



# Investment Due Diligence

## Capabilities Statement

[Firm Name] is a member of RPAG. RPAG™ is an exclusive alliance of independent retirement financial professionals and institutions inspired to create successful outcomes by protecting plan fiduciaries and engaging plan participants. RPAG supports thousands of financial professionals across the U.S., who collectively serve over 80,000 plan sponsors, \$800+ billion in assets under influence, and more than 7 million plan participants. (8/31/2021)

As a member of RPAG, [Firm Name] has access to a **CFA charterholder-led research team** and comprehensive **Investment Due Diligence and Analysis** resources to help increase opportunities for employees and address fiduciary liability concerns for plan sponsors.

## Independent Process

Our independent investment fund review is fueled by our proprietary Scorecard System, which incorporates both quantitative and qualitative factors into evaluating fund managers and their investment strategies. The scoring system is built around pass/fail criteria, on a scale from 0 to 10, and ranks active, passive and asset allocation strategies.

Eighty percent of the fund's score is quantitative, incorporating modern portfolio theory statistics, quadratic optimization analysis and peer group rankings. The other 20 percent of the score is qualitative, taking into account manager tenure, the fund's expense ratio relative to the average fund expense ratio in that asset class category and the fund's strength of statistics, among other criteria. Combined, these factors measure the relative performance, characteristics, behavior and overall appropriateness of a fund for inclusion into a plan as an investment option.

## Breadth & Depth

1. RPAG's CFA charterholder-led Investment Committee monitors the mutual fund universe and uses MPI Stylus for its portfolio analytics.
2. The Scorecard System ranks more than 20,000 funds across 36 asset classes and 65 provider products, including open architecture.
3. In the past two years, the RPAG Investment Committee has conducted over 200 manager/investment option searches. We routinely meet with investment managers at their home offices as well as at our Orange County, CA, headquarters, to facilitate the qualitative analysis of the due diligence process.
4. The due diligence process includes creating and reviewing an investment policy statement, quarterly market summaries and transition assistance when terminating/hiring a fund manager.

*RPAG's Scorecard System and investment due diligence process are unique. We use a complete approach that not only takes into account risk-adjusted return characteristics, but style, peer group rankings and various qualitative factors. This process is very similar to what the largest and most advanced investment institutions in the world use to select and monitor their investments. We've simplified the process for use in any plan.*

5. Through affiliation, we can offer our clients access to RPAG's secure online Fiduciary Briefcase™, which allows committee members to access investment reports 24/7.
6. RPAG's due diligence process can be applied to 401(k), 403(b), 457, nonqualified and defined benefit plans ranging from \$1 million to over \$1 billion.

For more information, visit [\[WEBSITE\]](#) or call [\[PHONE NUMBER\]](#).

[\[ADDRESS\]](#) | [\[PHONE NUMBER\]](#) | [\[WEBSITE\]](#)  
[\[YOUR SECURITIES DISCLOSURE HERE\]](#)  
ACR# 4804675 06/22