

# Large Plan Provider & Fee Analysis Case Study



## Plan Sponsor Demographics

- Industry- Manufacturing
- Plan type- 401(k) & DB Plan
- Assets- \$400 Million
- Participants- 5000

## Summary:

*The following is a case study summary of a retirement plan sponsor using XGS Connect to make successful plan improvements. The plan sponsor had a great record as a responsible fiduciary; however, he/she came to realize after four years the plan may not be competitive and he/she could be a fiduciary risk. The plan sponsor wanted to adapt the plan to the growing size of the company and maintain the best plan that could be offered to the participants.*

## Background Information:

- Large plan with 401(k) and Defined Benefit complexities
- Growing participants and asset size
- Service provider arrangements had not been evaluated in over 4 years
- No prior analysis of share class or required revenue
- Fiduciary wanted to make sure participants were being offered the best plan

## Strategy:

- Align corporate and plan goals with plan sponsor
- Lead plan sponsor through detailed RFP Search /Fee Benchmarking Analysis
- Solicit bids from qualifying vendors
- Negotiate share class and investment upgrades to lower expenses and reduced revenue sharing
- Document and conduct proper 408(b2)compliance

## Plan Sponsor Objectives:

- Evaluate fees and services
- Ensure a market competitive plan
- Ability to articulate reasonableness of plan fees and services in accordance to 408(b)(2) regulations
- Allow Investment Committee to explore and provide analysis on adding stable value option

## Connection Results:

- Total plan savings of \$400,000 and weighted expense ratio reduction by 10%
- Consultant was hired as the new plan advisor with no additional cost to plan sponsor or participants, fee was paid completely from the negotiated savings
- Added non-proprietary stable value fund
- Plan sponsor is better protected as a fiduciary and the plan is better aligned with participant and company goals

For more information or to get started with a no obligation plan evaluation visit: <http://xgrowthsolutions.com/contact-xgs/>