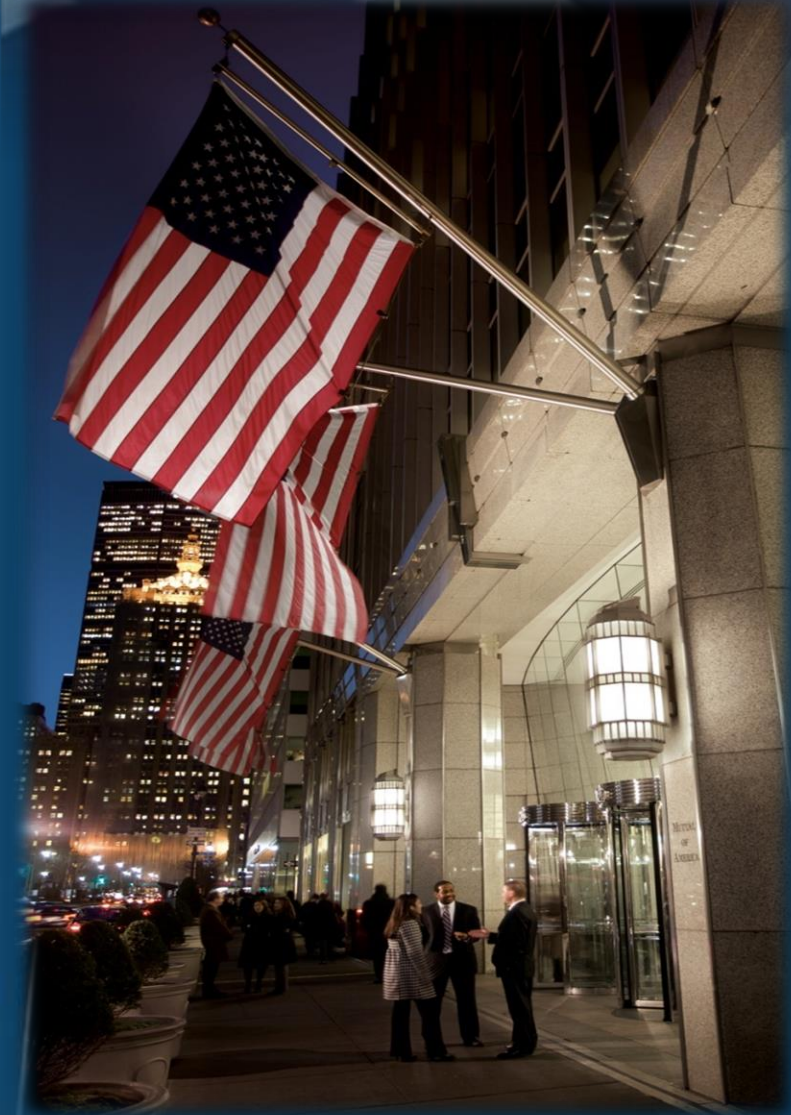


MUTUAL OF AMERICA
Your Retirement Company®

Evaluating Your Retirement Plan Provider

Renee Shew, Vice President
Mutual of America



About Mutual of America

- Providing retirement plan products and related services since 1945
- Deliver services to over 20,000 group retirement plans:
 - Corporate
 - Non-profit
 - Governmental entities
- 85% of our clients are non-profit



About Mutual of America

- Retirement plan expertise:
 - Pension and Savings Plans
 - 401(k) Savings
 - 403(b) Thrift
 - 401(a) Money Purchase Pension
 - 457(b)
 - Defined Contribution
 - Defined Benefit



About Mutual of America

- \$19 Billion in assets under management
- Nationally endorsed by over 20 non-profit Associations
- Headquartered in New York City
- 33 Regional Offices nation-wide



Learning Objectives

At the end of this session, you will be able to:

- Identify different retirement plan provider models
- Understand key areas of plan operation
- Understand how providers deliver services at all levels of plan operation
- Understand the different fees that can be charged
- Identify the “must haves” needed for offering a superior retirement plan



Service Provider Models

- Three main models:
 - Unbundled
 - All of the independent service vendors must “marry” their services & systems together
 - Bundled (Full Service)
 - Single vendor provides all services needed as a turn-key or one-stop shop approach
 - Alliance
 - Combination of unbundled and bundled



Unbundled Approach



Unbundled Advantages

- Plan Sponsor has choice of every vendor providing services
- Specialization in field
- Greater flexibility in plan design
- Quickly replace a vendor with little disruption



Unbundled Disadvantages

- Evaluation of each vendor before hiring
- Plan Sponsor negotiates cost with each vendor
- Not sure who to call for service
- Thinking there is a “*check & balance*” in place
- Impractical for smaller organizations



Unbundled Disadvantages

- Different varying levels of service
- Lack of communication between vendors



Bundled Approach (Full Service)



Single Vendor

- Dedicated Team
- Consulting Services
- Administration Support
- Compliance Support
- Record-Keeping Services
- Employer Plan Reviews
- Employee Education
- Investment Menu



Bundled Advantages

- One-stop shopping
 - Less stressful than dealing with multiple vendors
- One point of contact for service
- Vendor fees are generally lower
 - Offsetting of expenses via the mutual funds
- Check & balance in place – A to Z system

