

# CREATING BRIGHTER OUTCOMES TOGETHER



CLARITY  
RETIREMENT PLAN EXCHANGE® PROPOSAL



# CLARITY RETIREMENT PLAN EXCHANGE (EXCHANGE)

The *Exchange* offers a unique retirement plan structure that can help you attract and retain talented employees while maximizing plan management efficiencies.

## WHAT IS THE EXCHANGE?

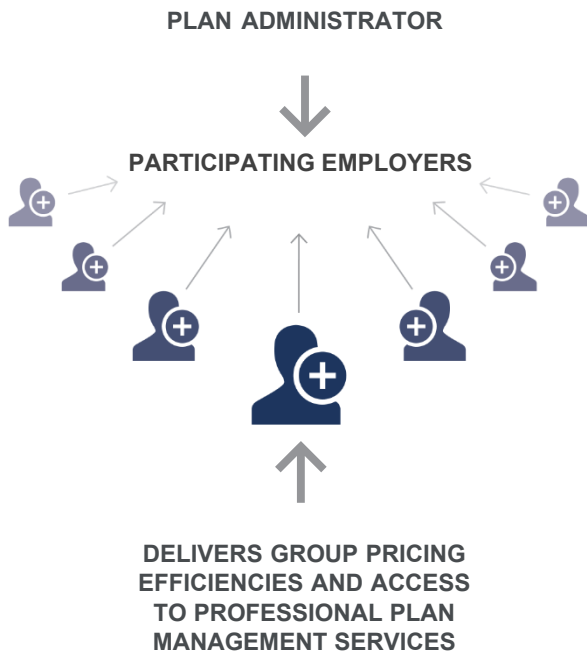
The *Exchange* is a collection of unrelated single-employer defined-contribution plans that, through a pooled arrangement, may share a common plan administrator, named fiduciary, investment menu, plan year, and trustee.

## WHAT ARE THE BENEFITS OF JOINING THE EXCHANGE?

When you adopt the *Exchange*, your employees gain access to a valuable retirement benefit. And you may gain the benefits that come with economies of scale.

The *Exchange* provides a key benefit that employees consider when deciding to join your company.

### HOW IT WORKS



say that retirement benefits offered by a prospective employer will be a major factor in their decision whether to accept an offer.\*



value a 401(k) or similar plan as an important benefit.\*

\*"21st Annual Transamerica Retirement Survey of Workers," nonprofit Transamerica Center for Retirement Studies, August 2021

# WHY THE *EXCHANGE* MIGHT BE RIGHT FOR YOU

The *Exchange* offers key benefits to participating employers by bringing together a team of professionals to help you manage your plan and to help your participants achieve brighter retirement outcomes.

## MULTIPLE BENEFITS



### 1. SIMPLIFIED ADMINISTRATION

The support team structure of the *Exchange* allows you to offload many administrative tasks, such as: processing distributions, participant enrollment/communications, eligibility tracking, and compliance testing/reporting.



### 2. REDUCED FIDUCIARY LIABILITY

The *Exchange* also offers substantial fiduciary support. For example, the fiduciary responsibility to select and monitor the plan's investment options is managed by the 3(38) investment manager, reducing your fiduciary burden.



### 3. FLEXIBLE PLAN DESIGN

When joining the *Exchange*, you'll have the flexibility to tailor your plan based on your employee data; e.g.: eligibility, vesting schedule, loans, withdrawals, matches, and more.



### 4. POTENTIAL COST SAVINGS

Economies of scale allow for group pricing, lower-cost investment options, and potentially lower fees for compliance testing, audits, document preparation, and Form 5500 filings.



### 5. EASY ADOPTION PROCESS

Whether you are starting a new plan or transitioning an existing plan, you'll receive hands-on guidance throughout the process.

A dedicated service team is available to answer questions for you and your employees, ensuring seamless integration of your plan.

## DEDICATED TEAM

By joining the *Exchange*, you gain access to a professional service team that surrounds you with plan management support so you can focus less on managing your plan and more on running your business.



## ULTIMATE GOAL:

**BRIGHTER OUTCOMES FOR YOU  
AND YOUR EMPLOYEES.**



# EMPLOYER BENEFITS

Enhancing outcomes is our primary focus. With more than two decades of pooled plan arrangement experience, we'll help you maximize your plan's benefits – while minimizing your administrative and fiduciary duties.

## YOUR EXPERIENCED SUPPORT TEAM

When you adopt the *Exchange*, you can tap the expertise of retirement plan specialists. You'll have access to plan design and compliance consultants, conversion specialists, and sponsor and participant service teams. You'll find the team is committed to helping you and your employees pursue brighter retirement outcomes.

## PROVEN RECORDKEEPING SYSTEM

Based on its decades of retirement plan recordkeeping experience, Transamerica has developed proprietary technology to accurately and efficiently administer retirement plans.

Better still, our system has been specifically tailored to administer pooled plan arrangements, allowing plan management and reporting for each participating employer.

## USING TRANSAMERICA'S EXPERIENCE TO HELP IMPROVE YOURS



**TOP 10**  
PLAN PROVIDER IN U.S.<sup>1</sup>



**85+ YEARS**  
EXPERIENCE



**\$250B**  
RETIREMENT PLAN ASSETS<sup>2</sup>



**20+ YEARS**  
POOLED SOLUTIONS EXPERIENCE



**290**  
POOLED PLAN  
ARRANGEMENT SPONSORS<sup>2</sup>



**14,896**  
PARTICIPATING EMPLOYERS<sup>2</sup>

# PARTICIPANT EXPERIENCE

Every step of the journey, Transamerica will be there to help your employees plan for a more secure retirement. Our easy-to-use tools and action-oriented education can help them move forward with confidence.

## 24/7 ONLINE ACCOUNT ACCESS

Through our fully responsive participant website or mobile app, your employees can enroll in your retirement plan and make changes to their account whenever, wherever, and however they want.

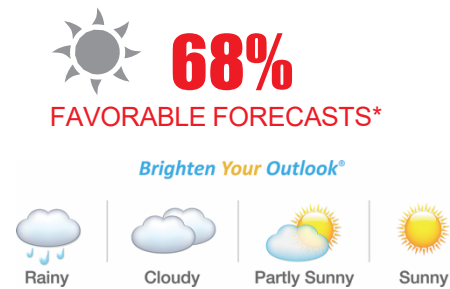


## PERSONALIZED SUPPORT

Your employees will also have access to our professional support team along their journey to retirement readiness. Our Customer Care representatives can help with account questions, while our retirement planning consultants and retirement advisors are available to help them navigate larger financial decisions and life events.

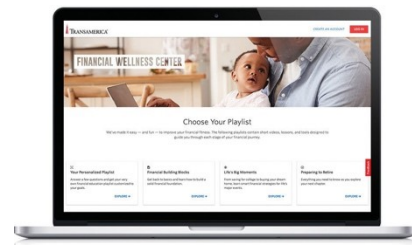
## YOUR RETIREMENT OUTLOOK®

Using easy-to-understand weather icons, Transamerica's *OnTrack*® tool helps participants see how they're doing on the road to retirement. These personalized forecasts also offer actionable suggestions they can take to improve their chances of meeting their retirement income goals.



## FINANCIAL WELLNESS CENTER

All your employees can access Transamerica's Financial Wellness Center. Designed to enhance financial literacy, this online resource features 20 self-paced modules covering key financial topics such as saving for retirement, managing debt, and buying a home.



\*Percent of participants engaging with *Your Retirement Outlook*® who have a sunny or partly sunny forecast for meeting their retirement income objectives. As of March 31, 2021.

# YOUR PROPOSAL DATA

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**This proposal is based on information provided about your business, your employees, and/or your current retirement plan.**

EMPLOYER NAME:	[Employer Name]
EMPLOYER LOCATION:	[City, State, Zip Code]
PARTICIPANTS WITH A BALANCE:	[Number of Participants]
PLAN ASSETS:	[ \$ ]
ANNUAL FLOWS:	[ \$ ]
ADVISOR(S):	[First Name, Last Name]
ADVISOR(S) FIRM NAME:	[Firm Name]
ADVISOR(S) EMAIL ADDRESS:	[Advisor Email Address]
ADVISOR(S) PHONE NUMBER:	[Advisor Phone Number]
ADVISOR COMPENSATION:	Fee for Service Amount: 0.00%

# COSTS FOR JOINING THE *EXCHANGE*

This proposal is based on information provided about your business, your employees, and/or your current retirement plan.

## ASSET CHARGE ANNUAL RATE<sup>3</sup>

(based on participating employer contract balance)

PLAN ASSETS	ASSET FEE
\$10,000,000 +	custom
\$6,000,000 - \$9,999,999	0.79%
\$4,000,000 - \$5,999,999	0.85%
\$3,000,000 - \$3,999,999	0.86%
\$2,000,000 - \$2,999,999	0.87%
\$1,000,000 - \$1,999,999	0.99%
\$750,000 - \$999,999	1.15%
\$500,000 - \$749,999	1.20%
\$250,000 - \$499,999	1.25%
\$100,000 - \$249,999	1.45%
\$0 - \$99,999	1.85%

## PLAN SERVICES FEES

*Will be paid by employer*

- Installation: \$500
- Annual TPA Fee: \$500
- \$0 - \$500k SH Annual Fee: \$250
- \$0 - \$500k Non-SH Annual Fee: \$1,000
- Enrollment meeting<sup>\*\*\*</sup>: None

## PARTICIPANT SERVICES FEES

*Will be deducted from participant assets*

- Annual participant: \$30
- Distributions: \$125
- Loans
  - Initial setup: \$275
  - Annual maintenance: \$24
- Hardship/in-service withdrawal: \$125
- QDRO: \$375

## SERVICE PROVIDERS

- Recordkeeper: Transamerica
- 3(38) Investment Fiduciary: LeafHouse Financial
- 3(16) Administrative Fiduciary: NPPG
- Third Party Administrator: NPPG

<sup>\*\*\*</sup> Onsite enrollment meetings are free as long as 10 employees in attendance for initial enrollment meeting and 25 employees are in attendance for subsequent enrollment meetings. Otherwise, a fee of \$1,200 will apply. Webinars are available at no cost, with no minimum attendance requirement. All charges and fees are subject to change.

## Get in touch.

If you have any questions or want to discuss this proposal in more detail, please contact Liz Hickox with Core Financial Partners at:

 Call: 401-864-4657

 Email: [liz@newportcfp.com](mailto:liz@newportcfp.com)



<sup>1</sup> As ranked by defined contribution participants. "2021 Recordkeeping Survey," PLANSPONSOR, July 2021.

<sup>2</sup> As of December 31, 2020.

<sup>3</sup> Asset based fees vary based on the contract balance as shown in this scale. Asset based fees will increase by compensation elected by financial professional. Asset based fees include compensation for the recordkeeper, the 3(16)/TPA and the 3(38). Asset based fees exclude flexible financial advisor compensation and investment fees.

The *Retirement Plan Exchange (Exchange)* is not a multiple employer plan (MEP). Unlike a MEP, certain plan qualification and ERISA requirements are applied at the individual plan level. An employer participating in the plan retains certain fiduciary responsibilities, including responsibility for retaining and monitoring the 3(16) plan administrator, for determining the reasonableness of its fees, and for periodically reviewing the plan as a whole.

**Important: The projections or other information generated by the engine (which produces *Your Retirement Outlook*®) regarding the likelihood of various investment outcomes are hypothetical, do not reflect actual investment results, and are not guarantees of future results. Results derived from the tool may vary with each use and over time.**

Securities offered through Transamerica Investors Securities Corporation (TISC), member FINRA, 440 Mamaroneck Avenue, Harrison, NY 10528. Investment advisory services are offered through Transamerica Retirement Advisors, LLC (TRA), registered investment advisor.

Before adopting any plan, you should carefully consider all of the benefits, risks, and costs associated with a plan. Information regarding retirement plans is general and is not intended as legal or tax advice. Retirement plans are complex, and the federal and state laws or regulations on which they are based vary for each type of plan and are subject to change. In addition, some products, investment vehicles, and services may not be available or appropriate in all workplace savings plans.

Investment management services offered by LeafHouse Financial, registered investment advisor. Registration does not imply a certain level of skills or training. More information about the firm, including its investment strategies and objectives, can be found in our ADV Part 2, which is available, without charge, upon request. Our Form ADV contains information regarding LeafHouse's business practices and the backgrounds of our key personnel. LeafHouse Financial is an experienced, national discretionary investment manager and consultant for all types of retirement plans. LeafHouse acts in both a 3(21) and 3(38) fiduciary capacity for a multitude of private and public retirement plans that range from start-up to large institutions across the U.S. LeafHouse developed proprietary technology that is designed to prudently select, evaluate, and monitor investments that are solely in the best interests of plan participants and their beneficiaries.

All Transamerica companies identified are affiliated, but are not affiliated with any other organization referenced. Logos and trademarks are the intellectual property of their respective owners.

Transamerica is sponsoring financial education programs developed by EVERFI, an unaffiliated third party. Transamerica is not responsible for the content of the financial education program.

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# ENJOY THE BENEFITS OF A POOLED PLAN



**CLARITY RETIREMENT PLAN EXCHANGE®**



# THE ADVANTAGES OF POOLED-PLAN SOLUTIONS



## WHAT IS THE CLARITY RETIREMENT PLAN EXCHANGE® (EXCHANGE)?

The *Exchange* is a collection of single employer defined contribution plans that, through a pooled arrangement, may share a common plan administrator, named fiduciary, investment menu, plan year, and trustee. Participating employers do not have to share a common association or industry. This pooled-plan solution is designed to reduce the administrative burden, transfer certain risks, and potentially lower the overall plan cost. It brings together a team of professionals on an employer's behalf so they can focus on what matters most: running their business — not their retirement plan.

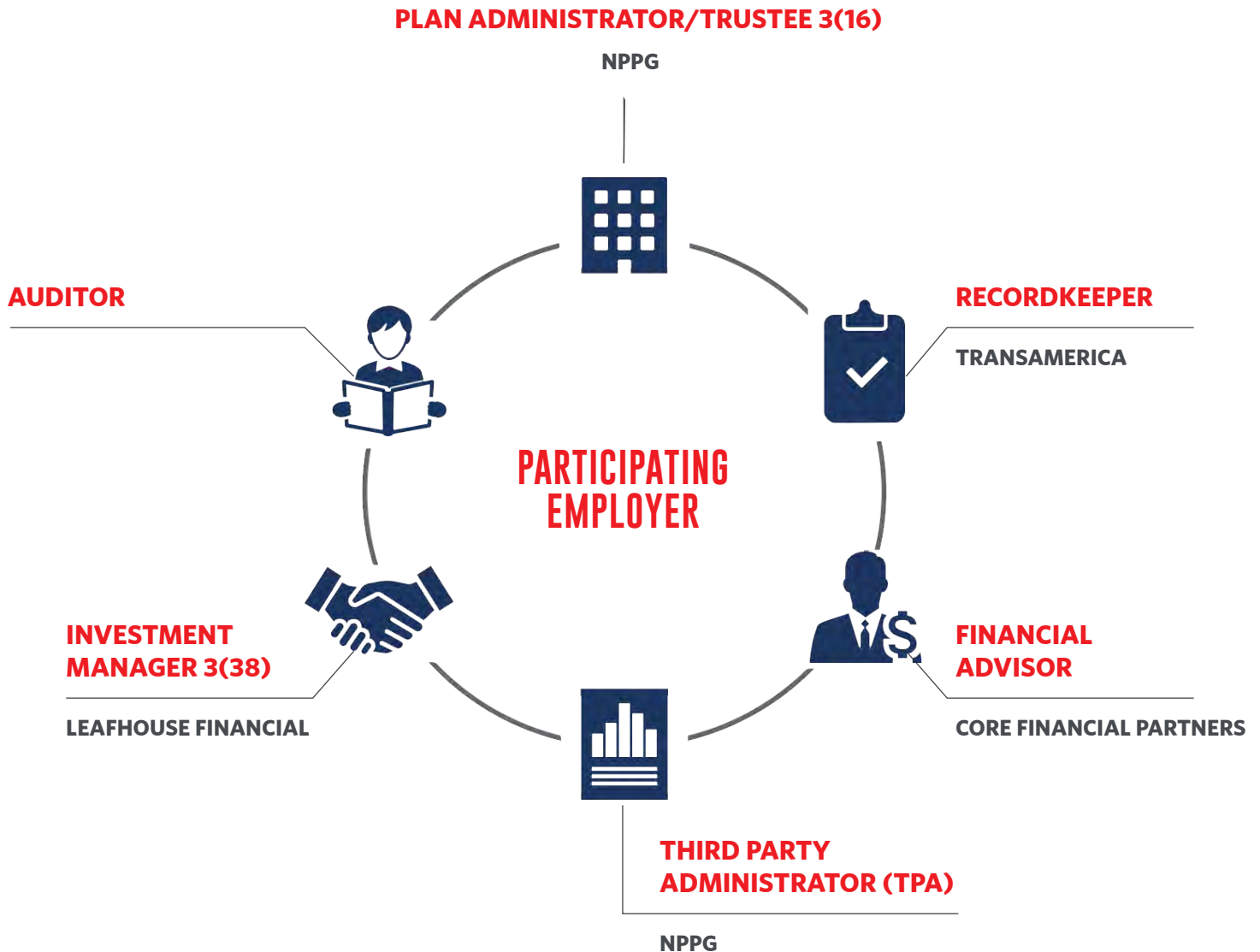
## HOW THE EXCHANGE WORKS

At any time, adopting employers are easily **integrated, enrolled, and tracked** in the Transamerica platform.



# A DEDICATED TEAM

When sponsoring a retirement plan under the *Exchange*, businesses become a participating employer. The plan pulls together a professional service team to help employers manage the retirement plan.



# ROLES OF THE PROFESSIONAL SERVICE TEAM

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## **PLAN ADMINISTRATOR/TRUSTEE 3(16)**

### **NPPG**

- Serves as named fiduciary
- Performs administrative functions to keep plan compliant
- Responsible for day-to-day plan operations, including
  - Completion, signing and filing of Form 5500
  - QDRO determinations
  - Benefit payment authorization
  - Ensuring proper spousal consent obtained for payments
  - Distributions

## **RECORDKEEPER**

### **TRANSAMERICA**

- More than 85 years of experience in retirement
- Pioneer and market leader in pooled plans
- Created pooled-plan solutions starting in 2001
- Provides support to plan participants to and through retirement

## **FINANCIAL ADVISOR**

### **CORE FINANCIAL PARTNERS**

- Helps employers with due diligence selecting a plan provider
- Identifies ways to reduce administrative duties for employer at competitive cost
- Offers services to help increase plan participation
- Lends support with comprehensive education program for employees
- Provides investment guidance and education for employees
- Conducts plan reviews
- Suggests plan design enhancements

## **THIRD PARTY ADMINISTRATOR**

### **NPPG**

- Helps adopting employers with plan design
- Provides ongoing compliance services, including mandatory testing and administration
- Offers local support for employer

## **INVESTMENT MANAGER 3(38)**

### **LEAFHOUSE FINANCIAL**

- Responsible for selection and monitoring of funds in investment lineup

# ADMINISTRATION MADE EASIER

When employers join the *Exchange*, they may be able to offload the majority of administrative tasks associated with retirement plans.

## YOUR RESPONSIBILITIES IF YOU DON'T JOIN:

- Invest plan contributions
- Track contribution limits
- Track catch-up contributions
- Distribute mandatory communication notices
- Approve/deny hardship requests
- Approve/deny loan requests
- Prepare loan amortization schedules
- Coordinate loan deductions
- Process distributions upon termination
- Investment choice additions/deletions
- Investment monitoring and due diligence
- Retirement plan review
- Consultative design services
- Advanced allocation designs
- Proprietary plan document support
- Preparation of amendments
- Monitor pending legislative actions
- Merger and acquisition support
- Annual census collection
- Mid-year testing
- Year-end testing
- Form 5500 preparation
- Audit support
- Forms 945, 1096, and 1099 preparation
- Track eligibility
- Notify participants of eligibility
- Establish deductions with payroll
- Conduct onsite enrollment workshops
- Conduct ongoing employee education
- Provide asset allocation tools
- Explanation of distribution options and tax implications
- Qualified domestic relations order (QDRO) support and analysis



## Significantly cut your administrative tasks:\*

- Monitor service providers
- Monitor investment platform
- Upload payroll files\*\*
- Year-end data collection\*\*

\* Plan sponsor responsibilities may not be limited to items noted above. Plan sponsors should review their service agreements and fiduciary responsibilities under ERISA.

\*\* Required, but may be provided by *PayStart*® -approved payroll provider.



# AN INDUSTRY LEADER

## TRANSAMERICA'S FOOTPRINT IN THE POOLED-PLAN MARKET

**20+**

years of  
pooled-plan  
experience

**290**

plan  
sponsors

**14,896**

adopting  
employers

As of December 31, 2020

## TRANSAMERICA ESTABLISHED ITS FIRST POOLED PLAN IN 2001

As a pioneer in the pooled-plan market, our unique recordkeeping technology has been time-tested and enhanced over the past two decades. Along with plan-level reporting, adopting employers can run reports for their individual plan. In other words, we track and report as if adopting employers were a single plan, while still providing the benefits created by economies of scale.

### Benefits for the Employer

Administration reports: extensive library for sponsors and adopters

Flexible provisions: vesting, eligibility, employer contributions, matching contributions

Payroll integration with *PayStart*® for automated contribution submissions and approvals

Plan reporting at the individual adopting-employer level

Plan administration support

Eligibility tracking

Online access: available for each adopting employer

Online participant enrollment

# DRIVING PARTICIPANT SUCCESS

The participant experience is designed to help people understand if their savings and investment strategy is in line with their retirement goals. It starts with enrollment and continues with personalized communications and financial education showing participants how they can improve their retirement readiness.

Transamerica's comprehensive participant engagement program includes:



## **YOUR RETIREMENT OUTLOOK®**

An easy-to-understand forecast generated by the calculation engine provided by Morningstar. Using simple weather icons, it shows participants if their current investment strategy is likely to produce the income they're seeking in retirement — and offers steps to improve their chances of achieving their goals.

*Your Retirement Outlook* is featured prominently on the participant website, mobile app, and quarterly statements.

## **Brighten Your Outlook®**



Rainy



Cloudy



Partly Sunny



Sunny

## **FINANCIAL WELLNESS CENTER**

Designed to enhance financial literacy, our educational experience offers self-paced lessons on relevant financial topics such as debt management and buying a home. It's available to all employees regardless of whether they're enrolled in the retirement plan. Whether it's welcoming participants to the plan or making them aware of the educational tools and resources available, we provide onboarding support designed to set them up for long-term success.



## **EASY-TO-NAVIGATE PARTICIPANT WEBSITE**

Employees can enroll, make salary deferral changes, rebalance their asset allocation, update personal information, review their retirement forecast, and manage their retirement plan account from the comfort of their home or office. With online reporting of their account activities, employees can monitor their progress toward a funded retirement 24/7. Our convenient mobile app also gives participants access to their current account information through most mobile devices.

**The participant experience is integrated with our reporting capabilities. Adopting employers always have the ability to track the retirement readiness of their employees.**



With more than 85 years of experience helping people prepare for retirement, Transamerica is one of the most recognized, trusted names in financial services. As a pioneer in pooled-plan solutions, we equip plan sponsors with the tools, resources, and professional support to help their employees pursue a healthier, more secure future.



Founded in 1997, National Professional Planning Group, Inc. (NPPG) and its affiliate companies offer full-service employee benefit consulting, retirement planning, actuarial consulting, and ERISA fiduciary services. NPPG customizes solutions to meet business and financial goals of their clients. NPPG clientele is made up of members of the New York stock exchange and NASDAQ, non-profit organizations, Fortune 500 companies, government agencies, as well as small entrepreneurial businesses. NPPG handles more than \$5 billion in assets and more than 4,000 plans for clients nationwide.



LeafHouse Financial is a national, discretionary investment manager with expertise in the retirement industry. The firm is independent and oversees \$12.9 billion assets. LeafHouse acts in a 3(38)-fiduciary capacity for private and public retirement plans. LeafHouse developed proprietary technology (the LeafHouse GPA<sup>®</sup>) that aims to prudently select, evaluate, and monitor investments that are solely in the best interests of plan participants and their beneficiaries. LeafHouse is DALBAR 3(38) Certified which provides additional third-party oversight. DALBAR (an unbiased party) certifies that it is a prudent decision to utilize LeafHouse's services.



Core Financial Partners is committed to guiding and assisting plan sponsors and their trustees in offering a best practices retirement plan to help mitigate fiduciary risk and ensure successful outcomes for participants. With process driven guidance, extensive due diligence and careful documentation, we stand beside plan sponsors as a co-fiduciary to help them navigate and fulfill their fiduciary obligations to the plan and their valuable members. As specialists in the small to mid-sized market, we are dedicated to helping business owners offer their employees a comprehensive benefits solution to help build, manage, and transfer wealth.



**Our seamless transition process, unique recordkeeping capabilities, and holistic participant experience make Transamerica a pooled-plan solution provider of choice.**

**Get in touch:**



**CONTACT**

Liz Hickox



**CALL**

(401) 864-4657



**EMAIL**

[liz@newportcfp.com](mailto:liz@newportcfp.com)

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All cost savings mentioned are estimates and may vary depending on TPA, advisor, or attorney fees.

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Investment management services offered through LeafHouse Financial, an SEC-registered investment advisor. TISC and LeafHouse are separate, non-related legal entities.

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# SAMPLE STARTUP PLAN TIMELINE

## HERE'S WHAT TO EXPECT

A team of professionals is dedicated to making it simple to establish your retirement plan.

Setup and installation will likely require more information and attention of the plan sponsor. Once the plan setup is complete, the plan sponsor can offload much of the responsibilities to the 3(16) fiduciary, allowing more freedom to streamline staffing resources.

The estimated time frames here are for illustrative purposes only and contingent upon timely receipt of required documents.

## SAMPLE INSTALLATION TIMELINE: STARTUP PLAN

Action	Who's responsible	Timing
<b>BEGIN</b>		
<b>INITIAL CONTRACT SETUP</b>		
Review paperwork		Week 1
Assigned to dedicated transition manager once paperwork confirmed complete		Week 1
Transition planning conference call		Week 1
Provide SPP to TPA for review/approval		Week 1

**COMMUNICATION**

Order education materials		Week 3
Schedule education meetings		Week 5-6

**ESTABLISHMENT**

Submit census data to Transamerica		Week 6
Contributions may be submitted after census is uploaded		Week 6

**TRANSFER**

Transition complete		Week 7
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**Let's get started today.**



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