



July 1, 2014

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About Face

Defined benefit plan risk goes beyond assets. In fact, it begins with liabilities. For years, plan sponsors focused solely upon asset risk.

What's the point?

Unfortunately, many plans are still underfunded, unless you want to believe that the MAP rates are realistic. The back and forth funding gimmicks of Washington lead to nothing but more confusion and less effectiveness. Forget the unreasonableness of the stew.

When assets exceed liabilities, why retain the risk?

If a DB plan is well funded, sell the risk. And sell it at the time that is best for the business. Many plans need more input as to the "cash price" of their liabilities. We know this. We practice it. And we understand it.

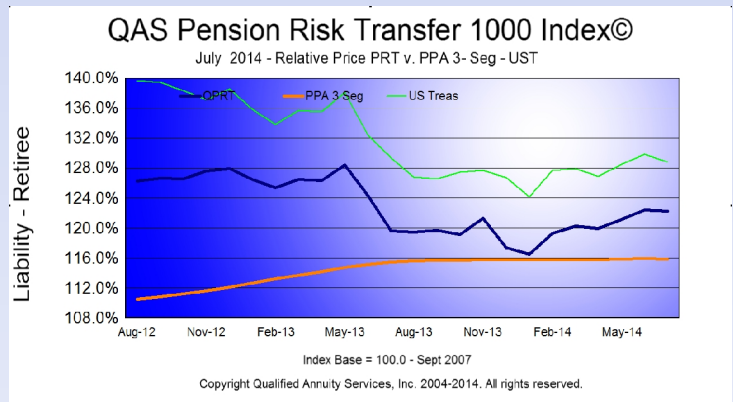
Only then does advice have value.

PRT is like a jigsaw puzzle. The significance of each DB plan design and demographic is intertwined in a maze of pieces that just seem to create a bigger problem.

**Get more information on custom PRT modeling capabilities.
Get Informed. Think Strategic. Act Tactical.**

For information contact Don Cunningham (513-772-4488) or Joe Cleary (201-447-3900) or QAS.

Date	Immediate	Deferred
May 1, 2014	2.99%	3.31%
June 1, 2014	2.85%	3.18%
July 1, 2014	2.78%	3.17%



Can this complexity be effectively managed?

Experience is the difference. We often face new or unusual issues that must be addressed. Experience counts in this business. We take one step at a time.

Experience Counts

Volatility impacts both investments and transfer costs. It's two-faced.

PRT Trax Index - Change			
Change %	12 Mos	3 Mos	1 Month
QPRT	2.35%	0.95%	-0.14%
PPA 3 Segment	0.21%	0.05%	-0.00%
US Treasury	1.58%	0.23%	-0.79%

QAS's Independent ERISA Fiduciary Role

Learn more about QAS's discipline that meets ERISA's *procedural prudence* standards:

http://qualifiedannuity.com/services_fs.html