

ERISA COMPLIANCE

A S S O C I A T E S • L L C

Top-10 reasons for a Fiduciary Compliance Review

1. To be pro-active in “protecting” the company’s retirement plan(s) from potential liability/risks. *Note: The greater the value of a company’s retirement plan assets and the more participants there are in an employer’s plan(s), the greater the potential liability is for compliance failures.*
2. To “protect” the fiduciaries from potential liability/risks.
3. To help “protect” the tax-qualified status of the plan assets by anticipating issues that could arise in an IRS review.
4. To help “protect” the plan against potential exposure from participant claims by anticipating issues that could arise in a DOL investigation.
5. To be sure that all the roles and responsibilities required of fiduciaries have been covered or assigned to other parties.
6. To be sure the Company is aware of the latest “plan design” trends.
7. To be sure that the Plan Administrator is aware of the Best Practices for running plan operations today.
8. So many legislative changes have occurred in recent years that an “expert-level review” is now warranted to determine if the plan’s service providers have properly addressed the plan’s issues. *Note: Even the biggest names in the financial service industry do not always “get compliance right” the first time.*
9. To “cover” situations that present significant liability risks to the company and to plan fiduciaries:
 - ✓ Company stock investments
 - ✓ Mergers and acquisitions
 - ✓ Conversions of plan investments
 - ✓ Fund mapping
 - ✓ Self-managed brokerage account options without proper controls
 - ✓ Late deposits of money withheld from employees’ paychecks
 - ✓ Any participant loan not being repaid by payroll deduction
 - ✓ Defined Contribution Plan requiring postponement of distributions until the Plan’s retirement age
 - ✓ Plan operational “mistakes” such as eligibility errors, testing errors, etc.
 - ✓ Disconnect between plan document provisions and plan operations/administration
 - ✓ Plan documentation not in compliance with most recent legislative requirements
10. To assist the fiduciaries in ensuring that the plan's service providers have kept current with the numerous legislative changes.