

the
401k Service
SOLUTION™

Setting the Standard for 401k Service Excellence™

Do you have a SUCCESSFUL
plan?



How would you answer these questions....

- Are you satisfied with your plan's investment results?
- Are you happy with the level of employee participation in your plan?
- Are you happy with the level of service you're getting from your current provider?
- Do you know the total expenses paid by your plan?

The 401k Service Solution™

The 401k Service Solution™ is a program that covers the six critical issues Plan Sponsors and Fiduciaries must address as they set-up, manage and review a qualified plan.

If you feel there may be gaps in the way your plan is being managed, The 401k Service Solution can help you identify and correct any shortfalls that may leave you open to liability.

The 401k Service Solution consists of six courses, each one covering a critical issue you must address in the management of a qualified plan. Each course includes an educational course book that takes you through a unique process to identify your plan's particular needs, while educating you on the important issues you must understand in your role as a fiduciary.

Each course has an accompanying workbook to allow you to document your plan's decisions and compliance with the regulations outlined in ERISA.

By completing each course that makes up the 401k Service Solution, you will have a complete set of documented materials, organized together in a binder, that shows how you are addressing each of the critical issues involved in the management of a qualified plan.

Topics Covered include:

Step 1—*The Vision Session™*—Documenting Goals and Objectives to Define Plan Success

Step 2—*A Solid Foundation™*—How to Use an Investment Policy Statement Effectively

Step 3—*The Lead Fiduciary Practice™*—Implementing Fiduciary Standards of Care

Step 4—*The Due Diligence Review™*—Comparing Proposals and Documenting Expenses

Step 5—*The Advanced Investor Series™*—Developing an Effective Participant Education Program

Step 6—*The Peak Administration Guide™*—Understanding and Simplifying Plan Management Issues

“The duty to act prudently is one of a fiduciary’s central responsibilities under ERISA. Prudence focuses on the process for making fiduciary decisions. Therefore, it is wise to document decisions and the basis for those decisions.”

The development of The 401k Service Solution™ was based on the above guidance by the Department of Labor.

By following a structured process, you can help ensure all critical issues are met and you are doing what is required to run a successful—*and compliant*—retirement plan.

What makes a retirement plan
SUCCESSFUL?

Step 1—The Vision Session™

What makes a retirement plan successful? - The answer depends entirely on your idea of success.

What makes an employer-sponsored plan successful cannot be measured by investment performance or participation rates alone.

Success depends on what objectives an employer has when establishing the plan. It depends on how much sponsors understand about the plan and the amount of work required from HR to manage the plan. Success also depends a great deal on how much the employees understand the benefit that is provided to them. It depends on if they take advantage of the benefit and feel like their plan is providing the resources to help prepare them for retirement.

Success is measured by several factors. The Vision Session™ is a powerful tool to help you identify what you consider 'success' so that you can build and review your plan according to *your* vision.

The Vision Session will walk you through seven key issues to consider when evaluating your plan options and in the end, provide you with a fully documented summary detailing those issues important to your company.

As you go through this course, each step will require you to make choices about what is important to your company and employees. The purpose of this course is for you to evaluate those things that are important and unique to your company, so that you can be certain the plan you set up and maintain is the most appropriate plan for you.

The summary you receive will provide guidance to move you in a direction that will help achieve plan success and lay the groundwork for all future decisions on your plan.

Equally as important, you will have fully documented the decision making process, helping to satisfy your fiduciary responsibilities.



Understand what makes a plan successful and what is required through the **Course Book**



Document plan decisions and identify shortfalls through the **Worksheets**



Receive fully documented **Summary** of your goals and objectives and guidance for future decisions on your plan

How do you **LIMIT LIABILITY**
on your retirement plan?

Step 2—A Solid Foundation™

How do you limit liability on your retirement plan? - While you cannot eliminate liability, you can limit it with the USE of an Investment Policy Statement.

'Use' is highlighted because while the majority of plans have an Investment Policy Statement, most will admit it is not reviewed or actively engaged while monitoring plan investments.

An Investment Policy Statement (IPS) is a written document with the purpose of providing meaningful direction and guidance for trustees and investment professionals regarding the selection and management of investment assets based on established and documented investment goals and objectives.

A Solid Foundation™ is a powerful tool to help you build and review an Investment Policy Statement that will be used in the monitoring of investments, and gives you a checklist to help ensure your IPS is formalized, reviewed and used to provide direction during investment monitoring.

A Solid Foundation™ will walk you through a five-step strategy to educate you on the fiduciary documentation standards, evaluate your current process, formalize a policy for your company, and continue to monitor and use this document as it was intended. In the end, you will receive a fully documented summary detailing those issues and providing the guidance going forward to use your company's IPS prudently.

