

INSTITUTIONAL ASSET MANAGEMENT

FIDUCIARY PROTECTION FOR YOUR RETIREMENT PLAN

# FIDUCIARY INVESTMENT SERVICES



## GROWING SCRUTINY OVER INVESTMENT SELECTION AND MONITORING



Organizations that sponsor participant-directed defined contribution retirement plans are required to select and maintain an investment lineup that is in the best interests of plan participants. In today's environment, how can plan sponsors reduce their plan risks and effectively manage their fiduciary responsibilities?

You can look to PNC Institutional Asset Management® for support in managing this critical responsibility. Our Fiduciary Investment Services can help you select and monitor your retirement plan's investment lineup with confidence.

### THE INVESTMENT LINEUP: REMEMBERING THE FUNDAMENTALS

You are required to carry out a range of responsibilities when managing an ERISA<sup>1</sup> plan's investment lineup, including:

- Providing employees with a broad range of investment options
- Selecting, monitoring, removing and replacing investment options, as appropriate
- Providing investment options and related services that are suitable for the particular needs and abilities of the employees covered under the plan

You are also responsible for making sure that only reasonable fees are paid from plan assets, as plan expenses must be reasonable in relation to the quality of service provided.

### BENEFITS OF OUR FIDUCIARY INVESTMENT SERVICES

Fiduciary protection  
with flexible solutions

Prompt and consultative  
reporting and insights

Backed by years of  
investment experience

<sup>1</sup> The Employee Retirement Income Security Act of 1974, as amended ("ERISA").

## TWO TYPES OF FIDUCIARY INVESTMENT SERVICES

PNC Institutional Asset Management can help you fulfill your fiduciary responsibilities with respect to the selection and monitoring of your plan's investment lineup. You can choose either our non-discretionary 3(21) Investment Advisory Service or our discretionary 3(38) Investment Management Service. Both services offer comprehensive screening and rigorous monitoring of investment fund options to help maintain your investment lineup's focus, quality and performance.

### 3(21) INVESTMENT ADVISORY SERVICE

If you want to maintain discretion over your plan's investment lineup, but you are seeking support with investment selection and monitoring decisions, then consider our non-discretionary 3(21) Investment Advisory Service.

#### How the 3(21) Investment Advisory Service Works

Through our rigorous quantitative and qualitative screening process, PNC Institutional Asset Management evaluates investment options and presents recommendations to help plan sponsors create an investment menu.

### 3(38) INVESTMENT MANAGEMENT SERVICE

If you are seeking to delegate discretion over your plan's investment lineup, then consider our discretionary 3(38) Investment Management Service.

#### How the 3(38) Investment Management Service Works

PNC Institutional Asset Management will assume responsibility for selecting, monitoring and, if necessary, removing and replacing your plan's investment options.



## RISK MITIGATION

Plan sponsors that use our Fiduciary Investment Services can expect protection from liability. This protection covers third-party claims asserting a failure to exercise the appropriate standard of care under ERISA with respect to the selection and monitoring of the plan's investment lineup, as stipulated in the account agreement. This protection is available when that lineup is built using the approved investment options offered through our Fiduciary Investment Services.

## COMPREHENSIVE DESIGN AND INVESTMENT OVERSIGHT PROCESS



Our process was built to save you time and to help protect your organization with well-documented and thorough selection and monitoring.

Our experienced team of investment professionals uses a proven approach of quantitative and qualitative due diligence to select and monitor investment options.

### MULTIPHASED INVESTMENT SCREENING

#### Proprietary Selection and Monitoring Process

Your investment lineup is subjected to rigorous review and oversight using our weighted scoring methodology for active, passive and target date funds.



### RIGOROUS ONGOING MONITORING AND DOCUMENTATION

Our service will provide you with prompt, insightful quarterly reporting, including:

- Fiduciary Investment Monitoring Report
- Fact sheets
- Removal notices
- Executive Summary of review meetings

Fund performance and fiduciary monitoring results will appear in one consolidated report.

We provide a template Investment Policy Statement (IPS) that includes a description of our fiduciary due diligence process. We collaborate with you in the review and customization of your IPS, including assistance with updates as necessary.

