

RETIREMENT PLAN  
SERVICES

Proposal

# Multiple Employer Aggregation Program (MEAP)

**Zuma Payroll & Processing, Inc.**  
**401 (k) Program**

Insurance products issued by:  
The Lincoln National Life Insurance Company  
Lincoln Life & Annuity Company of New York

3114800

For plan sponsor use only. Not for use with plan participants.





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# What is a Multiple Employer Aggregation Program (MEAP)?

A Multiple Employer Aggregation Program (MEAP) is a qualified retirement plan adopted by multiple employers through their association with the sponsoring organization, which acts as the lead sponsor. The MEAP is designed to gather the plan's important administrative, recordkeeping and fiduciary services to be overseen by a third party, which allows the plan sponsors who participate to outsource many responsibilities that come with running a retirement plan, and often, helps reduce costs.

## Why consider joining a MEAP?

Because every business owner tells us the same thing: They want a retirement plan solution that...

1   
Is easy

**Situation:**

They want to focus on their business – they don't want to be a 401(k) expert.

**Solution:**

The MEAP can become their 401(k) department, performing most of the administrative tasks for their plan, including handling their regular contribution files.

2   
Protects them

**Situation:**

They don't want to be at risk of paying fines or penalties.

**Solution:**

By joining a MEAP, employers can avoid much of the compliance concerns that come with offering their own plan. While their role as plan fiduciary still exists, many specific tasks transition to the Program. The employer's ongoing role is to oversee the various parties dedicated to the plan to ensure it operates as expected.

3   
Is cost competitive

**Situation:**

They don't want to overpay.

**Solution:**

The MEAP delivers more value and services – potentially at similar or less cost than they're likely already paying. And, as plans grow, they're reviewed regularly for price reductions.

# Your 401(k) responsibilities BEFORE joining:

## Plan sponsor duties

- Design plan document
- Maintain qualified status
- Assign and oversee all other plan fiduciaries

## Plan investment fiduciary duties

- Appoint and monitor plan investment fiduciary duties for all other plan fiduciaries
- Produce, maintain and follow an Investment Policy Statement (IPS)
- Select and monitor an investment platform meeting ERISA “prudent person” standards
- Conduct and document quarterly Investment Committee meetings
- Review and document investment returns, fees, expenses and comparisons to peer group
- Monitor the status of all investment options and remove or replace them as appropriate

## Operational plan administrator duties

- Deposit contributions and submit payroll files for upload on a timely basis
- Complete annual ownership and census verification for testing purposes
- Oversee annual census reconciliation with third party administrator (TPA)
- Oversee and manage the annual Form 5500 filing process in conjunction with a TPA
- Determine participant eligibility
- Conduct enrollment and educational meetings
- Address specific participant requests in compliance with the 404(a)(5) participant fee disclosure regulation
- Administer participant loans in compliance with statutory requirements

- Verify termination dates and vesting, and send out participant termination packets
- Administer distribution and rollover requests for terminated employees
- Administer hardship withdrawals in compliance with the hardship rules, included in provisions of the Pension Protection Act (PPA) of 2006
- Review and validate compliance testing
- Send out required year-end notices to participants (that is, Safe Harbor, summary annual report (SAR) and so forth)
- Send out enrollment packets, including summary plan description (SPD), 404(c) compliance information, Qualified Default Investment Alternative (QDIA) and annual participant fee disclosure 404(a)(5)
- Comply with DOL Regulation Section 2550.404(a)(5) provisions for participant communications, including but not limited to:
  - Notice to participants of intention to comply with 404(c)
  - Description of investment alternatives
  - General description of the investment objectives and risk-and-return characteristics of each alternative
  - Explanation of transaction fees and expenses that affect the participant’s account balance
  - Details about the plan fiduciaries
  - Description of annual operating expenses of each designative alternative
  - Copies of prospectuses, financial statements and reports provided to the plan



