

Case Study 1: Vendor Fee Reductions

As of May 2011, Company A in San Luis Obispo, CA had a 401(k) plan with \$4,154,255 in total assets. Company A had not benchmarked its plan's fees in many years.

Upon being hired in mid-2011, GWMG's advisors quickly identified that the plan's record keeper, a large insurance company, appeared to be charging too much for the plan. Total annual plan expenses were in excess of \$68,000 per year, not including the costs of GWMG's services. Upon discovering this issue, GWMG immediately contacted the record keeper and after several rounds of negotiations was able to lower Company A's total plan costs to approximately \$35,000 per year, nearly a 50% reduction in plan costs from when GWMG was hired.

These savings will dramatically improve the retirement prospects of Company A's employees. For example, an employee who works at Company A from ages 30 to 65 and contributes \$10,000 per year to the 401(k) will have accumulated an additional \$282,201 by age 65 due solely to plan cost savings.*



*Assumes annualized returns of 8% with the fee savings versus 7.19% without the fee savings. Actual results will vary.