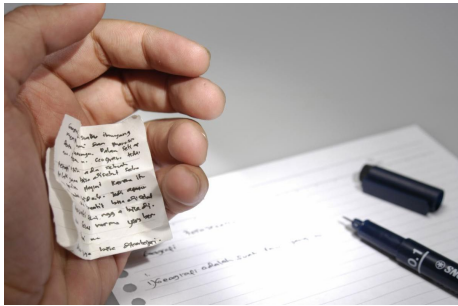


The SECURE Act Cheat Sheet For Plan Providers.

Concerns and thoughts.



The beauty of the retirement plan business is that it isn't static, it's constantly changing. One of the reasons that it constantly changes is changes in the Internal Revenue Code, ERISA, and regulations. The SECURE Act is the most profound change in retirement plan laws since the Pension Protection Act of 2006. With any change, there is opportunity and challenges. This is all about how you can deal with the SECURE Act in your role as a plan provider.

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

There are no sure things, there are opportunities.

It's nothing until it closes .

Every time I've spoken to other plan providers about sure things they are working on, all I later see are missed opportunities. There are no sure things in this business, there are opportunities.

Even when you have a signed contract with certain retirement plan projects such as starting a new multiple employer plan, it's still not a sure thing because you still got to bring assets over to make a go of it. The sales process is long, tedious, and at certain points, not fun. It's a marathon with enough twists and turns because selling retirement plans isn't the same as selling products that are impulse purchases like candy at the supermarket checkout line.



I've seen many opportunities fall by the wayside that was supposed. to be sure things because of the cockiness of the provider and them counting their eggs before they're hatched.

Per head charges are eye popping in MEP case.

It looks bad.

National Rural Electric Cooperative Association (NRECA) is a national service organization that represents more than 1,000



NRECA
America's Electric Cooperatives

rural electric cooperatives around the United States. NRECA sponsors a 401(k) multiple employer plan (MEP) and is a target of a class-action lawsuit.

The court made a big decision and expectations should be high for a settlement.

U.S. District Judge Liam O'Grady of the Eastern District of Virginia has found that the complaint alleging prohibited transactions against fiduciaries of the plan "contains sufficient well-pleaded facts to survive a motion to dismiss."

I read the complaint and I find it troubling. The whole purpose of a MEP is low cost. The plan has almost 70,000 participants and \$10 billion in assets. The complaint alleges that the plan's administrative costs have increased each year since 2013, and the 2017 rate of \$404 per participant is a 50% surge from the 2013 rate. That is eye-popping and a review of the Form 5500 shows a lot of providers involved for one single plan.

Bad advice can create bad IRS and DOL assumptions.

Which can lead to bad results

A financial advisor called me and asked me if there was a problem that an insurance policy paid by a 401(k) plan had the policy in the name of the participant. Considering it was a plan asset, I thought so. If the participant is a plan fiduciary, a government agent could get the wrong idea that a prohibited transaction was committed.

Poor advice to plan sponsors on the smallest details could give the wrong impression to a government auditor. I will never get the

actuary who told a plan sponsor client that it was no problem to issue a check from a defined benefit plan to a plan sponsor's subsidiary, reasoning that the owners of the company were getting the bulk of the benefits under the plan. Well, the Department of Labor assumed the worst (embezzlement) and the actuary never provided 20 plus years of valuations that would detail the benefit owned to the owners of the plan sponsor.

There is nothing worse than giving bad advice that leads to wrongful impressions by a government agent.



Great distribution needs a good product.

Without a good product, it's nothing.

If you have a great product, but lousy distribution, you're not going to do well. Yet the same thing is on the flip side if you have great distribution, but a lousy product.

Whether it's a multiple employer plan, a great IRA product, or anything retirement



plan related, great distribution is certainly key. However, you need a great product you go along with it. How often, I hear about plan providers with these great distribution channels, yet are offering a

product that won't get much traction in the marketplace. A multiple employer plan that's more expensive than a single employer plan or a 3(16) service that does nothing isn't going to succeed even if you have distribution channels the size of Coca Cola's.

Disney World is next.

Registration for all events open including Disney World.

That 401(k) Conference is the most fun 401(k) advisor out there with a price point that won't break your back.

\$100 gets you at the regional events (not Disney), 4 hours of content to grow your advisory business, lunch, a stadium tour and a meet and greet with a baseball legend.

Don't forget, our national conference for March 2020. Family fun at Disney World with a conference that won't break your bank if you're a sponsor or attendee.

The Retireholiks will be recording an episode of their show at our event.



There will be presentations on the SECURE Act, HSAs, MEPs and PEPs, and social media and marketing to name a few presentations.



Our special guest for the second day of the conference on Wednesday, March 11th is Hall of Famer Goose Gossage. Tuesday's special guest is Rangers great Ron Duguay.

Information on That 401(k) National Conference sponsorship and to sign up is [here](#) .

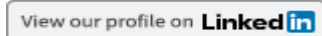
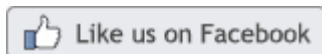
Our first regional event for 2020 will be Friday, April 17th in Houston Texas. Sponsorship information can be found [here](#) . Registration link is [here](#) .



We will be hosting That 401(k) Conference in St. Louis on Friday, May 8th. Sponsorship brochure can be found [here](#) , the registration like can be found [here](#) .



The last event for the first half of 2020 will hail from Target Field in Minneapolis on Friday, June 5th. Sponsorship information can be found [here](#), the registration link can be found [here](#).



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