

Retirement Services

Fiduciary Partnership Program Offered by Mesirow Financial

ERISA Section 3(21) and 3(38) Services



As fiduciaries, employers are faced with certain complex responsibilities including investment selection and monitoring. This is an opportunity for you to recommend retirement plans with flexible fiduciary services to help protect the employer.



Fiduciary Service Options

Through the Mesirow Financial “Fiduciary Partnership Program,” advisors and plan sponsors may select from two fiduciary service options listed below.

CO-FIDUCIARY SERVICE

3(21)

Under the 3(21) co-fiduciary service, advisors and employers may construct an investment lineup using funds from Mesirow Financial’s Elite List or use one of Mesirow Financial’s 3(21) suggested lineups. The Elite List and 3(21) suggested lineups cover a range of asset classes designed for long-term retirement investing.

INVESTMENT MANAGER SERVICE

3(38)

With the 3(38) investment manager service, Mesirow Financial develops various investment lineups and acts as the discretionary investment manager to the plan. This gives the advisor more autonomy to advise the plan’s participants. This also is an effective solution for broker-dealers concerned with their advisors taking on fiduciary status with regard to investment selection and monitoring for the plan.

MESIROW FINANCIAL INDEMNIFICATION

Mesirow Financial will perform its duties and obligations in compliance with ERISA. In accordance with its agreement with the employers, Mesirow Financial will indemnify the plan in the event of a breach of such duties regardless of whether it serves as a 3(21) co-fiduciary or a 3(38) investment manager.*

QUARTERLY INVESTMENT REPORTING AND MONITORING

Employers receive ongoing fiduciary support through the quarterly investment report, Mesirow Financial POLICE Report®, and recommendations regarding funds on the 3(38) lineups.

ABOUT MESIROW FINANCIAL

Mesirow Financial is a diversified financial services firm headquartered in Chicago. Founded in 1937, it is an independent, employee-owned firm with locations across the country and in London and Hong Kong.

With experience in Investment Management, Global Markets and Consulting, Mesirow Financial strives to meet the financial needs of institutions, public sector entities, corporations and individuals.

For more information about Mesirow Financial, please visit mesirowfinancial.com.

* The specific instances in which a party may be entitled to indemnity are set forth in detail in the agreement between the plan sponsor and Mesirow Financial, and nothing herein is intended to modify that agreement.

3(21)

INVESTMENT ELITE LISTS FOR 3(21)

For its 3(21) co-fiduciary service, Mesirow Financial compiles an Elite List of approved investment options. Employers and advisers can construct a plan lineup that best match their employee characteristics using investment options from the Elite List. Inclusion on the Elite List offers assurance that Mesirow Financial stands behind the selection and monitoring of the investment options and offers fiduciary protection to employers and their advisers.

Advisors and employers also may select one of the four 3(21) Suggested Lineups that vary by complexity of the asset classes, mix of actively- and passively-managed investment options, and/or fees of the investment options:

- **Index Suggested Lineup** – for employees with average to above-average investment knowledge and understanding of risk, who also wants passively-managed investment options
- **Standard Suggested Lineup** – for employees with average investment knowledge and understanding of risk
- **Advanced Suggested Lineup** – for employees with above-average investment knowledge and understanding of risk
- **Select Suggested Lineup** – for employees with average to above-average investment knowledge and understanding of risk, who also want to emphasize lower cost investment options

An Advisory Services Agreement is executed between the employer and Mesirow Financial.

INVESTMENT MANAGER DUE DILIGENCE

In both service options, Mesirow Financial combines a quantitative review with qualitative analysis to produce a thorough and documented manager due diligence process.

To be considered an approved fund on Mesirow Financial's fund lists, a fund must pass an ongoing due diligence process and satisfy specific asset class requirements, including:

- 1 In-depth Quantitative Review
- 2 Management Evaluation
- 3 Other Qualitative Factors

3(38)

INVESTMENT LINEUPS FOR 3(38)

Under the 3(38) investment manager service, Mesirow Financial is delegated all investment authority on behalf of the plan. Advisors and employers may select one of the four 3(38) lineup types based on the level of asset class sophistication and employee demographics.

