

Good Morning Visit Portland

Maureen Comito



We are excited for the conversation



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Agenda

1. Retirement industry
2. Retirement legislation
3. Human Interest

01

Retirement industry

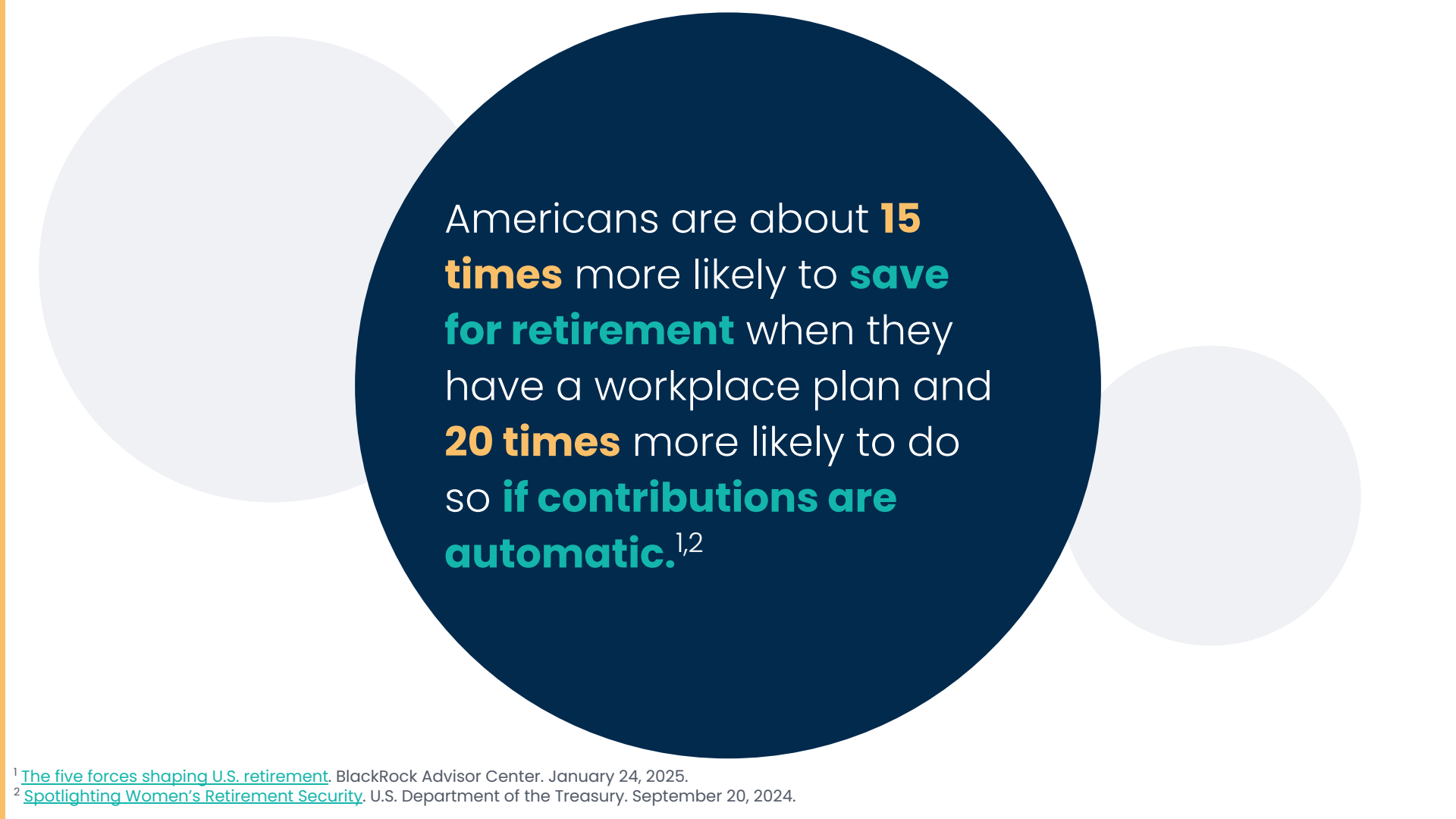
What we are facing?¹

Retirement savings “gap”

\$1,300,000,000

Shortfall in the level of retirement savings compared to expectations of average annual retirement income needs and life expectancies by 2040.

