

Key Questions to Consider



Plan sponsors should ask themselves the following preliminary questions prior to analyzing any type of retirement plan income solution:

- Is a large portion of our workforce nearing retirement age?
- Is the retention of plan assets, even with respect to terminated vested participants, an important objective?
- Is increasing the likelihood of employee “on-time” retirements important?
- Is enhancing the value of our defined contribution plan critical since (i) our defined benefit plan is frozen or terminated or (ii) we have never offered a traditional defined benefit plan to our employees and we want to ensure that our employees have a secure retirement?

What level of commitment do we, as the plan sponsor, want to assume in offering any type of income solution?

- We simply want to make retirement income options available to plan participants.
- We want to actively encourage plan participants to elect retirement income solutions.
- We want a retirement income solution option to be utilized by as many of our plan participants as possible.

How much are we, as the plan sponsor, willing to take on by offering any type of income solution?

- Administration
- Communication
- Costs
- Fiduciary liability