



Mid Atlantic Trust Company's FiduciaryxChangeSM

Due to rapid and disruptive changes in the regulatory landscape, Mid Atlantic Trust Company, along with the assistance of the other Mid Atlantic Capital Group companies, ("Mid Atlantic") is introducing FiduciaryxChange, a program that allows a broker or advisor's home office to automate level and fee based compensation, seamlessly view plan information, and provide access to third party fiduciary services.

Overview

Mid Atlantic is a leading provider for custody services in the open architecture retirement plan marketplace. Mid Atlantic provides trading and custody services to over 85,000 plans through 80 plus independent record keepers. These plans are further serviced by over 9,000 advisors registered at over 600 firms.

With the newly issued DOL Fiduciary Rule, Mid Atlantic has been approached by many brokerage and advisory firms to help them develop a strategy to retain and grow their retirement plan assets under these new regulations. We believe FiduciaryxChange gives these firms the tools they need to not only survive, but to thrive in the new regulatory landscape.

Automate Compensation Billing and Collection

For Commission Based Compensation

The DOL fiduciary rule has dramatically changed the game for commission based advisors. For the financial professional who wants to continue to provide retirement services while being compensated through commissions, Mid Atlantic will support assessment of a level platform fee in concert with the plan record-keeper. This fee will include the compensation to be paid to the advisor for a specific set of services pursuant to instruction from the outside dealer's home

office. Flexible program rules will be supported by Mid Atlantic to facilitate implementation of each dealer's program guidelines, recognizing that various dealers may interpret the rule differently. Any available commissions (i.e., 12b-1's, Finders' Fees, etc.) will be collected by Mid Atlantic. Mid Atlantic, along with its recordkeeping partners, will then further calculate and collect the total platform fee based on the plan sponsor's election for plan service payment (through participant accounts, an ERISA recapture account, billed directly to sponsor, etc.). Once the platform fee is collected, the advisor's total compensation will then be paid to the home office through check, electronic funds transfer, or via the NSCC's Payment Axis service.

For Fee Based Compensation

While not as dramatically affected by the fiduciary rule, many firms have indicated that the current process of collecting fees for fee based advisors is a very manual process, wrought with errors and delays. Many industry experts expect a monumental shift from commission to fee based services, which will only exacerbate these problems. By utilizing FiduciaryxChange, financial firms can choose to allow Mid Atlantic to handle the invoicing and collection process for any plan on the Mid Atlantic platform. Firms utilizing these services will more easily be able to track revenue earned, actual revenue collected, and any outstanding receivables through a more automated and centralized environment.



FiduciaryxChange is part of Mid Atlantic's commitment to delivering first-class products to the 401(k) plan marketplace.

Receive Detailed Plan Information

For many firms, tracking plans held away can become a resource drain on both advisors and their compliance departments. The complexity of gathering that information grows exponentially as the number of record keepers used by a single firm increases. By leveraging MATC, your firm can access data on plans held at any recordkeeper in the Mid Atlantic network through a single, efficient interface.

Mid Atlantic's Web Portal

Through a web portal designed specifically for advisors and home offices, one can now view accurate, timely data on any and all plans associated with a particular advisor or firm. Plan account reports will provide basic background information, sponsor/fiduciary details, as well as investment lineups and fund level activity. Summary participant information and key plan documents will also be available, if provided by the recordkeeper.

Data Feeds

For firms that already have custom reporting systems in place, Mid Atlantic can easily provide the necessary data feeds one needs to populate these systems. Mid Atlantic can also supply a myriad of data

elements through the NSCC Retirement Plan Reporting service to NSCC member firms. Many dealers are also pleased to learn that Mid Atlantic has existing interfaces to many third party performance and account aggregation systems, allowing seamless consumption of plan data within their existing systems.

Add Third Party Fiduciary Services

Many firms, both commission and fee based, have indicated that they may require a third party fiduciary serving as a 3(21) or 3(38) on plans for some or all of their advisors. FiduciaryxChange provides a platform to "plug in" an optional third party fiduciary. The initial providers include both national firms as well as a host of smaller providers with specialized technology and expertise. For plans that choose this fiduciary option, FiduciaryxChange will automate the onboarding, billing, reporting, investment lineup changes and when applicable, plan closings. Alternatively, should a firm choose to use an existing internal fiduciary oversight product, Mid Atlantic will show how this important function can be completely automated so as to assure that a repeatable and streamlined process is put in place to achieve the best operating results.

If you would like additional information on FiduciaryxChange and how it might help your organization to comply and compete in the retirement sales space, please call a Mid Atlantic Sales representative at 800-693-7800 or visit us at www.macg.com

FiduciaryxChange is an informational tool offered by Mid Atlantic and is not to be considered legal or investment advice or an interpretation of the DOL Fiduciary Rule (the "Rule"). Users of the FiduciaryxChange program are responsible for determining whether their compensation methods are in compliance with the Rule



Mid Atlantic Capital Group
1251 Waterfront Place, Suite 510
Pittsburgh, PA 15222-4236
800-693-7800
www.macg.com

Mid Atlantic Trust Company
330 South Poplar Avenue
Pierre, SD 57501
800-693-7800
www.macg.com

