



PENSION STRATEGIES

QUALIFIED PLAN DESIGN & ADMINISTRATION

Strategic Update: Ideas, news and tips from Pension Strategies
June 2016

In this issue:

- 1. Clarification for DOL Fiduciary Regulations**
- 2. Late Plan Reinstatements**
- 3. Upcoming Deadlines**
- 4. Pension Strategies News**



Clarification for DOL Fiduciary Regulations

Last month the Department of Labor (DOL) clarified rules and exemptions of fiduciary regulations proposed in April 2015. The regulation requires retirement investment advisers to put their "client's best interest first" by expanding retirement investment advice covered by fiduciary protections.

Any person providing covered advice is considered an ERISA fiduciary if the individual represents or acknowledges that he or she is acting in a fiduciary capacity including:

* Renders advice in a written or verbal agreement, arrangement, or understanding that the advice is based on the particular investment needs of the advice recipient;

OR

* Directs advice to a specific recipient or recipients regarding the advisability of a particular investment or management decision with respect to securities or other investment property of the plan or IRA.

Exemptions to the rules include:

- Self promotion: Financial intermediaries do not act as a fiduciary merely by recommending that a customer retain them to render advisory or asset management services.
- Platform providers: Employee benefits plan will not constitute investment advice if it is not individualized towards the plan and if written disclosures are made.
- Proposals: May include sample fund lineups, provided the lineup is created based solely on the size of the plan in comparison to the plan's current investment lineup, or both.
- Selection and monitoring assistance: If a plan sponsor provides specific objective criteria against which the sponsor wants funds evaluated, identifying funds based on those criteria will not be covered advice.
- Investment education: The proposal allows for general participant investment education similar to that previously allowed under Interpretive Bulletin 96-1.
- Communications: Newsletters, radio, speeches, conferences are not included.
- Communications with expert fiduciaries: Communications with a plan fiduciary that you believe to be a registered financial professional or who is responsible for the management of at least \$50 million in assets will not constitute advice.
- Plan sponsor employee: The employee of a plan sponsor that provides investment advice to the plan fiduciary will not be covered if any fee or compensation is rendered.

If you would like additional information about the impacts and implications of this regulation, you can read more on the [DOL web site](#).

Late Plan Restatements

Some adopters of defined contributions pre-approved documents were not able to meet the April 30 restatement deadline. A failure to restate the plan on a timely basis results in disqualification. Disqualification is expensive for both the plan sponsor and its participants. Recently the IRS has provided help for resolving these nonamendment issues.

The IRS has a Voluntary Compliance Program (VCP) to correct this situation. We are happy to help you with this process, so please contact us if your plan was not updated by the deadline. More information on this can be found on the IRS web site: [IRS Submission Kit](#)

Upcoming Deadlines

June 15, 2016

Extended due date of Form 5500 for plan years ending August 31, 2015.

July 31, 2016

Deadline for filing Form 5500 for plan years ending December 31, 2015 without extension. Please send in your completed data request packet.

Pension Strategies News *Fitness Challenge!*

Pension Strategies just completed our first 90 day fitness challenge. PS employee Jenn Jackson is also a personal trainer and she provided the structure and oversight for our program. To kick off the program, Jenn hosted a lunch and learn to discuss nutrition and exercise. Every two weeks participants were weighed and measured. In addition, Jenn led 2 workouts per week at the gym located in our office complex. At the end of the challenge our winners were: 1st Place - Mallory Young; 2nd Place - Joe Fuss; 3rd Place Michael Deasey. In addition, all participants who achieved their goal received a cash prize.



PHOTO: 2nd Place Winner Joe Fuss. Not pictured Mallory Young and Michael Deasey. They must have been too busy exercising to pose for the photo!

[Learn more about Pension Strategies](#)

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
David Schattenberg, APA, Managing Director
Mallory Young, Senior Consultant
And the entire Pension Strategies team

STAY CONNECTED:

