

RETIREMENT PLAN ADMINISTRATION

FINANCIAL ENGINES ADVISORY SERVICES: EMPLOYING AUTOMATIC ENROLLMENT INTO ADVISORY SERVICES TO HELP PARTICIPANTS PREPARE FOR AND TRANSITION TO RETIREMENT

BACKGROUND

- Privately-held manufacturing company that specializes in three key business areas – plastics-processing technologies, metalworking fluids and precision machining
- Desire to help participants become retirement-ready and access advisory support through the transition process and throughout retirement
- Employees over age 60 and nearing retirement were concentrated in cash and bond funds

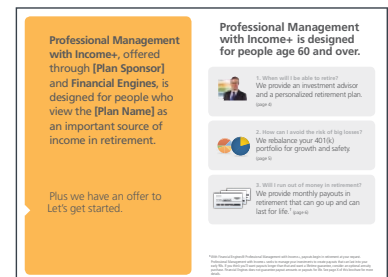
GOALS

- Introduce an age-appropriate managed account solution to drive retirement readiness
- Provide access to professional management advisory services to all plan participants to help guide decision making
- For participants over age 60 and nearing retirement, introduce an income objective to provide greater certainty of steady income payouts in retirement

SOLUTION

Two-pronged approach to automatic enrollment to provide customized, relevant solutions to the participant population:

- Automatically enroll participants under age 60 in Financial Engines Professional Management solution, providing access to investment guidance and advice
- Automatically enroll participants over age 60 in Professional Management with Income+, a product that offers participant support throughout the retirement process, including after they have retired from the company
 - Provide each Income+ participant with a personalized retirement plan that includes an Income Investment Glidepath, retirement and income checkups and retirement payout plans



Launch a personalized multimedia communications campaign that employed online, electronic and direct mail solutions

RESULTS

OVERALL PLAN

- 50% enrollment rate in Professional Management Advisory Services
 - 44% of participants enrolled in Professional Management Advisory Services increased their contribution rates to the plan.
 - 99% of participants enrolled in Professional Management Advisory Services have a more diversified portfolio.

PARTICIPANTS OVER AGE 60

- 38% remained enrolled in Professional Management with Income+.
- 75% of members opted for a conservative “income” investment objective.

SOURCE: Financial Engines Research and Impact Report prepared for the company for the period ending March 31, 2012. The client used in this case study was chosen to represent:

- Client introducing Financial Engines’ full suite of services
- Client conducting an automatic enrollment campaign

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