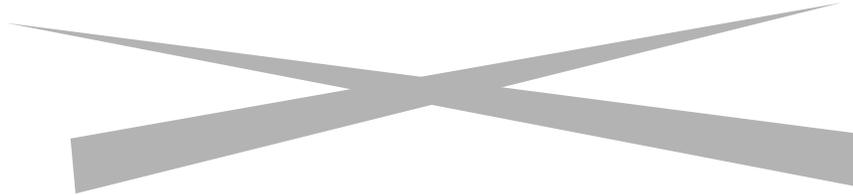




The Makes Sense 401(k) Plan



Rules **401k**
Limits
Contribution
Retirement
Plans

The Makes Sense 401(k) Plan



It can be challenging for employers to establish and maintain a cost-effective retirement plan for their employees while mitigating employer fiduciary liability. The Makes Sense 401(k) Plan, a multiple employer plan, is designed to help businesses offer a cost-effective retirement plan to their employees. This multiple employer retirement (MEP) plan uses the economies of scale of multiple companies to leverage their collective strength in ways that often cannot otherwise be accomplished. The Makes Sense 401K Plan is a fully-integrated, customizable, turn-key retirement plan designed to reduce employer and personal fiduciary liability.

Based on the unique structure of this plan, employer fiduciary liability is reduced through the use of two pre-existing plan fiduciaries: Fiduciary Doctors, LLC and Capital Management Services (CMS). Fiduciary Doctors, LLC is the ERISA 3(16) Plan Administrator. CMS is the ERISA 3(38) Investment Manager to the Plan. The Plan utilizes Mid-Atlantic Trust Company to provide custodial services. All fees and expenses are fully disclosed within the Joinder Agreement. The Master Trust structure is designed to meet the unique needs of each individual adopting employer.

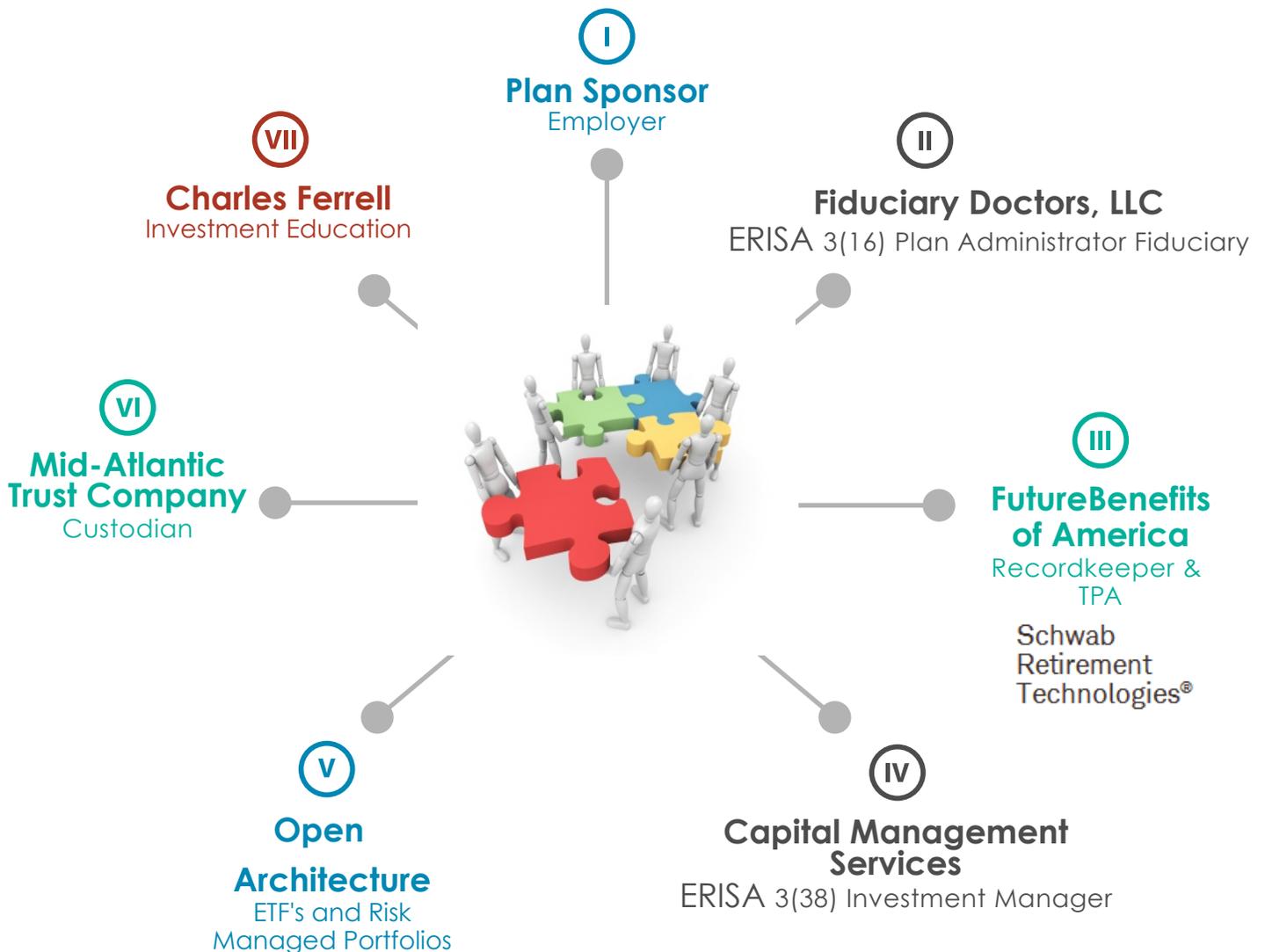
"Although Open MEPs are being discussed as something new, they are clearly a continuation of the established MEP plan structure. The advantages they offer should be a consideration for any employer exploring their fiduciary and administrative options".

