

FEES FOR INVESTMENT MANAGEMENT ARE CONSISTENT WITH AGREEMENTS AND WITH ALL APPLICABLE LAWS.

The Investment Steward's responsibility in connection with the payment of fees is to determine: (1) whether the fees can be paid from portfolio assets and (2) whether the fees are reasonable in light of the services provided. Accordingly, the Steward should ensure all forms of compensation are reasonable for the services rendered.

Investment Advisor and Investment Manager fees vary widely depending on the asset class to be managed, the size of the account, and whether the funds are to be managed separately or placed into a commingled or mutual fund.

CRITERIA

4.4.1 A summary of all parties that have been compensated from portfolio assets has been documented, and the fees have been determined to be reasonable given the level of services rendered.

4.4.2 The fees paid to each party are periodically examined to determine whether the fee is consistent with service agreements.

4.4.3 The fees being paid for various services are periodically evaluated for reasonableness.

Substantiation

Employee Retirement Income Security Act of 1974 [ERISA]

§3(14)(B); §404(a)(1)(A), (B) and (D); §406(a)

Regulations

29 C.F.R. §2550.408(b)(2)

Other

Booklet: A Look at 401(k) Plan Fees, U.S. Department of Labor, Pension and Welfare Benefits Administration; DOL Advisory Opinion Letter 2001-01A (1/18/01); DOL Advisory Opinion Letter (7/28/98) 1998 WL 1638072; DOL Advisory Opinion Letter 89-28A (9/25/89) 1989 WL 435076; Interpretive Bulletin 75-8, 29 C.F.R. §2509.75-8 (FR-17Q)

Uniform Prudent Investor Act [UPIA]

§2(a); §7 and Comments; §9 Comments

Uniform Prudent Management of Institutional Funds Act [UPMIFA]

§3(b); §3(c); §5(a)

Management of Public Employee Retirement Systems Act [MPERS]

§7(2) and (5); §7 Comments