ASCENSUS

Your guide to the Ascensus Secure Retirement Pooled Employer Plan (PEP)

Plug into an affordable, customizable retirement solution that works right out of the box.

A different way to 401(k).

A pooled employer plan (PEP) is a new way for employers like you to offer a 401(k) plan to their employees.

Unlike a traditional workplace 401(k), where the employer is faced with managing a complex list of requirements, the PEP is administered by a single pooled plan provider (PPP)—Newport, an Ascensus company. Employers of different sizes, from different industries and geographic areas, can “pool together” under this PPP to provide a singular retirement plan to all their employees.

Since the PPP handles most of the administrative and management responsibilities of the plan, employers are able to **reduce their costs, liability, and workload while enjoying plan services and efficiencies typically reserved for only the largest companies.**

WHO DOES WHAT IN A PEP?

In a traditional, single-employer 401(k) plan, the daily operations and fiduciary risk are your responsibility. In the Ascensus Secure Retirement PEP, you outsource most of that responsibility to us.

	Traditional 401(k) Plan	Ascensus PEP		
Responsibility	**You**	**Newport Pooled Plan Provider (PPP)**	**Your Advisor**	**You**
Acts as 402(a) named fiduciary	✓	✓		
Acts as 3(16) administrative fiduciary	✓	✓		
Reviews, signs, and files Form 5500	✓	✓		
Reviews and signs off on compliance testing	✓	✓		
Prepares/approves required notices/reports	✓	✓		
Selects and works with plan auditors	✓	✓		
Selects the 3(38) investment manager	✓		✓	✓
Reviews/approves/signs off on all distributions	✓	✓		

With a PEP, you can breathe easy.

When you join the Ascensus Secure Retirement PEP, you're able to offload many complex aspects of running a retirement plan to Newport, an Ascensus company, as the PPP—so you can focus on your business.

FIDUCIARY SERVICES

We serve as your:

402(a) Named Fiduciary: We are the plan administrator. We select and monitor all service providers to the plan other than named fiduciaries or providers hired by you. We also assume discretionary authority for nearly all of the traditional plan sponsor's responsibilities.

3(16) Administrative Fiduciary: We are responsible for ensuring required disclosures are distributed to plan participants and beneficiaries and for filing most reports with the government. We maintain required plan information, data, and reports. We also manage and approve all plan distributions.

3(38) Investment Fiduciary: Newport Group Consulting has discretionary authority over plan investments and is responsible for the selection, monitoring, and management of the plan's investment menu.

TRUSTEE AND CUSTODIAL SERVICES

All retirement plans require certain trustee and custodial services. Newport Trust Company, as the trustee of the PEP, handles many of these responsibilities, including:

- Tracking and collecting employee contributions to the plan
- Holding the assets of the plan

RECORDKEEPING AND ADMINISTRATION SERVICES

As the nation's largest independent recordkeeper and third-party administrator,* Ascensus has the people and technology to support and document your retirement plan's required transactions. For each employer within the PEP, our experts and systems will handle many of the plan's operational tasks, including:

- Eligibility
- Discrimination testing
- Annual employer contribution calculations
- Forfeiture tracking
- Reporting

*Cerulli Associates. *The Cerulli Report: U.S. Retirement Markets 2021.* March 2022.

Our investment lineup puts your employees first.

Unlike other PEPs, we do not have proprietary funds—so our investment lineup was selected for your employees' benefit, not ours.

Asset Class/Style	Active and Passive Investment Menu
Fixed Income	
Stable Value	Vanguard Retirement Savings Trust IV
Intermediate-Term Bond Index	Vanguard Total Bond Market Index Admiral
Intermediate-Term Bond	Baird Core Plus Bond Institutional
Inflation-Protected Bond	Fidelity Inflation-Protected Bond Index
World Bond	American Funds Capital World Bond R6
U.S. Equity	
Large Value	Vanguard Equity-Income Admiral
S&P 500 Market Index	Vanguard Institutional Index I
Large Growth	Harbor Capital Appreciation Retirement
Completion Index	Vanguard Extended Market Index Institutional
Small/Mid Blend	Vanguard Strategic Equity Investor
Non-U.S. Equity	
Total International Index	Vanguard Total International Stock Index Admiral
International Equity	American Funds EuroPacific Growth R6
Asset Allocation	
Target-Date Series	Vanguard Target Retirement Series Institutional
Managed Account Service	Newport Managed Account Service

Flexible plan design to meet your needs.

Although there are certain features that most plans typically utilize, we know that every company is different—and we can tailor plan design elements to best support your organization.

