ACEC RT

A retirement plan for engineers...
by engineers
Top financial issues facing employees

• Health and financial wellness
• Day to day financial decisions
• Competing financial priorities

Financial stress leads to decreased employee productivity, increased absenteeism, and higher employer costs

• 57% of participants worry about their finances at work at least once per week

• 43% of participants spend an hour or more per month at work on their personal finances

• 45% of participants say they would be more productive if they weren’t worried about their finances

• Financial stress cost employers an estimated $2,169 per employee, per year
ACEC RT Student Debt 401(k) Solution
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Why Student Loan Repayment Benefits?

- Student loan repayment programs top the list of benefit “must haves” for employees according to
  - Glassdoor
  - Harvard Business Review
  - Forbes
- SHRM reports only 4% of employers are offering some form of this benefit and none - at the time of the report - were tax advantaged, i.e. pre-tax
ACEC RT Student Debt 401(k) Solution

Why Student Loan Repayment Benefits?

- High cost to waiting while your competitors implement
  - US turnover = $500 billion + annually
  - Recruiting costs up to 200% of annual salary for each lost employee
  - Employers that fail to innovate generate 12% less revenue and are 32% less profitable
ACEC RT Student Debt 401(k) Solution

SLR + Qualified plan contributions - ONLY TAX ADVANTAGED SOLUTION AVAILABLE

Cutting-edge solution to the student loan debt crisis

- Tool to attract and retain talent
- Easy to understand and valued benefit by employees

Enables employers to make tax-qualified 401(k) plan contributions based on employee’s student loan repayments to student loan provider

- Gets employees started towards retirement savings while still allowing them to repay their student loan debt

- ONLY structure that allows employer assistance with debt repayment on a pre-tax basis
  - Can be structured as an additional contribution or replace existing match feature
  - Plan sponsors have choice in amendment design
ACEC RT Student Debt 401(k) Solution

Plan Sponsor Chooses:
1. Effective amendment date to Empower 401(k) prototype document

2. One of two structures for student loan repayment benefit contribution:
   - Employer Contribution Alternative
     - Participants receive student loan repayment contributions in lieu of other employer contributions (i.e., match, profit-sharing)
     - Year-end true-up if student loan repayments are insufficient
   - Safe Harbor 401(k) Plan Alternative
     - Participants receive student loan repayment contributions as well as other employer contributions
     - Year-end true-up if student loan repayments are insufficient
3. One of four menu options for amount of student loan repayment contribution
   - 5% of compensation in exchange for student loan repayments equal to 2% of compensation
   - 4% of compensation in exchange for student loan repayments equal to 1.5% of compensation
   - 3% of compensation in exchange for student loan repayments equal to 1% of compensation
   - 2% of compensation in exchange for student loan repayments equal to 0.5% of compensation

Note: Student loan repayment contribution amounts are fixed based on the single menu option selected by the plan sponsor. An employee who makes student loan repayments greater than the stated compensation percentage in that menu option, i.e. 0.5%, 1.5% etc. does not earn a greater student loan repayment contribution.

4. Whether to follow existing plan allocation conditions or impose unique allocation for student loan repayment contributions

5. Whether or not highly compensated employees (HCE’S) can participate
Getting employees started toward retirement savings

- Eligible student loans are the following:
  - Federal Perkins Loans
  - Private Student Loans
  - Subsidized and Unsubsidized Stafford Loans (FFELP/Direct)
  - Health Professional Loans
  - Grad PLUS Loans (FFELP/Direct)
  - Student Consolidation Loans
  - Student Refinance Loans
  - State Loans
  - Other educational loans, as determined by the Administrator
The value you receive from membership in the ACEC Retirement Trust

- Lower fees for all-inclusive solution
- Enhanced fiduciary protection
- Institutional-scale investments. Flexible fund lineup.
- Employee education and support
- Personal financial advisor for each participant
- Overseen by engineering industry leaders
Lower fees and benefits that even the largest firms can’t get on their own

- $2.5 million in aggregate buying power
- Savings on fees: more money stays in employee retirement accounts
- One integrated solution: investments, education, recordkeeping, administration
- No hidden fee

<table>
<thead>
<tr>
<th>Number of Employees in Company</th>
<th>Average Plan Savings</th>
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<tbody>
<tr>
<td>10</td>
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</table>
Enhanced fiduciary protection

- Enhanced fiduciary protection. Reduced risk of personal liability
- Compliance with ERISA Law
- Quarterly Plan Sponsor meetings: help fulfill one of your fiduciary responsibilities
- Fiduciary education & training
ACEC RT: Enormous buying power and a structure with industry-leading partners

<table>
<thead>
<tr>
<th>CAPTRUST: Investment consultant. Nation’s largest independent RIA.</th>
<th>Independent review of investment options, advises Trustees, investment reports, financial advisor for each participant at no extra cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMPOWER: Recordkeeping consultant. Top recordkeeper in U.S.</td>
<td>Concierge service (dedicated team) with individualized attention to your plan, innovative participant website and education, recordkeeping, cybersecurity guarantee.</td>
</tr>
<tr>
<td>McDermott, Will &amp; Emery: Legal consultant. Top ERISA law firm</td>
<td>Legal oversight for ERISA compliance, fiduciary training for Trustees and plan sponsors, legislative &amp; regulatory updates</td>
</tr>
</tbody>
</table>
Importance of onboarding and engagement

- Organizations with a strong onboarding process improve new hire retentions by 82% and improve productivity by more than 70%.

- Engaged employees are 59% less likely to seek out a new job.

Survey data provided by Greg Coker, Capital Link Consultants
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Vice President | Client Engagement

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For more information about our firm, please visit our website captrust.com

As retirement specialists, we welcome the opportunity to design a customized program to ensure that you effectively meet your fiduciary obligations, efficiently manage your corporate assets, and successfully prepare your loyal employees for a comfortable retirement.
Disclosures

ACEC
ACEC is a Federally registered trademark of American Council of Engineering Companies Inc. (ACEC) and is used herein according to appropriate permissions of registrant. RT is a registered trademark of the ACEC Retirement Trust which is a separate entity from the American Council of Engineering Companies Inc. (ACEC).

Great-West/Empower Retirement affiliates Disclosures
Great-West is not serving as a fiduciary or an investment advisor registered under the Investment Advisers Act of 1940 or any State law with respect to the Trust or any plan participating in the Trust. Plans can retain Advised Assets Group, LLC (“AAG”), a federally-registered investment adviser, to provide account management, investment advice and guidance services to Plan participants. AAG is an affiliate of Great-West. AAG acts as a fiduciary under ERISA in providing the Managed Account service and the Online Investment Advice service described below. At the written election of a Plan participant, AAG will provide the following services:

Managed Account Service. The Managed Account service is designed for the “Do-It-For-Me” investor who wants a financial expert to manage their account, using funds from within the Trust’s lineup. This solution will automatically rebalance and reallocate the participant’s portfolio on a quarterly basis. There is a separate fee to the participant for this service.

Online Investment Advice. The Online Investment Advice service is designed for the “Help-Me-Do-It” investor. This option provides tailored, fund-specific recommendations for each participant but allows the participant to make the final decision and implement the recommendations. There is a separate fee to the participant for this service.

Online Investment Guidance. The Online Investment Guidance solution is designed for the “Do-It-Myself” investor who wants confirmation of the most appropriate asset class allocations for their portfolio. Participants choosing this option are still fully in control of their account and will make any desired changes themselves. There is no additional fee for this service.

Fees for these services (as applicable) are deducted directly from a participant’s account.

ADDITIONAL SERVICES: Great-West services also may include, at the election of the Plan, Plan level transactional services as more fully set forth in the ACEC Retirement Trust/Great-West joint Fee Disclosure document.

DIRECTED TRUSTEE/CUSTODIAN SERVICES: Great-West’s wholly owned subsidiary Great-West Trust Company, LLC provides directed trustee and/or custodian services to the plans participating in the Trust and in that capacity would become a fiduciary with respect to the Plan upon participating in the Trust.
Disclosures

CAPTRUST Financial Advisors and affiliates
CAPTRUST Financial Advisors serve as a co-fiduciary to the Trust alongside the trustees of the Trust and also serves as the investment advisor registered under the Investment Advisers Act of 1940 with respect to the Trust.

INVESTMENT ADVISORY CONSULTING: CAPTRUST Financial Advisors is the investment adviser to the Trust and their services include: (i) Trust level investment advice; (ii) Investment Policy Statement development; (iii) Investment Menu development; (iv) Ongoing Investment due diligence; and (v) Fee Benchmarking.

TRUST PROCESS MANAGEMENT: CAPTRUST Financial Advisors as the investment adviser to the Trust provides (i) Online Process Documentation; (ii) CAPTRUST and Industry Research; (iii) Electronic Repository of Key Trust Documents; (iv) Maintain Trust Information Supplied by Client.

VENDOR ANALYSIS: CAPTRUST Financial Advisors as the investment adviser to the Trust provides (i) Vendor Analysis, Benchmarking and Scoring; (ii) Plan Administration and Investment Cost Comparison; and (iii) Overall Recommendation and Ongoing Due Diligence.

McDermott Will & Emery
McDermott Will & Emery is not serving as a fiduciary to the Trust nor as an investment advisor registered under the Investment Advisers Act of 1940 or any state law with respect to the Trust or the Plan.

TRUST SERVICES: McDermott Will & Emery is the legal advisor to the Trust providing legal advice under ERISA and the Code, to ensure the continued tax-exempt status of the Trust and to assist the Trustees of the Trust in satisfying their duties under ERISA and the Code.