



# Retirement Plan Services

OVERVIEW FOR PLAN SPONSORS



## ASK YOURSELF:

*Are your employees receiving the qualified plan services they deserve and require to achieve their retirement goals?*

*When they call to check the status of their benefits plans, does a human answer the phone?*

*When was the last time you updated your company's retirement plan? Is it out of date, or even out of compliance with regulations? Did you know you are legally liable if it is?*

*Does your preferred retirement services provider act in the best interests of your retirement plan and those of your employees? Do they manage the underlying investments on a fiduciary basis, too?*

## It's Time To Switch Your Retirement Plan Services

Wealth management firm **4THOUGHT FINANCIAL GROUP** is a "Level Fee Fiduciary" Registered Investment Adviser (RIA) located in Syosset, NY specializing in formulaic, data-driven strategies designed to achieve clients' financial goals. Its Retirement Plan Services encompass Defined Contribution and Defined Benefit Plans, and provide Managed Account investment options and allocation approaches designed to match each plan participant's investment portfolio with their individual profile.

***If Your Retirement Plan Is Out Of Date Or In Non-Compliance, You Are At Risk.***

4THOUGHT RETIREMENT PLAN SERVICES PROVIDES YOUR BUSINESS WITH A VERSATILE SOLUTION, WHICH INCLUDES:

- ✓ FIDUCIARY RESPONSIBILITY
- ✓ BUNDLED SERVICES
- ✓ UNIQUE INVESTMENT METHODOLOGY
- ✓ MULTIPLE ACCOUNT MANAGEMENT OPTIONS

## ✓ FIDUCIARY RESPONSIBILITY

4Thought Financial Group is an SEC Registered Investment Adviser (RIA), and as fiduciaries we are required to place our clients' interests before our own. But under the Employee Retirement Income Security Act of 1974 (ERISA), businesses that install and sponsor a retirement plan for their employees are also required to similarly act as fiduciaries for their own plan participants. This can place a heavy mental, legal, and operational burden on a business.

To aid you in shouldering this burden, 4Thought assumes the responsibility of an ERISA 3(38) Fiduciary in our Retirement Plan Services program, which allows you to transfer the bulk of your own fiduciary responsibility and liability for the selection and management of investments within the plan to us, leaving you free to run your business.



## ✓ BUNDLED SERVICES

### Investment Advisory Services, Custody, and Brokerage In One Package

Keeping things simple and cost effective for you and your employees is important to us, so we offer our investment advisory services as a single asset-based wrap fee bundled with the services of third party firms that will provide your securities custody and brokerage services. We've pre-selected these providers as partners based on quality and cost-effectiveness and also pre-negotiated their pricing for you. Each component of the total asset based wrap fee (which is deducted directly from plan participant accounts) is disclosed to you and your participants in writing. 4Thought's compensation for services is derived

solely from this percentage-of-assets wrap fee, an arrangement which we believe provides the best alignment of our incentives with your interests and those of your plan participants. Third Party Administration (TPA) services are unbundled and charged separately from the remainder of the above-mentioned asset-based fee costs, and are generally billed directly to you as the plan sponsor. This allows you the flexibility to use either a TPA that we refer you to, or a TPA of your choosing (if you have a preference). 4Thought does not accept any fees for referring plan sponsors to TPAs.

## ✓ UNIQUE INVESTMENT METHODOLOGY

### BEAR MARKETS

Characterized by investor fear and declining asset prices, a Bear market will be best attacked using Liability-Driven Investing.

### BULL MARKETS

Characterized by investor confidence and rising asset prices, a Bull market will be best attacked using Strategic Asset Allocation.

### WOLF MARKETS

Characterized by investor uncertainty and volatile or sideways asset prices, a Wolf market will be best attacked using Opportunistic Investing.

### EAGLE MARKETS

Characterized by investor exuberance and soaring asset prices, an Eagle market will be best attacked using Selective / Concentrated Investing.

## Multi-Method Investing for Bear, Bull, Wolf, and Eagle Markets

The uniqueness of the 4Thought Retirement Plan Services program is in our Multi-Method Investing approach. When we look at the world of investment management, we can break it down into 4 primary categories of investment method that can be used by an investor to attempt to achieve his or her goals. We've found through both proprietary and third-party research that no single one of these methods is effective in all scenarios, but instead that each approach tends to have a particular market environment or part of the market cycle to which it is very well adapted. Our conclusion is that in order to achieve one's life goals, one should diversify at the level of investment method, applying the most effective aspects of multiple completely divergent methods of investing, and not be dogmatic about using a single method.

The broad categories of investment methods can be seen as four pillars of a complete investment portfolio management methodology:

- ✓ Liability-Driven Investing—For Bear Markets
- ✓ Strategic Asset Allocation—For Bull Markets
- ✓ Opportunistic Investing—For Wolf Markets
- ✓ Selective/Concentrated Investing—For Eagle Markets

## ✓ MULTIPLE ACCOUNT MANAGEMENT OPTIONS

### Two Options for Account Management With One Level Fee

Your plan participants will be able to choose from two options that determine 4Thought's degree of involvement in the management of their retirement plan portfolio. Assets managed via both options are charged the same level percentage asset-based fee to ensure that advisors and 4Thought have no incentive to recommend the use of one option over another.

#### 1 Questionnaire-Based Allocation Using Separately Managed Accounts:

4Thought offers a selection of professionally managed separate account strategies to the plan, each of which is managed by an algorithmic process designed to achieve a certain investment objective and risk profile. With the completion of a questionnaire, 4Thought directs plan participants to an appropriate diversified managed portfolio for their particular situation. This allows participants to customize how they want us to manage their account for them based on factors such as time horizon, risk tolerance, and income needs. The program uses a separate custodial account for each plan participant, giving each person a transparent view of the exchange traded funds and individual securities held in their account at any given time. We're now able to provide this Separately Managed Account approach to all participants (even those that've just started investing) whereas the same approach has historically only been feasible for relatively large initial investments when implemented outside of a corporate retirement plan. In addition to more traditional equity and fixed income strategies, the separate account strategies offered include the use of liquid low-cost alternatives to hedge funds and private equity – risk exposures that are normally not made available within company retirement plans and are usually only available to accredited investors when found outside plans. If participants do not make an affirmative election of their investment choice during plan enrollment they will automatically be invested in the "Qualified Default Investment Alternative" (QDIA), with is a diversified "balanced portfolio" separately managed account strategy (until they provide instructions otherwise).

#### 2 Self-Guided Allocation Using ETFs and Other Options:

In this option the do-it-yourself participant may take direct control to create and manage their own portfolio. They may select from an "Exchange Traded Funds and Other Options" list in any percentage combination they choose. 4Thought will curate the plan's list of available investment options and will periodically add or remove investments to ensure it continues to satisfy the needs of the retirement plan as a whole.

For more information on our investment methodology and the 4Thought Retirement Plan Services program, please speak to your 4Thought representative. Also refer to the 4Thought Financial Group Inc. Wrap Brochure and Firm Brochure ADV Part2.

**We'll be very pleased to serve you.**

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