



Product Backgrounder

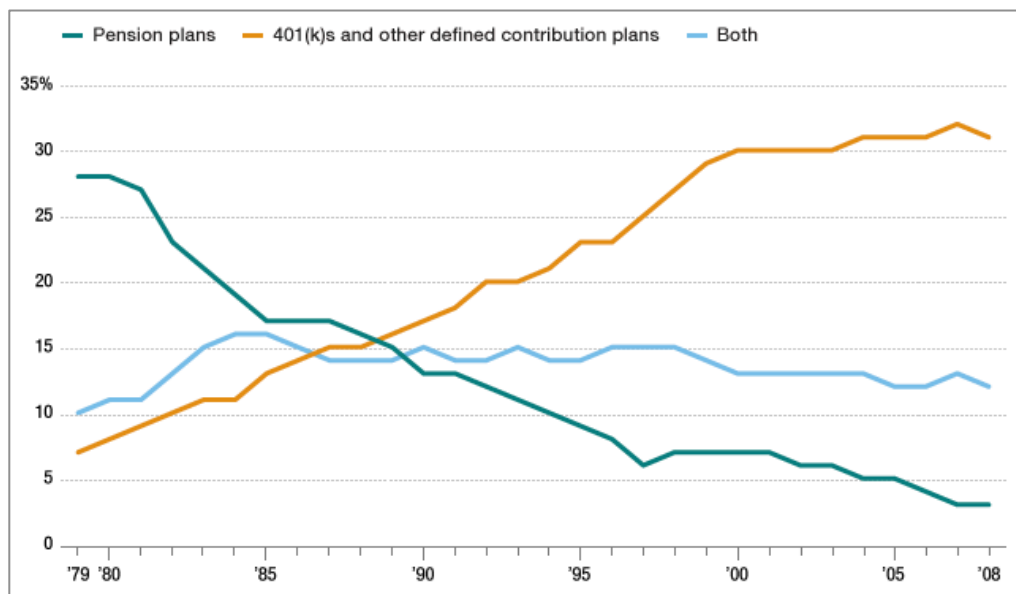
VisualCalc™ Retirement Planning Tool

Product Overview

The VisualCalc™ Retirement Planning Tool is a customer self-service tool that retirement plan administrators, including third party administrators and plan sponsors, can offer their plan participants to help them properly prepare for their retirement. The tool can be deployed on an administrator's website to help participants assess their current retirement health, and understand what changes they can make to better align their current financial and investment strategy with their future retirement needs. An administrator's associates can also use it as an interactive sales tool to help establish and cultivate relationships with their participants and prospects.

Market Background: The Challenge

Organizations, both public and private, are facing a new set of challenges as retirement planning behavior and requirements have evolved over the last decade. Unlike previous generations, who had set pensions and very little involvement in creating and



managing their retirement plans, employees today are actively involved in managing their own retirement funding. Unfortunately, the general public lacks the financial knowledge necessary to navigate these waters on their own.

Organizations are now trying to assist their employees by providing contributions and matching funds to encourage employees to save for their retirement, but, in general, there is still significant progress that needs to be made. Average saving rates per household are still dismal, and even those employees who do save for their retirement don't always manage their funds well, a fact that became readily apparent after the recent economic downturn. Many were too aggressive in their investment

strategies, and suffered significant losses, while others were too conservative, and are now looking at 1% returns on their investments.

In response to this, retirement plan administrators now need to provide their plan participants with sufficient support, education and tools so that they can play an active role in managing their own retirement strategy and funds. While many administrators have instituted general retirement education and outreach programs, these may not be the most effective measures, since every participant's retirement planning needs are unique. Programs tailored to each participant are ideal, but, in many cases, they are not a practical or affordable option. Web-based self-service tools can help bridge this gap, enabling the participants themselves to actively construct and manage a personalized retirement plan that is optimal for their needs.

The Solution: The VisualCalc Retirement Planning Tool

To meet this evolving requirement, VisualCalc has developed the VisualCalc Retirement Planning Tool. The VisualCalc Retirement Planning Tool is an interactive, graphical, web-based tool that provides retirement plan participants with a personalized, comprehensive snapshot of their current retirement strategy (including retirement plan balances, investments, monthly savings targets, etc.), and then shows, in form of easy-to-interpret charts and graphs, whether or not the participant is on track to meet their retirement goals. Any deficiencies or gaps are clearly highlighted.

