

# Multiple Employer Aggregation Program (MEAP)

Upper Valley Business Alliance  
Retirement Program

RETIREMENT PLAN  
SERVICES

Overview and  
capabilities guide

Not a deposit

Not FDIC-insured

Not insured by any federal  
government agency

Not guaranteed by any  
bank or savings association

May go down in value



Insurance products issued by:  
The Lincoln National Life Insurance Company  
Lincoln Life & Annuity Company of New York



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# What is a Multiple Employer Aggregation Program (MEAP)?

A Multiple Employer Aggregation Program (MEAP) is a qualified retirement plan adopted by multiple employers through their association with the sponsoring organization, which acts as the lead sponsor. The MEAP is designed to gather the plan's important administrative, recordkeeping and fiduciary services to be overseen by a third party, which allows the plan sponsors who participate to outsource many responsibilities that come with running a retirement plan, and often, helps reduce costs.

## Why consider joining a MEAP?

Because every business owner tells us the same thing: They want a retirement plan solution that ...

1   
Is easy

**Situation:**

They want to focus on their business — they don't want to be a 401(k) expert.

**Solution:**

The MEAP can become their 401(k) department, performing most of the administrative tasks for their plan, including handling their regular contribution files.

2   
Protects them

**Situation:**

They don't want to be at risk of paying fines or penalties.

**Solution:**

By joining a MEAP, employers can avoid much of the compliance concerns that come with offering their own plan. While their role as plan fiduciary still exists, many specific tasks transition to the program. The employer's ongoing role is to oversee the various parties dedicated to the plan to ensure it operates as expected.

3   
Is cost competitive

**Situation:**

They don't want to overpay.

**Solution:**

The MEAP delivers more value and services — potentially at similar or less cost than they're likely already paying. And, as plans grow, they're reviewed regularly for price reductions.

# 401(k) responsibilities when you manage your own plan

When you are the plan sponsor, you manage the plan's administrative and fiduciary tasks.

## Plan sponsor duties

- Design plan document
- Maintain qualified status
- Assign and oversee all other plan fiduciaries

## Plan investment fiduciary duties

- Appoint and monitor plan investment fiduciary duties for all other plan fiduciaries
- Produce, maintain and follow an Investment Policy Statement (IPS)
- Select and monitor an investment platform meeting ERISA "prudent person" standards
- Conduct and document quarterly Investment Committee meetings
- Review and document investment returns, fees, expenses and comparisons to peer group
- Monitor the status of all investment options and remove or replace them as appropriate

## Operational plan administrator duties

- Submit payroll files for upload and deposit contributions on a timely basis
- Complete annual ownership and census verification for testing purposes
- Oversee annual census reconciliation with a third party administrator (TPA)
- Oversee and manage the annual Form 5500 filing process in conjunction with a TPA
- Determine participant eligibility
- Conduct enrollment and educational meetings
- Address specific participant requests in compliance with the 404(a)(5) participant fee disclosure regulation
- Administer participant loans in compliance with statutory requirements

- Verify termination dates and vesting, and send out participant termination packets
- Administer distribution and rollover requests for terminated employees
- Administer hardship withdrawals in compliance with the hardship rules
- Review and validate compliance testing
- Send out required year-end notices to participants [that is, safe harbor, summary annual report (SAR) and so forth]
- Send out enrollment packets, including summary plan description (SPD), 404(c) compliance information, Qualified Default Investment Alternative (QDIA) and annual participant fee disclosure 404(a)(5)
- Comply with DOL Regulation Section 2550.404(a)(5) provisions for participant communications, including but not limited to:
  - Notice to participants of intention to comply with 404(c)
  - Description of investment alternatives
  - General description of the investment objectives and risk-and-return characteristics of each alternative
  - Explanation of transaction fees and expenses that affect the participant's account balance
  - Details about the plan fiduciaries
  - Description of annual operating expenses of each designated alternative
  - Copies of prospectuses, financial statements and reports provided to the plan

# 401(k) responsibilities in a group program

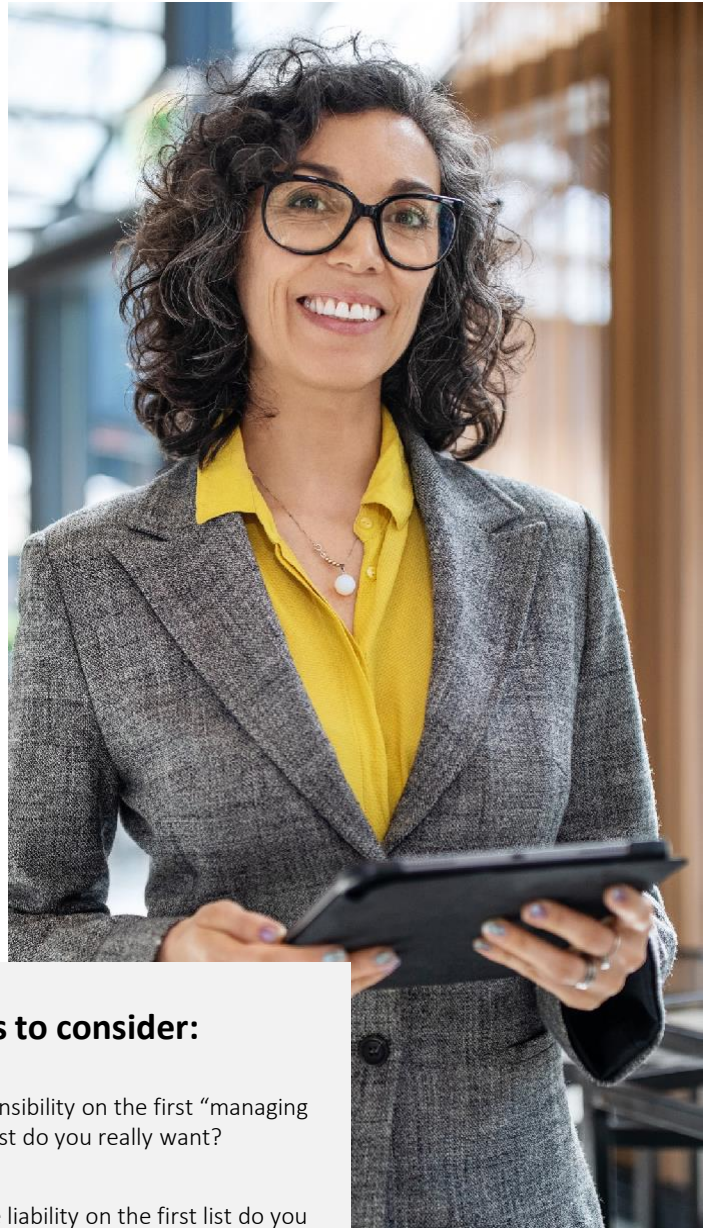
Third parties take over administrative tasks and certain fiduciary liabilities on your behalf.

## Initial choices

- Sign initial paperwork agreement
- Select customized plan design options to meet your business needs

## Ongoing duties

- Submit payroll files for upload and deposit contributions on a timely basis
- Periodically monitor the program and any third parties managing administrative and fiduciary tasks to ensure plan provisions are being carefully administered
- Complete your annual ownership and census verification for testing purposes



### Three questions to consider:

- 1 How much responsibility on the first “managing your own plan” list do you really want?
- 2 How much of the liability on the first list do you want to keep?
- 3 How much of the first list does it make sense to outsource, so you can focus more on your business and less on your 401(k)?

Pages 4 and 5 represent the most common plan sponsor responsibilities when managing an individual plan versus joining a MEAP. Your responsibilities upon joining your program could vary from the illustration based on the actual services being provided by your program’s administrator.



## What you'll experience

A MEAP is designed to free up your time and preserve important flexibility, so you can focus on running your business — and it all starts with the right plan design.

### A tailored plan design that represents your goals and your people

The right plan design is an essential part of meeting retirement goals for your business and your employees. This program allows you to customize a plan to help you do just that.



**Eligibility:** Standard eligibility is age 21 and one year of service, but you can work with the program's TPA to select an option that works best for your business.



**Vesting:** Vesting refers to the portion of your employer match or profit-sharing account participants are entitled to keep upon termination. You can choose from several options for your plan.



**Plan design:** Since the right design is so important, the program's TPA will work with you to determine the plan design that will help you reach your business and retirement plan goals.

