



*A retirement plan for engineers...by engineers.*

# Allocation of Fiduciary Responsibilities under the ACEC Retirement Trust.

The **ACEC Retirement Trust** is a group trust comprised of the assets of individual employer sponsored plans who are members of the American Council of Engineering Companies ("ACEC") and who elect to participate in the **ACEC Retirement Trust**. The **ACEC Retirement Trust** is managed by a board of seven trustees ("Trustees") (who are employees of employers participating in the **ACEC Retirement Trust**) who act as discretionary trustees for the **ACEC Retirement Trust** pursuant to the terms of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Among the many benefits afforded to employers electing to participate in the **ACEC Retirement Trust** are the following: (i) the Trustees are responsible for the selection of the investment options made available under the **ACEC Retirement Trust**, (ii) the Trustees are responsible for the negotiation of service contracts on behalf of the **ACEC Retirement Trust** (iii) the Trustees are responsible for the evaluation, selection and monitoring of service providers providing services to the **ACEC Retirement Trust**; and (iv) the Trustees are responsible for monitoring the payment of fees and expenses by the **ACEC Retirement Trust** and ensuring that such fees and expenses are reasonable and not excessive.

In addition to these benefits, the Trustees ensure that all service providers providing services to the **ACEC Retirement Trust** (and thus all employer sponsored plans participating in the **ACEC Retirement Trust**) comply with the recently enacted service provider fee reporting as required by Schedule C to the Form 5500 as well as ensure satisfaction of the ERISA fee reporting and disclosure obligations required of all employer sponsors of qualified retirement plans under ERISA section 408.

The Trustees work with various service providers to ensure the **ACEC Retirement Trust** is in compliance with all the applicable requirements of ERISA (including but not limited to participant fee disclosures required by ERISA section 404(a)) and the Internal Revenue Code of 1986, as amended ("Code") including but not limited to: (i) an independent third party financial advisor (currently CAPTRUST Financial Advisors, who also serves as a fiduciary) which assists the Trustees in evaluating, selecting and monitoring all investment options available under the **ACEC Retirement Trust**, negotiating service provider contracts and the fees and expenses charged to the **ACEC Retirement Trust** by such service providers; (ii) an independent third party record keeper (currently Empower Retirement Services) which provides record keeping and administration services for the **ACEC Retirement Trust** and all employer sponsored plans participating in the **ACEC Retirement Trust**; (iii) an independent third party consultant (currently Pensionmark) which provides participant educational services for employees of employers participating in the **ACEC Retirement Trust** and facilitates the transition of employer plans into the **ACEC Retirement Trust**; and (iv) independent legal counsel (currently McDermott Will & Emery) which assists the Trustees in ensuring the continued qualification of the **ACEC Retirement Trust** as a group trust under the Code and the Trustees' compliance with their fiduciary responsibilities and obligations under ERISA.

In furtherance of their ERISA fiduciary duties, the Trustees have adopted an Investment Policy for the **ACEC Retirement Trust**, which is reviewed at least annually and which documents the process for the evaluation, selection and monitoring of investment options available under the **ACEC Retirement Trust**. The Trustees have also developed an open book accounting system for the **ACEC Retirement Trust** where all direct and indirect fees are disclosed to the Trustees on a quarterly basis which ensures the Trustees are able to monitor for potential conflicts of interest and self dealing among the services providers to the **ACEC Retirement Trust**. Lastly, the Trustees are educated on and acknowledge their fiduciary duties under ERISA, as well as their co-fiduciary duties, as are their service providers as applicable.

Employers who select the **ACEC Retirement Trust** have selected a partner that can assume ERISA fiduciary liability for the employer with respect to the areas outlined above, save them time, save them money, provide consistent top quartile returns and provide top quality education for their employees.

You as the employer still have the duty to monitor the Trustees to ensure their compliance with ERISA. This will be done via on-site meetings and webcasts. In addition, the Trustees post summaries of their quarterly meetings to the secure portal of the **ACEC Retirement Trust** website <http://www.acecrt.com> along with other documents and information relating to your and your plan's participation in the **ACEC Retirement Trust**.