



## CALLAN ASSOCIATES, INC.

## Product-level Oversight

Selecting the right mix of investments to offer employees is a critical factor to a retirement plan's success and it comes with considerable fiduciary responsibility. After all, once the funds are selected, it's up to the plan sponsor to regularly monitor and evaluate the investments. Unless a plan sponsor is an investment expert, this can be a challenging task that could cause unnecessary exposure to fiduciary risk and personal liability.

### STRATEGIC INVESTMENT CONSULTING

That's why Mutual of Omaha engaged Callan Associates, Inc. to provide strategic investment consulting for our retirement products. As advisor to our Investment Manager Oversight Committee (IMOC), Callan helps the IMOC select and monitor the investment managers and fund options in our investment lineup. This added level of due diligence can give plan sponsors some added peace of mind when it comes to fulfilling their fiduciary responsibilities.

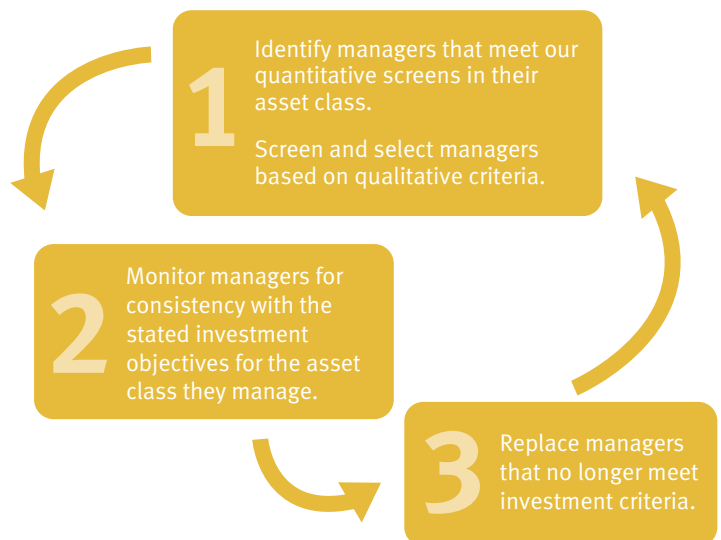
### COMMITTEE FOCUSES ON STRATEGIC ASSET ALLOCATION

Supported by advisors from Callan, the IMOC is comprised of respected investment and retirement services experts from Mutual of Omaha.

Utilizing this support, the IMOC is responsible for the overall investment structure and design of our retirement products, which includes:

- Unbiased, disciplined investment manager search and selection process
- Development of asset allocation models
- Preparation of investment policies and guidelines
- Ongoing performance monitoring and evaluation

The IMOC's sophisticated approach to ongoing monitoring and evaluation helps ensure consistency, compliance and an "early warning" system for concerns and necessary modifications – three key components of a sound fiduciary program.



## INVESTMENT MODEL INCLUDES APPROPRIATE MIX

Callan brings extensive experience in developing investment structures for defined contribution and defined benefit plans, endowments, trust and foundations. From this knowledge, Callan developed a best practice model of a defined contributions plan to help the IMOC determine the number and type of investment options to offer our clients. This model – which continues to evolve as Callan regularly monitors and surveys the industry – includes four basic principles:

### 1. A formal process is critical.

Regardless of the plan size, participants are served best when plan sponsors follow a diligent, well-documented process.

### 2. The number of options should be limited.

When confronted with too many choices, participants may have difficulty selecting among them. A prudent number of options can help participants better determine an appropriate asset allocation strategy.

### 3. Asset allocation portfolios (or lifestyle/life cycle funds) should be offered as a separate tier.

Professionally developed, regularly rebalanced (as needed) portfolios can help to deter participants from chasing short-term returns, which makes them an easy choice for participants who don't want or know how to construct their own portfolios.

### 4. Costs must be controlled.

A well-designed investment structure can help to control total plan costs.

## RIGOROUS SEARCH CRITERIA ENSURES OBJECTIVITY

Before presenting any investment manager or fund option to the IMOC, Callan conducts a disciplined and carefully followed search process with multiple checks and balances to help ensure objectivity.

## ONGOING DUE DILIGENCE HELPS ENSURE ACCURACY

Through comprehensive annual questionnaires and quarterly updates, Callan collects quantitative and qualitative data on more than 5,000 separate account/commingled fund products managed by more than 1,000 firms. Callan also maintains a database of mutual fund products that includes nearly 10,000 funds managed by more than 740 firms. Callan evaluates the quality of the investment products in the firm's database through ongoing telephone and e-mail communications, and more than 1,300 face-to-face meetings with investment management firms each year.

## ABOUT CALLAN ASSOCIATES, INC.

With more than 35 years of experience in the industry and responsibility for more than \$3 trillion in total assets, Callan is one of the largest strategic investment consulting firms in the United States. Callan employs investment professionals experienced in the design of investment plan policies and strategic asset allocation consulting. For more information about Callan Associates, visit [callan.com](http://callan.com).

## LEARN MORE

To learn more about Callan Associates, or how their strategic investment consulting provides an added level of fiduciary support to our retirement products, contact your Mutual of Omaha representative.

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Investment options are offered through a group variable annuity contract (Forms 902-GAQC-09 or 902-GAQC-09(OR) or 901-GAQC-07 or 901-GAQC-07(OR)) underwritten by United of Omaha Life Insurance Company for contracts issued in all states except New York. United of Omaha Life Insurance Company is not licensed in New York. In New York, Companion Life Insurance Company, Hauppauge, NY underwrites the group variable annuity (Form 900-GAQC-07(NY)). Each company accepts full responsibility for each of their respective contractual obligations under the contract but does not guarantee any contributions or investment returns except as to the Guaranteed Account and the Lifetime Guaranteed Income Account as provided under the contract. Neither United of Omaha, Companion Life Insurance, nor their representatives or affiliates offers investment advice in connection with the contract.

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