Some examples of potential 401(k) plan designs you can select include:

401(k) plan	▪ Contributory only
401(k) with match	▪ Safe harbor match
	▪ Traditional set or discretionary
401(k) with profit sharing	▪ Traditional set or discretionary
	▪ Safe harbor profit sharing
	▪ Integrated allocation method
	▪ Age-weighted allocation
	▪ New comparability

In addition to 401(k) plans, the MEAP can also accommodate other types of plans, such as defined benefit, cash balance and money purchase pension plans.

### A single point of contact for your needs

When you join the MEAP, your dedicated Lincoln retirement plan representative will be there for you, working with you to understand your business and your needs. While your plan's information is always available on your customized website, you can rely on your plan representative to provide direct service support and answer questions whenever you need it.

## Essential plan data at your fingertips

At Lincoln, we're committed to providing the easy-to-use technology you need to keep your plan running smoothly—meaning transactions must be error-free, with quick turnaround. Technology services and support include:



### **Recordkeeping platform**

A fully integrated recordkeeping platform delivers quick, accurate and reliable information. The platform will not only support your current recordkeeping and transactional requirements but is constantly enhanced to support your needs well into the future.



### **Personalized plan website that makes everything easy**

Create an effective strategy and help drive results, all via your personalized website. You can log in from any device for at-a-glance plan details, 24/7.

- Review plan- and employee-specific information
- View automated reports to stay informed
- Access custom and ad hoc reporting
- Schedule reports to keep your plan on track
- Boost employees' retirement readiness scores

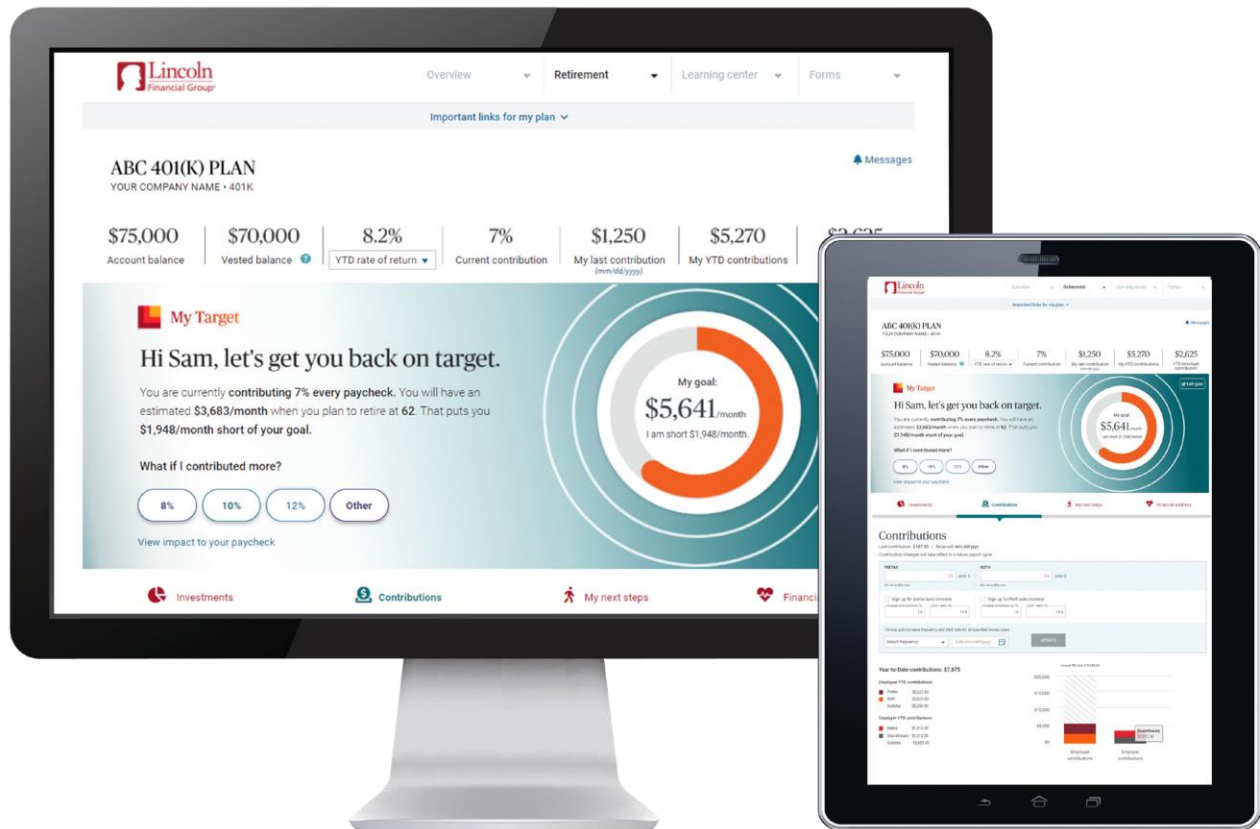
## Opportunities to maintain a healthy plan

