



## **ABC ADVISORS, INC.**

# **PROPOSAL FOR ERISA COMPLIANCE SUBSCRIPTION SERVICES**

**PREPARED BY:**

Jason C. Roberts, Esq., AIFA®

FEBRUARY 15, 2012



## **I. INITIAL REVIEW AND DEVELOPMENT OF SERVICES**

PRI will conduct a preliminary review of documents and information provided by Company, including descriptions of current ERISA-covered services, applicable sections of Form ADV Part II, select investment advisory compliance procedures and retirement plan marketing materials (see PRI Request for Documents and Information at [Exhibit A](#)). PRI will then conduct interviews with appropriate management and field personnel, as identified by Company, for purposes of assessing retirement plan-related qualifications of Company's investment advisory representatives ("Advisers"), Company's compliance and supervisory structure and retirement plan client demographics. Upon completion of the initial review and follow-up interviews, PRI will assist Company in articulating a suite of services that align with Company's goals, resources, and client needs (the "Services").

## **II. CORPORATE ERISA COMPLIANCE SUBSCRIPTION PROGRAM**

### **1. ERISA COMPLIANCE DOCUMENTS, UPDATES AND SEMI-ANNUAL REVIEW**

Based upon the Services approved by Company, PRI will make available the following proprietary documents to assist Company in supporting the desired Services:

1. Adviser ERISA Application Form;
2. ERISA Client Information Form;
3. Investment Advisory Compliance Procedures for Company's Services;
4. ERISA Plan Investment Advisory Agreement; and
5. Sample ADV Disclosures for the Company's Services.

Company's home office personnel will also have access to PRI's semi-annual compliance webinars addressing new legal and regulatory developments and updates to PRI's Proprietary ERISA Compliance Documents. PRI will provide call support to Company's home office personnel, on an as needed basis, for PRI program-specific questions.

### **2. PROGRAM ORIENTATION AND TRAINING**

PRI will assist Company with the implementation of the above-referenced documents and Services by developing and delivering home office and Adviser orientation webinars. The home office orientation will last approximately 90 minutes and will focus on the allocation of roles and responsibilities across affected business units, recent changes to ERISA and Department of Labor (DOL) regulations and common areas of scrutiny. The Adviser orientation will last approximately 60 minutes and will focus on the basic tenants of ERISA, including fiduciary status and prohibited transactions, as well as how to utilize the above-referenced documents and Services.

### **3. LICENSE TO PRI ADVISER RESOURCE SERIES AND EDUCATION**

Company's Advisers and home office personnel will have access to the PRI's proprietary Adviser Resources Series ("ARS"). The ARS materials are designed to support Company's approved non-fiduciary ERISA-covered Services in the following areas: 1) legislative and regulatory updates; 2) sample plan committee procedures, checklists, flowcharts, etc; 3) Fiduciary Factsheets and Adviser Briefs; and 4) quarterly webinars focusing on prospecting and retention strategies using the Services and ARS materials as well as updates on new laws and regulations affecting retirement plans.



### III. FEE RANGES AND ESTIMATES OF TIME TO COMPLETION

I. Initial Review and Development of Services	\$5,000 (one-time)	30 days
II. ERISA Compliance Documents and Orientation	\$10,000 (one-time) <sup>1</sup>	45-60 days
III. Ongoing Licensing for ARS and Education	\$700 per month	Ongoing

### IV. ABOUT PRI

Bringing together proven expertise ranging from executive, legal and compliance to operations, sales and distribution, PRI provides consulting, education and technology-based solutions to broker-dealers and registered investment advisers. The broad experience of the PRI team allows us to collaborate with our clients and third-party experts to identify opportunities, manage risk and align goals with available resources. Integrating securities and ERISA compliance, PRI is able to deliver “best practice” approaches for achieving the specific goals of each client with an emphasis on effective implementation and efficient oversight. PRI works with all affected business units, including due diligence, operations, compliance, supervision, sales and distribution in order to provide clients with competitive and sustainable strategies for servicing the ERISA and IRA markets.