## Your 401(k) responsibilities AFTER joining:

### Initial choices

- Sign initial paperwork agreement
- Select customized plan design options to meet your business needs

### Ongoing duties

- Deposit contributions and submit payroll files for upload on a timely basis
- Periodically monitor the Program and any third parties managing administrative and fiduciary tasks to ensure plan provisions are being carefully administered
- Complete your annual ownership and census verification for testing purposes



### Three questions to consider:

- 1 How much responsibility on the “before” list do you really want?
- 2 How much of the liability on the “before” list do you want to keep?
- 3 How much of the “before” list does it make sense to outsource, so you can focus more on your business and less on your 401(k)?

Pages 4 and 5 represent the most common plan sponsor responsibilities before and after joining a MEAP. Your responsibilities after joining your program could vary from the illustration above based on the actual services being provided by your program’s administrator.



## What you'll experience

A MEAP is designed to free up your time and preserve important flexibility, so you can focus on running your business – and it all starts with the right plan design.

### A tailored plan design that represents your goals and your people

The right plan design is an essential part of meeting retirement goals for your business and your employees. This program allows you to customize a plan to help you do just that.



**Eligibility:** Standard eligibility is age 21 and one year of service, but you can work with the program's TPA to select an option that works best for your business.



**Vesting:** Vesting refers to the portion of your employer match or profit-sharing account participants are entitled to keep upon termination. You can choose from several options for your plan.



**Plan design:** Since the right design is so important, the program's TPA will work with you to determine the plan design that will help you reach your business and retirement plan goals.

Some examples of potential 401(k) plan designs you can select include:

|                                   |  |
|-----------------------------------|--|
| <b>401(k) plan</b>                | <ul style="list-style-type: none"><li>▪ Contributory only</li></ul>  |
| <b>401(k) with match</b>          | <ul style="list-style-type: none"><li>▪ Safe Harbor match</li><li>▪ Traditional set or discretionary</li></ul>   |
| <b>401(k) with profit sharing</b> | <ul style="list-style-type: none"><li>▪ Traditional set or discretionary</li><li>▪ Safe Harbor profit sharing</li><li>▪ Integrated allocation method</li><li>▪ Age-weighted allocation</li><li>▪ New comparability</li></ul> |

In addition to 401(k) plans, the MEAP can also accommodate other types of plans, such as defined benefit, cash balance and money purchase pension plans.

### A single point of contact for your needs

When you join the program, your dedicated account manager will be there for you, working with you to understand your business and your needs. While your plan's information is always available on your customized website, you can rely on your account manager to provide direct service support and answer questions whenever you need it.

## Essential plan data at your fingertips

At Lincoln, we're committed to providing the easy-to-use technology you need to keep your plan running smoothly – meaning transactions must be error-free, with quick turnaround. Technology services and support include:



### Recordkeeping platform

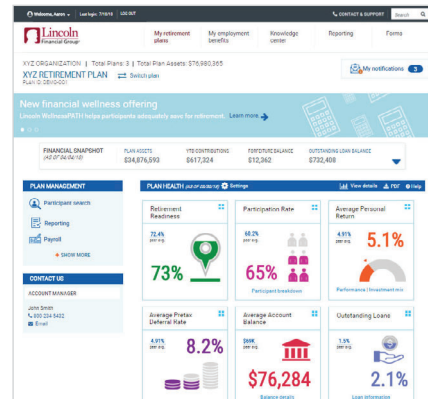
A fully integrated recordkeeping platform delivers quick, accurate and reliable information. The platform will not only support your current recordkeeping and transactional requirements but is constantly enhanced to support your needs well into the future.



