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Ready, Aim, Retire.

Success Story: How One Phone Call Led to a $1.6 Million Sale

As the saying goes, sometimes it's not what you know, it's who you know. For Bryan Walton of LifeSource, that couldn't be more true. With just one phone call to his RMS wholesaler, Don Reed, Walton landed a $1.6 million sale.

Last spring, Walton's client, a large assisted living group, was in need of a better retirement plan. Though Walton didn't have experience selling retirement plans, Reed was a seasoned retirement wholesaler who offered a quality product and exceptional sales support. So Walton picked up the phone.

"The plan only had 200 participants," Reed said. "But we soon found out the client had over 1,000 qualifying employees spread throughout their various hospices and assisted living facilities.

Reed began working on behalf of Walton, illustrating the strength, breadth and reliability of Mutual of Omaha's retirement products and how they could better service the client's participants. The client was impressed and soon made the decision to switch carriers.

"It's a million dollar case right now," Reed said of the hospital group, "but it likely will be even bigger once we raise participation rates through interactive enrollment meetings, ongoing participant education and superior customer service."

The relationship between Walton and Reed is mutually beneficial. Walton now has a broader product portfolio to offer existing clients, and Reed has a new advisor in his network. Walton gets the commission, while Reed is the one who sets up the plan and works with the plan sponsors to iron out the details. In just six months, Walton has enabled Reed to send out seven proposals, one of which resulted in the $1.6 million sale.

Have a success story you'd like to share? Send an e-mail to thearrow@rms401k.com

Six Recordkeeping Services that Increase Customer Loyalty

Most recordkeepers offer the standard, basic services plan sponsors need to administer a plan. But it's the value-added, proactive services and access to data that really can make a difference in helping you achieve high client satisfaction and plan retention. Here are six proactive services that the recordkeepers you recommend to your clients should provide.

1. **Payroll Establishment** – Upfront consultation and testing with the employer and/or the payroll provider to establish the plan's payroll format is critical to getting the plan off to a good start. The recordkeeper should be familiar with a variety of payroll providers/formats and have the flexibility to adapt accordingly.
2. **Payroll Calendar** – Establishing a payroll calendar with the employer can help ensure all payrolls for all locations are made on a timely basis. The calendar also can be used to automatically initiate compliance testing after the last payroll for the plan year has been made.
3. **Payroll Audit** – Multiple checks and balances should be made on every payroll. Audits can check for and flag discrepancies, such as date of hire before date of birth. If the data seems unreasonable, the employer should be notified.
4. **Quarterly Compliance Testing*** – Quarterly testing helps the employer track trends and identify potential issues while there is still time to do so. For example, they can advise highly compensated employees (HCEs) to adjust their contributions if testing indicates excess contributions. Employers also should have access to run their own ad hoc reports online at any time throughout the year.
5. **Payroll Information Report** – Upon completion of each payroll, the employer should receive a report highlighting key elements, such as:
    - A participant approaching or over the 402(g) deferral limit

- The final loan payment for a participant with a loan
- A notice that a loan repayment was removed from the employer's file if the employer forgot to stop the loan after it was paid in full
- A participant who doesn't have investment elections on record and is 100 percent invested in the default fund

6. **Web Site Reporting** – In addition to the standard plan and participant balance, fund and history detail, a provider's secure Web site should provide employers and financial advisors several added-value reports, including:
    - **Terminated employees with a balance** – Advisors can run this report and sort by high account balance to identify and solicit potential rollover business; employers can use this report to payout small account balances
    - **Deferral changes** – Identifies participants who have changed their deferral percentage during the selected timeframe
    - **New loans** – Identifies participants who have taken a new loan during the selected timeframe
    - **RMD** – Identifies participants who are required to take a Required Minimum Distribution during the selected timeframe
    - **Loan Default** – Alerts employers of participants who have not made a loan repayment during the selected timeframe

Mutual of Omaha, our preferred retirement plan provider, offers all these services and more at no additional cost. To find out for yourself, take a tour of their Web site for employers at GetRetirementRight.com.

Here's how:

- Click the Sponsor login button
- Enter client number: 711807
- Enter PIN: 166687

For more information on Mutual's other online services, download their customer support flyer.

** For TPA-serviced plans, the TPA generally performs this service.*

DOL Withdraws Investment Advice Rule

On November 11, 2009, the Department of Labor's Employee Benefits Security Administration (EBSA) withdrew its final rule regarding investment advice. The rule contained guidelines pertaining to when producers could provide investment advice to participants in a 401(k) plan and receive compensation for that advice.

The issue of investment advice continues to receive more and more focus, and we expect future legislation will be proposed. As always, we'll keep you informed of any legislative updates as we learn of them.

For more information on the withdrawal of the investment advice rule, refer to the notice of withdrawal.

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Investment options are offered through a group variable annuity contract (Forms 902-GAQC-09 or 902-GAQC-09(OR) or 901-GAQC-07 or 901-GAQC-07(OR)) underwritten by United of Omaha Life Insurance Company for contracts issued in all states except New York. United of Omaha Life Insurance Company is not licensed in New York. In New York, Companion Life Insurance Company, Hauppauge, NY underwrites the group variable annuity (Form 900-GAQC-07(NY)). Each company accepts full responsibility for each of their respective contractual obligations under the contract but does not guarantee any contributions or investment returns except as to the Guaranteed Account and the Lifetime Guaranteed Income Account as provided under the contract. Neither United of Omaha, Companion Life Insurance, nor their representatives or affiliates offers investment advice in connection with the contract.

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