## VALUE-ADDED FIDUCIARY SUPPORT

### FEE BENCHMARKING AND PROVIDER SEARCH SERVICES

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We offer a retirement plan fee and service comparison through Fiduciary Decisions and Insights, LLC (FDI), which can help plan sponsors fulfill their ERISA duties by providing an independent, balanced view of fee reasonableness and provider quality. While the fiduciary has ultimate responsibility for assessing and negotiating reasonable fees from its retirement plan service providers, the information provided by FDI assists in this evaluation and decision-making process by using a proprietary process for pulling the most relevant data and statistics.

In addition, our experience can help your organization navigate provider price benchmarking and the provider search process to aid in selecting a provider that meets your needs. These services assist you in fulfilling the important fiduciary responsibility of acting prudently and for the exclusive benefit of plan participants and beneficiaries. Undertaking our provider search services will also serve as a written record of the systematic process behind the selection of your plan service provider.

### FIDUCIARY EDUCATION AND COMPLIANCE ASSISTANCE

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PNC Institutional Asset Management supports you in meeting your fiduciary responsibilities by providing a thorough collection of training and resources, including:

- Education and information about the formation and structure of an investment committee and best practices for defining policies and procedures to guide the investment committee
- Formal fiduciary education for committee members made available through Broadridge Fi360 Solutions
- Documentation of prudent investment selection and monitoring process for the maintenance of plan's fiduciary file
- Monitoring and communication of ongoing legislative changes and market trends
- Materials providing information on industry insight and best practices
- Access to and review of Plan Sponsor Fiduciary Monitoring Checklist, 408(b)(2) Fee Disclosure Checklist and Fiduciary Liability Insurance Checklist



## LEADING FINANCIAL SERVICES ORGANIZATION SERVING CONSUMERS AND INSTITUTIONS



With roots in commercial banking that date back to the 1800s, PNC Bank has grown to become one of the largest diversified financial services institutions in the United States and offers a wide range of solutions for all of our customers, from individuals and small businesses to corporations and government entities.

Inside PNC Institutional Asset Management, we focus on the investing needs of our institutional clients. Through a well-defined and disciplined process, we help guide corporations, governments, nonprofits and other institutional investors to investment solutions that can help optimize investing and retirement.

PNC Institutional Asset Management is a specialized team that focuses on investment management, fiduciary and ancillary services for retirement and benefit plans. We offer specialized solutions for both defined benefit and defined contribution plans.

### Retirement Plan Assets by the Numbers<sup>2</sup>

**\$2.22 B+**

3(38) Discretionary Assets Under Management for Retirement & Benefit Plans

**\$7.77 B+**

3(21) Investment Advisory Responsibility for Retirement & Benefit Plans



To learn more about PNC Institutional Asset Management, contact your PNC Institutional Asset Management representative or visit [pnc.com/iam](https://pnc.com/iam)

*The Pensions & Investments Top 20 Outsourced Chief Investment Officer (OCIO) ranking includes assets under management with PNC's 3(38) Investment Management Service.*

<sup>2</sup> Data as of 06/30/2023. AUM represents assets managed by PNC Bank, National Association ("PNC Bank") and PNC Capital Advisors, LLC, an SEC-registered investment adviser and wholly-owned subsidiary of PNC Bank. 3(21) represents nondiscretionary retirement plan assets under advisement by PNC Bank.

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The PNC Financial Services Group, Inc. ("PNC") uses the marketing name PNC Institutional Asset Management® for the various discretionary and non-discretionary institutional investment, trustee, custody, consulting, and related services provided by PNC Bank, National Association ("PNC Bank"), which is a **Member FDIC**, and investment management activities conducted by PNC Capital Advisors, LLC, an SEC-registered investment adviser and wholly-owned subsidiary of PNC Bank. PNC does not provide legal, tax, or accounting advice unless, with respect to tax advice, PNC Bank has entered into a written tax services agreement. PNC Bank is not registered as a municipal advisor under the Dodd-Frank Wall Street Reform and Consumer Protection Act. PNC uses the marketing names Retirement 1-on-1® and PNC Financial Wellness Achievement Center<sup>SM</sup> for employee education services provided by PNC Bank.

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**Investments: Not FDIC Insured. No Bank Guarantee. May Lose Value.**

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