



PENSION STRATEGIES

QUALIFIED PLAN DESIGN & ADMINISTRATION

In This Issue

[New IRS Disclosures](#)

[Alert: Loan Audits](#)

[News from Pension Strategies](#)



Upcoming Deadlines

September 17th
Funding Deadline
for calendar year
plans (on
extension)

October 15th
Form 5500 Filing
Deadline for
calendar year
plans (on
extension)



Strategic Update

Ideas, news and tips from Pension Strategies

New IRS Disclosure Regulations

As your Retirement Planning Solutions partner, we strive to keep you informed on new regulations impacting you and your participants. Two recently updated regulations took effect this summer. Here is a quick look at those regulations.

1. 408(b)(2) – Fee Disclosure to Plan Sponsors

Any service provider associated with your plan is required to tell the plan sponsor the mechanics of how they are paid for their services, whether they receive any "indirect compensation" from a party other than the plan sponsor, and a description of any indirect compensation they might receive.

2. 404(a)(5) – Fee Disclosure to Participants

The objective of this regulation is to ensure that participants receive information in a form they can understand and that will educate them on what fees they can expect ahead of time. Better informed plan participants make better investment choices. It's important to note that these are not new fees, but merely a disclosure of the fees. This new regulation only applies to plans that have participant directed investments like most 401k plans and some types of profit sharing plans. Defined benefit plans are not subject to this requirement. This information is investment related so your investment company may provide you with these disclosure materials so you can provide them to your employees.

If you have questions about either of these new regulations, please let us know and we can assist you in finding answers.



Alert: Participant Loan Audits

We have recently seen unusually high audit activity on participant loans in plans. Trouble spots for auditors include promissory notes, amortization schedules and timely loan payments. If you have participant loans in your plan, review your paperwork and your process to be sure it is in order. If you aren't sure, let us know and we can help.

Pension Strategies News

Joe Fuss, one of our very talented staff members, has recently passed his final actuarial examination. Completing this milestone is a long and very rigorous process. Becoming a designated actuary takes many years and a series of difficult mathematical and legal examinations. Joe has applied for his license and will be an Enrolled Actuary in the very near future!



Please let us know if you would like us to address any topics in upcoming issues of Strategic Update. We're here to be your best resource in the Retirement Planning industry.

Sincerely,

Jack Lawless, CPA, APM

Pam Johnson, QPA, CPC

Jill Hastings, JD

Maurice D. Gordon, EA, MS, PA

And the entire Pension Strategies team