

# Morningstar<sup>®</sup> Retirement Manager<sup>SM</sup> Managed Account Solution Outcomes

## Are you helping your participants make the most of their retirement plan options?

Approximately 60% of companies are considering managed accounts as a benefit for their plan<sup>1</sup>. The passage of the Pension Protection Act (PPA) has encouraged plan sponsors to do more to help participants improve their ability to have a secure retirement. And in this economy, attracting and retaining the best employees is always important. Offering professional investment management for your employees' retirement accounts is an excellent value and benefit. It can help make the difference for an employee in having a financially secure retirement.

Managed by Morningstar, our managed account solution available through Morningstar<sup>®</sup> Retirement Manager<sup>SM</sup> helps make it easy for your participants to manage their retirement accounts by giving them a personalized retirement strategy. Not only does it help an investor understand how much they should contribute, it also defines how their current savings will translate to income during retirement. We provide a well-diversified portfolio that is structured for the individual's situation and automatically review the account on a quarterly basis to help give the employee peace of mind that a trusted professional is looking after their nest egg.

## Measuring Employee Success: More income for retirement.

Instead of besting an index, Morningstar Associates measures success in terms of your employees' ability to reach their retirement-income goals. Trouncing the S&P 500, for example, means little if participants aren't saving enough and don't have a portfolio structured appropriately for their situation. Managed by Morningstar (MBM) helps improve your employees' ability to maximize their income from their employer-sponsored retirement plan.

The following identifies participant impacts as a result of the Managed by Morningstar service:

	Participants by age range <sup>2</sup>					Total
	20's	30's	40's	50's	60's	
<b>% Change in projected retirement income</b>	24%	13%	13%	10%	1.5%	15%
<b>Additional estimated annual retirement income provided by MBM</b>	\$9,200	\$5,000	\$4,100	\$2,900	\$400	\$5,100
<b>% Change in average deferral rate</b>	55%	36%	32%	30%	22%	37%
<b>Average salary</b>	\$44,200	\$61,100	\$68,100	\$70,800	\$60,800	\$60,700
<b>Median salary</b>	\$42,000	\$51,300	\$54,000	\$53,900	\$54,400	\$50,000

## ➔ Getting started is easy!

More than 2,000 plan sponsors of all sizes are helping their participants with the Managed by Morningstar service. Find out how we can help your employees today. Please talk to your account representative to learn more.

<sup>1</sup> Source: Morningstar Associates. Client survey of 1,500 small retirement plan sponsors. June, 2007.

<sup>2</sup> Source: Morningstar Associates' proprietary data. The data table includes statistics from an analysis of 574 retirement plan participants. This group includes participants who enrolled in the Managed by Morningstar service from January 5, 2007 through June 30, 2007. However, this group excludes providers that offer automatic escalation programs and excludes participants with company stock and outside assets. The percent improvement in retirement income was calculated as the percentage change between the average initial retirement income outlook and the average retirement income outlook based on our recommendations for each age group and in total. The percentage improvement in average deferral rate was calculated as the percentage change in the average deferral rate before enrolling in Managed by Morningstar as compared to the average deferral rate change after enrolling in the Managed by Morningstar program. Average and median salary figures represent those statistics for each age group for the data sampled.