

Pooled Plans Gaining Attention

A key feature of the SECURE Act is the establishment of Pooled Employer Plans (PEPs), which allow plan sponsors to pool their retirement resources with those of other employers and delegate most running-the-plan responsibilities to a third party. As a result, plan sponsors benefit from economies of scale, more efficient and diversified investment portfolios, and reduced administrative burdens and fiduciary risks.

While pooled plans have been in existence long before the SECURE Act, Mercer believes that the pandemic will serve as the catalyst for many plan sponsors to transition to pooled plans, including PEPs. In fact, a recent poll of retirement plan sponsors conducted by Mercer revealed that close to 20% of mid-to-large size organizations are open to joining a pooled plan and another 40% would like to explore pooled plans, as well as other ways to delegate investment and administrative fiduciary roles when market conditions improve.

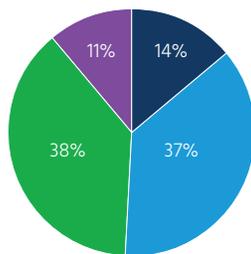


Which benefits of pooled plans do you view as essential? (Choose all that apply)

- 65.9% reduced administrative workload
- 66.5% mitigation of fiduciary risk
- 69.3% lower participant fees
- 57.0% a well-diversified investment lineup
- 45.8% a great participant experience



Given what has happened in 2020 so far, how much time do you have to spend on your retirement plan?



- plenty
- less than I'd like
- about the right amount
- far too little



Following the webinar discussion, which statement(s) resonate with you? (Choose all that apply)

- 17.6% I'd like to explore pooled plans further
- 15.4% I want to maintain my own sponsored plan but consider outsourcing more of my *administrative* fiduciary roles
- 23.1% I want to maintain my own sponsored plan but consider outsourcing more of my *investment* fiduciary roles
- 26.4% I want to maintain my own sponsored plan and retain all related responsibilities
- 42.9% I'm interested in exploring some of these options, but not in the current market situation

About Mercer

Mercer builds brighter futures by redefining the world of work, reshaping retirement and investment outcomes, and unlocking real health and well-being. Mercer's more than 25,000 employees are based in 44 countries and the firm operates in over 130 countries. Mercer is a business of Marsh & McLennan (NYSE: MMC), the world's leading professional services firm in the areas of risk, strategy and people, with 75,000 colleagues and annualized revenue approaching \$17 billion. Through its market-leading businesses including Marsh, Guy Carpenter and Oliver Wyman, Marsh & McLennan helps clients navigate an increasingly dynamic and complex environment. For more information, visit www.mercer.com. Follow Mercer on Twitter @Mercer.

Important notices

References to Mercer shall be construed to include Mercer LLC and/or its associated companies.

© 2020 Mercer LLC. All rights reserved.

This contains confidential and proprietary information of Mercer and is intended for the exclusive use of the parties to whom it was provided by Mercer. Its content may not be modified, sold or otherwise provided, in whole or in part, to any other person or entity without Mercer's prior written permission.

Mercer does not provide tax or legal advice. You should contact your tax advisor, accountant and/or attorney before making any decisions with tax or legal implications.

This does not constitute an offer to purchase or sell any securities.

The findings, ratings and/or opinions expressed herein are the intellectual property of Mercer and are subject to change without notice. They are not intended to convey any guarantees as to the future performance of the investment products, asset classes or capital markets discussed.

For Mercer's conflict of interest disclosures, contact your Mercer representative or see <http://www.mercer.com/conflictsofinterest>.

This does not contain investment advice relating to your particular circumstances. No investment decision should be made based on this information without first obtaining appropriate professional advice and considering your circumstances. Mercer provides recommendations based on the particular client's circumstances, investment objectives and needs. As such, investment results will vary, and actual results may differ materially.

Information contained herein may have been obtained from a range of third-party sources. While the information is believed to be reliable, Mercer has not sought to verify it independently. As such, Mercer makes no representations or warranties as to the accuracy of the information presented and takes no responsibility or liability (including for indirect, consequential, or incidental damages) for any error, omission or inaccuracy in the data supplied by any third party.

Investment management and advisory services for U.S. clients are provided by Mercer Investments LLC (Mercer Investments). Mercer Investments LLC is registered to do business as "Mercer Investment Advisers LLC" in the following states: Arizona, California, Florida, Illinois, Kentucky, New Jersey, North Carolina, Oklahoma, Pennsylvania, Texas, and West Virginia; as "Mercer Investments LLC (Delaware)" in Georgia; as "Mercer Investments LLC of Delaware" in Louisiana; and "Mercer Investments LLC, a limited liability company of Delaware" in Oregon. Mercer Investments is a federally registered investment adviser under the Investment Advisers Act of 1940, as amended. Registration as an investment adviser does not imply a certain level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser. Mercer Investments' Form ADV Part 2A & 2B can be obtained by written request directed to: Compliance Department, Mercer Investments, 99 High Street, Boston, MA 02110.