

Pooled Employer Plans

Reduce work and maximize fiduciary protection

Sponsoring a retirement plan often takes specialized knowledge and adds time-consuming administrative and fiduciary obligations to an employer's already busy workload. Employers can meet this challenge, stay focused on their business and mitigate fiduciary risk by delegating these responsibilities to retirement professionals.

SECURE Act

The Setting Every Community Up for Retirement Enhancement Act is the first significant retirement plan-related legislation in more than a decade and is intended to help strengthen retirement security across the country. A key provision of the act allows employers to offer a retirement plan through a Pooled Employer Plan (PEP), which should make it easier for businesses to set up and administer a plan for their employees.

What is a Pooled Employer Plan (PEP)?

A PEP is a type of retirement vehicle that is maintained as a single plan while allowing multiple unrelated employers to participate, achieving economies of scale typically only attained by larger plans. It operates similarly to traditional, single-employer retirement programs but with the majority of administrative and fiduciary duties outsourced to the pooled plan provider.

PEP benefits

- More time to focus on business needs
- Assurance that fiduciary responsibilities are met and the plan is compliant
- Protection of plan assets
- Economies of scale allow for better pricing and investment access
- Single 5500 and audit for all adopting employers

Characteristics of good candidates

- Stretched resources with a need to offload work
- Risk averse with desire to outsource responsibilities and limit liability
- Smaller to midsized employers seeking comprehensive services
- Limited retirement plan knowledge or experience

Maximize fiduciary and administrative outsourcing for a streamlined retirement plan

As the pooled plan provider, The Standard assumes most of the fiduciary risk and administrative responsibilities on behalf of adopting employers. The following table helps illustrate the key responsibilities of maintaining a retirement plan and how they might differ between a PEP and traditional retirement plan offerings.

Fiduciary/plan task	Single Employer Plan	Pooled Employer Plan (PEP)
Sign adopting employer agreement	N/A	●
Provide employee census data	●	●
Submit contributions	●	●
Submit loan payments	● ●	● ●
Act as plan sponsor/fiduciary	●	●
Sign contract	●	●
Act as 3(16) fiduciary	●	●
Select all investments	● ●	●
Monitor 3(38) investment fiduciary	●	●
Sign plan document	● ●	●
Prepare 5500	●	●
Sign 5500	●	●
Provide plan documents, prepare amendments	●	●
Process distributions	●	●
Review and approve termination, hardship and in-service distributions	●	●
Determine eligibility	●	●
Deliver required notices	●	●
Track terminated employees	●	●
Calculate, determine vesting	●	●
Determine, process required minimum distributions	●	●
1099-R reporting	●	●

●	The Standard
●	Employer
●	3(38) investment fiduciary
●	Trust company

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Fiduciary/plan task	Single Employer Plan	Pooled Employer Plan (PEP)
Determine HCEs	●	●
Perform annual compliance testing	●	●
Prepare and calculate annual employer contributions	●	●
Calculate testing corrections	●	●
Administer domestic relations orders	●	●
Create SPD and SMM notices	●	●
Create SAR notice	●	●
Manage plan audits	● ●	●
Fiduciary for timeliness of deposits (TOD) and holding of the GVA	●	● ●
Process and monitor loans	●	●
Establish loan rates	●	●
Process loan payments	●	●
Loan payment changes notification	●	●
Beneficiary management	● ●	● ●
Prepare enrollment materials	●	●
Provide enrollment materials to eligible participants	●	● ●

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Successful long-term client relationships

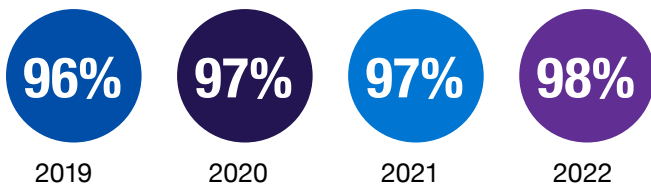
High-touch service from long-tenured retirement plan specialists and innovative, fiduciary-friendly offerings help The Standard stand apart from other retirement plan providers. Satisfaction and retention results illustrate that clients value our approach.

Rely on our years of tenure at The Standard*

Implementation managers	12
Relationship managers	12
Account managers	15
ERISA plan consultants	22

*Combined average as of 2/1/23

The Standard retirement plans retention 2019-2022



The Standard as of December 31, 2022. Excludes merger and acquisition activity and plan terminations.



Learn More

If you're a plan sponsor, contact your financial professional or The Standard representative to learn more. If you're a financial professional, contact our sales team at **844.239.3561**.

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RP 23582



(7/23)