The four 3(38) investment lineups share similar independent fund options as found in the Mesirow Financial suggested lineups for the 3(21) co-fiduciary service.

- **Index Lineup** – for employees with average to above average investment knowledge and understanding of risk, who also wants passively-managed investment options
- **Standard Lineup** – for employees with average investment knowledge and understanding of risk
- **Advanced Lineup** – for employees with above-average investment knowledge and understanding of risk
- **Select Lineup** – for employees with average to above-average investment knowledge and understanding of risk, who also want to emphasize lower cost investment options

Brokerage windows, individually managed accounts and company stock are not covered under the 3(38) service since Mesirow Financial is acting as the discretionary investment manager. An additional fee applies for the 3(38) service option.

Mesirow Financial accepts responsibility through an Investment Manager Agreement signed by the plan sponsor and Mesirow Financial.

QUANTITATIVE SCREENS AND QUALITATIVE ANALYSIS

Mesirow Financial uses third-party data providers and maintains a manager database containing virtually all available open-end mutual funds and variable annuity sub-accounts. These databases are updated on a quarterly basis utilizing Mesirow Financial's PrecisionAlpha® manager selection process.

Mesirow Financial also submits proprietary questionnaires on a quarterly basis to the investment managers and collects qualitative information from other sources.

Get Retirement Right®

Why Mutual of Omaha

For more than a century, Mutual of Omaha has been committed to listening to our customers and helping them through life's transitions by providing an array of insurance and financial products.

MutualofOmaha.com

Advisory services provided by Mesirow Financial Investment Management, Inc., an SEC-registered investment advisor. Plan sponsor will execute an Advisory Services Agreement with Mesirow Financial as part of Mutual of Omaha's plan implementation process. Mesirow Financial Holdings, Inc. is not affiliated with Mutual of Omaha and its affiliates. Mesirow Financial refers to Mesirow Financial Holdings, Inc. and its divisions, subsidiaries and affiliates. The Mesirow Financial name and logo are registered service marks of Mesirow Financial Holdings, Inc. (c) 2019, Mesirow Financial Holdings, Inc. All rights reserved. Advisory Fees are described in Mesirow Financial Investment Management, Inc.'s Form ADV Part 2A. Mesirow Financial does not provide legal or tax advice. Advisory services offered through Mesirow Financial Investment Management, Inc. an SEC registered investment advisor.

Investments offered through a group variable annuity contract (Forms 902-GAQC-09, 903-GAQC-14, 903-GAQC-14 FL, 903-GAQC-14 MN, 903-GAQC-14 OR, 903-GAQC-14 TX, or state equivalent) underwritten by United of Omaha Life Insurance Company, 3300 Mutual of Omaha Plaza, Omaha, NE 68175, in all states except New York. In New York, Companion Life Insurance Company, Hauppauge, NY 11788 underwrites the group variable annuity (Form 903-GAQC-17NY).

Each company accepts full responsibility for their respective contractual obligations but does not guarantee contributions or investment returns except as to the Guaranteed Account and the Lifetime Guaranteed Income Account (LGIA) as provided under the contract. All guarantees are based on the underwriting company's financial strength and claims paying ability. Restrictions apply. The LGIA is not available in Nevada or New York. Availability may vary by plan. Neither United of Omaha Life Insurance Company, Companion Life Insurance Company, nor their representatives or affiliates offer investment or legal advice in connection with the contract.

Group variable annuities are long-term investment vehicles designed to accumulate tax-deferred money for retirement. Distributions may be subject to ordinary income tax and, if taken prior to age 59½, a 10 percent federal tax penalty may apply. Investing involves risk, including possible loss of principal.

Prior to selecting investment options for the plan, plan sponsors should carefully consider investment objectives, risks, fees and expenses. This and other important information can be found on the fee disclosure document or plan sponsor website. Read this information carefully.

Not all funds available in all plans.

Mutual of Omaha Retirement Services is a marketing name for the Retirement Plans Division of Mutual of Omaha Insurance Company.

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