	Best Practice	Other Options
Safe Harbor Design	ACA safe harbor QNEC safe harbor	Standard safe harbor
Automatic or Voluntary	Automatic enrollment for new hires Automatic savings increases (opt-out) Default QDIA investment Re-enrollment at scheduled frequency	Voluntary enrollment via "Quick Enroll" Opt-in savings increases
Eligibility Requirements	60-day, 90-day or 1-year Monthly or quarterly entry dates	Age minimums Able to exclude employee classes
Employee Contributions	Pre-Tax Roth Catch-up Rollovers (Based on W2 wages)	After-Tax
Employer Contributions	Safe harbor match, enhanced match, or non-elective contribution	Discretionary match or enhanced match Discretionary profit sharing
Vesting Requirements	Immediate vesting Same schedule for all contribution types Normal Retirement Age (65)	3-year cliff 5-year graded 6-year graded
Participant Loans	Minimum $1,000, one loan at a time Interest rate: Prime +1% Paid through payroll deduction Due and payable upon termination	Up to two loans at one time
Plan Distributions	In-service (after age 59½) Hardship (from all sources) Termination, disability, death Required minimum distributions (RMDs)	Birth and adoption Natural disasters

The support you need, when you want it.

Whether you are setting up your first retirement plan or converting an existing one, a dedicated team will help you every step of the way. Get up and running quickly with full support. A dedicated relationship manager will be your primary contact to help keep your plan running smoothly.

ONBOARDING PROCESS

- You or your advisor submit completed and signed letter of intent
- We work with you as the adopting employer to gather the necessary documentation
- If you have an existing plan, our team works with you as the adopting employer through the transfer of assets process
- We support you as the adopting employer with enrollment and education
- Go live with your plan
- After your plan is active, you'll receive ongoing support from your relationship manager

You also have access to our award-winning, easy-to-use plan sponsor website, which offers quick ways to access plan information:

- On-demand reports
- Customizable ad-hoc reporting
- Contribution posting and status
- Access to participant-level detail
- Automated alerts
- Reviews and distribution and loan activities

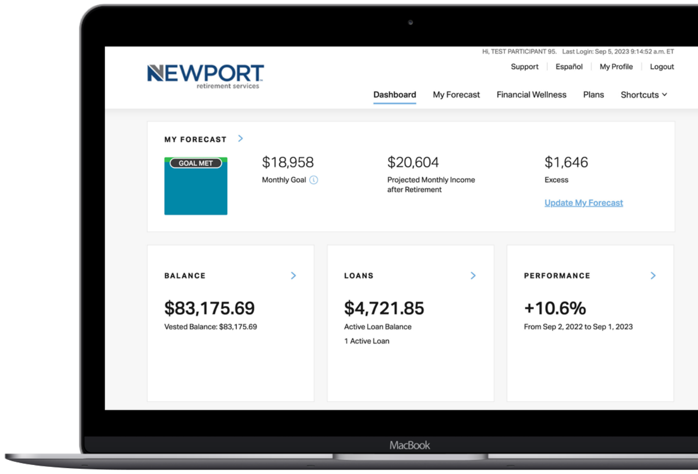
Award-winning tools that help employees reach their goals.

Once enrolled in the plan, your employees can use our:

- **Intuitive website:** Our dynamic website allows employees to manage their accounts anytime, anywhere. Employees can also use our mobile app. Both the website and app are available in English and Spanish.

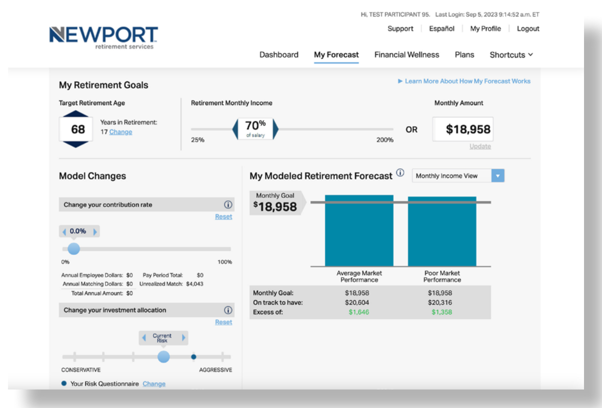
- **Participant Service Center:** Ascensus representatives are available to answer your employees' questions, validate information, help with transactions, and provide support in English, Spanish, and other languages.

- **Financial wellness offerings:** We provide a range of financial wellness tools and resources, including videos, articles, and calculators, so employees can feel empowered and more secure about their financial futures.



DIGITAL EXPERIENCE EXCELLENCE

Our plan sponsor and plan participant websites as well as our mobile experiences are among the retirement industry's best according to DALBAR, a market research firm. In DALBAR's quarterly review, we were named the #2 participant website and #6 plan sponsor website.



With the Ascensus Secure Retirement PEP, you can offer a retirement plan that benefits both you and your employees.

Contact your Ascensus representative to request a proposal and get started today.

800-345-6363 pooledplanproposals@ascensus.com ascensus.com