¹ [Millions of Americans Are Falling Behind on Their Retirement Goals](#). PEW. October 24, 2024.

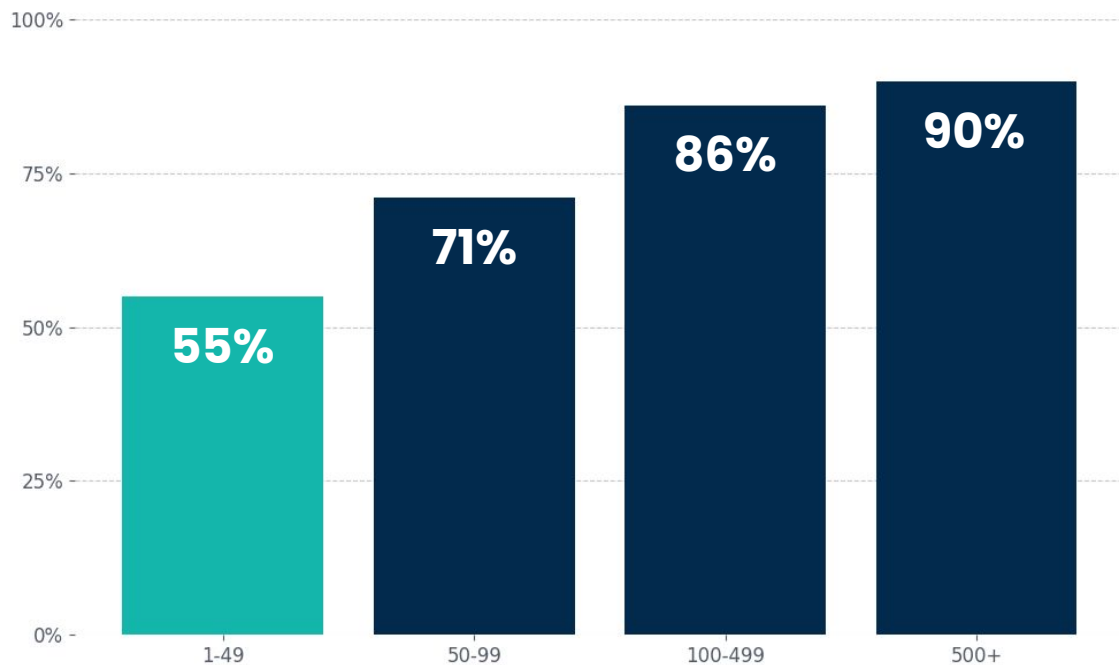


Americans are about **15 times** more likely to **save for retirement** when they have a workplace plan and **20 times** more likely to do so **if contributions are automatic.**^{1,2}

¹ [The five forces shaping U.S. retirement](#). BlackRock Advisor Center. January 24, 2025.

² [Spotlighting Women's Retirement Security](#). U.S. Department of the Treasury. September 20, 2024.

It's hard to save when you don't have a retirement plan.



**Plan access by
company size¹**

¹ [Table I. Retirement benefits: Access, participation, and take-up rates](#). U.S. Bureau of Labor Statistics.. March 2025.

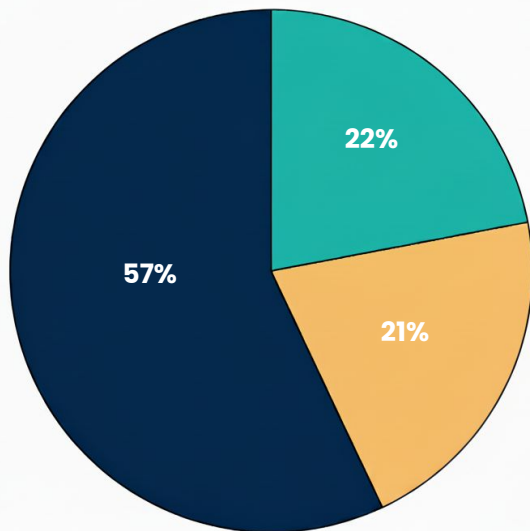
employees

Nearly **half** of all employees (**56 million**) do not have access to an employer-provided pension or retirement savings plan.¹

¹ [Are Workers Saving Enough to Reduce the State and Federal Impacts of Insufficient Retirement Savings?](#) NCSL. July 31, 2025.

More than half of Americans are not prepared for retirement.¹

57% of employees are behind where they should be

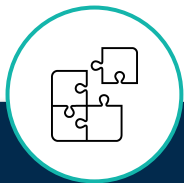


22% of employees are on track or have achieved their retirement saving goals.

21% of employees have not started saving for retirement yet.

¹ [Survey: More than half of American workers feel behind on their retirement savings](#). Bankrate. September 25, 2024.

Why start a retirement plan now



**Expected and
attractive
employee
benefit**



**Tax advantages
for employees
and employers**



**Access to tax
credits from the
SECURE Act 2.0**



**Compliance
with state
mandates**

Important employee attraction tool

Importance of retirement benefits in attracting and retaining talent is **soaring**¹

	2010	2019	2022
Important reason to join	25%	36%	47%
Important reason to stay	41%	48%	60%

81% of employees rated retirement savings and planning benefits as **very/extremely important** in a 2025 survey conducted by SHRM.²

¹ [Infographic: Half of U.S. employees face retirement risks](#). WTW. July 2022.

² [2025 Employee Benefits Survey: Executive Summary](#). SHRM. March 2025.

Retirement benefits one of the “top three”

Top 5 Benefits Employees Want From Employers

Forbes Advisor surveyed employees to find the most desired benefit offerings

- 1 Employer-covered healthcare
- 2 Life Insurance
- 3 Pension and retirement plans
- 4 Mandatory paid time-off
- 5 Mental health assistance

Source: Forbes Advisor

Forbes ADVISOR

¹ [Best Employee Benefits](#). Forbes. October 30, 2024.

Candidates are motivated by benefits & retirement

Retirement plans signal a long-term career and address their interest in retiring early. Retirement benefits are top of mind, as Millennials and Gen Z are saving more than previous generations.

75%

of employees rated a retirement plan as a “must-have” benefit.¹

76%

of Gen Zers are already saving for retirement.²

14%

of salary reportedly being saved by Gen Z for retirement.³

¹ [2023 Employee Benefits Trend Study](#). Metlife. 2023

² [4 Generations Are Persevering Against Headwinds and Uncertainties to Prepare for Retirement](#). Transamerica Center for Retirement Studies. June 2025.

³ [BlackRock Read on Retirement](#). BlackRock Advisor Center. 2025

The “intangibles”



Investment in your team

Offering a 401(k) goes beyond compensation; it signals that you care about your employees' financial future and long-term well-being.

Impact: Fosters a sense of loyalty and appreciation.



Enhancing your employer brand

A strong benefits package contributes to a positive employer brand, making your company more attractive to both current and future employees.

Impact: Positive influence on attraction & retention.

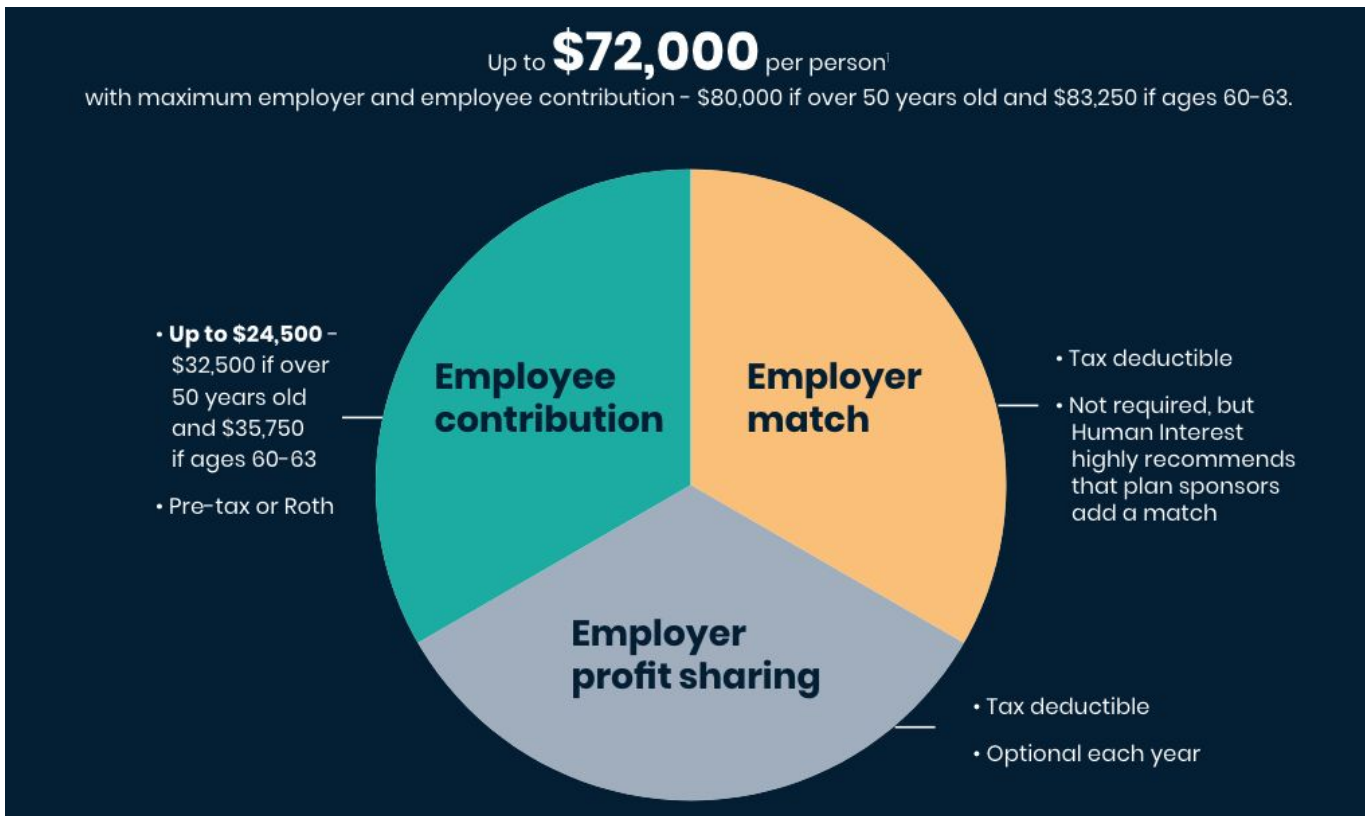


Boosting morale and productivity

Employees who feel valued and financially secure are often more engaged, productive, and less stressed.

Impact: Culture & productivity could see a boost.

2026 IRS contribution limits



¹ [401\(k\) limit increases to \\$24,500 for 2026. IRA limit increases to \\$7,500.](#) IRS.gov. November 2025.

02

Retirement legislation

What does SECURE Act 2.0 mean **for your clients?**

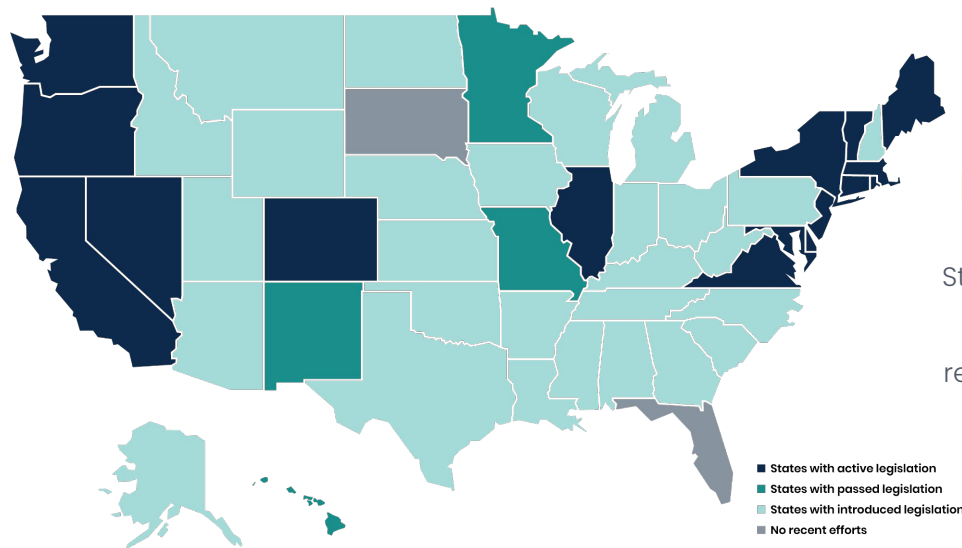
- **Encourages employees to participate**
- **Doubles tax credits** for new plans for companies with fewer than 50 employees
- **Replace** SIMPLE IRA with a safe harbor 401(k) mid-year
- **Added new credits for employer contributions** (based on %)
- **Auto-enroll & auto-escalation will be required** for all plans starting in plan year 2025¹



¹ Only those with an effective date after 12/29/2022

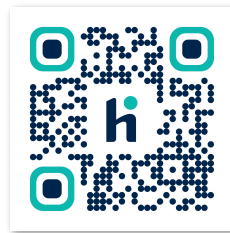
State legislation spreading across the country

20 states have already passed legislation. **16 states** have active programs where **employers may be subject to penalties** for noncompliance.¹



48

States are working on mandating state-sponsored retirement programs¹



Scan the QR code to visit **Human Interest's retirement legislation hub** and stay up to date on each state's mandate

¹[What is a state-sponsored retirement plan?](#) Human Interest. As of August 6, 2025. Subject to change.

Expanded SECURE 2.0 Act small business tax incentives

The Setting Every Community Up for Retirement Enhancement (SECURE) Act 2.0 was signed into law on December 29, 2022, allowing more tax incentives for eligible employers:¹

1

Doubles tax credits for new plans

Businesses with up to 50 employees may be eligible for a tax credit to cover 100% of plan start-up costs (up from 50%), capped annually at \$5,500/employer for three years (a total of \$16,500).

2

Adds new credits for employer contributions

Small businesses with up to 50 employees will receive a new tax credit based on a percentage of employer contributions, up to \$1,000/employee for those making less than \$100,000.



Year 2

Source: Human Interest

¹ [Human Interest Supports SECURE Act 2.0](#). Human Interest. 2025.

Tax credit example

Assumptions

SMB with 30 employees sponsors new 401(k) plan in 2025

- Plan administration costs in 2025, 2026, and 2027 are \$4,000/year
- SMB makes discretionary \$1,000 non-elective contribution to employees in 2025-2029
- 25 employees make <\$100K/year
- Plan uses auto-enrollment

Tax credits

- 100% of set-up and plan administrative cost credit in 2025-2027: $\$4,000/\text{year} \times 3 \text{ years} = \$12,000$
- Employer contribution credit: \$25,000 (2025), \$25,000 (2026), \$18,750 (2027), \$12,500 (2028), \$6,250 (2029)
- Auto-enroll credit in 2025-2027: $\$500/\text{year} \times 3 \text{ years} = \$1,500$

Total: **\$101,000** in tax credits to SMB, 2025-2029

Program details¹

Requirements:

- **Eligible employees**
 - Employees are eligible to participate if they are at least 18 years old
 - They have a 30-day window to opt-out or customize their account. Employees can opt-out at any time after that without penalty.
 - Employees pay annual account, asset-based and administrative fees.
- **Employers** that meet the following criteria must offer a qualified plan:
 - Has five or more employees.
 - Have been in business for at least two years.
 - Does not offer a qualified savings plan – like a 401(k), 457(b), SEP-IRA, or Simple IRA.
- **Penalties** for businesses who do not comply:
 - \$20 per employee for 2025-2026
 - \$50 per employee the next year
 - \$100 per employee the subsequent years



¹ [Maine Retirement Savings Program: Details & deadlines for employers](#). Human Interest. March 2024.

State mandates at glance

All state-run programs are unique but some common themes can be found in current/proposed programs:

Contribution limits for 2026	<p>The majority of state-sponsored plans are Roth IRAs.³³</p> <p>Roth IRAs have lower annual contribution limits vs. 401(k)s, and have AGI limitations.</p> <ul style="list-style-type: none">• 401(k): \$24,500 – (or \$32,500 if older than 50) (Additional catch up \$35,750 from 60–63)• IRA: \$7,500 – (or \$8,600 if older than 50)
Deadlines/ compliance	<p>Many state-run programs require employer compliance by a given deadline. All deadlines are past and program is in full effect.</p>
Fees/penalties	<p>Employers may incur fines for failure to provide a retirement savings option to eligible employees.</p>
Administrative duties	<p>For most state-run programs, employers must bear the burden of paperwork and processing to ensure program compliance.</p>

³³pn2. Human Interest. 2022. ² Numbers are for 2023.

How do state-mandated retirement plans work?

While these plans are commonly thought of as 401(k)s, this isn't necessarily true. The majority of state-sponsored plans are auto IRAs, which have a different set of factors to compare from a competitor offering a 401(k):

- 401(k)s can be pre or post tax, while Roth IRAs are always post-tax
- 401(k)s have a higher annual contribution limit compared to IRAs
- In 2026, 401(k) contribution limits are \$24,500 (\$32,500 for those older than 50, and \$35,750 for 60-63 year olds); while IRA contribution levels are \$7,500 (\$8,600 for those older than 50).¹

¹ [401\(k\) limit increases to \\$24,500 for 2026. IRA limit increases to \\$7,500.](#) IRS.gov. November 2025.

Common administrative responsibilities

Administrative task	Employer Management with a state-run plan ^{1,2}	Employer Management with Human Interest + payroll integration partner
Changes to contribution amounts	Employer manages all changes	<p>Human Interest's "no-touch" payroll integration, with over 500+ providers, reduces the administrative burden felt by employers by handling:³</p> <ul style="list-style-type: none">● Payroll journal submissions● Updating employees' data● Maintaining employee deductions in payroll● Prepare required legal documents: plan document, adoption agreement, and summary plan description● Nondiscrimination testing● Form 5500 signing & filing with the Department of Labor⁴
Updating an opted-out employee	Employer makes all employee updates	
File contributions and send file listings	Every pay period, employer must file information within a designated amount of time	
Debit company's bank account	Employer must debit company's bank account every pay period	
Add or remove employees to census	Employer must update each new eligible or terminated employee	

¹ [General Business Law Article 43, New York State Secure Choice Savings Program](#). Secure Choice New York. May 8, 2024.

² [What is CalSavers? What employers should know](#). Human Interest. January 2024.

³ Refer to humaninterest.com/payrolls for a list of integrated payroll providers.

⁴ Human Interest signs and files Form 5500 for Complete and Concierge level plans

Questions to ask when evaluating plans

1. What retirement plans will keep my business in **compliance**?
2. How do the **annual contribution limits** differ for each plan?
3. Will there be **employer and/or employee fees** for my chosen plan?
4. Can I **integrate my plan** with my existing payroll provider?
5. How much **administrative work** am I willing to take on?

03

Human Interest

Human Interest fast facts



\$700M
in secured funding¹



45,000+
customers nationally²



1M+
employees on
platform²



250+
in-house customer support
team members³



700+
Human Interest
employees³



25%
Of all new plans sold by
Human Interest in 2024⁴



Gold
Stevie Award for sales
& customer service⁵



J.D. Power
Outstanding Customer
Service Experience for Phone
Support⁶



Dalbar
Plan participant
service award⁷

¹ Includes the company's credit facility

² Includes all employees of Human Interest customers, regardless of participation in the employer sponsored plans, as of October 1, 2025.

³ Includes full-time employees and full-time contractors.

⁴ Calculation based on an independent analysis of recordkeepers reporting to PLANSPONSOR as of 12/31/24 and/or the National Association of Plan Advisors as of 6/30/24. Human Interest estimates these sources cover over 98% of industry-wide 401(k) plans, verified against Department of Labor Form 5500 Pension Plan Bulletins data extracted on 7/26/24 using data as of 2021. 2023 estimates calculated by subtracting prior-year numbers from the total number of 401(k) plans self-reported by each recordkeeper in the current data release.

⁵ Human Interest was awarded the "Gold Stevie Award" medal in the 2025 Stevie Awards® for Sales & Customer Service in "Customer Experience." The company was awarded a "Silver Stevie Award" in "Customer Service Employer of the Year." Winners were determined by the average scores of more than 170 professionals worldwide in the three-month judging process. Read more about the winning organizations [here](#) and criteria for the award [here](#). American Business Awards are registered trademarks of Stevie Awards, Inc. Stevie Awards, Inc. is not affiliated with Human Interest. This recognition is not indicative of Human Interest's future performance.

⁶ Human Interest has been recognized by J.D. Power by providing "An Outstanding Customer Service Experience" for Phone support. J.D. Power 2025 Certified Customer Service Program(SM) recognition is based on successful completion of an evaluation and exceeding a customer satisfaction benchmark through a survey of recent servicing interactions. For more information, visit [www.jdpower.com/awards](#).

⁷ Human Interest received the Dalbar Plan Participant Service award in April 2025. The award was based on an independent review of 100 phone calls to the Human Interest Support Center. The calls happened on days randomly selected by Dalbar. Human Interest redacted personally identifiable information from call recordings. For additional information on the award, please see [here](#).

Automated administration

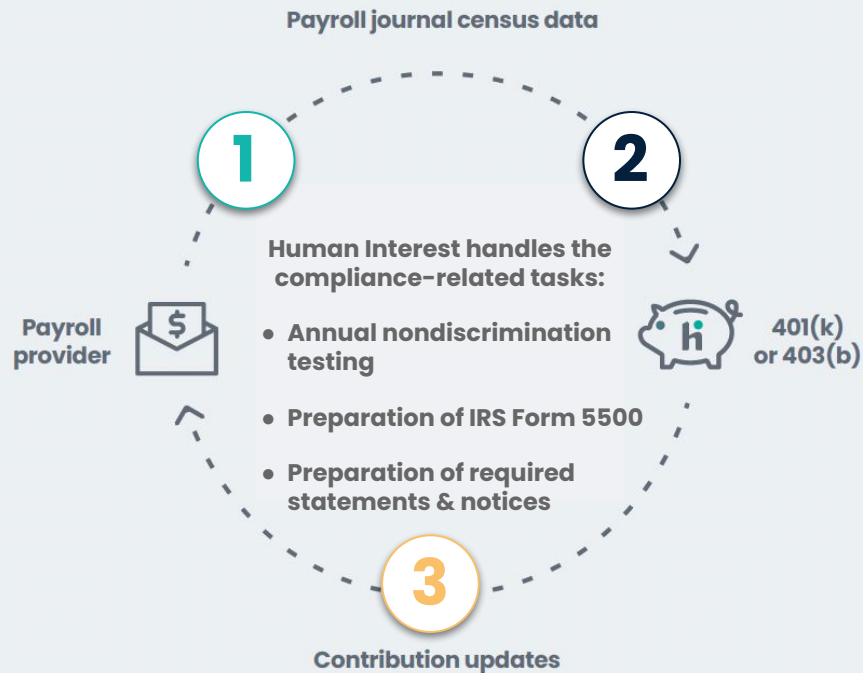
The power of our integration

Human Interest's 500+ payroll integrations make it easy for your clients' businesses to:

1 Streamline employee onboarding

2 Seamlessly sync employee details

3 Process 401(k) and 403(b) contributions automatically



Have a
401(k)
already?

