

# WealthWise™ Retirement Plan

**BAIRD**

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# basics

A pooled employer plan (PEP) is a 401(k) retirement plan that allows **unrelated businesses** to participate in **one plan** managed by a pooled plan provider (PPP).

## PEP: pooled employer plan



that  
means  
only



Master Plan Document  
Audit Plan  
Investment Line-Up  
IRS Form 5500

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Unrelated employers sign an agreement with a PPP to participate in a PEP.

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Owned by the PPP.

# benefits

## for the plan sponsor

### Save Money

with negotiated plan rates

### Save Time

we will run the plan so you don't have to

### Flexible Plan Design

designed by experts

### Less Calls & Questions

employees call Finway Group

### Investment Line-up

chosen and monitored by the 3(38) Investment Manager

### Reduced Risk

Finway Group serves as the Plan Sponsor

### Relationship Manager

giving you a single point of contact

### Expertise

support from the industry's best

## for the participant

### Advanced Participant Experience

to make changes quick and easy

### Personalized Financial Wellness

for all participants

### Expert On-Boarding Support

for an effortless employee enrollment

### Participant Education

ready when they are



# responsibilities



finway group

**PPP · 3(16) · TPA**

“

It's time to get rid of the headaches, hassles, & heartburn of running the company retirement plan.

”



Sign & File the  
IRS Form 5500



Track Participant  
Eligibility



Dedicated  
Relationship Manager



Monitor Payroll  
Uploads



Daily Phone &  
Email Relief



Approve Loans &  
Distributions



Expert  
On-boarding Team



Mail Out All  
Required Notices



Payroll Integration  
*(optional \*additional charge)*

# responsibilities



## choose one payroll integration

An intricate part of running your retirement plan.

### **Empower**

Offers 180 & 360 integration to over 125 payroll providers.

### **Payroll Integrations**

Offers 180 & 360 integration to additional popular payroll providers for a small fee and will provide year end census.

### **Step Savers**

Offers integration with any other payroll provider or software vendor not offered through Empower or Payroll Integrations for a small fee.



## empower recordkeeper

### **your employees can**

- Enroll in seconds.
- View projected retirement income.
- Compare their savings to others'.
- Estimate retirement healthcare costs.
- Adjust contributions.
- Rebalance portfolios.
- Manage their HSA accounts.
- Examine financial wellness.
- Account for their outside assets.
- Get updates & confirmations.
- Update language to Spanish.

# responsibilities



## investnet 3(38)

Having a 3(38) Investment Manager relieves the risk and responsibility when selecting and monitoring funds, providing an added layer of fiduciary protection.



## empower trustee

As the directed trustee, Empower holds legal title to the assets held in trust.



# Plan Sponsor Responsibilities: Why PEP?

## traditional 401(k) Plan

1. Form 5500 preparation
2. Track eligibility
3. Retirement plan review
4. Investment choice additions/deletions
5. Consultative design services
6. Year-end testing
7. Proprietary plan document support
8. Advanced allocation designs
9. Preparation of amendments
10. Monitor pending legislative actions
11. Merger and acquisition support
12. Annual census collection
13. Audit support
14. Forms 945, 1096, and 1099 preparation
15. Notify participants of eligibility
16. Conduct ongoing employee education
17. Explanation of distribution options and tax implications
18. Establish deductions with payroll
19. Invest plan contributions
20. Qualified domestic relations order (QDRO) support and analysis
21. Track contribution limits
22. Track catch-up contributions
23. Distribute mandatory communication notices
24. Approve/deny hardship requests
25. Approve/deny loan requests
26. Prepare loan amortization schedules
27. Coordinate loan deductions
28. Process distributions upon termination
29. Investment monitoring and due diligence
30. (...and more...)



## Pooled Employer Plan

1. Upload payroll files
2. Year-end data collection

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**WealthWise Retirement Plan**  
**#1 Sample Co.**

**est. assets - \$8,340,000**  
**est. participants - 98**

<b>Empower</b>	<b>.04%</b>
<b>Finway Group</b>	<b>.05%</b>
<b>Envestnet</b>	<b>.11%</b>
<b>Advisor</b>	<b>.30%</b>
<b>Investment Expenses</b>	<b>.15%</b>
<hr/>	
<b>Annual Total</b>	<b>.65%</b>

\*Note: Projected fee above is an estimate based on the information provided. The Finway Group serves the right to modify the fee based on final assets and participant data.

