



# Unlock Efficiency. Expand Opportunity.

## PEPs for Private Equity: A Smarter Retirement Strategy

Pooled Employer Plans (PEPs)—which were introduced under the SECURE Acts 1.0 and 2.0—offer portfolio companies a streamlined, cost-effective retirement strategy. By consolidating unrelated employers into a single, professionally managed plan, PEPs reduce administrative burdens, shift fiduciary responsibility to a Pooled Plan Provider (PPP), and provide access to institutional-grade investments. The result: operational efficiency, risk mitigation, and measurable value creation for private equity firms.

In a world increasingly shaped by the power of scale, PEPs represent a collective approach to retirement planning: shared governance, aggregated buying power, and unified execution to deliver results that individual plans simply can't match.

### A Strategic Lever

PEPs aren't just a compliance solution—they're a strategic lever that unlocks hidden value across your portfolio:

#### Clean-Slate Compliance

- Avoid legacy plan baggage and litigation risk during M&A with a **fresh, unified plan structure**—especially valuable in high-turnover environments where fiduciary continuity is critical.

#### Audit Savings

- Eliminate individual plan audits—**saving up to \$15,000 per plan annually** when scaled across a portfolio.

#### Time Efficiency

- PEP adopters report **23% greater time savings** on plan administration—freeing HR and finance teams to focus on growth.<sup>1</sup>

### Operational Agility

- **Fast Implementation:** Launch in as little as 60 days—ideal for carve-outs and acquisitions.
- **Simplified Oversight:** One audit. One Form 5500. One provider.

### Investment Access

- **Better Outcomes:** Broader diversification supports long-term retirement readiness.
- **Scalable Architecture:** Centralized menus streamline oversight across portfolio companies.

### Strategic Value for Sponsors

- **Carve-Out Ready:** Avoid delays from Transition Service Agreement (TSA) with seamless plan continuity.
- **Exit Ready:** Plans remain intact through ownership transitions—no need to terminate or merge.
- **Cost Efficiency at Scale:** Aggregated buying power reduces fees and eliminates redundant audits.
- **Valuation Impact:** Leaner operations and reduced risk can enhance EBITDA and enterprise value.

<sup>1</sup> PEP Industry Research, 2025 Quantitative Research. Source: The Standard

## PEP EMPLOYERS ARE FAR MORE SATISFIED WITH THEIR PLAN THAN THEY WERE PRIOR TO JOINING

### Satisfaction with PEP

**83%**

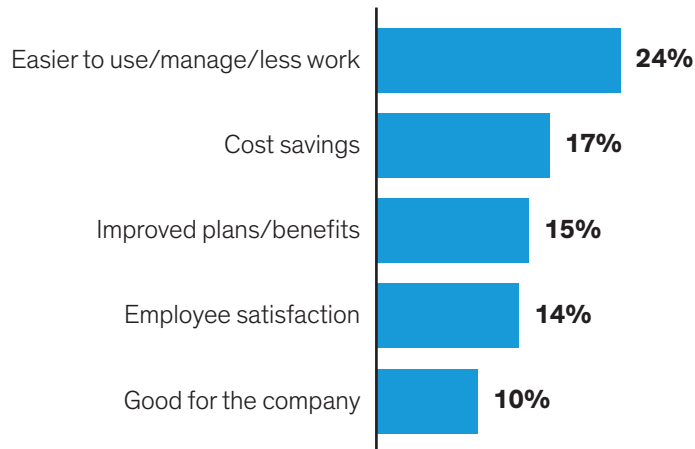
of those with a PEP are satisfied with their PEP experiences

**+26%**

improvement in satisfaction after joining a PEP

### Reasons for PEP Satisfaction

Among those who have a PEP and are neutral/satisfied



### Two in Three

PEP employers feel that they have more time to contribute in more varied and important ways to their company's success after having joined a PEP.

"It helps reduce the burden of investments allowing for us as a company to focus on our business."

PEP Industry Research, 2025 Quantitative Research

Satisfaction is defined as a rating of 6 or 7 on a scale of 1–7. Base: Have PEP n=84

As of January 26, 2025 | **Source:** The Standard

### The Collective Advantage

PEPs are a strategic expression of scale. By pooling resources, governance, and investment access, PE firms unlock efficiencies that ripple across their portfolios. In a world where strength lies in numbers, PEPs offer a smarter, collective path to retirement readiness and enterprise value.

### What This Means for Your Firm

- Lower costs across the portfolio
- Faster post-close integration
- Stronger governance and compliance
- Enhanced exit readiness
- More time for teams to focus on growth

For more information on how Bernstein can work with your organization, please contact your Bernstein financial advisor.

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