### V. CONTACT PRI

#### WEST

613 Ocean Drive  
Manhattan Beach, CA 90266  
310 210 1679  
[jroberts@pension-resources.com](mailto:jroberts@pension-resources.com)

#### EAST

60 Thomas Park  
South Boston, MA 02127  
617 834 0900  
[aglynn@pension-resources.com](mailto:aglynn@pension-resources.com)

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<sup>1</sup> The one-time fees are based upon a three-year minimum commitment to PRI’s Corporate ERISA Compliance Subscription Program.

## VI. PRI TEAM BIOGRAPHIES



### **JASON C. ROBERTS**

**Chief Executive Officer**

**Pension Resource Institute, LLC**

[jroberts@pension-resources.com](mailto:jroberts@pension-resources.com)

Jason C. Roberts is the Founder and CEO of the Pension Resource Institute (PRI) providing strategic consulting and training to retirement plan service providers (broker-dealers, RIAs, investment managers, recordkeepers, TPAs, etc.) and fiduciary education to plan sponsors. He is primarily responsible for tactical planning and business development at PRI and actively leads many of PRI's consulting projects.

Prior to founding PRI, Jason was a partner and co-chair of the Financial Services Group at Reish & Reicher, a leading ERISA law firm, where his practice focused on employee benefits and securities regulation. He continues to provide legal counsel on ERISA- and investment-related matters through the law firm of Roberts Elliott and is frequently retained as an expert on fiduciary claims. Jason represents clients in federal and state court at the trial and appellate level (including the U.S. Supreme Court), FINRA arbitrations and government enforcement proceedings.

Jason was recently named as one of the "100 Most Influential in Defined Contribution" by the 401(k) Wire and a "Rising Star" by SuperLawyers Magazine. He currently serves on the steering committee for the American Society of Pension Professionals and Actuaries (ASPPA) 401(k) Summit and the membership committee for the National Association of Plan Advisers (NAPA).

Jason is a nationally-recognized speaker and has published numerous articles on fiduciary best practices, ERISA compliance and securities regulation. He is frequently quoted and interviewed by both professional and public publications, including *The Wall Street Journal*, *InvestmentNews*, *Dow Jones News*, *Registered Rep. Magazine*, *Reuters*, *Ignites*, *PLANSPONSOR Magazine*, *PlanAdviser Magazine*, *Institutional Investor*, *Fund Action*, and *FSI Voice*.

Jason received his B.S.B.A. in Finance & Banking from the University of Missouri and his J.D. from the University of California, Los Angeles (UCLA) School of Law. He is a graduate of FINRA's Compliance Boot Camp and has obtained the designation of Accredited Investment Fiduciary Analyst™ from the Center for Fiduciary Studies.



**AMY GLYNN, CRPS**

**President**

**Pension Resource Institute, LLC**

[aglynn@pension-resources.com](mailto:aglynn@pension-resources.com)

Amy Glynn is President and Founder of the Pension Resource Institute, a nationwide consulting firm founded to assist organizations in establishing efficient, compliant and profitable strategies in the qualified marketplace. Amy leads the firm's initiatives as they relate to developing and deploying sustainable sales and distribution. In addition, Amy leads the development and implementation of adviser-based sales and distribution strategies.

Amy has been in the 401(k) and pension marketplace for over 20 years, and in 2010, Amy was ranked #39 on 401kwire.com's list of the top 100 most influential people.

From 2008 until 2010, Amy served as Director of Retirements for indie hybrid firm, Commonwealth Financial Network (CFN), leading the firm's efforts to support advisers in all aspects of the marketplace, both individual and workplace. At CFN she: re-architected and developed the firm's strategic direction in the qualified marketplace and its integration with the nonqualified marketplace for both broker-dealer and RIA business lines; built the industry's first universal fee-based Retirement Plan Consulting Program contractually supporting co-fiduciary investment advisory services at both plan sponsor and participant levels; developed and implemented compliance protocols across the organization; led the oversight and development of adviser training, sales and business development; built a web-based resource center; implemented diligence on 30-plus providers; rebuilt a team with a staff of 7, averaging 11 years industry experience and doubled the firm's qualified fee-based activity.

