If the Qualified Default Investment Alternatives (QDIA) rules are satisfied, plan fiduciaries may not be liable for losses sustained by participants from the investment of their accounts in a QDIA.

**QDIA SELECTION PROCESS**

**PROCESS OVERVIEW**

**STEP ONE | ASSESS**
Determine if the process used to select the plan’s current default fund meets QDIA guidance.

**Key Considerations:**
- Plan objectives
- Participant needs
- Recordkeeping services vs. asset management
- Selection process documentation

**STEP TWO | RESEARCH AND EVALUATE**
Collect data on available providers and QDIA types to determine the best match for your plan and participants.

**Key Considerations:**
- Available QDIA Types: target-date funds, risk-based funds, managed accounts
- Proprietary vs. Non-proprietary QDIAs
- Third-party resources to be used for QDIA research, analysis and selection

**STEP THREE | SELECT**
Identify the most appropriate investment to serve as the plan’s QDIA.

**Key Considerations:**
- Alignment of plan objective and QDIA approach
- Participant demographics and behaviors
- Investment strategy, risk and performance
- Fees and expenses

**STEP FOUR | IMPLEMENT**
Choose an implementation method that will best serve the plan and its participants.

**Key Considerations:**
- Implementation methods: re-enrollment vs. single fund replacement/addition
- Available participant communications materials, tools and resources

**STEP FIVE | MONITOR**
Document changing needs or demographics, confirm satisfaction of relevant criteria and periodically re-evaluate QDIA selection process.

**Key Considerations:**
- QDIA evaluation standards
- Evaluation and reporting frequency
- Reporting responsibility