

**THE
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LAW FIRM P.C.**

THE LAW FIRM REVIEW
A Publication for Plan Sponsors and Retirement Plan
Professionals

Things That 401(k) Plan Sponsors Are Supposed To Do, But Aren't Doing Anyway.

So many things they should be doing, but aren't.



There are so many things in life that we're supposed to do, but we don't. Flossing teeth and gums are probably at the top of the list, along with drinking 8 cups of water daily, plus eating lots of fruits and vegetables. If we don't do what we're advised to for our health, it's on us. For 401(k) plan sponsors, not doing what you're supposed to do is a big problem because you're a plan fiduciary

and that might incur liability. This article is about things you should be doing as a 401(k) plan sponsor, but you're probably not doing anyway.

For the article, click [here](#).

As A 401(k) Plan Sponsor, Some New Things For You To Know About.

There is something always new out there.

The problem with being a 401(k) plan sponsor is that you have to be on top of everything because as a fiduciary, you have the highest duty of care in law and equity. Being on top of everything also includes finding out what is new and what might be a great fit for your 401(k) plan. In addition, what also might be new is a new law and regulation or current government thinking that will require you to comply. So this article is about changes in the 401(k) plan business that has occurred or will occur that you should review and/or consider.



To read the article, please click [here](#).

What 401(k) Plan Sponsors Should Do When They're Selected For An Audit.

First thing, call a lawyer.



When I started my own law practice almost 10 years ago, I was very frank in my comments on LinkedIn about the need for plan sponsors to understand their fiduciary responsibility and keep their 401(k) plans in order to minimize their fiduciary liability. This consultant to brokers who had a penchant for getting into squabbles in the discussions in LinkedIn groups accused me of several other forward-

thinking 401(k) experts that we were selling fear. This consultant claimed that small to medium-sized plans never got sued and I retorted that litigation is the least of a 401(k) plan sponsor's worries, that the greater fear was an audit from the Internal Revenue Service (IRS) and/or the Department of Labor (DOL). Based on some audits I've gone through, I'd prefer litigation. This article is a wakeup call for 401(k) plan sponsors that their biggest worry concerning their fiduciary responsibility is an audit from the IRS and/or the DOL.

To read this article, please click [here](#).

Quick Fixes For A 401(k) Plan Sponsor's Errors and Problems.

Problems and errors can be fixed.

The beauty of 401(k) plans is that no matter the problem that a plan sponsor may have, there is a rational solution to that problem. Sure it doesn't involve such quick home fix remedies such as baking soda and vinegar, but there are enough quick fixes for a plan sponsor. The only problem is that most plan sponsors are unaware of these fixes because they're unaware that what they have in their 401(k) plan may be a problem. This article is about quick fixes that a 401(k) plan sponsor may utilize to fix a problem they should be aware of.

To read the article, please click [here](#).



Get those contracts reviewed .

It's a good idea.



I had a plan sponsor forward me a contract they received from their financial advisor on a previous plan. Rightfully, the plan sponsor was concerned that they received this contract out of the blue.

While this plan sponsor was wise to reach out to me, I find that most small to medium sized employees don't reach out to counsel to review a plan contract. I find that a mistake because contracts may have hidden fees and surrender

charges that non-ERISA counsel or non-counsel may be unaware of. There is nothing worse for a plan sponsor to be unhappy with a specific provider and find out that there are charges that they

would be responsible for, sometimes in the tens of thousands of dollars.

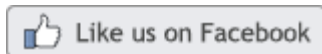
So that is why it's wise to make sure all contracts with plan providers are reviewed by counsel.

Check out That 401(k) Podcast.

The podcast you should listen to if you have the time.

Please check out That 401(k) Podcast, where I co-host with Dan Venturi of Bright Worxx. We tackle important 401(k) subjects for both plan sponsors and plan providers. In addition, we talk about all the events I'm hosting, as well as important cultural allusions.

Find it [here](#) and on Apple Podcasts [here](#).



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