

RETIREMENT PLAN FACT FINDER

Date _____

Plan Prospect Information

Company Name _____ Phone _____ Fax _____

Address _____

Email _____

Contact Name _____ Decision Maker _____

Type of Business C-Corp, S-Corp, Partnership, LLP, LLC, Non-Profit, Government

Is this business affiliated with any other business? No, Yes _____

Total # of employees: _____, Are there any Part-time employees? (< 1000 hrs/yr) No Yes

The goal of BEI is to support you, the investment professional, in a way that allows you to focus on what you do best. From the initial client meeting, through the fact-finding process to the final presentation, BEI is here to support your efforts.

As a financial advisor, you rely on industry experts to provide a full range of services you can offer to your clients. In working with the BEI marketing team, you can have confidence that you are offering your clients the latest approved retirement plan solutions.

The Discovery process: (Finding out what's in it for them)

The first and most important question you can ask a 401(k) prospect today:

"When was the last time your 401(k) Plan was fully reviewed to determine.?"

- Plan design optimization
- Cost efficiency
- Service capabilities
- Investment due diligence

In other words, you can offer a plan "Tune-up". A comprehensive overview of the 401(k) by looking at:

- Documentation
 - Original record keeping agreement
 - Plan Document
 - Adoption Agreement
- Administration
 - Balance Sheet
 - Corporate Reconciliation Report
 - Form 5500 Schedule A
- Investments
 - Recent performance reports
 - Original investment contract

Introduction Meeting: *The goal of first contact*

- The key to a successful first meeting is to **build trust**...make a friend
- Take **good notes**
- Discover as much information as possible about the company, its people and the goals of the business owner or HR staff.
 - Examples of business goals:**
 - a. Retain your current key employees?
 - b. Minimize taxes?
 - c. Maximize cash flow?
 - d. Provide a pre-tax bonus program?
 - e. Support your in-house administrator?
 - f. Provide risk management?
 - g. Provide a competitive employee benefit?
- **Do not offer solutions** or start to sell any product (investment option) at this point. **Remember**, the client does not care how much you know until they know how much you care.
- Do **not** ask the decision maker if he/she is happy with their 401(k) plan provider, TPA or current advisor. Because if they say “yes” the call is over.
- Your mission is to determine the client’s **hot-button** and how you will make their life easier
- Have the business owner or HR person describe all of the challenges they presently experience with the current 401(k)/Pension Plan.

How should you conduct the discovery meeting?

- A. *What is your mission?* As a plan provider, what are you telling the prospect that you are going to do for them. Detail what your value is over other Advisors. *Differentiate yourself as a consultant.*
 - B. Disclose how you are compensated and what that compensation will be
 - C. Introduce your team, i.e. TPA, payroll partner, CPA, etc...
 - D. Explain why you believe you are offering unparalleled services. Again explain your value versus other Advisors.
 - E. Take the complex and make it simple
 - F. Talk benefits not features
 - G. Show win-win scenarios for the owner, participant and the plan
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Responding to questions and objections

- A. Confirm the objection – state that you understand there issue
 - B. Answer the objection with facts
 - C. Ask if there are any other questions
 - D. If you cannot answer a question, tell them you will get back to them within 24 hours. Then do it!
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Close the meeting:

- A. Attempt to set up the follow-up meeting at the end of the first meeting.

Goal of the second meeting:

1. Select appropriate investment provider
2. Determine time-line of the transition
3. Discuss how the “Black-out” period works to plan participants
4. Review all contracts and agreements
5. Determine if surrender charges exist with current plan

B. Goal of the final presentation

1. Close the sale – Sign agreements
2. Select investment options
3. Review roles & responsibilities of all parties
4. Select date of employee meetings
5. Organize internal administration of client to be successful
6. Set expectations for plan administration, timing of reports, deadlines, etc...