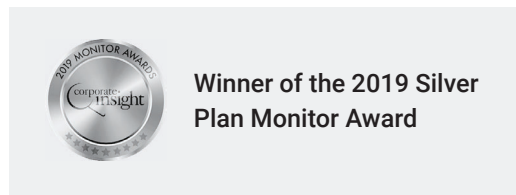
### Personalized plan website that makes everything easy

Create an effective strategy and help drive results, all via your personalized website. You can log in from any device for at-a-glance plan details, 24/7.

- Review plan- and employee-specific information
- View automated reports to stay informed
- Access custom and ad hoc reporting
- Schedule reports to keep your plan on track
- Boost employees' retirement readiness scores



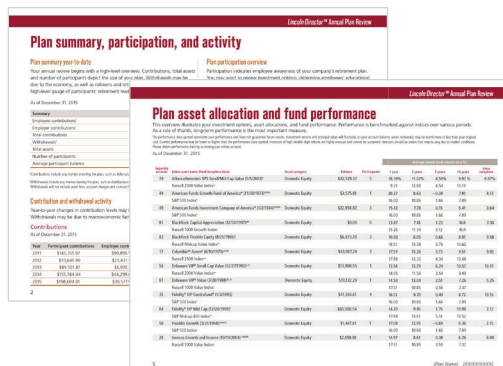
**Winner of the 2019 and 2020 Dalbar Web Communications Seal**



**Winner of the 2019 Silver Plan Monitor Award**

## Opportunities to maintain a healthy plan

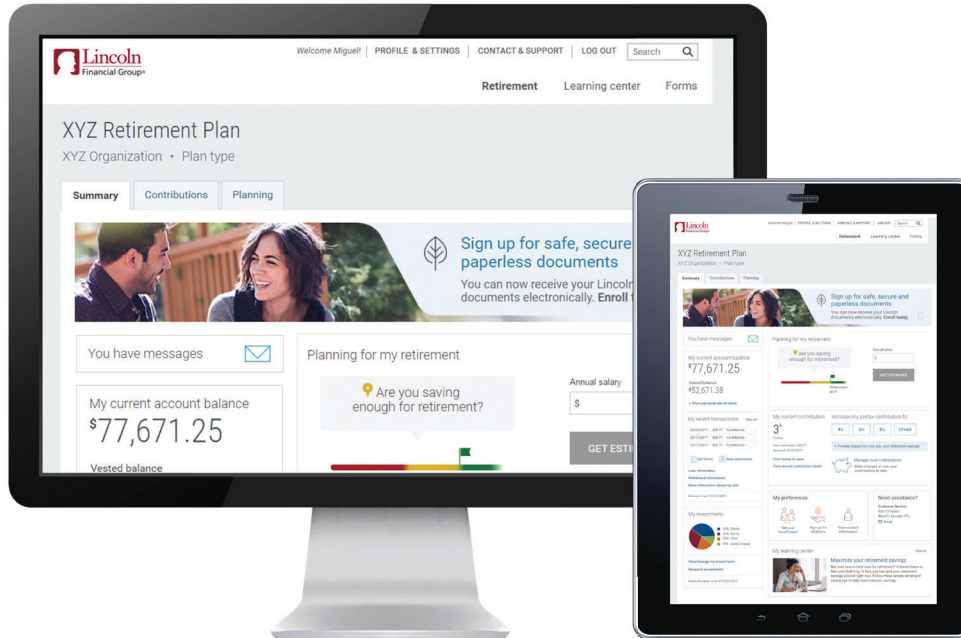
Making time to review your plan is so important. It's how you get a complete picture of your plan's health and gain visibility into how it's operating. An annual plan review can help you analyze your investment options and historical plan data – and it's easily accessible through our website. You'll get important and objective information to keep you up to date on your plan's performance, and it will also help fiduciaries evaluate and make decisions about the plan's operations and investment options.



### The annual plan review includes:

- A year-to-date summary of plan activity
- Participation summary and balances
- Plan asset allocation and fund performance
- Web and voice response system usage and service standards

# What your employees will experience



## Taking retirement from concept to reality

Your employees' website is customized to help make their retirement — and savings — feel real, giving the gentle nudge many need to take action. Account details, interactive tools and helpful resources are all accessible via desktop, tablet or smartphone and include:

- Simplified enrollment
- Webinars and online videos
- Retirement planning resources
- Retirement income estimator
- Quick contribution increases
- Social Security analysis
- Statements



**Winner of the  
2020 Dalbar Web  
Communications Seal**

## Support from enrollment to and through retirement

Trained customer service representatives are available by phone to assist participants and answer their questions. These staff members receive continual training to keep their retirement plan knowledge current. Representatives are available 8 a.m. to 8 p.m. Eastern, Monday through Friday. Multilingual customer service representatives are available through the AT&T Language Line.



### Interactive voice response (IVR) system

A toll-free IVR system gives participants access to account information 24 hours a day, seven days a week.



## Timely information and education—from details to big picture

We know your employees need to understand their 401(k) plans, so we deliver these quarterly participant communications.

**Lincoln Financial Group** 1200 S. Cross Street, Fort Worth, TX 76102-2148  
 Lincoln Director<sup>SM</sup> and Lincoln American Legacy Retirement<sup>SM</sup>  
 Statement Sample  
 ABC Company Inc.  
 Your Retirement Account  
 10012011 - 12312011  
 Product Name  
 Account Information  
 Name: John Customer  
 Account Number: ABC1-12345678901

**Account Summary**  
**Total Account Value as of 12/31/2011**  
**\$28,643.98**

| Current Period | Beginning Balance (as of 10/01/2011) | Contributions | Investment Earnings | Withdrawals | Fees and Expenses | Ending Balance (as of 12/31/2011) |
|----------------|--------------------------------------|---------------|---------------------|-------------|-------------------|-----------------------------------|
|                | \$1,421.95                           | \$800.12      | \$50.00             | -\$110.49   | \$28,643.98       |                                   |

**Your Personal Rate of Return (as of 12/31/2011)**

| 3-Month | YTD    | 1-Year | 3-Year | 5-Year |
|---------|--------|--------|--------|--------|
| 3.22%   | -5.13% | -5.13% | 13.56% | N/A    |

**Contact Information for your Product Name**  
 Customer Service: Our customer service representatives are available Monday - Friday from 8 to 8 EST at 1-800-510-4215  
 Online Services: For your updated account values, fund performance information, and to make address changes, visit [www.lincolncapital.com](http://www.lincolncapital.com)

**Representative Information**  
 Representative: Joe Smith

### Statements

Timely messages help employees save more and save smarter

Total account value is highlighted and in large type so they can't miss it

Personal rate of return, providing quarterly and year-to-date returns, as well as the perspective of one-, three-, five- and 10-year investment returns

Contact information, inviting employees to call a customer service representative or find updated account values online

### Newsletters

We send an informative newsletter that offers insight on timely investing topics like the risks of market timing and how to cope with market volatility. The newsletter can help your employees become more informed and involved retirement investors.

### Simple, clear enrollment communications tailored to your employees' needs and life stages

Your employees get thoughtful, customized education and communications to help guide them through the retirement planning process, making it easy for them to enroll, actively participate and make informed investment choices.

**Lincoln Financial Group**  
 Managing your account  
 Lincoln Director<sup>SM</sup>  
 Participant guide

**Lincoln Financial Group** Secure Login

## Milestones

During these changing times, it's natural that you may have concerns about your financial future. No matter where you are in your retirement journey or what challenges you may be facing, we're here to help you face tomorrow with confidence.

Check out the links below for tips and resources to help you navigate market volatility and stay on track for long-term goals.