Making time to review your plan is so important. It's how you get a complete picture of your individual plan's health and gain visibility into how it's operating. An annual plan review can help you analyze your investment options and historical plan data. You'll get important and objective information to keep you up to date on your plan's performance, and it will also help fiduciaries evaluate and make decisions about the plan's operations and investment options.

### **The annual plan review includes:**

- A year-to-date summary of your individual plan activity
- Participation summary and balances
- Plan asset allocation and fund performance
- Web and voice response system usage and service standards

# What your employees will experience



## Taking retirement from concept to reality

Your employees' website is customized to help make their retirement — and savings — feel real, giving the gentle nudge many need to take action. Account details, interactive tools and helpful resources are all accessible via desktop, tablet or smartphone and include:

- Simplified enrollment
- Webinars and online videos
- Retirement planning resources
- *My Target*<sup>SM</sup> calculator
- Quick contribution increases
- Social Security analysis
- Statements





## A financial wellness focus

Your employees need to understand their complete financial picture. Lincoln *WellnessPATH*® provides resources and insight to help them focus on short- and long-term saving goals, and it's all available through their online account:



**Actionable web content:** Articles, videos, calculators, gamified tools, worksheets and checklists



**One-on-one support:** Personalized education and support offered wherever and whenever employees need it — in person, over the phone or via video chat



**Personalized, interactive online tools:** Aggregated accounts, goal setting, powerful budgeting feature and more

## Support from enrollment to and through retirement

Trained customer service representatives are available by phone to assist participants and answer their questions. These staff members receive continual training to keep their retirement plan knowledge current. Representatives are available 8 a.m. to 8 p.m. Eastern, Monday through Friday. Multilingual customer service representatives are available through the AT&T Language Line.



### **Interactive voice response (IVR) system**

A toll-free IVR system gives participants access to account information 24 hours a day, seven days a week.

## Timely information and education — from details to big picture

We know your employees need to understand their 401(k) plans, so we deliver these quarterly participant communications.

### Statements

Employees receive statements to help them keep track of their accounts.

- **Timely messages** help employees save more and save smarter
- **Total account value** is highlighted to make it more prominent
- **Personal rate of return** provides quarterly and year-to-date returns, as well as the perspective of one-, three-, five- and 10-year investment returns
- **Contact information** invites employees to call a customer service representative or find updated account values online

### Newsletters

We send an informative newsletter that offers insight on timely investing topics like the risks of market timing and how to cope with market volatility. The newsletter can help your employees become more informed and involved retirement investors.

### Simple, clear enrollment communications tailored to your employees' needs and life stages

Your employees get thoughtful, customized education and communications to help guide them through the retirement planning process, making it easy for them to enroll, actively participate and make informed investment choices.



# Trusted leaders

Your Multiple Employer Aggregation Program (MEAP) is powered by the Lincoln Financial Group platform, bringing your company a retirement plan that offers:

- The ability to focus on your core business, with heavily reduced administrative burdens
- Competitive or reduced administrative costs, with improved productivity
- An easy approach to offering your employees a quality benefit that can help them prepare for retirement

As you consider the advantages of joining a MEAP, you may find the most powerful benefit is intangible — it's the confidence of knowing your plan is in capable hands.



Lincoln makes retirement plans easy. Let us help you decide if joining a MEAP is right for you.

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May go down in value

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This overview guide is intended to be a summary of the services provided and does not supersede the plan document, plan disclosures or contractual agreements.

The Multiple Employer Aggregation Program uses Lincoln Financial Group's *Lincoln Director<sup>SM</sup>* product or *Lincoln Alliance<sup>®</sup>* program to implement the program.

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