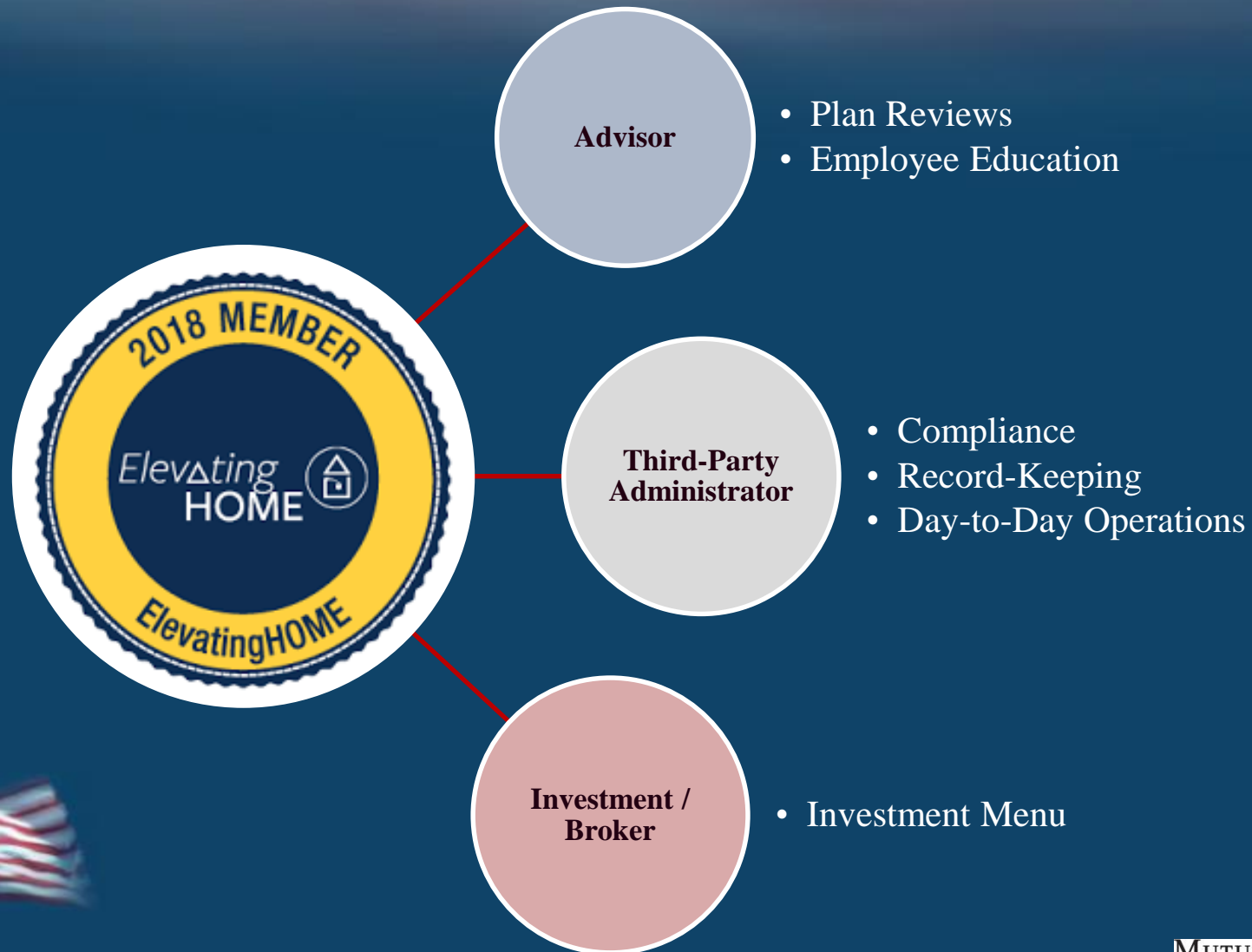


Bundled Disadvantages

- Can have a cookie cutter plan design approach
- Takes time to replace a single vendor