- STAY THE COURSE**: If you're in the early or mid-stages of your career, it's important to keep a long-term perspective during market ups and downs. These strategies may help you stay confident as you weather the storm.
- LEARN MORE**: If you've recently experienced changes in your personal finances, you may be seeking some financial relief. Make sure you understand all of the options available to you.
- RETIRE WITH CONFIDENCE**: For those approaching retirement, this may be a good time to evaluate your retirement goals and make sure you're staying focused on your vision for the future. These strategies may help you get organized.



### A financial wellness focus

Your employees need to understand their complete financial picture. Lincoln *WellnessPATH*® provides resources and insight to help them focus on short- and long-term saving goals, and it's all available through their online account:



**Actionable web content:** Articles, videos, calculators, gamified tools, worksheets and checklists



**One-on-one support:** Personalized education and support offered wherever and whenever employees need it — in person, over the phone or via video chat



**Personalized, interactive online tools:** Aggregated accounts, goal setting, powerful budgeting feature and more



## Your custom proposal

### Next steps

We know you want to keep everything as simple as possible — that's why we make it easy to move your plan into the MEAP.

1. Sign the paperwork.
2. Sign the termination letter to your current provider.
3. Discuss any plan design improvements you want to make.

### What comes next? A smooth transition.

**Lincoln Financial helps ease your transition by:**

- Providing you a dedicated implementation manager
- Managing the transition process with your TPA and your plan's prior recordkeeper



#### **People like working with Lincoln:**

Plan sponsors cited 90% overall satisfaction when asked to rate their experience.<sup>1</sup>

<sup>1</sup> Lincoln Financial Group, Annual Plan Sponsor Satisfaction Research, 2019.

# Trusted leaders

Your Multiple Employer Aggregation Program (MEAP) is powered by the Lincoln Financial Group platform, bringing your company a retirement plan that offers:

- The ability to focus on your core business, with heavily reduced administrative burdens
- Peace of mind, with reduced liability
- Competitive or reduced administrative costs, with improved productivity
- An easy approach to offering your employees a quality benefit that can help them prepare for retirement

As you consider the advantages of joining a MEAP, you may find the most powerful benefit is intangible — it's the confidence of knowing your plan is in capable hands.



Lincoln makes retirement plans easy. Let us help you decide if joining a MEAP is right for you.

|   |
|---|
| Not a deposit                                     |
| Not FDIC-insured                                  |
| Not insured by any federal government agency      |
| Not guaranteed by any bank or savings association |
| May go down in value                              |

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LCN-3114800-060420  
POD 6/20 Z01

Order code: DC-MEAP-BRC001



This proposal is intended to be a summary of the services provided and does not supersede the plan document, plan disclosures or contractual agreements.

A group variable annuity is a long-term investment product designed particularly for retirement purposes. Group annuities contain both investment and insurance components and have fees and expenses, including administrative and advisory fees. Optional features may be available for an additional charge. The annuity's value fluctuates with the market value of the underlying investment options, and all assets accumulate tax-deferred. Withdrawals may carry tax consequences, including possible tax penalties.

*Lincoln Director*<sup>SM</sup>, a group variable annuity contract, is issued on variations of contract form 19476 and state variations and amendment forms AR-450A and AR-451A by The Lincoln National Life Insurance Company, Fort Wayne, IN, and distributed by Lincoln Financial Distributors, Inc., Radnor, PA, a broker-dealer. **The Lincoln National Life Insurance Company does not solicit business in the state of New York, nor is it authorized to do so. Contractual obligations are subject to the claims-paying ability of The Lincoln National Life Insurance Company.**

Contracts sold in New York are issued on variations of contract form 19476NY and amendment forms AR-450A and AR-451A by Lincoln Life & Annuity Company of New York, Syracuse, NY. **Contractual obligations are subject to the claims-paying ability of Lincoln Life & Annuity Company of New York.**

Products and features are subject to state availability. There is no additional tax-deferral benefit for an annuity contract purchased in an IRA or other tax-qualified plan.

Third party administrators for the Multiple Employer Aggregation Program are not affiliates of Lincoln Financial Group.

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