

Welcome to 2010!

Whether or not you subscribe to the “new decade” theory, there are a lot of new things on the horizon at Benefit Resources, Inc. this year.

ELECTRONIC 5500 FILING

The Department of Labor is requiring that all 2009 plan year filings due after 12/31/2009 be submitted to them electronically under a program they call EFAST2. We have been training our staff on the process, and purchased some software to make the process as user-friendly as possible. We will be preparing the filings, and posting them to the DOL website on behalf of our clients.

But it doesn't end there! A representative of each plan sponsor will need to apply for “signing credentials” from the DOL in order to authorize the filing that we posted for them. Then keep a signed copy of the filing for their files (this copy may be saved electronically).

Once filings are complete, they will be available for viewing on the DOL website almost immediately (within 3 days). A rejected filing is not considered complete, so we will be moving up our internal deadlines to make sure that we give our clients plenty of time to get the filing completed.

Step-by-step instructions with screen shots will be posted to our website to help all of our clients through the EFAST2 process, so don't despair! We will make it as easy as we can for you.

Note: Form 5500-EZ for one-participant plans may still be filed on paper forms in 2010.

OTHER CHANGES TO THE 2009 FORM 5500

SCHEDULE A – adds a line for us to complete if any insurance company does not provide us with information needed to complete the Schedule.

SCHEDULE B – has two cousins, the Schedule SB and the Schedule MB. These are all still used to report information about Defined Benefit Pension Plans including Cash Balance plans.

SCHEDULE C – big changes are in store to report fees paid by plans with more than 100 participants. The DOL has not, however, issued final instructions about completing Schedule C, so stay tuned for more information about what is required to be reported on this Schedule.

SCHEDULE E – which was required for ESOPs will no longer be required.

OUR NEW ELECTRONIC COMMUNICATION:

We are committed to being environmentally friendly. You can expect to see more and more of our communications electronically.

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OTHER CHANGES TO THE 2009 FORM 5500 (continued from page 1)

SCHEDULES H and I – are used to report trust activity each year. A new standardized schedule is required when reporting late deposit of employee withholding or loan payments. There is also a new line to report if the plan has failed to provide benefits when due, and a line that asks whether the appropriate blackout notices were provided to participants as necessary.

SCHEDULE R – has a new look. Questions about coverage have been revised or eliminated, and there is a new section to add information to report on ESOPs (if applicable).

SCHEDULE SSA – is used to report participants who have terminated service, and who are due benefits from the plan at some point in the future. Because this Schedule includes the participants' Social Security Numbers, this filing will NOT be submitted through the DOL's EFAST2 system, but will be submitted to IRS on paper in a separate filing.

FORM 5500-SF – is a new “short form” available for plans that can answer YES to each of the following questions:

- The plan has fewer than 100 participants and/or is not required to submit an audit with the filing, and
- There are no employer securities held by the plan; and
- All plan assets have been invested in products that have a readily ascertainable fair market value during the entire plan year. This includes investments offered by banks, insurance companies as well as stocks, bonds and mutual funds. Participant loans are acceptable investments under this provision. Funds in the plan can be “pooled” as long as a valuation is provided at least once per year.

If you are eligible to file a 5500-SF, Schedules A, D, I or R are not required.

STAFF DEVELOPMENT

Four of our team members became Qualified 401(k) Administrators (QKA) in 2009 by completing exams offered through our trade association, the American Society of Pension Professionals and Actuaries. I'm very proud of Kara, Jeffery, Laura, and Justin for this accomplishment.

I became IRS-certified as an Enrolled Retirement Plan Agent (ERPA) so I can now represent clients before the IRS or DOL on matters relating to their retirement plans. I'm hoping I don't need to use this often, but it's nice to know I can when needed!

WWW.BENEFIT-RESOURCES.COM

I'm very proud of the work that our office team did in developing our new website. The secure file transfer feature has been dramatically improved, the library of content is more robust, and we now have on-line bill pay. We will continue to develop our site to add articles of interest, and improve the proposal system. Chantel has proven to be quite the web master!

TWEET ME!

YES, I'M ONE OF
THE BAZILLION
PEOPLE WITH A
TWITTER
ACCOUNT. I AM
COMMITTED TO
TWEETING MORE
OFTEN IN 2010,
SO FOLLOW ME
AT [HTTP://
TWITTER.COM/
BETHKHARRINGTON](http://twitter.com/BETHKHARRINGTON)

CHANGES TO DISTRIBUTION PROCESSING

New versions of the Special Tax Notice were published in late 2009 for delivery to all participants requesting distributions in 2010. These new Notices explain rollovers to Roth accounts, rollovers available for non-spouse beneficiaries, and hardship withdrawals for the primary beneficiary among other things.

The new Notices are posted on our [website](#), and clients received a communication at the end of 2009 with a link to the appropriate form for your plan. We will also be posting to our website for clients completely new forms packages which are customized to plan provisions. Clients will receive a communication when those documents have been posted.

Contact your BRI administrator or our distribution department if you have questions about your forms.

EGTRRA DOCUMENTS

The BRI new business and documents team completed all plan restatements well before the 4/30/10 deadline. We still have some disks to prepare to send to clients, and we need signatures back from 23 plan sponsors. The project ran smoothly and efficiently thanks to their hard work.

These restatement projects come up every five years or so. It's always a big undertaking! It also provides us with an opportunity to work with our clients to make sure that their plan is meeting their needs.

We will likely have a new mandatory amendment each year, like last year's PPA-HEART Act amendment. If there is anything we can do to simplify the language, or the delivery, or the summary of the amendment language, you can be sure that we will take everything into consideration!

BRI AS YOUR BACK OFFICE— NEW SERVICES OFFERED IN 2010!

Speaking of documents and amendments, do you find yourself overwhelmed with distribution of new Summary Plan Descriptions, Safe Harbor or Automatic Enrollment Notices, Amendment summaries and the like? Maybe we can help!

BRI now offers mail/email services to clients who would like for us to send this information directly to your participants. Provide us with an address listing (mail or email) and we will deliver the necessary information directly to your plan participants. The charge is \$2.50 per US Mail, or \$0.50 per email address, with a \$100 minimum.

We recognize that your time is valuable, so consider this new value-added service when you are up to your eyeballs in paperwork.

DO YOU KNOW
SOMEONE WHO IS
NOT A BRI CLIENT
WHO MAY NEED
HELP WITH THEIR
EFAST2 FILING?
WE ARE HAPPY TO
HELP! PLEASE
HAVE THEM CALL
OUR OFFICE AT
916/922-3200.

*SHARPEN YOUR PENSION KNOWLEDGE—
ATTEND NIPA'S ABC SCHOOL*

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YOUR #1 RESOURCE
FOR RETIREMENT PLAN
ADMINISTRATION

On February 2, 2010 I am scheduled to facilitate The ABCs of Qualified Plan Administration, a workshop designed for Plan Sponsors, HR Professionals, and those new to the field of retirement plans. Contact our office for more information or registration materials.

REFERRALS ARE GREATLY APPRECIATED!

Do you love your *iPhone* and tell everyone you know about it? Did you enjoy a meal at a restaurant recently then turn around and invite someone else to go there too?

This excitement is sometimes called being a “customer evangelist,” and I’m hoping you will be a customer evangelist for BRI too. Have you had a good experience with BRI? Has someone on our team been particularly helpful in any way? I would love to hear from you and use your testimonials with prospective clients. Better yet, tell someone you know about us! We are looking to grow and could really use your help.

2009 MEMORIES

We sponsored a raft in the American River Parkway Foundation’s Down River Day in August. This was our 7th year participating in the event! The BRI raft had more fun than any of the others, I’m told . . .

Croquet, badminton, and water balloons were on tap for our summer picnic in Land Park. It was warm, but not hot. The food was delicious, and the drinks were cold. A good time was had by all.

Pictures from the picnic served as content for an Office parody film produced by Michael and screened at our holiday party last month.