Alliance Approach



Alliance Advantages & Disadvantages

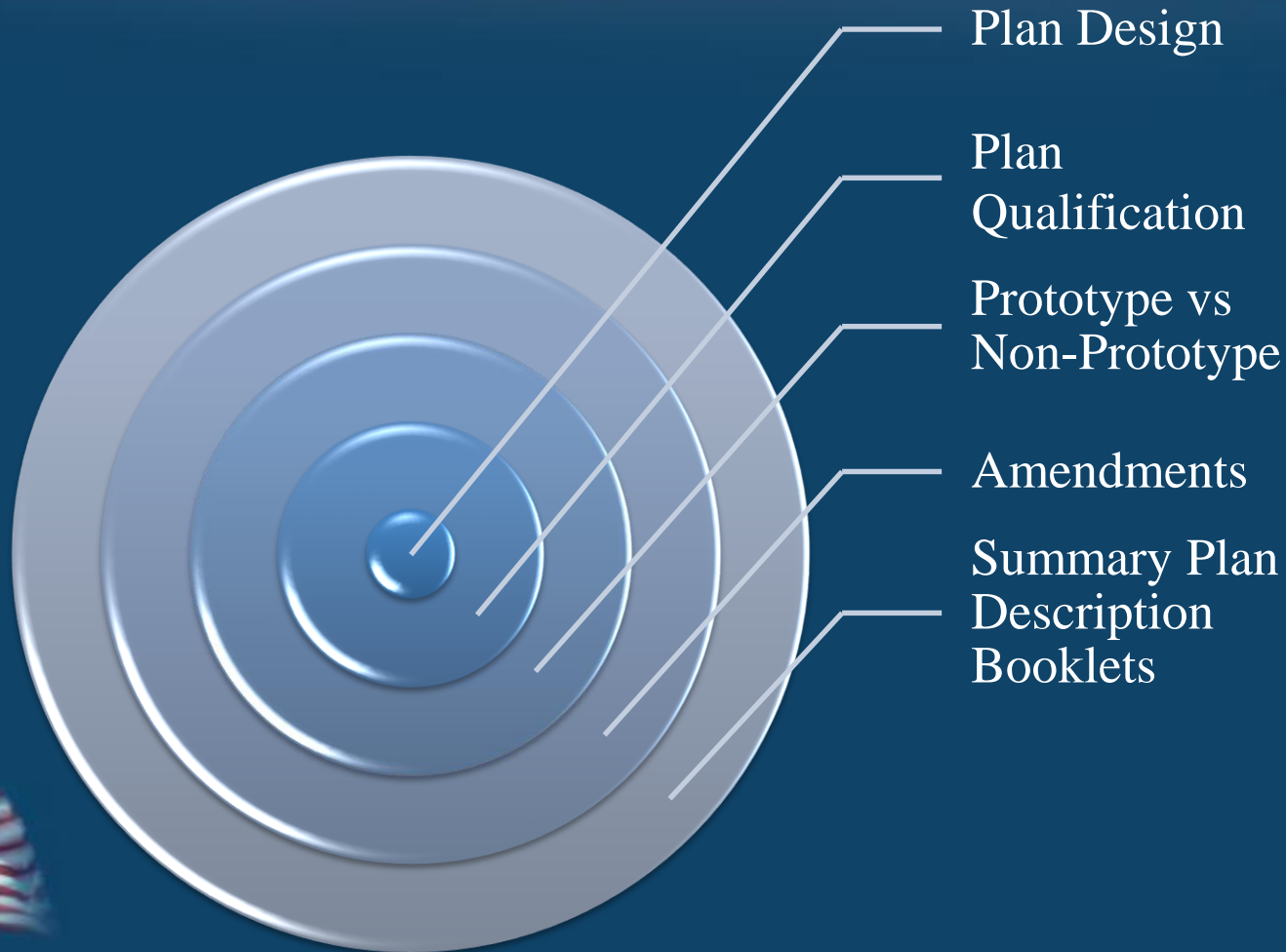
- Plan Sponsor has choice of every vendor providing services
- Greater flexibility in plan design
- Can replace a vendor with little disruption
- Not sure who to call for service
- Thinking there is a “*checks & balances*” in place



6 Key Areas of Plan Operation



Key # 1: Plan Documentation



Plan Documentation

- Plan design should be tailored to the Plan Sponsors needs and objectives
- Plan provisions drive basic administration responsibilities and functionality
 - Automatic enrollment
 - Auto-escalation
 - Roth contributions
 - Loans available on Roth money
 - Involuntary distribution sweeps

