



ACEC Retirement Trust Allocation of Fiduciary Responsibility:

The ACEC Retirement Trust ("Trust") is a group trust comprised of the assets of individual retirement plans where the sponsoring employer (i) is a member of the American Council of Engineering Companies ("ACEC") and (ii) elects to have their retirement plan participate in the Trust. The Trust is managed by a board of seven trustees ("Trustees") (who are employees of employers who have retirement plans participating in the Trust) who act as discretionary trustees for the 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 have their retirement plan participate in the Trust are the following:

- (i) the Trustees are responsible for the selection of the investment options made available under the Trust (including but not limited to selection of a default investment fund for participant contributions for which investment direction or proper investment direction is not received), that satisfy the requirements of section 404(c) of ERISA and the regulations issued thereunder;
- (ii) the Trustees are responsible for the negotiation of service contracts on behalf of the Trust (and all participating retirement plans);
- (iii) the Trustees are responsible for the evaluation, selection and monitoring of service providers providing services to the Trust (and all participating retirement plans);
- (iv) the Trustees are responsible for monitoring the payment of fees and expenses by the Trust and ensuring that such fees and expenses are reasonable and not excessive; and
- (v) the Trustees, with the assistance of Empower Retirement, collect data from all service providers to the Trust (as to both direct and indirect compensation paid to such service providers) to assist you as the employer/plan sponsor in complying with all applicable fee reporting and disclosure requirements applicable to your retirement plan.

The Trustees work with various service providers to ensure the Trust is in compliance with all the applicable requirements of ERISA 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) which assists the Trustees



in evaluating, selecting and monitoring all investment options available under the Trust, negotiating service provider contracts and the fees and expenses charged to the 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 Trust and all retirement plans participating in the Trust; (iii) an independent third party consultant (currently Pensionmark) which provides participant educational services for employees of employers with retirement plans participating in the Trust and facilitates the transition of retirement plans into the Trust; and (iv) independent legal counsel (currently McDermott Will & Emery, LLP) which assists the Trustees in ensuring the continued qualification of the Trust as a group trust under the Code and the Trustees' (and by extension, your) compliance with their fiduciary responsibilities and obligations under ERISA.

In furtherance of their ERISA fiduciary duties, the Trustees have adopted a written Investment Policy for the Trust, which is reviewed at least annually, and which documents the process for the evaluation, selection and monitoring of investment options available under the Trust. The Trustees have also developed an open book accounting system for the Trust where all direct and indirect fees paid by the Trust on behalf of retirement plans participating in the Trust are disclosed to the Trustees on a quarterly basis which ensures the Trustees are able to monitor potential conflicts of interest and self-dealing among the service providers to the Trust and allows the Trust to provide all employers (with retirement plans participating in the Trust) with all applicable fee information needed to ensure that you are able to comply with your respective reporting and disclosure obligations under ERISA. Lastly, the Trustees are educated on, and acknowledge, their fiduciary duties under ERISA, as well as their co-fiduciary duties.

Employers who select the Trust have selected a partner that brings to you, as the employer, best practices in plan governance and management, assumes ERISA fiduciary liability for you in your role as the sponsoring employer with respect to the areas outlined above, saves you time, saves you money, provides consistent top-quartile returns and provides top-quality education for your employees.

You as the employer are required to act as a fiduciary in the selection of the Trustees as the investment fiduciaries for your plan. In connection with your selection of the Trust and the service providers providing services to the Trust, you as the employer should:

- properly identify all plan fiduciaries, and ensure they are clear about the extent of their fiduciary responsibilities;
- educate yourself on the services being offered by the Trust and ensure that the fees that will be charged to your plan for such services are reasonable and



appropriate for the needs of your respective plan and as compared to other providers;

- and document the selection decision process for electing to join the Trust.

After selection, you as the employer have a continuing fiduciary duty to monitor the Trustees as well as the service providers performance and to review and evaluate, at reasonable intervals, the performance of those to whom responsibilities have been delegated. The review should be done in a manner that may be reasonably expected to ensure that the performance of the responsible individuals comply with the terms of the plan and all statutory standards, including ERISA's exclusive-benefit, prudence, diversification, and prohibited-transaction rules. Accordingly, you as the employer should establish and follow a formal review process at reasonable intervals to ensure that your plan is being properly administered (including regular review of participant statements, employer statements, Form 5500 reporting and all other available reports that are provided in connection with the day to day administration or your plan). Further you as the employer should establish and follow a formal review process at reasonable intervals to ensure that the Trustees are satisfying their fiduciary duties as the investment fiduciary for your plan.

This duty to monitor may be satisfied through your: (i) participation in on-site meetings with Empower Retirement Services and others, (ii) participation in regular webcasts presented by Pensionmark or Empower Retirement Services and others, (iii) review of the Trustees' quarterly meeting summary and all applicable reports and (iv) review of all applicable reports prepared for your plan by Empower Retirement Services delivered or posted to the Trust website at <http://www.acecrt.com> and (v) regular participation in the Trust quarterly Plan Sponsor webinars.

Specifically, you should:

- educate yourself on the Trustee contact for your Trust region and the Executive Director for the Trust and ensure open communication between you as plan sponsor and these Trust representatives;
- review the service providers' performance;
- read any reports provided;
- check actual fees charged;
- provide all required information to Empower Retirement to provide for required annual testing, preparation of your firms 5500 and, your review, signature and filing of the 5500;
- familiarize yourself and your plan fiduciary with all policies and practices of the Trust and its service providers; and
- follow up on participant complaints.



You can access more information regarding ways to ensure satisfaction of your fiduciary responsibilities at the Employee Benefits Security Administration, Department of Labor, Meeting Your Fiduciary Responsibilities (October 2010) at: <http://www.dol.gov/ebsa/publications/fiduciaryresponsibility.html>.