**Human Interest
would be happy to
benchmark it for you.**

We'll be evaluating the following components to ensure you're receiving the **best services and fees possible**:

- Number of plan assets
- Number of participants
- Asset fees
- Service fees
 - Compliance/TPA fees
 - Base recordkeeping fees
 - Participant advisory services
 - 5500 preparation fee
 - Trustee fee
 - 12b-1 fees
 - Sub-transfer agent/shareholder service fees

Some of Human Interest's big innovations



Zero transaction fees

First 401(k) provider to offer **ZERO transaction fees** for employees allows people to get the most out of their 401(k) and save more for their future.¹



Tax Savings Maximizer

Tax filing reminders with downloadable inputs to IRS Form 8881. Helps clients get the most out of SECURE 2.0 credits.²



DOL Audit Defense

For businesses facing unexpected DOL audits, we are the **first and only 401(k) provider to offer to cover up to \$50,000** in qualified expenses and provides access to vetted legal experts – helping to reduce stress and administrative burdens.³



Notice Delivery Protection

Alleviate the burden of physical notice delivery for employers by providing paper mail coverage for legally required 401(k) plan notices, included with our most popular service level.⁴



Audit Relief™

Automate manual tasks and consolidate detailed data from across multiple systems – delivering audit-ready data to participating auditors.⁵

¹ Applies to all transaction types. Shipping and handling fees may apply to requests for check issuance and delivery.

² Visit our [product roadmap page](#) to learn more about our features.

³ Available for Concierge level plans only. [See program terms and details.](#) This does not apply to expenses related to the required annual financial audit for large plans.

⁴ Available for Concierge level plans only. Certain Plan-related documents must be distributed to your Plan Participants throughout the year (for example, the Summary Plan Description and Summary of Material Modification, among others, as described in the [Hill Terms of Service](#)). Human Interest agrees to send such documents to your Plan Participants by postal mail, in each case, to the extent such Participant has opted out of electronic communications or when an email address is invalid, and such mailing is required to be distributed in Human Interest's reasonable judgment. Human Interest will rely on you to provide a current and accurate physical address. For any Plan Participant, if a Mailing is returned or otherwise determined to be undeliverable, Human Interest will not be responsible for making a further attempt at delivery. Human Interest does not have a fiduciary duty to ensure delivery of the Mailings.

⁵ Excludes additional fees charged by the Auditor related to the Plan sponsor's or Auditor's errors, delays, fraud or other administrative issues (e.g., missed or late payroll contributions) or related to atypical events or demographics during the Audit Year (e.g., mergers or spin-offs, multiple payroll providers, controlled groups, or leaving Human Interest). Additional terms and conditions apply, see [Terms](#).

Human Interest's industry-leading support

Customer Experience Guarantee



For plan administrators:

- 100% of **contributions** will be processed within five business days of submission.
- 100% of plan administrators will receive a personal **response** within four business hours.
- 100% of **Form 5500s** will be filed on time for customers where Human Interest serves as a 3(16) fiduciary. For self-filers, 100% of customers will receive Form 5500 data at least 30 days prior to the filing deadline.

If we miss, plan administrators will eligible for 50% off next months bill.¹

For participants:

- 100% of **distributions** made via direct deposit will be sent within two business days.
- 100% of **support calls** will have their calls answered within three minutes during business hours.
- 100% of **online inquiries** will receive a personal response within four business hours.
- 100% of **loan requests** will be processed within two business days via ACH.
- 100% of **contributions** to the Plan will be processed within three business days.

If we miss, participants will be eligible for a \$25 gift card.¹

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401KSpecialist

The **401k**Wire

Pensions**&**Investments

PLANSPONSOR

plan**adviser**

¹ See [terms and conditions](#).

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J.D. Power 2025 Certified Customer Service ProgramSM recognition is based on successful completion of an evaluation and exceeding a customer satisfaction benchmark through a survey of recent servicing interactions. For more information, visit www.jdpower.com/awards.

Thank you.

Questions?

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