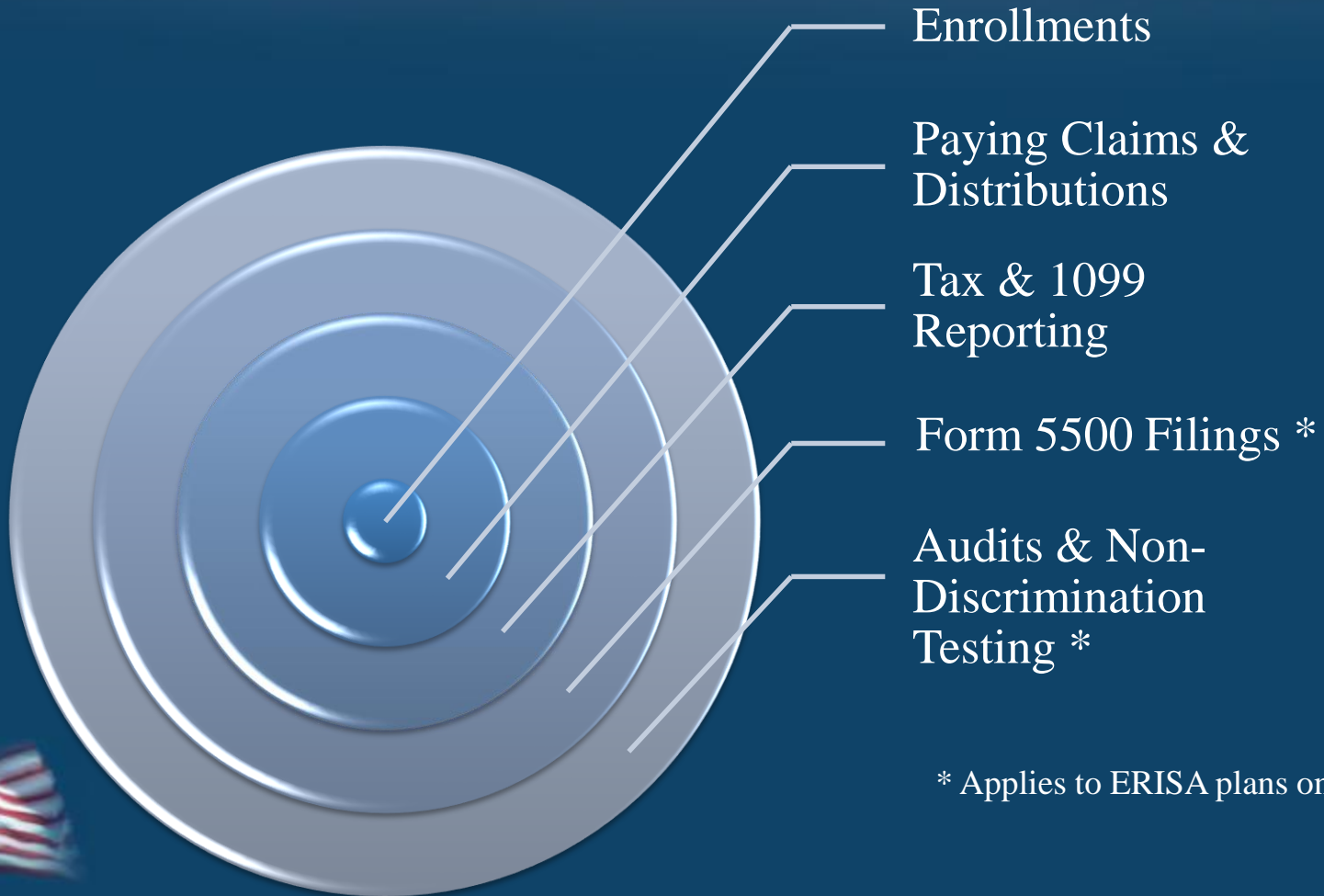


Plan Documentation – Key Factors

- Select a representative / vendor who:
 - Has a strong knowledge of ERISA
 - Well versed in plan design provisions
 - Has understanding of employee relations
 - Has strong understanding of how administration system works with plan provisions
 - Knows how to solve failed non-discrimination tests (if applicable)



Key # 2: Administration

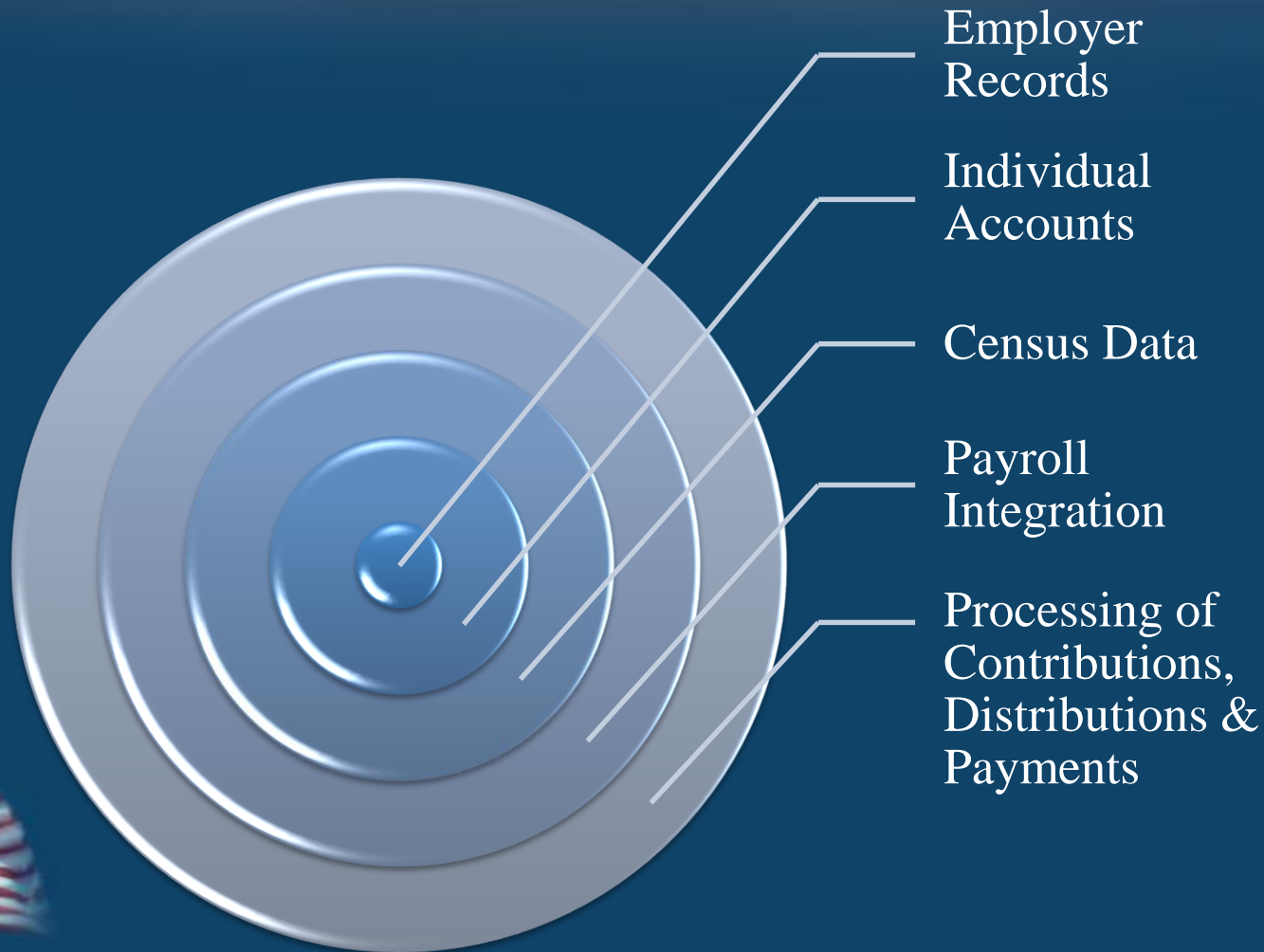


Administration – Key Factors

- How does plan design affect administration?
- What kind of support do you have?
 - Face-to-face, over the phone, email etc?
- Checklist of responsibilities and deadlines
- Who does what?
 - More complicated with multiple vendors
 - Are administrators at the annual plan review?



Key # 3: Record-Keeping



Record-Keeping – Key Factors

- How does the TPA marry its systems and processes with the other vendors?
- Processing time for creating and updating records.
- Ease of providing employee information, data and contributions.

