



THE POWER OF THE *RETIREMENT PLAN EXCHANGE*[®]

AN INNOVATIVE RETIREMENT PLAN SOLUTION FOR SMALL BUSINESSES

QUESTIONS & ANSWERS

WHAT IS THE RETIREMENT PLAN EXCHANGE?

The *Retirement Plan Exchange* (the *Exchange*), powered by Transamerica, allows small businesses to provide a retirement plan to employees without having to take on all the administrative and fiduciary responsibilities that come with it. The *Exchange* can help reduce the administrative burden, transfer certain risks, and potentially reduce costs. With the *Exchange*, a team of professionals works together on your behalf so you can focus on running your business — not your retirement plan. When you offer a plan through the *Exchange*, you become a participating employer. Participating employers in the *Exchange* do not have to share a common association or industry.

HOW WILL MY BUSINESS BENEFIT?

By participating in the *Exchange*, you will experience:

- Reduced administrative burdens for your retirement plan
- Potential cost savings through economies of scale
- Outsourced fiduciary responsibility to the greatest degree allowed by law to help mitigate fiduciary risk
- A robust investment lineup featuring flexFIT, the next evolution of target date funds
- Participant educational tools and resources to help your employees successfully plan for retirement
- A team of experts to support the compliance and management of your plan

Target date options generally invest in a mix of stocks, bonds, cash equivalents, and potentially other asset classes, either directly or via underlying investments, and may be subject to all of the risks of these asset classes. The allocations become more conservative over time: The percentage of assets allocated to stocks will decrease while the percentage allocated to bonds will increase as the target date approaches. The higher the allocation is to stocks, the greater the risk. The principal value of the investment option is never guaranteed, including at and after the target date. Since the investment options available under a collective trust are exempt from SEC registration, a prospectus is not available with respect to such investment options.

WHAT ARE THE POTENTIAL COST SAVINGS?

When comparing the potential costs of sponsoring a retirement plan independently in the open market, participating employers may realize lower investment costs through aggregated assets and reduced costs for document preparation, compliance testing, Form 5500 filing, and quarterly participant statements. In addition, the *Exchange* has negotiated a significant cost savings for companies subject to an annual audit. These companies will receive a comprehensive, individual audit with limited company involvement and time commitment.



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WHAT FIDUCIARY SUPPORT WILL I RECEIVE?

The fiduciary support you will receive from the *Exchange* includes an investment policy statement, compliance and operational oversight, investment selection and monitoring, ongoing reporting, and more.

As a participating employer and fiduciary, you can delegate a large portion of responsibility to help meet your fiduciary obligations.

The *Exchange* also allows you to delegate a substantial portion of your administrative responsibilities to TAG Resources as your 3(16) Plan Administrator. Fiduciary PLUS will select and monitor the plan's investment lineup and take on ERISA 3(38) fiduciary responsibilities.

In a time of increasing government oversight and compliance, this support can be a significant benefit to your business.

WHAT ADMINISTRATIVE SUPPORT WILL MY BUSINESS RECEIVE?

It's easy to underestimate the time it takes to properly operate a 401(k) retirement plan. By participating in the *Exchange*, several tasks are taken off your plate, including:

- Form 5500 filing
- Nondiscrimination testing
- Investment of plan contributions
- Tracking contribution limits
- Tracking catch-up contributions
- Approvals and denials of hardship requests
- Distribution processing
- Monitoring of pending legislative actions
- Merger and acquisition support

WHAT PLAN DESIGN OPTIONS ARE AVAILABLE?

The *Exchange* allows each participating employer to take advantage of many plan design options. You retain control of vesting, eligibility requirements, matching contributions, profit sharing, automatic enrollment, and general plan design.

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The *Exchange* is not a multiple employer plan (MEP). Unlike a MEP, certain plan qualification and ERISA requirements are applied at the individual plan level.

flexFIT target date funds are not mutual funds. Wilmington Trust, N.A. Collective Funds (WTNA Funds) are trust company sponsored collective investment funds. Wilmington Trust, N.A. (the "Trustee") serves as the Trustee of the funds and maintains ultimate fiduciary authority over the management of, and investments made in, the collective trust funds.

Transamerica is not affiliated with TAG Resources, or Fiduciary PLUS.