

## OPEIU National Retirement Savings Plan Frequently Asked Questions (FAQs)

### **I. How does this Plan help create tax advantaged Dignified Retirements for participants?**

The overall defined contribution plan limit is \$55,000 (\$18,500 plus Profit Sharing). If the individual is over 50, the individual can contribute an additional \$5,500 in 2018.

### **II. What were the principle design goals in creating the OPEIU National Retirement Savings Plan?**

The OPEIU National Plan was created to be "cheaper and better" than the current plans available to OPEIU Bargaining Units while also meeting the critical Dignified Retirement needs of OPEIU Members.

### **III. Why is the Plan cheaper/less expensive?**

The plan has obtained exceptional pricing from providers interested in partnering with our 100,000+ membership. OPEIU National Plan has also selected among the best in class, low cost providers on an unbundled basis. Participants invest in very low cost collective trusts instead of higher cost mutual funds.

### **IV. Why is the Plan better?**

The OPEIU can offer plan participants options not generally available in their current plans. For instance, Prudential's Income Flex Investment Option is a **BETTER** lifetime annuity option:

- a) Income Flex pays no sales commissions to keep costs low.
- b) Income Flex is an "in plan" investment option.
- c) Income Flex has a "high water mark" feature (The benefit base can only go up, not down, on the participant's birthday, See [video](#)).
- d) Only an est. 10% of 401(k) plans offer annuities which are needed to create pension-like income.

### **V. Why is the Plan's Qualified Default Investment Alternative (QDIA) better?**

Personalized Target Date Accounts (PTDAs) are **BETTER** target date investment options and Qualified Default Investment Alternative (QDIA) as:

- a) PTDAs are managed accounts instead of the typical off the shelf "one size fits all" collective funds (e.g., mutual funds).
- b) PTDAs have Conservative, Moderate and Growth risk tolerance alternatives instead of being another "one size fits all" offering.
- c) PTDAs employ the patented Safe Landing Glide Path (click [here](#)) which 'defends' participants' assets in the Risk Zone. Note: The retirement date is the riskiest day in a participant's life financially speaking with assets and liabilities being at their peaks (see [video](#))

### **VI. What are the next steps?**

- a) Due Diligence; b) Sign Participation Agreement; c) Get started!

### **VII. Is there an OPEIU - Prudential Co-Branded Website?**

Yes @ <http://opeiu.retirepru.com/> complete with retirement readiness and other best in class tools and videos.

For questions & information, please contact:

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