



Defined Contribution Plan Consulting Services



Capital Cities has long recognized the need in the middle market to provide institutional caliber services to plan sponsors with plan assets less than \$200 million dollars. Capital Cities has joined forces with Callan Associates Inc., the nation's premier investment consulting firm, through our membership in Callan's independent advisor group. Callan has been providing investment consulting services to the institutional market place for over 30 years. Callan currently consults to over 325 clients representing nearly \$1 trillion dollars in plan sponsor assets.

Utilizing Callan's world-class resources, Capital Cities' defined contribution (DC) plan services program provides the depth of knowledge and resources to assist you in discharging your fiduciary responsibilities as a DC plan sponsor. From plan review and fee analysis to manager/fund selection and monitoring, Capital Cities has assembled the expertise to guide you through all phases of the DC plan management process.

PROVIDING
A PRUDENT PROCESS
FOR EVALUATING
AND MONITORING
YOUR DEFINED
CONTRIBUTION PLAN

**LET US SHOW YOU HOW WE CAN PUT OUR EXPERTS
AND RESOURCES TO WORK FOR YOU.**



Capital Cities' Services for Structuring, Implementing and Monitoring Your Defined Contribution (DC) Plan

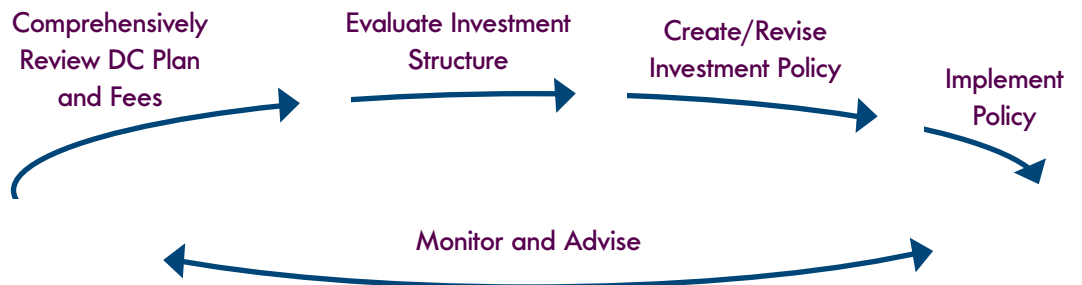
■ Defined Contribution Plan Review

Capital Cities' Defined Contribution plan review provides an in-depth assessment of your plan and service providers. This assessment helps identify any inconsistencies between your objective and policies and the program's current positions. Our plan review encompasses five primary areas:

- **Investment policy review** to make sure the guidelines in place will continue to reflect your goals and objectives for the plan.
- **Investment structure evaluation** to identify any gap or overlap in the current manager structure/mutual fund lineup.
- **Recordkeeper review** to assess the provider's competitive position in the marketplace.
- **Trustee/custodian review** to assess the trustee's services and fees in light of industry standards.
- **Fee analysis** to make sure you have an understanding and documentation of the fees incurred by the plan and participants.

■ Policy Statement Review and Construction

Once our analyses of these five core elements are complete, we can then assist you in drafting a plan policy statement or in reviewing and revising your current statement. This formal document states your service objectives, as well as the roles and responsibilities of all of your plan providers (e.g., recordkeeper, trustees, investment managers, consultant). We will also make sure that your plan policy statement includes appropriate investment policy language, in order to prepare for compliance with ERISA and associated fiduciary, procedural prudence, and due diligence requirements.



Capital Cities' Critical Process

Defined Contribution (DC) Plan



■ Policy Implementations

Capital Cities takes a customized approach to search and selection, utilizing proprietary databases to help identify appropriate investment managers and funds, recordkeepers, trustees/custodians, and participant advice providers. In every search, Capital Cities employs the following critical steps:

- **Plan and Client Profiling** Before we embark on a search for any investment fund or service provider for the plan, we work to fully understand your objectives and selection criteria. For fund selection, your objectives and criteria will probably include parameters around style or asset class, as well as performance objectives. For a recordkeeper search, your criteria may focus more heavily on certain functional areas, such as systems and technology or employee education and communications capabilities. These profiles help to ensure that we provide the most appropriate alternative for your consideration.
- **Candidate Identification** Capital Cities then identifies candidates using our experience in the marketplace and the comprehensive, up-to-date information contained in the Callan databases. These databases cover:

Managers/Funds Callan's extensive manager search database includes information on styles, investment processes, organizational strengths and stability, and consistency of performance. Our combined focus is on ensuring that all candidates are well suited to your overall DC plan investment strategy.

Recordkeepers Callan maintains relations with major provider organizations through annual on-site due diligence review, regular meetings at Callan's offices, and ongoing correspondence, as well as through their submissions to Callan's provider database.

Trustees/Custodians We also have dedicated resources you can call upon to assist in selecting a new trustee/custodian or to review custody arrangements and securities lending programs.

Participant Advice Providers While your recordkeeper probably has relationships in place with preferred advice providers, we can help you evaluate the methodologies employed by these organizations.

Documenting advice givers' processes is becoming an increasingly important area for plan fiduciaries to address.

Capital Cities offers defined contribution consulting services to:

- profit sharing plans
- money purchase pension plans
- target benefit plans
- thrift and savings plans
- 401(k), 401(a), 403(b), and 457 plans

■ Transition Management

Changing any element of your defined contribution program can be time consuming for all involved. Capital Cities takes a hands-on approach in helping manage these transitions, whether they involve a conversion between recordkeepers, a change in trustee/custodian, or the addition or replacement of investment options. Transition management is also valuable in merger and acquisition situations, where an asset mapping strategy should be implemented.

■ **Ongoing Evaluation**

Capital Cities provides ongoing DC plan evaluation to ensure that plan sponsors continue to have the knowledge and information necessary to meet their fiduciary responsibilities. We provide quarterly performance measurement reports, including analyses of the current capital markets and a comparison of performance within each peer group. These reports can be delivered via hard copy, or electronically.

Our ongoing monitoring also encompasses the plan's service providers to ensure that their servicing levels, product development, and fees remain competitive. We will conduct an annual evaluation of your recordkeeper and trustee/custodian within the context of industry developments.

■ **Education for DC Plan Sponsors**

One of Capital Cities' primary goals is to provide valuable, continuing education to those engaged in the investment decision-making process. To serve that mission, Capital Cities offers educational forums where attendees have an opportunity to expand their knowledge of plan sponsor responsibilities and procedures. Topics covered include:

- Fiduciary responsibility and procedural process
- Developing an effective policy statement
- Implementing a DC plan policy statement and investment policies
- Monitoring and controlling the DC investment program

We can customize a one-day session to help your DC plan oversight committee address your specific issues and concerns.

To learn more about Capital Cities' defined contribution plan services and how they can work for you, call Joe Bill Wiley at 800.743.6010.

DEDICATED ■ DISCIPLINED ■ CONNECTED



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**BRINGING GLOBAL KNOWLEDGE
AND OBJECTIVE GUIDANCE TO YOUR
CRITICAL INVESTMENT DECISIONS.**