The summary you receive will provide you not only with the documented criteria for creating your IPS, but also an Investment Policy Statement built upon your unique answers, rather than a fill-in-the-blank template. This document should be viewed as the business plan and the essential management tool for directing and communicating the activities of the plan. Along with your summary and IPS, you will receive a guidance checklist for monitoring your plan investments and reviewing your Investment Policy Statement to help ensure fiduciary compliance.



Understand ERISA regulations for investment monitoring through the **Course Book**



Document plan selection and monitoring criteria through the **Worksheets**



Receive fully documented **Summary** including custom IPS and Investment Review Checklist

How well are you fulfilling
your FIDUCIARY obligations?

Step 3—The Lead Fiduciary Practice™

How well are you fulfilling your fiduciary obligations?

“Critical Concept: Liability is not determined by investment performance, but rather on whether prudent investment practices were followed.”

- Fiduciary360

With the responsibility of overseeing participant’s retirement plan assets comes the obligation of a fiduciary to not only select and monitor the plan’s investment options, but also to keep informed about what regulatory standards must be adhered to and to document the fact that they are observing procedural prudence.

The Lead Fiduciary Practice™ is a powerful tool to help you understand your fiduciary obligations, and to provide a clear process for the ongoing monitoring and review of your plan’s investments.

The Lead Fiduciary Practice™ will walk you through a six-step process to educate you on the responsibilities of a fiduciary, analyze your current fiduciary management process, review your plan investments and expenses, and set a plan in place for the ongoing monitoring and review of your plan. In the end, you will receive a fully documented summary detailing those issues and providing the guidance going forward to monitor your plan in accordance with fiduciary standards of care.

The summary you receive will provide you not only with a documented fiduciary review checklist, but a comprehensive review of the investments within your plan and a checklist to use with the ongoing monitoring and review of your plan.



Understand what ERISA requires from plan fiduciaries through the **Course Book**



Document plan decisions and your intention to meet ERISA regulations through the **Worksheets**



Receive fully documented **Summary** including investment review in accordance with IPS and Fiduciary Review Checklist

How do you SELECT a plan provider and how do you know if the EXPENSES being paid on your plan are 'reasonable'?

Step 4—The Due Diligence Review™

How do you select a plan provider and how do you know if the expenses being paid on your plan are 'reasonable'?

The Department of Labor makes it clear that a plan fiduciary must conduct a thorough and diligent investigation and a rigorous analysis of relevant information when selecting and reviewing plan providers and investment options.

As a retirement plan sponsor and fiduciary, you're responsible for selecting providers for your company's plan. You need to have a single provider or a combination of providers that offer:

- A broad selection of quality investments;
- Recordkeeping and administration solutions that meet your needs;
- An effective participant communications strategy that meets the required guidelines by ERISA, as well as the needs of the plan participants; and
- An expense structure appropriate for your plan and service options.

The Due Diligence Review™ is a comprehensive course to help you build and review your retirement plan in accordance with the goals and objectives defined and documented during plan set up.

The Due Diligence Review™ will walk you through a six-step process to help you understand how to select the investments for your plan, narrow the provider choices and compare them on a level playing field, and review your existing provider services and expense structure against industry averages. In the end, you will receive a fully documented summary detailing your selection process and comparison analysis.

The summary you receive will provide you not only with the documented criteria for the selection of the investments in your plan, but also a comparison of plan options available in the market place and a review of your plan expenses. Along with your summary, you will receive a guidance checklist to help you review your plan and expenses regularly with industry averages so your plan remains competitive.



Understand ERISA's guidance for the selection and monitoring of service providers through the [Course Book](#)



Document plan holdings and document the criteria you feel is important in a provider through the [Worksheets](#)



Receive fully documented [Summary](#) including a detailed feature and expense review

How well are your
employees PREPARED for
retirement?

Step 5—The Advanced Investor Series™

How well are your employees prepared for retirement?

Employees want and need guidance on a variety of investment related topics and this course can help educate them on the important issues.

Most employees do not fully understand the benefit provided to them in their company retirement plan. When it comes to educating participants, each location has a unique set of education and demographic needs that must be understood to make any program effective.

This course evaluates your current employee education program, reviews employee preferences and unique circumstances, and customizes a program to maximize the plan benefit for everyone involved.

The Advanced Investor Series™ is a powerful tool to help you not only provide your employees with the necessary education material regarding their retirement plan, but to empower them to take responsibility for their own financial future.

The Advanced Investor Series™ will walk you through a seven-step process to help you understand what is required to be provided to plan participants, understand your company's unique needs, evaluate your participant's understanding of the plan benefit provided, and structure an education program that will empower your employees to take control of their own retirement.

The summary you receive will provide you with not only a clearer understanding of the challenges faced in offering investment education to your plan participants, but will create for you a customized education program to implement and a method for monitoring the effectiveness of your program.



Understand what makes a participant education program successful through the Course Book



Document participant preferences and education program criteria through the Worksheets



Receive fully documented Summary including custom education program and checklists for ongoing monitoring

How well informed are you
regarding CHANGES that
affect your retirement plan?