Retirement Plan Assessment Questionnaire:

(To be used in the first meeting)

- A. Why did the company establish the 401(k) plan originally? Has it satisfied the original goals?

- B. Potential goals of the 401(k) plan? (Retention, attraction key employees, tax advantages, etc...)

- C. Who decides who the company 401(k) plan vendor will be?

- D. Do you maintain an investment due diligence file? No Yes - If yes which of the following do you track:
- 1) Investment Policy Statement
 - 2) 404(c) Checklist
 - 3) Investment monitoring Report
 - 4) Fee Disclosures
- E. Who is currently providing services for the 401(k) plan? Are you satisfied?

- F. What problems with your current vendor(s) do you want to solve? (Higher level of service, lower cost, better investments, additional support for employees)?

- G. When you ask your employees about the 401(k) Plan, what do they say?

- H. When you decide to change providers, what features would you want the new 401(k) plan to have? Example: increased number of investment options, more sophisticated online financial tools, hands-on Financial Advisor, etc...

- I. Did you conduct a review of your plan this year? No Yes, When

- J. And finally...are there any circumstances, like current business relationships or family ties, which will cause you to favor one vendor over another?
 No Yes, If yes, what is the circumstance

When you are in a hurry because the client wants a short first time visit, ask these questions?

A. Who is your current vendor?

B. If you could change one thing about your current plan, what would it be?

C. When was the last time you had a comprehensive review for your plan?

D. Is it time to change the company 401(k) plan now? No Yes, Why:

Research Questionnaire:

Please rate the following 401(k) program benefits according to importance. Using a scale of 1 (least important) to 4 (most important), circle one:

- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | Keep benefit costs low and predictable? |
| 1 | 2 | 3 | 4 | Attract and retain quality employees? |
| 1 | 2 | 3 | 4 | Provide employees with an opportunity to save for their retirement on a tax deferred basis? |
| 1 | 2 | 3 | 4 | Provide yourself with an opportunity to save for their retirement on a tax deferred basis? |
| 1 | 2 | 3 | 4 | Take advantage of additional corporate tax deductions? |

Please rate the following 401(k) program features according to importance. Using a scale of 1 (least important) to 4 (most important), circle one:

- | | | | | |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | Investment diversity? |
| 1 | 2 | 3 | 4 | Investment performance? |
| 1 | 2 | 3 | 4 | Reasonable cost/fees? |
| 1 | 2 | 3 | 4 | Plan design flexibility? |
| 1 | 2 | 3 | 4 | Participant education and communication? |
| 1 | 2 | 3 | 4 | Participant services, Voice response, Internet access, etc... |

How satisfied are you with the following components of your current plan? Using a scale of 1 (least important) to 4 (most important), circle one:

- | | | | | |
|---|---|---|---|----------------------|
| 1 | 2 | 3 | 4 | Plan administration? |
| 1 | 2 | 3 | 4 | Investment options? |
| 1 | 2 | 3 | 4 | Employee education? |
| 1 | 2 | 3 | 4 | Fees? |
| 1 | 2 | 3 | 4 | Record keeping? |
| 1 | 2 | 3 | 4 | Fund performance? |
| 1 | 2 | 3 | 4 | Customer service? |

How would you rate your advisor? 1 2 3 4

Other comments:

Questions for the decision-maker just starting a new plan?

A. Who do you want the 401(k) plan to benefit? i.e. Everyone, Key employees, etc...

B. Potential goals of the 401(k) plan? (Retention, attraction key employees, tax advantages, etc...)

C. What have you heard about 401(k) programs from peers, media, etc...

D. What features do you want for your company 401(k) plan?

- 1. Target-date investment options (Life Cycle)
- 2. Net Asset Value pricing (No Wrap fee, no load, No surrender)
- 3. Lower Administrative costs
- 4. _____
- 5. _____
- 6. _____

E. What is your time frame to implement? _____

F. Why haven't you already set up a retirement plan?

Too expensive, Too complex, Not enough interest, other
