



Fiduciary Services

3(38) INVESTMENT
MANAGER AND
3(21) INVESTMENT
FIDUCIARY

As a sponsor of a retirement plan, you are a fiduciary to the plan and its participants. A service provider can help you with that responsibility by offering a number of fiduciary services options in collaboration with your advisor to address the goals of the plan and level of risk you would like mitigated.

3(38) Investment Manager

Plan sponsors can reduce their fiduciary liability regarding the investments of the plan by delegating those responsibilities to a 3(38) Investment Manager. That 3(38) Investment Manager, under ERISA 403(a)(2), retains the authority to select, manage and remove the assets of the plan on behalf of the plan sponsor, participants, and their beneficiaries.

A 3(38) Investment Manager:

- Acknowledges fiduciary status in writing
- Prepares or reviews the Investment Policy Statement (“IPS”)
- Retains authority to select, monitor and manage the plan investments
- Constructs and manages risk-based models (as applicable)
- Selects the Qualified Default Investment Alternative (“QDIA”) (as applicable)
- Proactively makes investment changes for the plan
- Produces quarterly investment reports to assist in the ongoing monitoring of the plan

3(21) Investment Fiduciary

A 3(21) Investment Manager, sometimes referred to as a co-fiduciary, shares investment related fiduciary responsibilities with the sponsor of the plan. The investment fiduciary can make recommendations, but the sponsor retains decision making responsibilities over the assets of the plan.

A 3(21) Investment Fiduciary:

- Acknowledges fiduciary status in writing
- Assists in the preparation or review of the Investment Policy Statement (“IPS”)
- Has authority to provide investment advice
- Provides Qualified Default Investment Alternative (“QDIA”) selection assistance (as applicable)
- Produces quarterly investment reports to assist in the ongoing monitoring of the plan