- Fred Reisch, Partner
Drinker Biddle



Key Parties & Responsibilities

The Makes Sense 401(k) Plan is a fully-integrated retirement plan program with following team members providing specific capabilities:





Key Parties & Responsibilities

ERISA 3(16) Plan Administrator & Trustee

Fiduciary Doctors, LLC

Fiduciary Doctors, LLC is the ERISA 3(16) Plan Administrator, Trustee, and Named Fiduciary in The Fiduciary 401(k) Plan.

The Plan Administrator's primary responsibilities include ensuring all filings with the federal government (Form 5500 etc.) are timely made. Other services include making important disclosures to plan participants and fulfilling other responsibilities as set forth in the plan document. The "Plan Administrator" of a qualified retirement plan is defined in Code Section 3(16) of ERISA.



Third Party Administrator & Recordkeeper

FutureBenefits of America

FutureBenefits of America serves as the Plan's recordkeeper and Third Party Administrator (TPA). FutureBenefits of America's role as TPA includes administering compliance testing and the preparation of IRS Form 5500 for the adopter. Probably the most important role of the TPA is to help create and maintain the plan document. The document gives direction of how the plan operates and what provisions are allowed such as contributions, distributions and other options.

The record keeping function provides processing of all payroll uploads and plan administrative services including, tracking participant eligibility and vesting status as well as participant services which include managing the website, operating the call center and providing participants with quarterly statements. FBA utilizes Schwab Retirement Technologies as the backbone of the record keeping system. Schwab RT develops and hosts flexible retirement solutions to enable retirement advisors and record-keeping providers to help drive participant engagement and outcomes, and help plan sponsors understand the value of their retirement plan.





Key Parties & Responsibilities

3(38) Investment Fiduciary

Capital Management Services

Capital Management Services (CMS) is appointed by the plan sponsor or trustee and accepts discretion over plan assets and assumes full responsibility and liability for the fiduciary functions concerning investment decisions related to the plan assets. As an ERISA 3(21) plan fiduciary, CMS has the responsibility and authority to select the investment options for the plan and deciding if and when to make changes to the lineup of plan investments.

CMS also is responsible for the CMS Risk Managed Portfolios that utilize ETF's to offer plan participants a number of tactical asset allocation approaches to market risk. When CMS exercises discretion over plan participant assets, it takes on the role as ERISA 3(38) Investment Fiduciary. Diversification and rebalancing help to spread risk throughout your Portfolio. However, neither diversification nor rebalancing can ensure a profit or protect against a loss.



Plan Custodian

Mid-Atlantic Trust Company

Mid Atlantic Trust Company serves as custodian for assets in the retirement plan. Mid Atlantic provides the platform that allows the record keeper to access investments for the plan. This cost effective and efficient system for mutual fund and Exchange Traded Fund (ETF) investing allows all client purchases, sales, and exchanges to be executed through the convenience of a single source and held in a single account.





Key Parties & Responsibilities

Investment Education

65Retire Wealth Managers

Charles Farrell is a fee-based investment fiduciary, financial advisor, founder & CEO of 65RETIRE Wealth Managers, an independent financial services company serving Orange County, CA based in Irvine, CA (at Spectrum Center) and Newport Beach, CA (at Fashion Island).

The company's financial advisors work on a referral basis with tax & legal professionals and business owners, assisting their clients & employees in preparation for retirement. The company also assists families and individuals searching for professional guidance and advice, and with individuals who have already retired.

65RETIRE Wealth Managers was created to address one of the most pressing financial problems in America – the Retirement Deficit™ faced by so many. Born in the height of the baby boom years, Charles Farrell, the founder of 65RETIRE Wealth Managers, understands the challenges faced by today's aspiring retirees. An aging U.S. population, rising healthcare costs, and economic uncertainty make planning for retirement increasingly difficult. But with the right tools, comfortable retirement is still absolutely attainable.



Plan Overview

The Makes Sense 401(k) Plan is designed to provide the employer with a turnkey 401(k) plan that fully addresses the initial and on going regulatory rules and mandates under ERISA.



**Investments: Mutual
Funds, ETFs, Risk
Managed Portfolios**



**Utilize investment education
services of
a financial advisor**



Mitigate fiduciary liability



**Multiple Employer Plan:
Pools resources to achieve
economies of sale**



Participant Access & Tools

Whether you or your participants are on the move, or relaxing at home, access to a feature rich set of online tools will complete their investment experience. From personalized rate-of-return reporting, your plan keeps participants current with an ever changing landscape of financial investments.





The Makes Sense 401 (k) Plan Services

Services Include:

- ✓ Ongoing Employee Education Program to assist with ERISA §404(c) compliance.
- ✓ Online tools and calculators, etc.
- ✓ ERISA 3(16), 3(21) and 3(38) fiduciary services
- ✓ Daily Valuation Participant Website
- ✓ Quarterly Statement Mailed to Participant
- ✓ Plan document & Compliance Testing
- ✓ Certified Annual Trust Statement
- ✓ Annual preparation of IRS Form 5500 for each adopting sponsor
- ✓ Plan Trustee and named Fiduciary
- ✓ Provides notices to participants for Safe Harbor and compliance (if applicable)
- ✓ Designed to comply with ERISA Section 404(c) provisions for plan
- ✓ Provides investment fact sheets and materials on investments



Liability:

The employer is no longer the trustee for their retirement plan; responsibility is transferred to an independent fiduciary and fiduciary liability is reduced.



Choice:

Adopting employers are still able to choose from a menu of investment options that incorporate risk-based portfolios along with core investment options that allow for self-direction.



Flexibility:

The plan allows for custom design to allow each adopting employer to implement provisions (e.g. eligibility, matching) to their specific needs.



Plan Costs

Minimum \$750 for Record keeping and administration fees. Minimum is the greater of \$750 or 45bps.
This is not an additional fee.

Adopting Employer Setup Fee	\$0.00
Adopting Employer Conversion Fee	\$0.00
Adopting Employer Annual Administration Fee	\$0.00
Custody and Recordkeeping/TPA Fees (Annual Administration Fees) FutureBenefits of America & Mid Atlantic Fee Fee per participant with an account balance > deducted at \$8.75 a quarter	0.45% \$35.00
ERISA 3(16) Plan Administrator Fiduciary Services -- Fiduciary Doctors, LLC.	0.10%
ERISA 3(38) Investment Fiduciary Services -- Capital Mangement Services	0.10%
Education Consultant-- 65Retire Wealth Managers-	Varies
Investment Expenses	0.16%
Potential Additional Fees (if applicable) CMS Risk Managed Portfolios	0.50%
Terminations & Withdrawals	\$50.00
Loan Setup (per loan, from participant account)	\$50.00

It is the responsibility of the Participating Employer to purchase an ERISA required Fidelity Bond.



The Makes Sense 401(k) Plan

7 U.S. Charles Farrell. (888)657-3847

cfarrell@65retire.com