

# Defined Benefit Pension Plan Risk Mitigation and Termination

Let's take a look



**NEW ENGLAND**  
Retirement Consultants

*Improving plans for tomorrow*

**If your organization has made the decision** to freeze your pension plan, few processes will require as much skillful guidance as moving to reduce risks, volatility, liability and costs.

**If you don't have one**, a specific date should be set for termination. The goal should be no more than 3 years (less would be preferable).

**You'll want to put a formal process in place**, including benchmarks and milestones. We will guide you with an action plan.

**Key decisions will be made** once we determine estimates of the buyout liability for your plan and compare it to the plan's current funded status to determine the shortfall. Your goal will then be to focus on the full funding of this target liability and implement the end game.

- Risks in your plan will begin to be mitigated
- Assets and allocations will be strategically realigned
- Your liability and the volatility of the plan's assets will be reduced, as will be plan expenses and dramatic fluctuations with contributions.

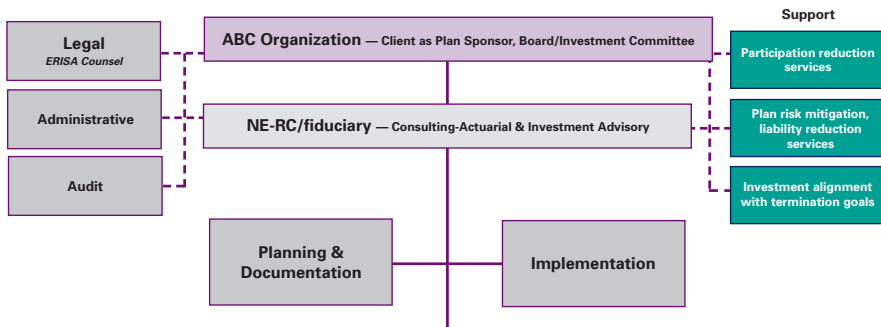
*"Plan Termination provides certainty and takes the organization out of the pension administration business—and the business of managing pension risk"*

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We will keep on track and monitor progress with a quarterly review (more frequently if needed due to market changes), adjusting strategies in response to changes in the plan's financial condition and external economic influences. As the asset/liability ratio improves to 100% and above, as a result of effective plan management; your time frame for termination may be shortened.

*“Our experience shows that a thoughtful and well implemented termination strategy will likely result in substantially lower execution costs”*

## Project Manager —Fiduciary Service Model *Goal-terminate plan within 3 years*



**New England Retirement Consultants** can be your quarterback to successfully & prudently close your defined benefit plan. We remove the built-in conflicts of interests that are inherent in most frozen defined benefit plans today. To find out how your organization can control its own destiny in closing its defined benefit plan, please call us at 617-535-6946 or email us at [info@NE-RC.com](mailto:info@NE-RC.com).

New England Retirement Consultants, LLC is a federally registered investment advisory firm. Our consultants average 28 years of in depth experience working with clients in the following areas:

Fee and Fiduciary Audits for 401(k), 403(b) and Actuarial  
Custom Target Date Funds and Models  
Stable Value/ Guaranteed Interest Account Due Diligence  
Plan Design and Maximizing Participant Outcomes  
Defined Benefit Termination Consulting & Strategies  
Asset / Liability Studies  
Investment Advisory  
CIO Outsourcing Due Diligence & RFP

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