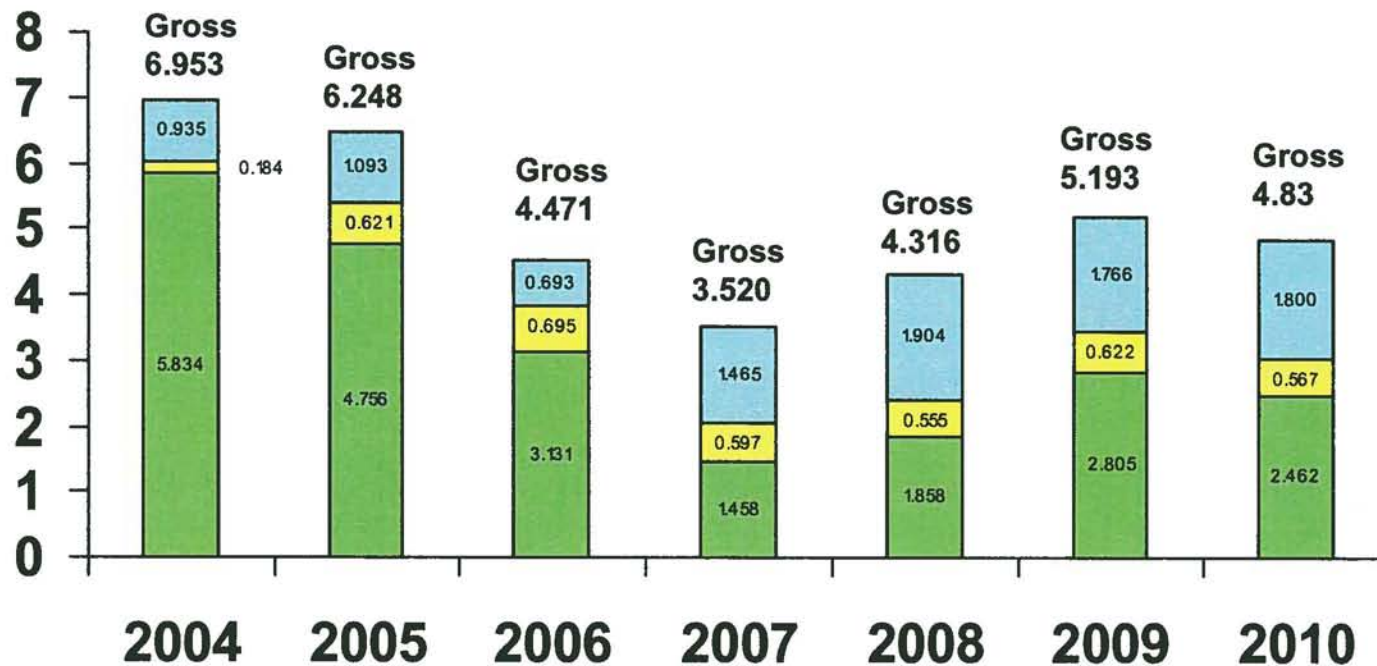


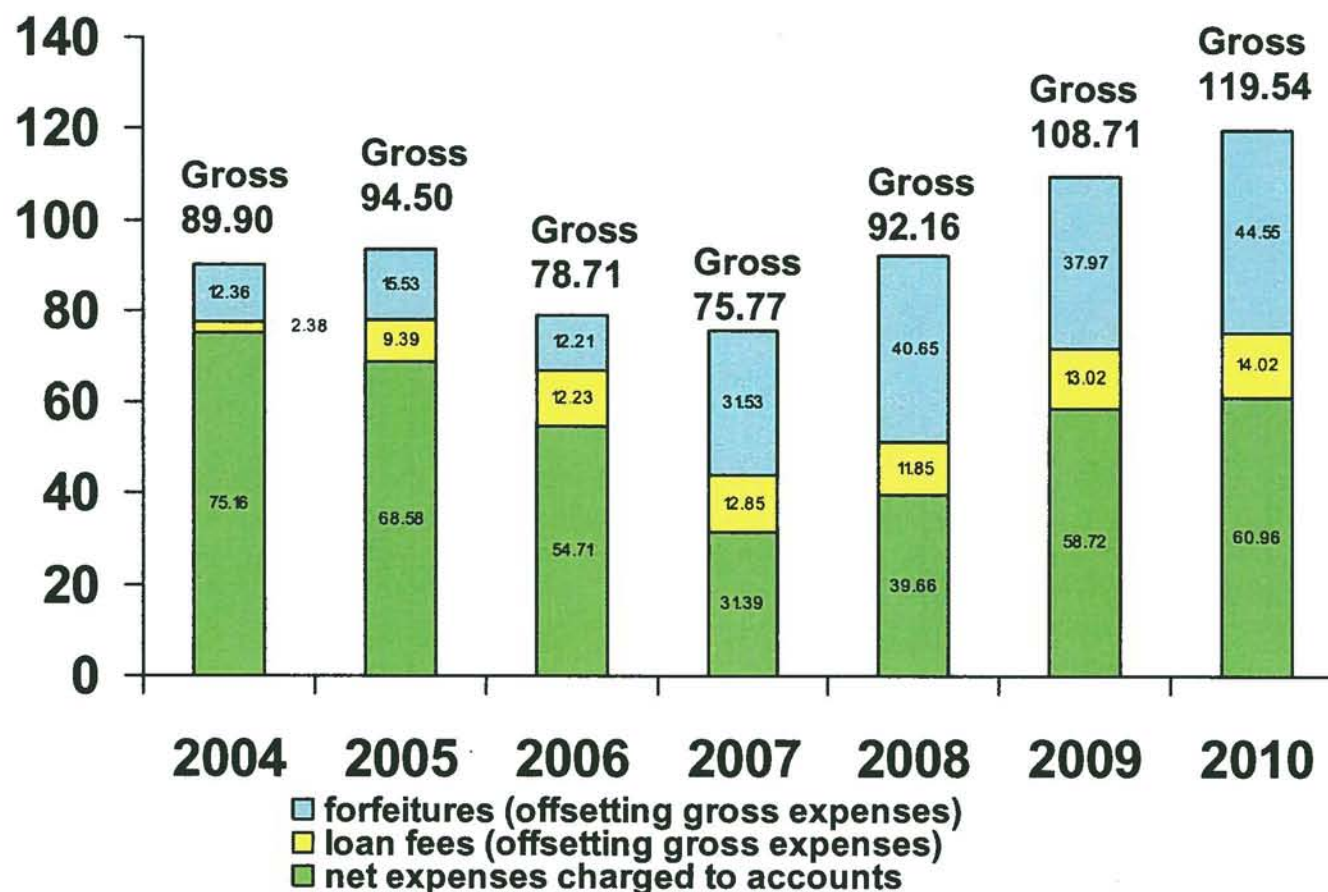
# Gross and Net Expenses

# Expenses (basis points)



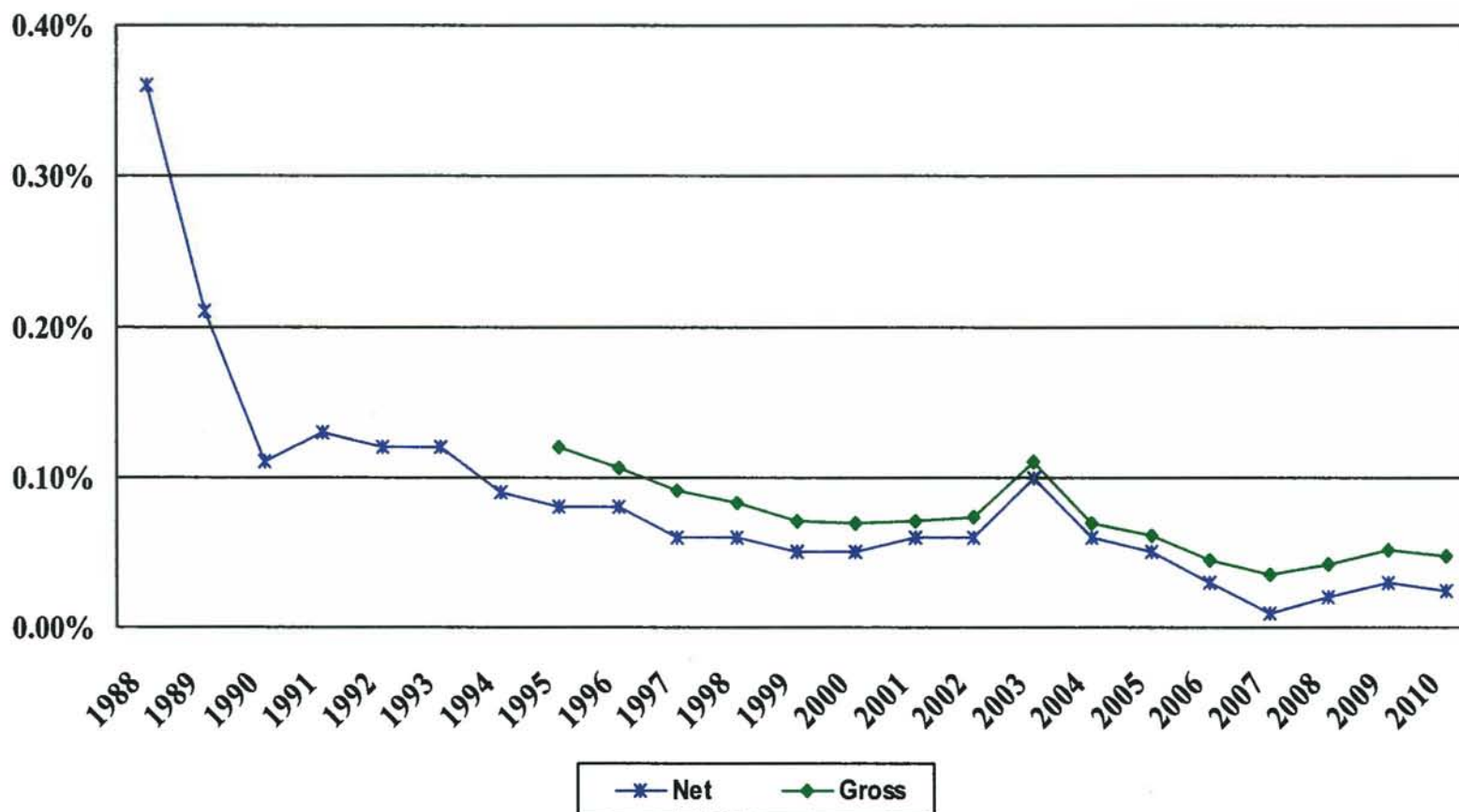
- forfeitures (offsetting gross expenses)
- loan fees (offsetting gross expenses)
- net expenses charged to accounts

# Expenses (\$ millions)





## TSP Expense Ratios 1988-2010



The gross expense ratio is the annual amount of accrued TSP administrative expenses expressed as a percentage of average assets. The TSP net expense ratio is the annual amount of those administrative expenses charged to participant accounts, after offsets for forfeitures and loan fees. Both represent a blended ratio for all TSP funds.

Expense ratios may also be expressed in basis points. One basis point is 1/100<sup>th</sup> of one percent, or .01%. Therefore, the 2010 net expense ratio of .02% is "2 basis points." Expressed either way, this means that net expenses charged to each TSP account in 2010 were approximately 20 cents per \$1,000 of investment.