

DEAN & COMPANY CONSULTING ACTUARIES

Services for Employer-Sponsored Retirement Plans

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DEAN & COMPANY
CONSULTING ACTUARIES
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Purpose and Nature of Our Firm

Dean & Company is an independent firm of consulting actuaries located in Dallas, Texas. The firm was founded in 1994 by Mr. Charles Dean, FSA. After more than 20 years of experience in large, national actuarial firms, Mr. Dean wanted to create a firm that encompasses the highest standards of actuarial practice without compromise or conflicts of interest.

The firm was founded on four strong principles:

- **No ethical compromises.** Our firm is a pure actuarial consulting firm independent of other interests. We have no financial relationships with any insurance company, audit firm, insurance brokerage firm, or other entity. All our work is on a fee for service basis; we accept no commissions and sell no products.
- **High technical level of practice.** The two principals of the firm are Fellows of the Society of Actuaries with decades of experience. Our approach is to let senior actuaries actually perform all significant, professional work, not merely supervise less-experienced personnel. Coupled with a mandatory peer review process and continuing education, the potential for error is reduced to an absolute minimum. We employ only textbook actuarial methodology following all recommendations and interpretations of the American Academy of Actuaries.
- **Highly focused on retirement plans.** We do not attempt to be expert on all matters or all actuarial disciplines. We practice solely in the area of retirement plans, both public and private, tax-qualified and non-qualified. We provide virtually all actuarial and related services for retirement plans: design, funding, administration and outsourcing, employee communications, and government compliance.
- **Clear communication with our clients.** We have a cooperative partnership philosophy with our clients and work flexibly with them to serve their interests. We also work harmoniously with other advisors, such as attorneys, accountants, and investment managers. Providing the best service to our clients requires clear, understandable communications, as well as technical competence. We want our client decision-makers to understand all options available to them, and the advantages and disadvantages of each option.

No conflicts. No compromises. Clarity of purpose – Dean & Company helps plan sponsors manage their retirement plans at the highest possible level.

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PRACTICE STANDARDS

The Firm

We are and will remain a pure consulting actuarial firm assisting our clients in the design management and administration of retirement plans. We have no other business.

We are and will remain a completely independent firm with no financial ties to other businesses. Specifically, we do not sell insurance or financial products and have no ties to audit firms, compensation consultants, or insurance brokerages.

All our services are provided on a fee for service basis – time and expenses or agreed upon fee. We accept no commissions. All our compensation is disclosed to the client.

Our only allegiances are to our clients, the participants of a retirement plan, our profession and the general public. Conflicts of interest cannot be allowed.

We only accept assignments within our field of expertise. Requests for assistance in other areas (such as property and casualty actuarial consulting) must be declined. The client may be given a referral to an actuary qualified in such an area.

We only accept assignments from organizations we believe to be honest and straightforward in their dealings with organizational purposes in harmony with the general good.

Consulting actuaries and actuarial associates

- Shall put our clients' interests before our own
- Shall be honest in all our dealings
- Shall meet all professional guidelines and standards of the Society of Actuaries and American Academy of Actuaries
- Shall seek peer review within the firm before releasing any significant results or consulting advice
- Shall participate in an ongoing program of continuing education
- Shall disclose in writing any significant limitations and caveats with regard to actuarial or consulting work products

Qualifications

The three senior actuaries in our firm work together as a team for our clients.

Category		Years
Consulting Actuary	Charles Dean, FSA	31
Consulting Actuary	Sean Sullivan, FSA	24
Support Actuary	John Kaspar	13

Detailed information about each member of the team shown below.

Staff Resources: Our approach to staffing is different from most actuarial firms and better for our clients. At Dean & Company all actuarial work is performed and checked — not just supervised — by actuaries. We use actuarial technicians only for data entry; actuarial work is always done by qualified actuaries.

By contrast, the large actuarial firms have high billing rates and cannot afford to have actuaries actually do the bulk of an assignment. Instead work is delegated to actuarial students with little experience who set up, run and check the work. The actuary may only supervise or review the final report and will not see the details. We believe this approach is error prone and dangerous for the client.

Continuing Education

We believe continuing professional education is essential to the quality of our service to our clients. Mr. Dean and Mr. Sullivan are frequent participants at Society of Actuaries meetings and other professional conferences.

CHARLES E. DEAN FSA, FCA, MAAA, EA

Charles Dean has 31 years of experience as an actuary and employee benefit consultant. He has been a principal of A. S. Hansen and Foster Higgins and founded the consulting firm of Dean & Company. His professional experience includes designing, implementing and monitoring retirement and other employee benefit plans. Representative projects include:

- Developed long-term pension funding and expense policies for larger employers using pension plan asset/liability models
- Conducted audit and review of all statewide retirement systems in Oklahoma
- Analyzed the cost of proposed plan design changes for public employee retirement systems while legislature was in session
- Served as the consultant to joint legislative committee on public retirement systems
- Consulted on the merger of municipal police and fire fighter retirement programs into statewide consolidated system

- Set reserve limits and premiums for self-insured municipal group life plan
- Drafted bill for retirement system changes
- Designed a low cost Social Security alternative plan for part-time, temporary, and seasonal employees of the City of Arlington.
- Analyzed the impact of FASB Statements 106 and 112 on retiree medical and other postemployment benefits for several large employers. This work included measurements of cost, funding requirements, and balance sheet impact for a 20-year time horizon under multiple economic and plan design scenarios.
- Designed cash balance feature retirement plans for a manufacturing company, a retailer, and three financial institutions.

A graduate of Caltech, Mr. Dean is a Fellow of the Society of Actuaries, Fellow of the Conference of Consulting Actuaries and an enrolled pension actuary. He is a frequent speaker and author on employee benefit issues.

Sean Sullivan
Peer Review Actuary
 FSA, MAAA, EA

Sean has 24 years of experience as an actuary and employee benefits consultant; he has provided pension consulting services to public plans for 15 of those years. He has worked for various national firms, including Foster Higgins, Coopers & Lybrand, Arthur Andersen, and Dun & Bradstreet. His professional experience includes the design, implementation and administration of retirement programs in both the public and private sector. Representative projects include:

- Long term forecast to evaluate the financial soundness of a police and firefighters pension fund
- Design and redesign of retirement programs in response changing employer objectives, workforce, and federal regulations
- Ongoing valuation and administration of numerous public plans on the municipality level
- Annual status report and key issues presented to executive committees, Boards of Trustees and Directors, and county commissioners
- Conducted employee meetings to explain major changes in retirement programs
- Consolidation of multiple retirement programs
- Served on Board-appointed work committee to recommend major plan re-design
- Long term forecasts using asset/liability modeling techniques to determine revised funding and investment policies
- Served on national actuarial policy committee of a major benefits consulting firm
- Conducted training sessions for benefits staff of a Fortune-50 client
- Functioned as national resource on technical actuarial and consulting issues.

Sean received his Bachelor of Arts in Mathematics from the University of Chicago. He is a Fellow of the Society of Actuaries, Member of the American Academy of Actuaries, and an Enrolled Actuary. He has spoken frequently on topics of interest to the benefits community.

John Kaspar
Support Actuary and
Actuarial System Programmer

John has 13 years of experience as an actuarial assistant and employee benefits consultant; he has provided pension consulting services to public plans for his entire career. He came to Dean & Company from Foster Higgins, a national consulting firm.

Some of his work projects have included:

- Employee benefit calculation systems programming
- Annual and quarterly pension plan and 401(k) benefit statements
- Annual pension valuations for ERISA funding and FASB accounting requirements
- Nonqualified executive pension plan implementation scenarios and cost studies
- Municipal and ERISA pension plan terminations
- Defined contribution plan nondiscrimination compliance testing and corrective measures\proactive adjustments
- Programming a defined benefit recordkeeping system for a multi-employer municipal retirement system.

John graduated from Texas A &M University with a B.S. in Applied Mathematical Sciences. He has passed a majority of the actuarial exams required to become an Associate of the Society of Actuaries.