

# Mesirow 3(21) and 3(38) Fiduciary Partnership Services

Mesirow Fiduciary Solutions provides innovative services that help plan sponsors and advisors develop and maintain successful retirement plans.

On May 18, 2015, the Supreme Court issued a decision in *Tibble v. Edison International* that unanimously upheld that plan fiduciaries are required to conduct regular reviews of plan investments. The Court found that a plan fiduciary has a continuing duty to monitor investments and remove imprudent ones, separate and apart from the fiduciary duty of selecting plan investments.

Mesirow's 3(21) and 3(38) Fiduciary Partnership Services ("Fiduciary Service") assist plan fiduciaries in performing their fiduciary duties, including those that were reaffirmed by the Court.

## Helping you grow your retirement plan business

With either 3(21) or 3(38) Fiduciary Service, you remain as the expert and key business contact for the plan sponsor. Mesirow supports you and will never have direct contact with the plan sponsor unless requested.

### 3(21) "HELP ME DO IT"

Mesirow will:

- Assist with investment selection and monitoring. The plan maintains discretion.
- Provide you with the Elite List — a broad menu of approved funds across many asset classes on a recordkeeper's platform for which Mesirow takes fiduciary responsibility.

### 3(38) "DO IT FOR ME"

Mesirow will:

- Assume full discretion for selecting, monitoring and, if necessary, replacing investment options within the plan lineup.
- Provide you with discretionary investment option lineup or approve a lineup you have proposed. Mesirow will manage it with discretion going forward.<sup>1</sup>

## Key benefits of Mesirow's Fiduciary Service



### Investment monitoring —

Mesirow monitors plan investment options on a quarterly basis using a rigorous quantitative and qualitative process.



### Legal protection —

Mesirow defends all claims within the scope of our fiduciary duty. Indemnification for plan sponsors and advisors is not subject to a liability cap.<sup>2</sup>



### Expertise —

Mesirow is a pioneer of third-party fiduciary solutions. By utilizing our PrecisionAlpha® process, a proprietary manager selection methodology, we can more accurately account for a manager's true potential for success and active level of risk.

## Fiduciaries maintain an important level of responsibility for their plan participants

Fiduciaries have important responsibilities and are subject to standards of conduct because they act on behalf of participants in a retirement plan and their beneficiaries. These responsibilities include:

- Acting solely in the interest of plan participants and their beneficiaries
- Carrying out their duties prudently
- Diversifying plan investments

The duty to act prudently is one of a fiduciary's central responsibilities under ERISA. It requires expertise in a variety of areas, such as investments.

## Our reports and communication

We provide you with a comprehensive set of reports and communication that can help support your client base.

**1 INVESTMENT POLICY STATEMENT (IPS) TEMPLATE**  
The IPS template provides a road map to document the general investment objectives of the retirement plan.

**2 ELITE LIST – 3(21)**  
Mesirow's Elite List provides a broad menu of approved funds across many asset classes for which Mesirow takes fiduciary responsibility.

**3 DISCRETIONARY INVESTMENT OPTION LINEUP – 3(38)**  
Mesirow takes full discretion for selecting, monitoring and, if necessary, replacing investment options within the plan lineup.

**4 QUARTERLY REPORTING PACKAGE**  
The quarterly package you will receive contains market commentary, fund notices (if necessary) and a detailed fund due diligence report (Mesirow Investment Review).

### Quantitative due diligence factors:

- Performance
- Expense
- Style consistency

### Qualitative due diligence factors:

- Organization
- Investment Policy

## About Mesirow

Mesirow is an independent, employee-owned financial services firm founded in 1937. Headquartered in Chicago, with locations around the world, we serve clients through a personal, custom approach to reaching financial goals and acting as a force for social good. With capabilities spanning Global Investment Management, Capital Markets & Investment Banking, and Advisory Services, we invest in what matters: our clients, our communities and our culture.

**Mesirow Fiduciary Solutions** creates institutional investment solutions for the retirement and health savings marketplace, supporting plan sponsors, financial advisors, recordkeepers and administrators, trust companies and insurers.

1. Not available on all recordkeeping platforms. | 2. The specific legal protection offered by Mesirow is governed by the agreement between Mesirow Financial Investment Management, Inc. and the plan sponsor. Nothing herein is intended to modify such agreement.

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To learn more about how Mesirow can help you, please contact us at [fiduciaryinquiries@mesirow.com](mailto:fiduciaryinquiries@mesirow.com) or visit [mesirow.com/fiduciarysolutions](https://mesirow.com/fiduciarysolutions).