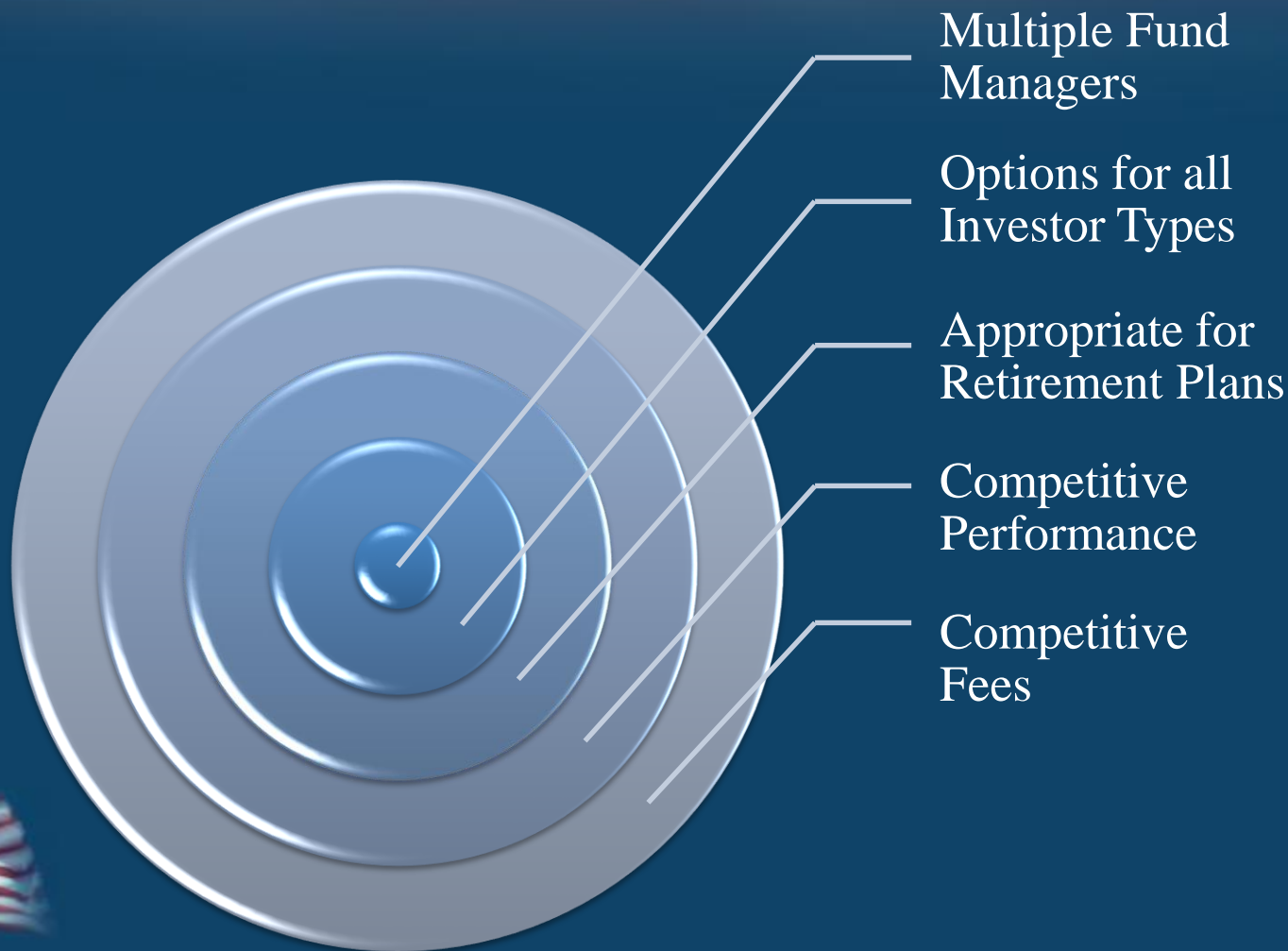


Record-Keeping – Key Factors

- How is information communicated with other vendors providing services?
- State-of-the-art system for real-time processing



Key # 4: Investments



Investments – Key Factors

- Not too many – not too few
- Required to select a percentage of vendors funds?
- Selecting a default fund option (QDIA)
- Self-directed brokerage account
- Know your participants
 - Age, education level, investment experience



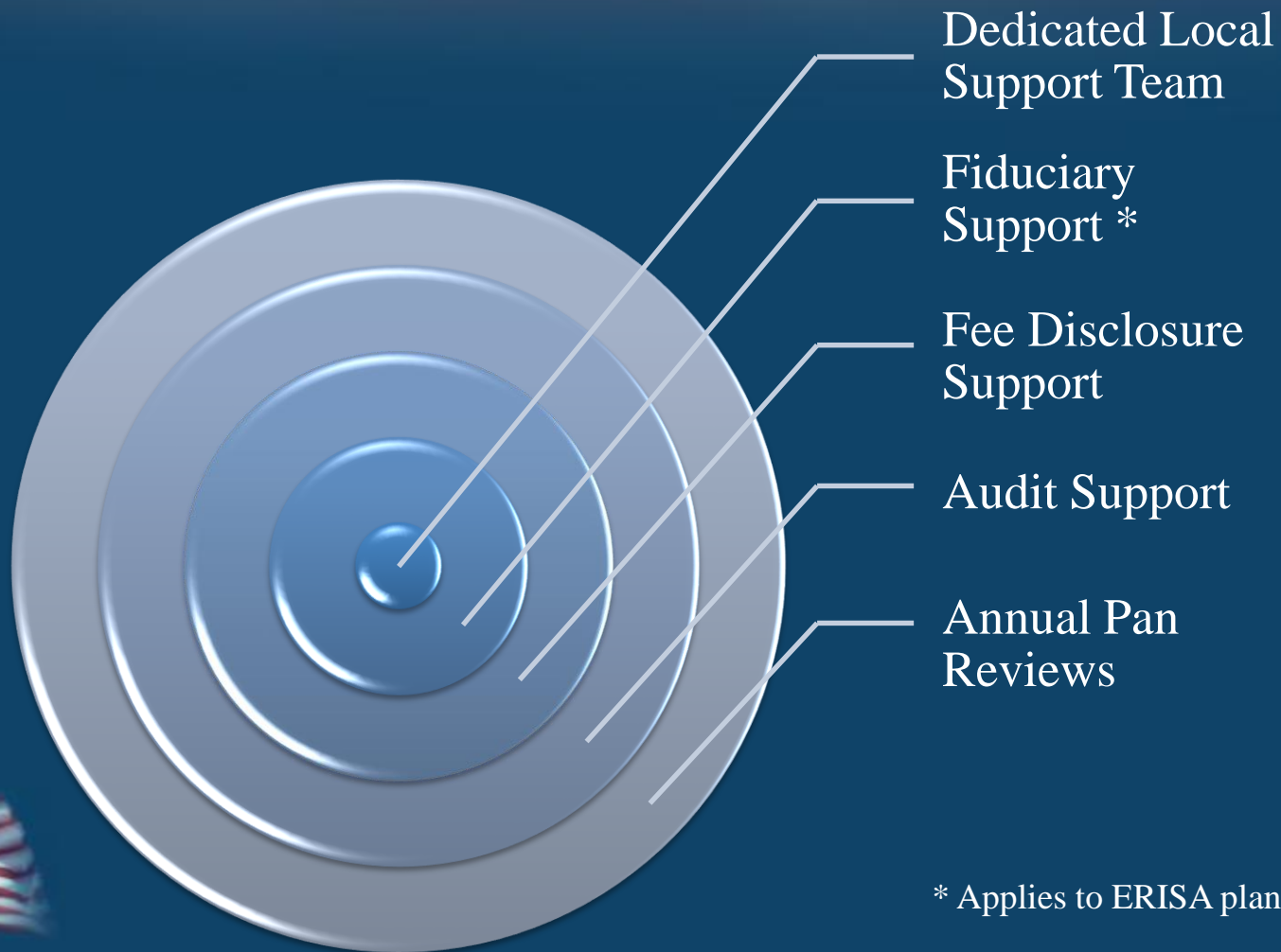
Investments – Key Factors

- 404(c) of ERISA *
- Know your fiduciary* responsibilities
- Blinded by the best performing funds
- Cherry picking funds
- How fund replacement affects participant account balances

