

Mainspring Managed

The next generation of retirement planning





Helping You Support Employee Retirement Goals

These days your employees are looking to you to help them bridge the gap to their retirement goals, but it can be quite a challenge to find a retirement planning solution that truly helps them achieve their objectives. Statistics¹ show:

- 25 percent of workers have not saved anything for retirement
- Only 44 percent of workers have completed a retirement needs calculation
- 53 percent of workers have less than \$25,000 in total savings and investments (excluding their home and defined benefit plans)

The Standard believes a managed account program is the most comprehensive and appropriate solution for plan sponsors looking to address the long-term retirement income needs of their employees.

What is Mainspring Managed?

Available for 401(k), 403(b) and 457(b) plans, our Mainspring Managed service goes beyond the traditional managed account solution prevalent in the industry today. It is not just an investment plan. Mainspring Managed is a formal, goal-based savings and investment plan implemented and managed by The Standard. Above all, it helps address the personal needs of individual participants.

In good times and bad, your employees can be confident that their saving and investment strategy takes into account their most current investor profile, including their tolerance for risk, personal savings goals, timeline to retirement, projected income needs during retirement and any outside assets they may have.

¹ Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 2009 Retirement Confidence Survey



Reduce your fiduciary responsibility with Mainspring Managed

We understand fiduciary responsibility and liability, with respect to the investment selection and monitoring of plan investments, are critical concerns for you. Mainspring Managed allows you to delegate this fiduciary responsibility at both the plan and participant level.

StanCorp Investment Advisers, Inc. accepts responsibility for investment selection and monitoring – giving you the comprehensive fiduciary support you need in today's litigious environment.²

Benefits to your employees

Our Mainspring Managed solution provides your employees with:

- A personalized savings and investment plan to help them get on track to accomplish their goals
- Ongoing management of their investments and contributions to help match their needs in retirement
- A call center staffed with investment advisor representatives
- Flexibility to adapt to life changes
- Quarterly progress reports

Benefits to you

Our Mainspring Managed solution provides you with:

- An effective retirement planning solution to help support employee retirement goals
- Access to broadly diversified, institutionally priced investment options
- Comprehensive fiduciary support at both the plan and participant level
- Complete product and revenue neutrality. Any service fees received from mutual fund companies are passed through to the plan to help offset overall plan costs
- Full fee transparency

² Please ask for a sample investment advisory contract to review our clear, written commitments.

How Mainspring Managed Works

1. Education and enrollment meeting is scheduled

The process of introducing Mainspring Managed begins with an employee education and enrollment meeting. Your client service consultant from The Standard contacts you to set up a meeting in which your employees will be introduced to the Mainspring Managed service.

2. Enrollment booklet and Snapshot distributed to employees

At the meeting, your employees will receive a Mainspring Managed enrollment booklet that will be customized with your plan information. It contains educational content and explains how to sign up for the service. In addition, an initial Savings and Investment Plan Snapshot is included. The Snapshot is based on employee census data previously provided by you to The Standard.

The Snapshot serves as a personalized retirement income gap analysis and is based on the participant's actual current salary. Factoring in the participant's current account balance, a retirement income scenario is illustrated based on assumptions concerning annual increases in pay, current savings rate, inflation, investment rate of return, additional retirement income sources and other factors. Reviewing the retirement income gap analysis is often an eye-opening experience and can serve as a strong motivator for participants to take action.

3. Additional supplemental information gathered

The initial gap analysis serves as a catalyst for a more in-depth discussion of the participant's current situation, retirement resources and goals for the future. Additional data is collected, including information on any other outside retirement assets (as well as spousal or domestic partner retirement assets).

4. Savings and Investment Plan implemented

Once this process is completed, a formal Savings and Investment Plan is created that is focused on achieving the participant's projected retirement income needs. The savings rate recommendation is then implemented, along with a schedule of future increases (if appropriate). Assets are invested appropriately in one of several broadly diversified portfolios.



Sample Mainspring Managed enrollment booklet



Sample Savings and Investment Plan Snapshot

5. Plan reviewed and monitored on an ongoing basis

Once a participant's Savings and Investment Plan is implemented, the account is reviewed on a quarterly basis. The plan is managed and investment rebalancing is performed as necessary. Participants receive a report each quarter, illustrating the progress made toward reaching their goals. In the case of a projected retirement income shortfall, tactical solutions are implemented (such as increasing the savings rate or revising the asset allocation strategy).

6. Changes incorporated as necessary

The Savings and Investment Plan remains managed and assumes that a participant's personal situation will change and evolve over time. As changes occur, the participant can call an investment advisor representative and have their Savings and Investment Plan updated immediately (e.g., a change in marital status usually requires an immediate update of the plan). Changes in a participant's tolerance for risk over time can be incorporated into the plan as well.

There's never been a better time to introduce Mainspring Managed to your employees

Mainspring Managed is an affordable³ service that takes the guesswork out of retirement planning for your employees and helps them move closer to meeting their retirement goals.

Generally, plans that have introduced our Mainspring Managed service have experienced the following results:⁴

- Increased number of participants
- Increased contributions
- Nearly 30 percent of participants chose the Mainspring Managed service when offered

There's never been a better time to introduce Mainspring Managed to your employees. For more information, contact a pension consultant at 877.805.1127 or your client service consultant at The Standard.



Sample Savings and Investment Plan



Sample Mainspring Managed Retirement Account Statement

³ Participants who select the service are charged a fee of \$10-15 per month.

⁴ Based on average plan results as of November 30, 2009.



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Plan sponsors and participants should carefully consider the investment objectives, risks, charges and expenses of the investment options offered under the retirement plan before investing. The prospectuses for the individual mutual funds and each underlying investment option in the group annuity contain this and other important information. Prospectuses may be obtained by calling 877.805.1127. Please read the prospectus carefully before investing. Investments are subject to market risk and fluctuate in value.

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