

# Workplace Managed Advice

## Product Guide

With Managed Advice powered by NextCapital, you can provide employees with personalized savings and investment plans. Unlike target date funds (TDFs), which only account for an employee's age, Managed Advice creates personalized retirement goals using multiple data points, including employee age, salary, and more. Managed Advice then combines financial expertise and sophisticated technology to build, implement, and manage an optimized investment portfolio. Each participant's portfolio is based on their own personalized glide path, which we automatically adjust over time.

## Benefits of Managed Advice

Managed Advice can help enhance your employee benefits package. Here are a few reasons why:



### Personalized No Investor is Average

Managed Advice can use 30+ investor data points to generate a personalized financial plan and advice.



### Helps Improve Outcomes A Plan Makes it Happen

A plan helps create better retirement outcomes with retirement age and savings changes, a personalized withdrawal strategy and consideration of other assets and income sources.



### Integrated Making the Complex, Simple

End-to-end recordkeeper integration creates a seamless experience, including support for all plan-specific rules, connectivity to participant sites, one-click transactions and deferral activity.



### Full Lifecycle Accumulation & Decumulation

Managed Advice supports the full retirement lifecycle to and through retirement. Before retirement, participants receive personalized savings advice. After retirement, they receive a tax-aware<sup>1</sup> withdrawal strategy.



### Scalable Automated & Efficient

Data is pre-populated, portfolios are automatically rebalanced and advice is automatically refreshed, creating an efficient, integrated user experience.

<sup>1</sup> Tax-aware withdrawal strategy considers tax treatment of different account types, RMDs, and makes assumptions about taxable income and gains in accounts. NextCapital Group, Inc., and its wholly owned subsidiaries, NextCapital Software, Inc., and NextCapital Advisers, Inc. (collectively, "NextCapital") do not provide tax or related advice. Please consult a tax professional for all tax related advice.

## A Personalized Retirement Plan

We know that no investor is average, so Managed Advice uses more than just an employee's age to build a personalized retirement plan. Most of the data we need is automatically provided by the recordkeeper. Participants can fine tune their plan by adding additional data like outside accounts and incomes.

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**Your Retirement Plan**

Based on a retirement age of 65, we estimate you'll have an annual retirement income of \$54,000.

**New Personalized Portfolio** [detail](#)

Stocks 89%      Bonds 9%      Cash 2%

This portfolio changes with you over time and is personalized to you in order to optimize the trade-off between risk and return.

**New Savings Rate**  [detail](#)

7% (\$5,250/yr) Save 1% more annually until you're saving 15%

You're currently saving 4% (\$3,000/yr)

**Projections** [detail](#)

Retirement Spending Wealth Over Time

\$60K      \$30K      \$0K

65      70      75      80      85      90

You can update and add more information to further [personalize your advice](#).

Step 1 of 2 [Enroll Account](#)

### Services Provided

- Plan
- Projections
- Spend-down
- Social Security Estimate
- Savings Advice
- Retirement Age
- Rebalancing
- Good Behavior
- Asset Allocation

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We are creating your personalized plan based on your...

Age  
 Salary  
 Gender  
 Savings  
 Marital Status  
 Social Security  
 State of Residence

### Information Used

- Age
- Gender
- Home State
- Salary
- DC Account Balance
- Savings Rate
- Employer Match
- Auto-escalation
- Pension / Outside Incomes
- Outside Accounts
- ...and more

## User Experience

The NextCapital user experience begins with a comprehensive retirement plan proposal. Plan participants can review the proposal and enroll right away, or they can choose to provide additional information for an even finer-tuned plan. Participants also have access to a Document Vault that contains statements, notifications, and tax documents.

### Proposal

Using information from the recordkeeper and provided by the user, NextCapital creates a personalized proposal.

Participants can also download the full proposal as a PDF. The proposal displays a target retirement income, as well as a personalized portfolio, a recommended savings rate, and helpful projections. Participants can enroll right from the proposal or add more information to further personalize their advice.

**ACME Co.**

**Your Retirement Plan** i

Based on a [retirement age](#) of 65, we estimate you'll have an [annual retirement income](#) of \$54,000.

**New Personalized Portfolio** detail

|        |     |
|--------|-----|
| Stocks | 89% |
| Bonds  | 9%  |
| Cash   | 2%  |

This portfolio changes with you over time and is personalized to you in order to optimize the trade-off between risk and return.

**New Savings Rate** i

7% (\$5,250/yr) edit

Save 1% more annually until you're saving 15%

You're currently saving 4% (\$3,000/yr)

**Projections** Retirement Spending Wealth Over Time

Step 1 of 2 Enroll Account

You can update and add more information to further [personalize your advice](#).

### Enrollment

Upon enrollment, participants will also receive a welcome email from NextCapital once their new personalized retirement portfolio and plan has been implemented.

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**Congratulations!**

Your enrollment has been sent!

It may take 3-4 days for your account to be fully set up, so we'll send you an email when it's all ready.

Your enrollment confirmation number is:  
XYQ761

Return to Benefit Site

## Personalization

A participant's retirement plan can be fine-tuned by providing additional details about that participant's life, adjusting the retirement age, adjusting the target retirement spending amount, and adding outside retirement investments or other sources of retirement income.

### Profile

Participants can review and edit basic participant demographic information provided by the recordkeeper, including:

- First name
- Last name
- Sex
- Date of birth
- Marital status
- Annual salary
- Spouse Information
- ... And more

### Additional Questions

Participants can answer a series of questions about their overall health, level of education, and how likely it is that the overall economy will impact their income between now and retirement. The answers to these questions help NextCapital refine the participant's personalized retirement portfolio and plan.

## Retirement Age

NextCapital recommends a retirement age based on the information provided by the recordkeeper and user.

Participants can override retirement age recommendations.

## Edit Retirement Age



To increase the probability of reaching your goal, we recommend retiring at age {xx}. Changes to your retirement age can impact your proposal, including your projected retirement income and/or recommended contribution amount.

### Plan Retirement Age

65|

Save

## Target Spending

NextCapital estimates how much a participant will need in annual retirement income, based on the information provided by the recordkeeper and user.

Participants can override this estimate.

## Edit Target Spending



We estimate you will need \$54,300 per year in retirement based on our assumptions and information about you made available to us.

### Target Spending

\$ 75,000|

Save

## Accounts & Incomes

NextCapital considers other retirement accounts as part of a participant's retirement income projection. All eligible accounts are listed. Participants can also add accounts from other institutions to further personalize their plan. They can also add other known sources of income, like pensions, annuities, and rental incomes.

**Personalization**

## Accounts & Incomes

**Accounts** **Incomes**

Add information about other retirement accounts or income to provide a more complete picture of your retirement savings. Please note that other accounts or income help us further personalize your advice, but we will not be managing any of your external accounts.

| NAME   | BALANCE         |
|--|-----------------|
| X Acme Co. 401k Plan<br>Account to be managed   401(k) | \$63,408        |
| <b>Total Balance</b>                                   | <b>\$63,408</b> |

**Add an Account**

## Contributions

NextCapital recommends contribution amounts based on the information provided by the recordkeeper and user.

The platform also supports employer match and auto-escalation. Participants can override the contribution and retirement age recommendations.

**Proposal**

## Contribution Detail

Total recommended contributions for all managed accounts will be \$5,250/yr.

**Your New Managed Account Contributions**

Making changes to your contribution rate will affect the amount of money your employer will deduct from your paycheck.

| TAX TREATMENTS | AUTO ESCALATION   | AUTO ESCALATION DETAILS  | NEW RATE                 |
|----------------|---|--|--------------------------|
| Pre-Tax        | <input checked="" type="checkbox"/> Use Auto Escalation | Save 1% more annually until I'm saving 15% <a href="#">View Schedule</a> | 6%<br>Current rate is 5% |
| Roth           | <input type="checkbox"/> Use Auto Escalation            |  | 1%<br>Current rate is 0% |
| Post-Tax       |   |  | 0%<br>Current rate is 0% |

**New Total Account Contributions**  
Changes made will not be implemented until you complete enrollment.

**Employer Match**  
Acme Co. will match 50% of contributions up to 6%. [View Rules](#)

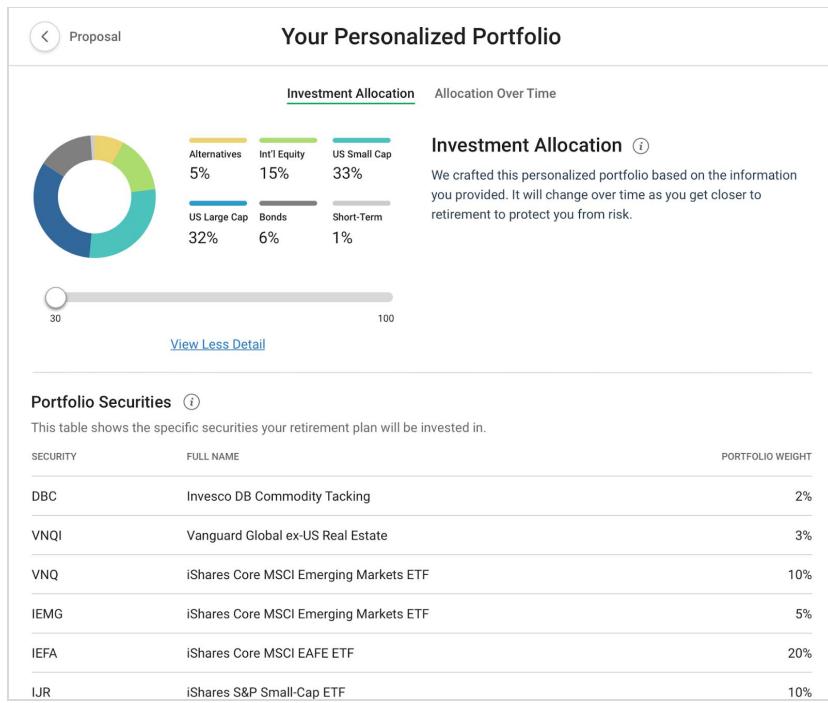
**7%**  
(\$5,250/yr)

## Projections

Each participant's personalized proposal also provides helpful projections. These projections help participants understand their personalized portfolio and how NextCapital automatically adjusts that portfolio based on the participant's age, updates to their personal situation, and changes to market conditions.

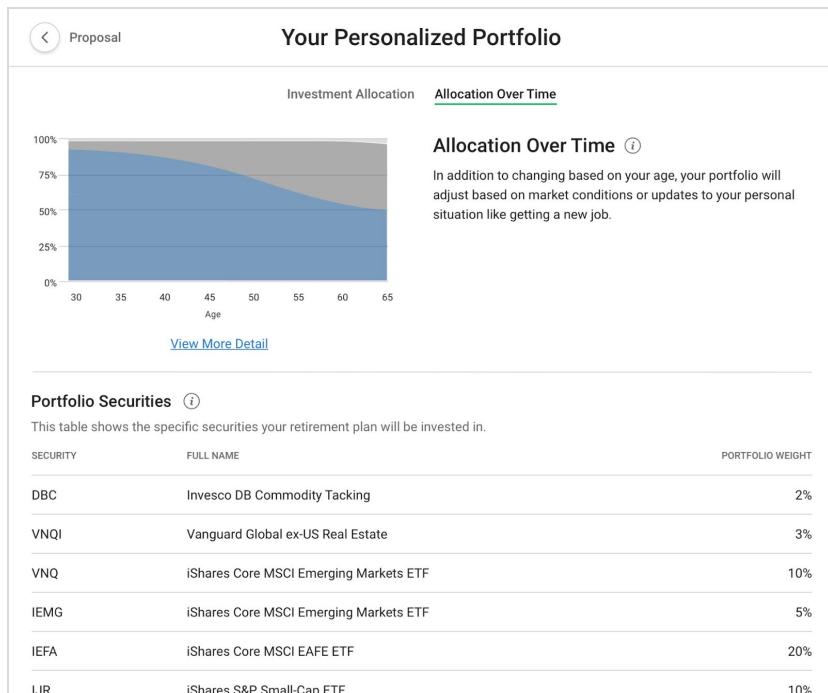
### Investment Allocation

The proposal includes a pie chart that shows the weight of allocations in different asset classes and a list of specific securities the participant's retirement plan will be invested in. Participants can adjust the slider to see how the participant's investment allocation will change as they near retirement.



### Allocation Over Time

Participants can also view a chart that shows them their retirement plan's asset allocation over time and explains how their portfolio will be adjusted based on age, market conditions, and updates to their personal situation.



## Other Key Configurations & Features

Partners can choose to enable additional features, like the Document Vault.

### Data Requirements

Minimum required data for age-based advice:

- Name
- DOB

Additional data required for customized advice:

- Salary
- Employment status
- Employee deferral rate

### Supported Account Types

NextCapital supports the following workplace account types:

- 401(k)
- 403(b)
- Thrift Savings Plan
- 457(b) Government

## Enrollment Types

### Online Enrollment

Individual participants—or advisers acting on their behalf—can enroll in Managed Advice in NextCapital's user interface.

### Bulk Enrollment/QDIA

Using NextCapital's extensive integrations with recordkeepers, an entire cohort of participants can be enrolled in Managed Advice without participants or advisers having to enroll through the user interface.

## More Information

For more information, visit [www.nextcapital.com](http://www.nextcapital.com) or send an email to [sales@nextcapital.com](mailto:sales@nextcapital.com).

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