



Advisor Connect | 3(16) Fiduciary Services and Why You Should Care

MAKING IT ACTIONABLE

In most cases, plan sponsors generally understand that they play a fiduciary role with respect to the assets of their retirement plan unless they partially or fully outsource that function to a professional.

What many plan sponsors don't recognize is that they also wear another important **fiduciary** hat based on their control and authority over the **administration of the plan**.

The **named plan administrator** is responsible for many things, including:

- Making sure **eligibility** is determined correctly
- Making sure that a number of **required notices and mailings** go out every year
- Making sure that **plan-related payroll** is properly processed
- Overseeing the performance of **service providers** to the plan

Not only do many employers not realize that they are a fiduciary to the plan, many don't have the knowledge or experience to properly perform in this capacity. That's why some expert TPAs and other plan consultants offer **ERISA 3(16) services**. Under this arrangement, an employer can outsource their plan fiduciary role and limit their liability and risk, as well as time and effort in managing their retirement plan.

ACTIONS TO TAKE NOW

- 1 | Help clients understand the reality of their role
- 2 | Introduce, where appropriate, the opportunity of working with a 3(16) plan fiduciary

Talk to us to learn more about how we can guide clients to a solution they can rely on.