* Applies to ERISA plans only



Key # 5: Employer Services

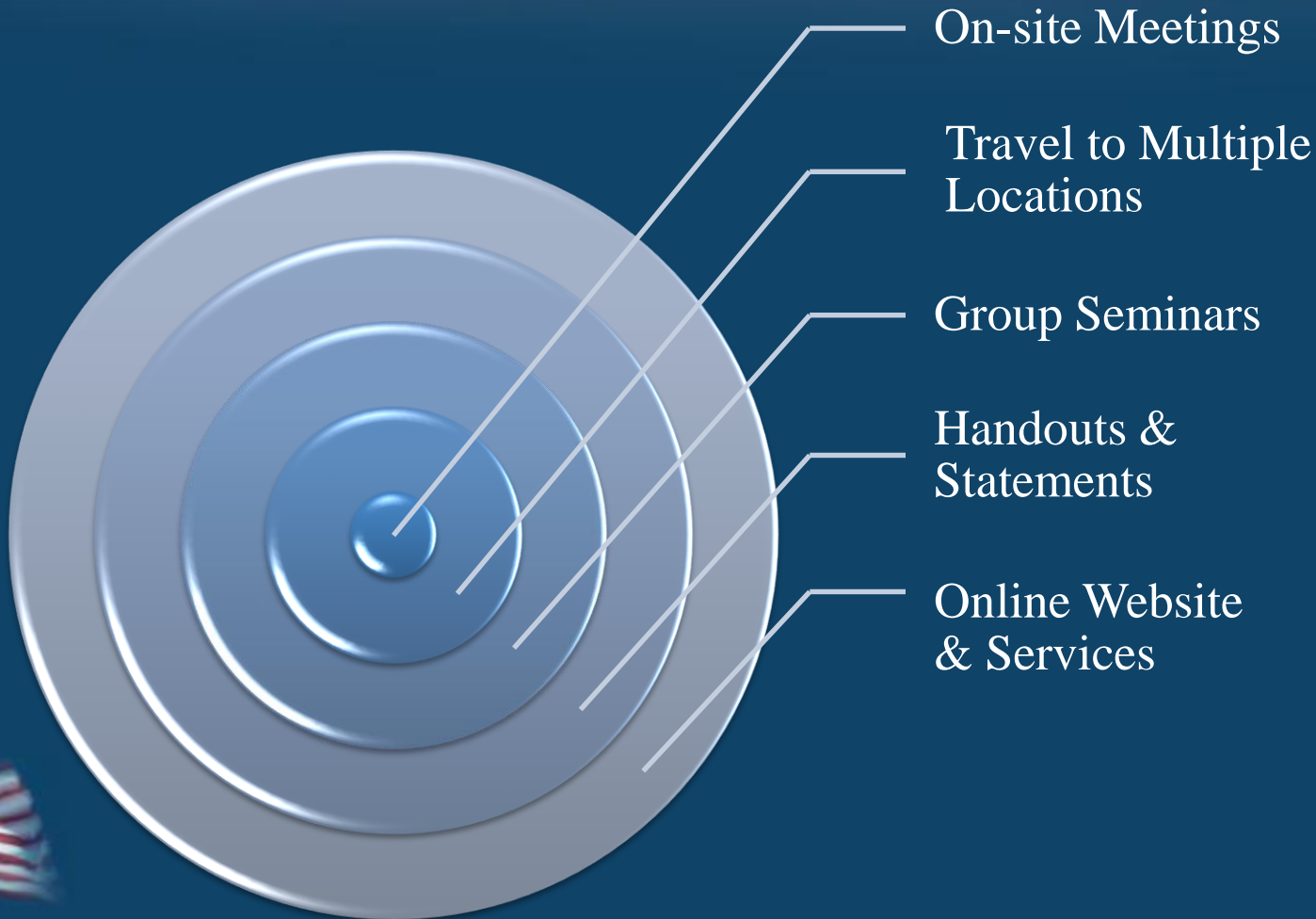


Employer Services – Key Factors

- Meet the support team face-to-face
- Certified, licensed representatives
- Consulting services are available
- ERISA knowledge and understanding
- Plan review meetings include all vendor representatives



Key # 6: Employee Education



Employee Services – Key Factors

- Dedicated, credentialed, salaried representative
- Meet the support team face-to-face
- Ample on-site educational meetings at every location, throughout the year
- Hand-outs & webinars
- Website tools & resources



Employee Services – Key Factors

- Financial consulting services
- Group seminars
- New-hire orientation meetings
- Pre-retirement seminars
- After hour workshops



3 Basic Plan Fee Categories



Plan Administration

Typically Paid by the Employer:	Average Cost
Base Administration Fee	\$ 500 - 2,500
Per Participant Fee	\$ 5 - 35
Trust Fee	\$ 500
Asset Custody	\$ 0.0% - 2.0%
Start Up Fee	\$ 500
Transfer / Conversion / Installation Fee	\$ 500
Plan Document Services	\$ 500 - 1,200
Plan Amendments & SPD Booklets	\$ 350

Plan Administration

Typically Paid by the Employer:	Average Cost
Form 5500 Filing	\$ 200 - 500
Non-Discrimination Testing	\$ 125
Audit Support	TBD
Processing Distributions & Withdrawals	\$ 75 per distribution
Processing Forfeitures	\$ 75
Processing of QDRO's	\$ 350 per event
Letter of Determination Filing	\$ 250
Loan Set-Up Fee	\$ 75

Plan Administration

Typically Paid by the Employer:	Average Cost
Employee Educational Meetings	\$ 700 - 1,000
Annual Plan Reviews	\$ 1,200
Low Average Contributions per account	0.05% +/- Bps
Mailing Enrollment & Retirement Kits	\$ 5.00 per packet
Mailing Employee Account Statements	\$ 2.00 per statement
Mailing Participant Notices	\$ 2.00 per notice
Consulting Services	\$ 85 per hr / TBD
Deconversion File Package	\$ 1,000

Individual Services

Typically Paid by the Employee:	Average Cost
Distribution Fee	\$ 65
Hardship Withdrawal Fee	\$ 50
Death & Disability Benefits	\$ 50
Managed Account Fee	Varies based on account balance 0.40% - 0.10%
Loan Initiation	\$ 50 - 250
Loan Maintenance	\$ 25 per quarter / life of loan
Participant Statement Fee	\$ 2.00 per month



Investments

Typically Paid by the Employee:	Average Cost
Fund Manager Expenses	0.00% - 2.00%
Separate Account Fees	0.00% - 2.00%
Asset Charges	0.00% - 2.00%
Redemption Fees	Variable
Surrender Fees	0.00% - 8.00%
Market Value Adjustment	Variable
12(b)-1 Fees	0.25% - 1.0%
Front/Back-end Load	0.00% - 5.00%

Fee Disclosures – ERISA Plans Only

- 408 (b)(2) Employer
 - Service Provider
 - Adviser or Broker
 - Investment Manager
 - Third-Party Administrator
- 404 (a)(5) Participant
 - Service Provider (may have more than one)
 - Advisor



Why Disclosures for ERISA Plans?

The regulations were developed to help ensure that ERISA fiduciaries understand the fees being charged so they may evaluate whether those fees are reasonable.

ERISA requires the plan fiduciary to determine the reasonableness of the fees that are being charged to the plan and to the underlying participants (your employees).



Fee Disclosures – ERISA Plans

● 408(b)(2)

Page 1

Mutual of America
Fee Disclosure and Important Notice
401(k) Exclusive Services Arrangement

This document outlines our services and fees.

The following disclosure is intended to describe the services provided by, and the compensation reasonably expected to be received by, Mutual of America Life Insurance Company ("Mutual of America" or "Company") and its affiliates in connection with the group annuity contract ("Contract") used as the exclusive funding vehicle for your 401(k) Plan ("Plan"). The following information is provided pursuant to, and is intended to comply with, the U.S. Department of Labor ("DOL") Regulation issued under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Amounts expressed in this document that represent compensation Mutual of America is expected to receive in connection with the services provided are reasonable, good-faith estimates that may vary based on the amount and level of services actually provided to you in conjunction with the administration of your Plan.

Please note that Mutual of America is providing this disclosure document to employers or other plan administrators ("employers") in conjunction with their retirement and savings plans without regard to whether such plans are governed by ERISA. Receipt of this disclosure document is not intended to, and should not be construed to, indicate that your Plan is or is not an "ERISA Plan." Certain services described below are applicable only to ERISA-covered plans and are not available to plans not subject to ERISA.

If you would like additional information, please contact your Mutual of America representative.

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Mutual of America Life Insurance Company

● 404 (a)(5)

Participant Annual Fee Disclosure Notice
401(k) Plan

We have selected Mutual of America Life Insurance Company ("Mutual of America") as the service provider for our 401(k) Plan (the "Plan"). As the fiduciary of the Plan, we are required to provide you with certain plan related and investment related fee disclosure information before you first direct your investments and annually thereafter. This Participant Annual Fee Disclosure Notice contains plan related information and investment related information provided to us by Mutual of America under their group variable accumulation annuity contract issued to fund our Plan.

1. "Plan Related Information" contain
 - the structure and mechanics of the Plan, such as how participants and beneficiaries may give investment instructions and a list of the Plan's current investment options;
 - any fees and expenses for Plan administrative services that may be charged to/deducted from individual accounts, such as a Monthly Participant Charge (as described below), along with a description of the corresponding services to which the fees and expenses relate; and
 - any fees and expenses that may be charged to/deducted from your account based on actions you take, such as for loans, along with a description of the corresponding services to which the fees and expenses relate.
2. Investment Related Information" contains:
 - Performance Data;
 - Benchmark Information;
 - Fee and Expense Information;
 - the Internet website address where additional information with respect to each specific investment can be obtained, including a Glossary to assist participants with terminology related to the Plan's investment options; and
 - additional disclosures with respect to the Retirement Funds (also known as "target-date funds") and annuity guarantees (factors used to determine the guaranteed income and the fact that the guarantee is subject to the insurer's financial strength and claims-paying ability).

After you are enrolled in the Plan with Mutual of America, you will be assigned a Customer Identification Number ("CID") and Personal Identification Number ("PIN"), which you can use to gain access to Mutual of America's website.

For additional information please refer to the contract Prospectuses or Brochures and the Underlying Funds Prospectuses (collectively, the "Prospectuses").

If you have any questions, please contact us.

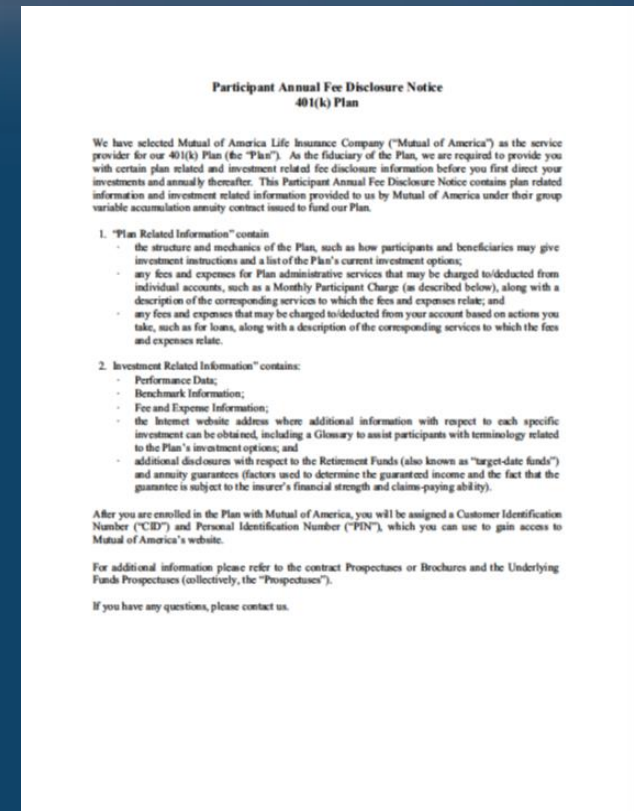
Employer Disclosure – ERISA Plans

- What to look for:
 - Outlines Services Provided
 - Employer Paid Charges
 - Direct Compensation
 - Indirect Compensation
 - Expense Chart
 - Recordkeeping Disclosure
 - Termination Related Compensation
 - *Read the fine print!*



Participant Disclosure – ERISA Plans

- What to look for:
 - Easy to read notice
 - Simplified chart outlining total investment expenses
 - Simplified chart outlining additional service related fees



Evaluating the Plan Costs

- Look for reasonableness
 - Lowest fees = lowest service
- Avoid an “a la cart” menu of fees
- Avoid a “per transaction” fee structure
- Decide how much each party will pay
- Simplified fee structure & disclosures



“Must Haves” From Your Vendor

One Point of
Contact

Simple
Administration

Compliance &
Fiduciary
Support

Investments for
all Investor
Types

Reasonable
Pricing

Employee
Communication



Questions?



Contact Information

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Your Retirement Company® are registered service marks of Mutual of
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Mutual of America Life Insurance Company is a Registered Broker-
Dealer.

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See Prospectuses For More Information

Before investing, you should carefully consider the investment objectives, risks, charges and expenses of the variable annuity contract and the underlying investment funds. This and other information is contained in the contract prospectus or brochure and underlying funds prospectuses and summary prospectuses below. Please read the contract prospectus or brochure and underlying funds prospectuses and summary prospectuses carefully before investing. The contract prospectus or brochure and underlying fund prospectuses and summary prospectuses can be obtained by 1-866-939-7655 or visiting mutualofamerica.com.

Mutual of America's group and individual retirement products are variable annuity contracts and are suitable for long-term investing, particularly for retirement savings. The value of a variable annuity contract will fluctuate depending on the performance of the Separate Account investment funds you choose. Upon redemption, you could receive more or less than the principal amount invested. A variable annuity contract provides no additional tax-deferred treatment of benefits beyond the treatment provided to any qualified retirement plan or IRA by applicable tax law. You should carefully consider a variable annuity contract's other features before making a decision.

