

Advisor Field Guide

The PEP Conversation Guide

Talking points and objection responses for advisor-client meetings

1 Opening the Conversation

When to bring it up — the right moments to introduce PEPs

Look for these triggers in client conversations:

- Retirement plan review meeting with a plan approaching 100 participants
- Client expresses frustration with administrative burden or compliance complexity or complains about audit cost or experience
- News of a DOL investigation or ERISA lawsuit in the client's industry
- Client mentions difficulty finding or keeping HR staff for benefits administration
- Plan has missed a contribution deposit deadline or had a recent compliance issue
- Client is in a state with a new retirement savings mandate (CA, IL, OR, CO, and others)

Try this opening line:

Try saying: I'd like to talk about a structure that could eliminate most of your plan administration burden and significantly reduce your fiduciary liability. Do you have 10 minutes?

2 Explaining the PEP

Keep it simple — the key messages that land with employers

The Franchise Analogy — use this first:

Analogy: Think of it like a franchise — you get all the benefits of a professionally managed retirement plan without having to run it yourself. A professional fiduciary called a Pooled Plan Provider becomes the named fiduciary and oversees the handling of compliance, filings, and administration.

The Three Core Messages:

- Your employees get the same — or better — plan experience. You get your time back.
- You still choose your plan design, your match formula, and your vesting schedule.
- This isn't about giving up control of your plan — it's about reducing your fiduciary liability and making the plan easier for you to manage.

2 Explaining the PEP (Cont'd)

Keep it simple — the key messages that land with employers

What The Employer Still Owns — address this proactively:

- Selecting and monitoring the PPP and ensuring that the PEP is a good option for your employees
- Providing accurate payroll data every pay period
- Remitting contributions on time (auditors will look at your contribution submission history) and year-end information as requested by the PPP or TPA
- Supporting employee enrollment and education communications

3 Handling Common Objections

Be ready with these — the four objections you will hear most often

Client says...	You say...
“ We'll lose control of our investments.	Your Response: A professional 3(38) investment manager handles the lineup — that's actually more expert oversight, not less. You're moving from self-managed to professionally managed, with full fiduciary accountability on their side.
“ It sounds expensive.	Your Response: Let's look at the all-in cost vs. what you pay today — including your time, your TPA, and your audit. Plans with 100 or more participants often save \$15,000–\$30,000 a year on the audit alone.
“ We're too small for something like this.	Your Response: Nearly 70% of PEP adopters had fewer than 100 participants. Often small companies with limited resources get the biggest relief. But there are other plan options that provide similar benefits if the PEP does not feel right for you.
“ We have a good TPA now. Why would we change?	Your Response: In a PEP, the Pooled Plan Provider manages the TPA relationship — you get TPA services plus fiduciary coverage. Many PEPs work with a TPA. We can explore what PEPs your TPA is working with as part of our search.

Reminders:

STRONG FIT Clients

80+ participants · \$1M+ in assets
Small HR team · State mandate ·
Prior compliance issues Interest in
reducing fiduciary liability, audit cost
or simplifying the audit experience

The market in numbers

\$21B+ assets · 339 PEPs · 50,000+
employers · 75% growth (2024) ·
83% employer satisfaction

Client: _____

Date: _____

Outcome: _____

Notes/Next steps: