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What Plan Sponsors Really Want:  
A Behind-the-Scenes Look at the  
RFP Selection Process

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Objectives

- Understand the key criteria relied upon by plan sponsors when selecting a fiduciary consultant.
- Take the steps necessary to reform your business practices to incorporate these criteria.
- Solidify and strengthen your existing business engagements.

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The Set-Up

- A plan sponsor issues an RFP for a new fiduciary consultant.
- You prepare and submit pitch materials.
- You appear before the plan sponsor's fiduciary committee to conduct a "dog and pony" show.

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## Concerns

- What is being said about your written materials?
- What is being said about your presentation after you leave the room?
- On what has the plan sponsor's legal counsel or other adviser told the sponsor to focus?
- Have you addressed the concerns of your audience?
- Have you offered something that truly sets your service model apart from those of others in a meaningful way?

4

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## A Note About Legal Ethics

*"In representing a client, a lawyer shall exercise independent professional judgment and render candid advice."*

-New York Rules of Professional Conduct, Rule 2.1

*"[C]lients of lawyers practicing in New York State are guaranteed 'independent professional judgment and undivided loyalty uncompromised by conflicts of interest.'"*

-New York Rules of Professional Conduct, Rule 5.8

5

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## Request For Proposal

- Due diligence
- One size does not fit all: targeted response
- Wordsmithing

6

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## Dog-and-Pony Show

- Audience
- Simplicity over complexity
- Two's company; three's a crowd
- Chart overkill
- Questions

7

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## Issue 1: Knowledge

- Expertise
- Awareness
- Sensitivity

8

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## Issue 2: Fee Structure

- Source of fees
- Transparency
- Complexity
- Flat fee vs. asset-based fee

9

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### Issue 3: Service Approach

- Standalone service vs. bundled service
- Conflicts of interest (e.g. broker-dealer or other structural relationships, scope of services offered)

10

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### Issue 4: Service Agreement

- Back-of-napkin vs. professional contract
- Indemnification
- Insurance
- Fiduciary issues
- Transparency of terms
- Flexibility

11

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### Issue 5: Fiduciary Oversight

- Acknowledgement of fiduciary responsibilities
- Delineation of duties
- Chicken vs. egg: are you a fiduciary who provides services, or a service provider who acts as a fiduciary?

12

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## Issue 6: Differentiators

- Value-added vs. fluff
- Expertise
- Experience
- Referrals
- Technology
- Focus (e.g. geography, industry)
- Service model
- Education
- People, people, people

13

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## Questions

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14

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