



## Financial Advisor Support Team – FAST



A fiduciary is anyone who exercises any authority or control over the management or disposition of plan assets. Even if you don't have a fancy title, you can be deemed a fiduciary under the law.

With the passage of the new Department of Labor (DOL) rules that fundamentally changed the way 401(k) Service Providers disclose fees, compensation and conflicts, there is a need in the market for a new breed of specialty.

Don't believe things have changed? Consider the following:

- 2008 – U.S. Supreme Court changes legal basis for litigating 401(k) plans, allowing individuals to seek damages against plan sponsors.
- 2009 – The Department of Labor added 1,000 audit enforcement agents, a nearly 10-fold increase in the number of agents auditing 401(k) retirement plans.
- 2010 – DOL's enforcement division created the Contributory Plans Criminal Project (CPCP), which is the agency's first national criminal enforcement project.
- 2012 – The fee disclosure rules, also known as the 408(b)2 regulations took effect requiring plan sponsors to take a more active oversight role of plan fees and expenses. Written documentation is now required.
- 2017 – Fiduciary Regulations take effect regarding advisory conflicts of interest and fiduciary obligations.

### At EJReynolds, we value the relationship we have with our advisor partners.

Many advisors we work with specialize in the 401(k) arena, with vast experience and knowledge in benchmarking, evaluating, selecting and transforming the investment platform for small to mid-sized companies. We constantly seek out those advisors to introduce our vast array of services to their clients.

However, there also exists in the market a large number of advisors with solid relationships whose specialty focuses on other employee benefit, commercial insurance or individual investment consulting areas. Rather than walking away from a client's needs and valuable consulting opportunities, we encourage those advisors to speak with us and allow our experienced professionals to enhance their relationships, and provide guidance and assistance in complying with the new rules.

### EJReynolds, Inc. Traditional Administrative Services.

EJReynolds, in the capacity of Third Party Administrator, will normally perform certain ministerial functions for the plan that are not considered fiduciary duties

- Prepare Plan Documents and Amendments to be signed by the Plan Sponsor in a timely manner, as well as assist in the interpretation of the Plan Document in terms of eligibility, vesting and contributions
- ERISA and Non-ERISA Plans
- Prepare Annual Participant Notices, including:
  - Participant fee disclosure initial/annual Safe Harbor Notice, if applicable
  - Default Investment Notice (QDIA)
  - Default Enrollment Notice, if applicable

*"The Department's conflict of interest final rule and related exemptions will protect investors by requiring all who provide retirement investment advice to plans, plan fiduciaries and IRAs to abide by a "fiduciary" standard - putting their clients' best interest before their own profits. This final rulemaking fulfills the Department's mission to protect, educate, and empower retirement investors as they face important choices in saving for retirement in their IRAs and employee benefit plans."*

~ US Department of Labor Employee Benefits Security Administration Fact Sheet – August, 2016

Plan Sponsors and advisors may engage EJReynolds in a more advanced capacity if they feel uncomfortable in taking on the liability of performing these functions, or do not have sufficient staff or whose expertise falls outside of ERISA principles. EJReynolds provides the strength and commitment of an independent organization with more than 30 years of experience servicing retirement Plan Sponsors and their Participants.

## EJReynolds Best Process

### > Benchmark

- Review existing platform fees and services
- Ensure maximum efficiency of current program
- Review client expectations for potential changes
- Obtain competitive quotes from leading providers

### > Evaluation

- Analyze all areas of Retirement Plan Operations
- Utilize leading industry tools for comparison
- Discuss participant enrollment, education, and plan communications
- Create committee standards for ongoing monitoring

### > Search and Selection

- Support the employer through the evaluation process
- Assist in navigating through the new rules – such as participant fee disclosure requirements, 408(b)(2), etc.
- Assure that current & future providers assist in these compliance procedures as well
- If evaluation leads to plan transition – supporting the HR team through the transition process

### > Thorough Ongoing Guidance

- Provide a format for future service and support
- Implement simple and effective checklists, service calendars & procedures for ongoing review assuring smooth operations of the newly renovated plan going forward
- Removing the worry and burden of plan compliance by providing support for the future of the plan



### Why select the FAST program?

- > Plan Sponsors want to ensure all compliance functions are carried out, but lack the time.
- > Human Resources management has become so complex, many Plan Sponsors lack sufficient staff with ERISA expertise.
- > Plan Sponsors are concerned about personal fiduciary liability.
- > The penalties of non-compliance can be substantial.
- > Our administrators and support staff have a proven knowledge of ERISA functions and responsibilities.
- > Services tailored to your specific needs.

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WHERE IS YOUR COMFORT PLACE?  
EJR CAN HELP YOU GET THERE.

9050 Pines Blvd., Suite 202, Pembroke Pines, FL 33024  
Office: 954.431.1774 Fax: 954.438.7250  
[www.ejreynoldsinc.com](http://www.ejreynoldsinc.com)