Providing plan participants with a clear, concise snapshot of their current retirement health enables retirement

plan administrators to help their participants optimize their retirement investment strategy. This generally involves increasing the amount of their contributions, as well as reallocating their funds to an investment mix that best meets their retirement goals. As an example, one plan administrator that has adopted the VisualCalc Retirement Planning Tool has found that plan participants who use the tool have grown their account balances 40% more than those who do not. These participants have increased their contributions to their plans, access their accounts 25% more often, and perform nearly twice as many transactions on their website.



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The tool also helps plan administrators monitor key metrics associated with their retirement plans, such as participation rate, overall contributions, and allocations across different retirement investment funds. The VisualCalc Retirement Planning Tool also includes an intuitive, interactive web analytics platform that enables plan administrators to track participant usage patterns, including login frequency, average visit durations, access to printed reports, etc.

The VisualCalc Retirement Planning Tool can be integrated with the administrator’s internal databases, so participant account information and the administrator’s business rules can be automatically loaded into each

participant’s session. The tool also is able to bring in external data, such as social security balances and account balances at other financial institutions, so that participants are presented with the most complete, accurate and personalized picture of their current retirement plan. This holistic view of both internal and external resources also helps administrators work with participants to optimize the overall allocation of their retirement fund balances, including the consolidation of multiple accounts into a single integrated account.

OUTSIDE ASSETS ?

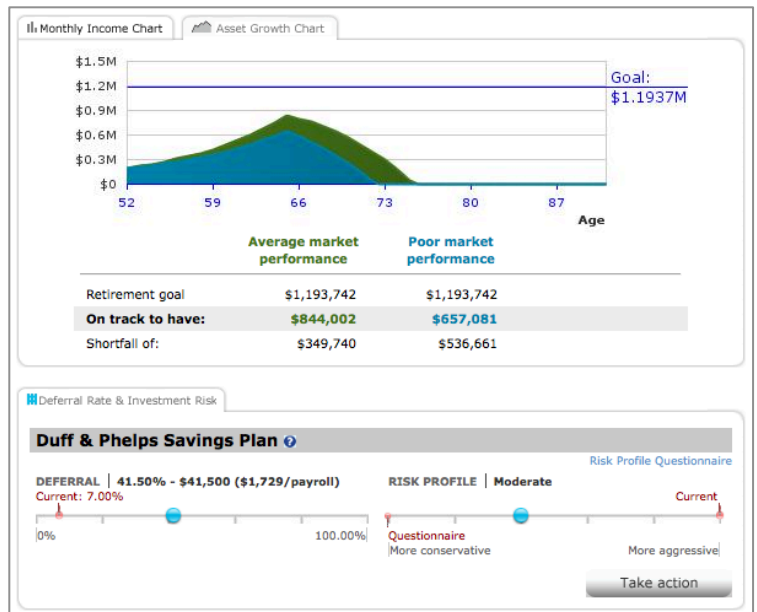
What are your total household assets saved for retirement?
How much do you contribute regularly for retirement?

Frequency of contributions: Monthly

TOTAL ASSETS	CONTRIBUTIONS		
Traditional/Rollover IRA:		\$0	\$0
Roth IRA:		\$52,000	\$250
Retirement plan (401(k) etc.):		\$0	\$0
Taxable plan:		\$0	\$0
Total outside assets:		\$52,000	\$250

The VisualCalc Retirement Planning Tool also provides the ability for participants interact with the tool to perform “what-if” analyses. An advanced embedded calculation engine that supports state-of-the-art computational algorithms and simulation techniques such as Monte Carlo methods drives the results of this analysis.

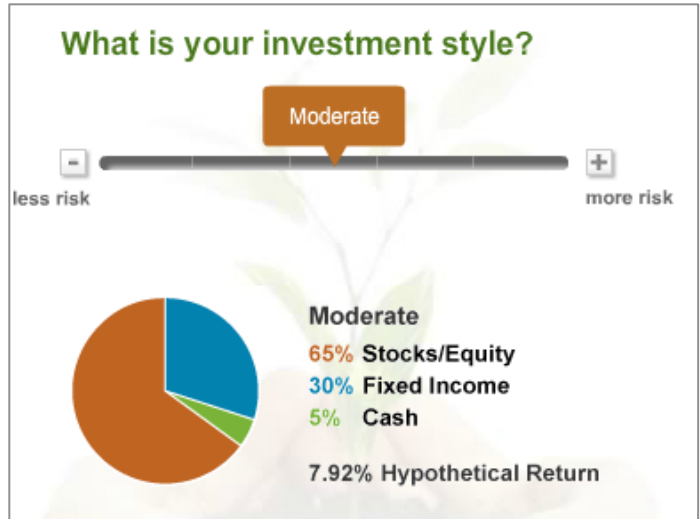
Participants can manipulate a set of easy-to-use input mechanisms, such as buttons and sliders, to change a multitude of variables related to their financial strategy and retirement goals, including investment allocations, social security assumptions, projected pre- and post-retirement earnings, expected retirement age, etc. The impact of these changes, and their effect on the participant’s retirement health, are immediately shown in clear, easy-to-understand tables, graphs and charts. This helps participants determine what changes are needed to best support their retirement health.



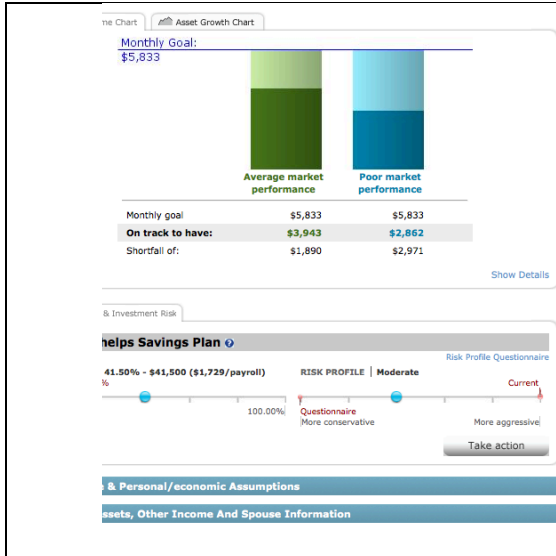
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The VisualCalc Retirement Planning Tool can also be used for interactive collaboration by an administrator’s associates and their participants, most likely via a web conferencing service, enabling them to jointly review the participant’s current retirement strategy, and explore changes that would improve the participant’s retirement health.

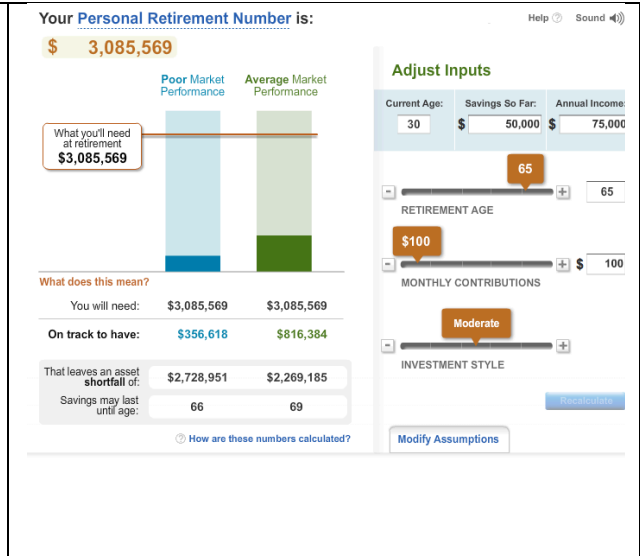
The VisualCalc Retirement Planning Tool is a sophisticated, highly configurable tool that can easily be customized for use by any administrator. On top of its pre-configured analysis engine, the tool can quickly and easily be configured to incorporate a given administrator’s specific needs, including account types and names, defined benefit plans, interest rates, and business rules. The tool can also be customized to incorporate the administrator’s branding and graphical standards, so that the tool has a consistent “look and feel” with the administrator’s other marketing properties and collateral.



Customized Example A (The Newport Group)



Customized Example B (Top 3 Investment Firm)



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