# Fee Analysis

## Side By Side Cost Comparison - #1 Sample Co.

### Freedom Professional Industries

#### Assumptions

Assets: \$ 8,340,000.00  
 Annual Flow: \$ 1,200,000.00  
 Participants: 98.0



John Hancock		
Recordkeeper	\$ 39,198.00	0.47%
Advisor	\$ 29,190.00	0.35%
TPA	\$ 10,842.00	0.13%
3(21) Fiduciary	\$ 1,668.00	0.02%
Fund Expense	\$ 30,858.00	0.37%
<b>TOTAL</b>	<b>\$ 111,756.00</b>	<b>1.34%</b>
<b>Add in:</b>		
Audit Fee	\$20,000	Employer
Fidelity Bond	\$4,480	Employer
CPA/5500	\$2,000	Employer
HR time svgs	\$15,000	Employer
<b>TOTAL</b>	<b>\$153,236.00</b>	

WealthWise PEP		
Recordkeeper	\$ 3,336.00	0.04%
Advisor	\$ 25,020.00	0.30%
PEP Provider	\$ 9,174.00	0.11%
3(38) Fiduciary	\$ 4,170.00	0.05%
Fund Expense	\$ 12,510.00	0.15%
<b>TOTAL</b>	<b>\$ 54,210.00</b>	<b>0.65%</b>
<b>Add in:</b>		
Audit	\$0	PEP
Fidelity Bond	\$0	PEP
CPA/5500	\$0	PEP
HR time	\$0	PEP
<b>TOTAL</b>	<b>\$54,210</b>	

**TOTAL EST. SAVINGS = \$99,026 ...PER YR AND GROWING**

Risk reduction: Trustee 3(16)/3(21) 3(38) Fiduciary Liability  
 Time savings: Audit Terminations Loans Hardship w/drawals Notices

### Notes

\*Recordkeeper compensation includes a line item from the 5500 of around \$7100 for direct compensation.

Fund expense calculation done using ACTUAL 408b2 fund fees and asset weighting.

Fund expense comparison for PEP uses LIKE FOR LIKE investment options and their corresponding fees.

Audit fee found on the 5500.

HR time saving estimated. Assumes HR and Finance involvement goes to near zero with Pooled Employer Plan.

\*Note: Projected fee above is an estimate based on the information provided. The Finway Group serves the right to modify the fee based on final assets and participant data.



**WealthWise Retirement Plan**  
**#2 Sample Co.**

**est. assets - \$34,220,000**  
**est. participants - 635**

<b>Empower</b>	<b>.02%</b>
<b>Finway Group</b>	<b>.05%</b>
<b>Envestnet</b>	<b>.16%</b>
<b>Advisor</b>	<b>.15%</b>
<b>Investment Expenses</b>	<b>.19%</b>
<hr/>	
<b>Annual Total</b>	<b>.57%</b>

\*Note: Projected fee above is an estimate based on the information provided. The Finway Group serves the right to modify the fee based on final assets and participant data.

# Fee Analysis

## Side By Side Cost Comparison – #2 Sample Co.

### ACME Industries, Inc.

Assumptions (From: 2022 5500)  
 Assets: \$ 34,221,586.00  
 Annual Flow: \$ 1,638,229.86  
 Participants: 635.00



Voya		
Recordkeeper*	\$ 106,113.03	0.31%
Advisor	\$ 54,754.54	0.16%
TPA**	\$ 17,110.79	0.05%
3(21) Fiduciary	\$ -	0.00%
Fund Expense***	\$ 118,098.69	0.35%
<b>TOTAL</b>	<b>\$ 296,077.05</b>	<b>0.87%</b>
<b>Add in:</b>		
Audit Fee	\$9,200	Employer
Fidelity Bond	\$4,480	Employer
CPA/5500 (est)	\$2,000	Employer
HR time svgs (est)	\$15,000	Employer
<b>TOTAL</b>	<b>\$ 326,757.05</b>	

WealthWise PEP		
Recordkeeper	\$ 6,844.32	0.02%
Advisor	\$ 51,332.38	0.15%
PEP Provider	\$ 17,110.79	0.05%
3(38) Fiduciary	\$ 54,754.54	0.16%
Fund Expense	\$ 65,021.01	0.19%
<b>TOTAL</b>	<b>\$ 195,063.04</b>	<b>0.57%</b>
<b>Add in:</b>		
Audit	\$0	PEP
Fidelity Bond	\$0	PEP
CPA/5500	\$0	PEP
HR time	\$0	PEP
<b>TOTAL</b>	<b>\$195,063.04</b>	

**TOTAL EST. SAVINGS = \$131,694 ...PER YR AND GROWING**

Risk reduction: Trustee 3(16)/3(21) 3(38) Fiduciary Liability  
 Time savings: Audit Terminations Loans Hardship w/drawals Notices

### Notes

- \*Recordkeeper compensation includes a line item from the 5500 of around \$7100 for direct compensation.
- \*\*Voya takes 35bps recordkeeping, and shares 5bps with the TPA on the plan.
- \*\*\*404a5 disclosure note: Gross fund expense pays the advisor fee, TPA, and recordkeeper. Our analysis separates those fees for true apples to apples.
- Fund expense calculation done using ACTUAL 408b2 fund fees and asset weighting.
- Fund expense comparison for PEP uses LIKE FOR LIKE investment options and their corresponding fees.
- Audit fee found on the 5500.
- HR time saving estimated. Assumes HR and Finance involvement goes to near zero with Pooled Employer Plan.

\*Note: Projected fee above is an estimate based on the information provided. The Finway Group reserves the right to modify the fee based on final assets and participant data.

The logo consists of the word "BAIRD" in a bold, serif font, centered within a white, trapezoidal shape that is wider at the top and tapers towards the bottom. The background of the entire slide is a dark, semi-transparent architectural drawing of a building's floor plan, overlaid with a grid and various numerical annotations.

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