

Excessive Fee Checklist

☒ _____
☒ _____



Plan Committee Process

- Do you benchmark your Plan's total fees to help ensure they aren't excessive? ☐ Yes ☐ No
If yes, how frequently is the evaluation completed? ☐ Annually ☐ every 12-24 Months ☐ every 24-36 Months
Date of last benchmarking engagement: _____
If no, does your Plan Committee utilize another process to evaluate the reasonableness of service provider fees?
☐ Yes ☐ No Please describe: _____
- If you currently benchmark your plan's fees, do you use an outside consultant to benchmark the fees charged by service providers? ☐ Yes ☐ No If yes, what was their advice, and did you follow it? _____
- If you haven't benchmarked your Plan's total cost, can you easily and accurately identify each service provider's fees (recordkeeping, advisory and investment management)? Explain: _____
- Have you undertaken a RFP of one or more of your plan service providers? ☐ Yes ☐ No
If yes, what was the last date of the RFP? _____

NOTES:

Recordkeeping Fees

- On what basis do you pay your recordkeeper? ☐ % of assets under management ☐ Revenue sharing (including use of proprietary products such as a stable value fund) ☐ per capita ☐ flat fee ☐ other
If by other means besides per capita, how much do you pay per participant when converting your Plan's fee to per capita? _____
- Further, if your Plan's fees are paid via revenue sharing, can you accurately identify the amount of revenue sharing generated by the Plan's investment menu (including any stable value fund or proprietary target date solutions), to whom it is paid and for what services? ☐ Yes ☐ No
If a surplus is generated by the revenue sharing, is that surplus rebated to the specific participant accounts from which the revenue sharing was generated or to the plan overall? ☐ Participant accounts ☐ Plan Overall
- How is the revenue sharing disclosed? Please describe _____
- Do you have a process in place that documents that your recipients have actual knowledge of the Participant Fee Disclosure (404a5) material specifically regarding fees and the fact that they have read them? ☐ Yes ☐ No

NOTES:

Investment Menu Selection and Monitoring (Part 1)

1. Do you have a Plan Committee process in place for evaluating the plan's investment options? ☐ Yes ☐ No
If yes, does the process include analysis of the performance, expense and risk of the investment options?
☐ Yes ☐ No
2. How frequently is the evaluation completed? ☐ Annually ☐ Semi-annually ☐ Quarterly ☐ Not at all
3. Can you concisely & accurately describe how the investment options are selected and monitored?
☐ Yes ☐ No
4. Does the committee document not just the decisions to retain or remove any investment option but the rationale behind any such decision as well? ☐ Yes ☐ No
5. Do you have a "default" investment option for when participants fail to make an investment election?
☐ Yes ☐ No If yes, please describe _____

NOTES:

Investment Menu Selection and Monitoring (Part 2)

1. How many investment plan options do you offer your participants? _____
2. Have you considered downsizing the amount of investment options available? ☐ Yes ☐ No
If yes, describe _____
3. Are there multiple investment options (including active and passive) within a category of investment?
☐ Yes ☐ No
4. Do you consider fee and expense ratios when selecting investment options? ☐ Yes ☐ No
5. Can you easily identify the expense ratios of your investment options and do you benchmark those expense ratios against comparable investments? ☐ Yes ☐ No
6. Do you review your investments to ensure that you have the most cost-effective share class (e.g. institutional versus retail; passive versus actively managed, and/or Collective Investment Trusts) as appropriate?
☐ Yes ☐ No If yes, please describe _____

NOTES:

Consultants

1. Do you use a consultant to help you select and monitor mutual funds for your plans? ☐ Yes ☐ No
If yes, have you determined whether there are any fee or commission arrangements between the consultant and the recommended mutual fund provider? ☐ Yes ☐ No
2. Are you comfortable that the investment fund provider and the consultant are completely independent?
☐ Yes ☐ No
3. Does your consultant serve as a Fiduciary? ☐ Yes ☐ No
If yes, select what type ☐ 3(21) ☐ 3(38) ☐ I don't know

NOTES:

Legal and Education

1. Have you been contacted by any law firms regarding a potential excessive fee case? ☐ Yes ☐ No
2. If yes, which law firm contacted you? _____
3. Do you provide investment education to participants? ☐ Yes ☐ No
4. If yes, describe the investment education that you provide to plan participants. _____

NOTES:

About Prime Capital Financial of Connecticut

Prime Capital Financial of Connecticut continues the legacy of Financial Network Limited, which was founded to deliver personalized investment strategies for individuals and families, along with distinctive employee benefit solutions for employers. More than 30 years later, our mission remains the same: to provide comprehensive, innovative financial guidance with the highest levels of professionalism, integrity, and client focus.

We Are Proud to Offer these Services

- ➔ Comprehensive Retirement Plan Consultation and Services
- ➔ Asset Management and Financial Planning for Individuals and Families
- ➔ Financial Wellness Solutions for Plan Sponsors

Questions?

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