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# Pension Innovations & Consulting Capabilities and Services



Presented by

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# Pension Innovations & Consulting at a Glance

From basic recordkeeping questions to the most complex technical issues, Pension Innovations & Consulting (PIC) offers only the highest quality professional service to ensure the integrity and enhance the value of employee benefit programs.

◆ **Focus:**

- Our primary focus is employee retirement plans. Our practice is dedicated to the design, installation and administration of qualified employee retirement plans.

◆ **Staff:**

- Our staff is comprised of highly educated, seasoned professionals. Our administration team provides our clients with individual attention and professional advice that is accurate, timely and practical.

◆ **Independence:**

- We do not sell investment products or invest plan funds. We have no direct ownership or exclusivity arrangement with any financial institution. Our independence in this area allows us to provide expert advice and services with no conflicts of interest.



# Pension Innovations & Consulting, LLC

## About us:

- Established in 2001, Pension Innovations & Consulting, LLC (PIC) is a full-service third party administration and consulting firm servicing over 400 clients.
- PIC is comprised of administrators and consultants dedicated solely to the design, installation and administration of qualified retirement plans.
- Specialization in complicated plan design – not a “cookie-cutter” approach.
- We sponsor our own plan documents.
- Leads are developed by accounting firms and investment brokers.



# Pension Innovations & Consulting, LLC

## About us continued:

- We work with accountants, attorneys, insurance agents, and financial consultants in preparing and evaluating our reports.
- We believe these reports should be prepared and distributed by an independent observer who has no financial interest in the plan – us.
- Upon request, we will assist with evaluating and providing investment professionals, but we **do not** invest funds. There will **never** be a conflict of interest as we do not sell investment products of any type.
- Recent customer service survey rating of 94% overall satisfaction.



# SEP/Profit Sharing Plan

Name	Job	Age	Comp.	Rate	Allocation
Dr. McCoy	Doctor, HCE	50	\$125,000	10%	\$12,500
Dr. Crusher	Doctor, HCE	45	\$125,000	10%	\$12,500
Ogawa	Nurse	40	\$45,000	10%	<b>\$4,500</b>
Chapel	Nurse	32	\$35,000	10%	<b>\$3,500</b>
Kes	Receptionist	28	\$30,000	10%	<b>\$3,000</b>
Paris	Orderly	25	\$25,000	10%	<b>\$2,500</b>
Total			\$385,000		\$38,500

Employer Cost to fund employees = **\$13,500** (35.07%)



## Cross-Tested 3% Safe Harbor 401(k)

Name	Age	Net Comp.	Defer	3% Safe Harbor	XT Allocation	Total Allocation	EBR
Dr. McCoy	50	\$125,000	\$22,000	\$3,750	\$28,750	\$54,500	11.122%
Dr. Crusher	45	\$125,000	\$16,500	\$3,750	\$28,750	\$49,000	16.722%
Ogawa	40	\$45,000	\$1,800	<b>\$1,350</b>	<b>\$1,237</b>	\$4,387	5.561%
Chapel	32	\$35,000	\$1,050	<b>\$1,050</b>	<b>\$962</b>	\$3,062	10.680%
Kes	28	\$30,000	\$0	<b>\$900</b>	<b>\$825</b>	\$1,725	14.801%
Paris	25	\$25,000	\$0	<b>\$750</b>	<b>\$687</b>	\$1,437	18.905%
Total		\$385,000	\$41,350	\$11,550	\$61,211	\$114,111	

Employer Cost = **\$7,761** (10.67%)



# Pension Innovations & Consulting Revenue Sharing Example

Assumptions: assets = \$1,500,000; flow = \$50,000, 30 eligible, 20 account balances

	Transamerica	Transamerica
	Year 1	Year 2
PIC Annual Fees	\$2,145	\$2,145
Annual Revenue Sharing	(775)	(775)
Net Annual Fees	\$1,370	\$1,370
Conversion Fees	\$1,510	n/a
One-time Revenue Sharing*	(1,550)	n/a
Net One-time Fees	\$(40)	n/a

\*10bps = 2bps added to CAC (5/1 ratio)



# Pension Innovations & Consulting: Why do business with us?

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- ◆ 85% close ratio when allowed to present to your prospect!
- ◆ We are not licensed to sell investment products – we rely upon you, the investment professional, to sell the investment solution.
- ◆ Locally owned and operated with over 175 years of cumulative industry experience.
- ◆ We take the team approach – your prospect, the investment provider, PIC, and you.