Step 6 –The Peak Administration Guide™

How well informed are you regarding changes that affect your retirement plan?.

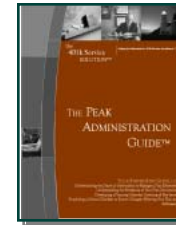
The vast amount of information necessary to effectively manage a qualified plan can be daunting.

All of those involved in the management of a qualified plan must understand those critical issues that affect their plan including being aware of IRS regulation changes and having a thorough understanding of all plan documents.

The Peak Administration Guide™ is a powerful tool to help you manage the depth of information involved in running an effective employer-sponsored retirement plan. This course provides you with a checklist to use during plan reviews to help you keep abreast of any changes that could impact your plan participants or the assets within your plan, as well as a Planning Calendar to educate you as you work to understand the regulations that govern qualified plans.

The Peak Administration Guide™ will walk you through a six-step process to help you understand the depth of information necessary to effectively manage a qualified plan, and provide you with the tools to help you keep up with the changes that affect your plan. In the end, you will employ a manageable and documented process for keeping abreast of the changes that affect your plan.

The summary you receive will provide you not only with documentation of your efforts to stay informed of the issues you face as a fiduciary, but you will have a manageable process to use going forward to help you continue to keep informed of any legislative or other changes that could have an effect on your plan. Along with your summary, you will receive a guidance **checklist** to use during plan reviews for monitoring any administrative changes on your plan as well as a one-year **planning calendar** to keep you updated on a regular basis of issues that are necessary to know from a fiduciary standpoint.



Understand what all is required in the management of a plan through the **Course Book**



Document a one-year planning calendar and education preferences in the **Worksheets**



Receive fully documented **Summary** including one year admin calendar and critical plan checklist

How can you access
the 401k Service Solution™
set of tools?



The 401k Service Solution™

How can you access the 401k Service Solution set of tools? - The 401k Service Solution is only available through a Professional Plan Consultant™ (PPC™) Designee.

The PPC designation distinguishes those that have made a commitment to education and service excellence in the qualified plan market. What this means is that you are working with a professional that has the education, knowledge and tools to assist you in every aspect of plan management.

PPC's are consultants, advisors, and/or investment reps that have made a decision to offer superior service to their clients. Some charge consulting fees for taking a plan sponsor through the 401k Service Solution, others may include these services in the expenses typically paid to an advisor through 12b-1 fees.

Financial Service Standards, in developing these tools for plan sponsors, wanted to ensure they were being used properly by professionals that had the experience and training to assist plan sponsors with additional questions as it relates to employer-sponsored plans.

To earn the PPC designation, a candidate must satisfy requirements involving the following:

Professional Experience—A successful candidate must have three years of financial and retirement plan industry sales, service, and/or support experience.

Coursework—A PPC candidate must attend an instructor-led, multiple-day training session at Robert Morris University to gain a comprehensive understanding of the issues faced by plan sponsors, how to identify shortfalls in an employer-sponsored plan, and how to address plan management issues through the 401k Service Solution set of tools.

Final Examination—Each candidate must sit for a proctored, 50-item final examination held at the conclusion of the multiple-day training session, and obtain a passing score of 70% or better.

Signed Ethics Statement—Each PPC candidate must sign the Financial Service Standards Code of Ethics to verify that the individual pledges to maintain a high standard of conduct, competence, knowledge, professionalism, integrity, objectivity, and responsibility in the practice of his or her profession.

Continuing Education—On an ongoing basis, over a 12-month cycle, each PPC designee must complete a minimum number of continuing education hours in a format allowed by the FSS Board.

To contact a Professional Plan Consultant near you, log on to www.401kservicesolution.com.

The 401k Service Solution was developed by Financial Service Standards, LLC (FSS). This brochure describes how these tools can help plan sponsors address the critical issues faced in the management of a qualified plan. For more information on this process, or to locate a professional that can provide the tools described in this brochure, log on to www.401kservicesolution.com.

About Financial Service Standards, LLC:

Financial Service Standards is a Pittsburgh-based company devoted to identifying and raising the service standards of financial professionals. Founded in August of 2005, the mission of Financial Service Standards, LLC is to be the ruler by which service excellence is measured in the financial industry. The goal of FSS is to define the minimum standards of service and **provide solutions** that exceed those standards. Financial Service Standards is doing this by developing comprehensive, practical-application tools that clients and the advisors that service them can use to help ensure a minimum standard that meets regulatory guidance for the financial industry. To learn more about FSS and the current initiatives being developed, log on to www.financialservicestandards.com.

©2006 Financial Service Standards, LLC
2652 Hidden Valley Drive, Suite 100A
Pittsburgh, PA 15241
412-977-9304
www.financialservicestandards.com

Notes:

Brought to you exclusively by your:

