Advisor Connect | Of Course Your Clients Are Fiduciaries

MAKING IT ACTIONABLE

When it comes to the topic of fiduciary responsibilities for qualified retirement plans, there are three things we know really well:

1. Plan Sponsors are, by definition, fiduciaries of their own plans as they exercise control and act on behalf of those plans.
2. Some number of Plan Sponsors **don't know** this even though we try to do our best to make this clear.
3. There are real and serious consequences for them and for your relationship with them if they don't execute their role well.

This is clearly a case of what you don't know can hurt you - and others. The goal, of course, is to keep clients and their plans compliant and on track.

ACTIONS TO TAKE NOW

As you plan your next cycle of client meetings, consider prioritizing time on this topic.

- Remind them of their role and responsibility as fiduciaries based on their actions and control related to the plan.
  Some company owners and executives mistakenly think that their service providers are fiduciaries and that they are not.
- Discuss how partnering or outsourcing some or all of their plan and investment oversight tasks to professional fiduciaries or co-fiduciaries impacts their role and responsibilities.
  Some may think that, because they've elected to outsource some of their responsibilities to professionals, they are no longer fiduciaries or liable for the performance of the plan.

Talking about this may affirm their knowledge and comfort or it may reveal issues that need to be discussed or problems to be addressed. Either way, it will benefit your relationships to be a clear and knowledgeable guide as you help clients understand their fiduciary role.

Let's talk about how we can work together to help clients put their best foot forward and keep their plans compliant and on track for long-term success.