Prior to joining CFN, Amy ran a successful consulting organization integrating ERISA practices into existing businesses. She has also served as vice president of institutional retirement plan sales at New York Life; founded a web-based job placement and career resource center for women; was named Start-Up of the Year in Women's Business Journal in 2000; and she led the #1-producing retirement plan division in the country at Smith Barney for five consecutive years.

Amy is frequently a keynote speaker and panelist in the industry and has been published and quoted in the following publications: *WorkingWoman*, *Women's Business Journal*, *Boomer Magazine*, *Registered Rep. Magazine*, *PlanAdviser Magazine*, *PLANSPONSOR Magazine* and *InvestmentNews*.

Amy is a graduate of Colgate University with a B.A. in English and Women's Studies, a member of the American Society of Pension Professionals and Actuaries and on the Board of the Women in Pensions Network.



**JOHN S. SIMMERS**

**Founder**

**Pension Resources Institute, LLC**

[jsimmers@pension-resources.com](mailto:jsimmers@pension-resources.com)

John Simmers is a Founder of the Pension Resource Institute, bringing over 30 years of experience ranging from executive, sales and operations to compliance and supervision. John is a recognized expert and thought leader on industry regulations, and he leads all aspects of the development and implementation of client strategy.

John was formerly the Chairman and CEO of the ING Advisors Network (n.k.a. Cetera Financial Group) from 2000 until 2009, where he worked closely with ING U.S. Retail Financial Services leadership and the executive members of the broker-dealer firms to lead the network and its 10,000 independent financial professionals.

John's experiences include both the regulatory and industry sides of financial services. He began his career in 1974 as an NASD (n.k.a. FINRA) examiner and rose to supervisor. In 1983, John co-founded and was Executive VP, COO and CCO of Financial Network Investment Corporation, now a member of the Cetera Financial Group.

John has served as an executive leader for numerous industry-related associations, including FINRA, where he served on the Board of Governors, as well as the following national committees: Membership; Independent Firms; Direct Participation Program; Insurance Affiliated Firms; and Joint FINRA/NYSE Continuing Education. He was also a board member of NASDR, which was the subsidiary responsible for all rule making before the NASD became FINRA. John was a former chairman of the Financial Services Institute (FSI) and a member of its board of directors. He was also a past president and director of the California Association of Independent Broker-Dealers and a former member of the Investment Adviser Committee and Independent Firms Committee for the Securities Industry and Financial Markets Association (SIFMA). He served on the Compliance Council, Due Diligence Steering Committee, and Broker-Dealer Advisory Council for the Financial Planning Association (FPA).

John is a frequent speaker at industry conferences and is regularly quoted in industry publications and articles. In 2007 and 2008, John was named in Investment Adviser Magazine as one of the top 25 most influential people in the industry.

John earned his bachelor's degree in Business from Ohio State University.



## **TOM CLOUGH**

### **Vice President – Compliance & Regulatory Services**

**Pension Resource Institute, LLC**

[tclough@pension-resources.com](mailto:tclough@pension-resources.com)

Tom leads initiatives related to the development and distribution of PRI's ERISA Compliance Subscription services. He also participates in the compliance reviews and custom consulting projects with an emphasis on broker-dealers and registered investment advisers.

Tom began his professional career in 1984 with the NASD (now FINRA). During the next 13 years Tom was responsible for conducting (and managing) regulatory examinations of broker-dealers. In 1997 Tom resigned to become Chief Compliance Officer of BMA Financial Services, Inc., a broker-dealer and registered investment adviser. In this role, He was responsible for the firm's overall compliance with NASD, SEC and MSRB rules.

In 2000, Tom returned to FINRA to become District Director of the Kansas City District Office where he was responsible for overseeing the annual execution of FINRA's regulatory programs throughout a seven state territory that included 250 broker-dealers, 15,000 branch offices and 115,000 registered representatives. While serving as District Director, Tom represented FINRA at numerous industry conferences including the FINRA Small Firm Conference, CCO outreach, SIFMA Compliance and Legal as well as numerous roundtables and broker-dealer conferences. Tom earned a President's Award for his role in helping to develop the FINRA Small Firm Conference.

Tom obtained a Bachelor of Science, Business Administration – Finance from the University of Missouri in Columbia, MO in 1984. He is also a graduate of the Securities Industry Institute at the Wharton School, University of Pennsylvania in 2006. Tom also successfully completed the Leadership Development Program at the Center for Creative Leadership in Colorado Springs, CO and the FINRA Leadership Program at the Wharton School, University of Pennsylvania.

## **KIM SHAW ELLIOTT**

### **General Counsel**

**Pension Resource Institute, LLC**

[kshawelliott@pension-resources.com](mailto:kshawelliott@pension-resources.com)

Kim provides legal and regulatory guidance to PRI in connection with the development and distribution of its products and services. She also performs legal services on ERISA- and investment-related matters through the law firm of Roberts Elliott.

Prior to joining PRI and Roberts Elliott, Kim served as chief world markets counsel for Everbank – a federal thrift savings institution, broker-dealer and investment adviser. From 2006 - 2010, she was associate general counsel for Edward Jones – a dually registered broker-dealer/investment adviser – and oversaw compliance and legal matters arising from the intersection of ERISA and securities laws. Prior to 2006, Kim was general counsel for First Financial Planners, Inc. (n.k.a. First Allied) and served in a variety of legal and regulatory roles with Zurich Life and GenAmerica Companies.

Kim is a three-time graduate of Washington University, having earned her JD, LLM, and executive MBA there. She was FINRA licensed while in-house and holds the Fellow, Life Management Institute designation. In addition to various civic activities, Kim was a long-time director of the Association of Corporate Counsel (St. Louis Chapter) and a frequent speaker on employee benefits and securities-related topics.



# EXHIBIT A

## ABC ADVISORS, INC.

### *CONFIDENTIAL REQUEST FOR DOCUMENTS AND INFORMATION*

PREPARED BY:

Jason C. Roberts, Esq., AIFA®

FEBRUARY 15, 2012



**I. COMPANY INFORMATION**

Company Name: \_\_\_\_\_

Primary PRI Contact: \_\_\_\_\_

Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Address: \_\_\_\_\_

Company Affiliate(s): \_\_\_\_\_

**II. RETIREMENT PLAN SERVICES INFORMATION**

1. What retirement plan services are currently approved (e.g. participant education, plan fee benchmarking, plan-level investment advice, etc.) by Company?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Describe Company's approved retirement plan resources (e.g., fee benchmarking software, investment policy statement, investment monitoring, etc.):

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\_\_\_\_\_  
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3. Identify and describe any proprietary or third-party software used at the home office or field-level in conjunction with investment-related services provided to retirement plan sponsors and plan participants:

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\_\_\_\_\_  
\_\_\_\_\_

4. Provide examples of any Company's training for retirement plan-related services (or alternatively, describe any third-party training utilized):

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\_\_\_\_\_

5. What is the number of Company's investment adviser representatives and average assets under management?

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\_\_\_\_\_

6. Identify any strategic and/or preferred provider relationships:

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\_\_\_\_\_  
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7. List and describe any solicitor relationships between Company and third-parties that provide services to retirement plans and/or plan participants serviced by Company:

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8. List and describe Company's clearing and custodial platform(s):

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### III. REQUESTED DOCUMENTS

Please submit hard copies to Pension Resource Institute – West: 613 Ocean Drive, Manhattan Beach, CA 90266, and email electronic files to [aglynn@pension-resources.com](mailto:aglynn@pension-resources.com). To the best of your ability, please provide the following documents:

1. Organizational chart including of affiliated businesses if applicable;
2. Staffing resources chart (individuals or officers supporting retirement plan sales, supervision, due diligence, etc.);
3. Form ADV Part II;
4. All disclosure brochures for Company's retirement plan services (if used);
5. List and provide samples of Company's current retirement plan client agreements and/or forms in use (e.g., investment advisory/management agreement(s)), including any prepared to meet the requirements of ERISA section 408(b)(2);
6. Current copy of Company's investment advisory compliance procedures;
7. Copies of any advisor-facing proprietary retirement plan sales guides and/or marketing materials; and
8. Copies of client-facing proprietary retirement plan sales and marketing materials.