

**THE
ROSENBAUM
LAW FIRM P.C.**

THE LAW FIRM REVIEW
A Publication for Plan Sponsors and Retirement Plan
Professionals

Neglecting The Plan That Will Get 401(k) Sponsors Living on The Edge.

They can help themselves from falling.



When you don't take care of your teeth, they end up rotting. When you don't take care of your car, it stops running. When you don't take care of your finances, you end up going broke. So it's amazing how many 401(k) plan sponsors don't take care of their plan and they end up living on the edge, the edge of huge liability exposures from plan participants and/or the government. So this article is about how plan sponsors are living on the edge by not taking care of their 401(k) plan.

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

Lies that 401(k) Plan Providers May Tell You.

They tell lies, sweet little lies.

I'm a huge fan of Fleetwood Mac (the Stevie Nicks-Lindsey Buckingham years) and was able to see them twice on their last tour. One of my favorite songs of theirs is Little Lies. Christine McVie, who never gets the credit she deserves as a singer is the lead singer on this song with Stevie and Lindsey as backup. Christine sings: "tell me lies, tell me sweet little lies." As a plan sponsor looking at your current or prospective plan providers, some of them may tell you lies that they want you to believe. As a plan sponsor, it's hard to distinguish the truth from the lies, so this is what this article is all about.



For the article, click [here](#).

401(k) Plan Sponsors: Please Read This Article!

It's a good idea to read.



You're a 401(k) plan sponsor and we understand that you're busy running a business and talking about retirement plan issues is as exciting as watching paint dry. The problem is that paint drying won't expose you to liability, but sponsoring a retirement plan can. So someone thought this was a good idea for you to read this article about how neglecting your 401(k) plan isn't a good idea. We'll try to make this article as painless as possible.

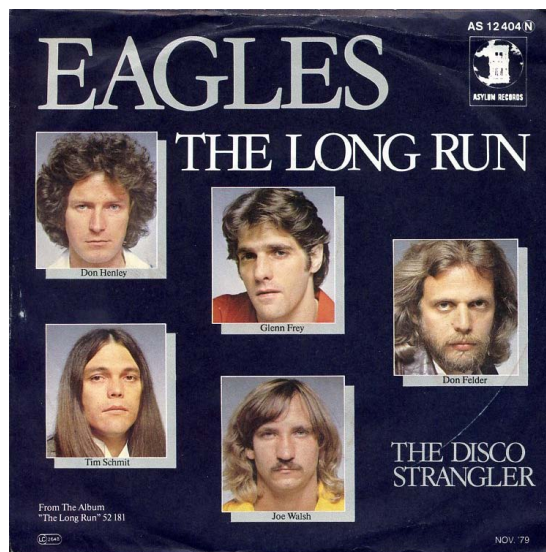
To read the article, please click [here](#).

How To Have A Good 401(k) Plan After The Long Run.

Who can go the distance?

I'm a big fan of The Eagles and one of my favorite songs is the title track "The Long Run." "You can go the distance. We'll find out in the long run." While the song is really about love and relationships, I like it because it speaks to me about being a challenge on how people's actions can be reviewed over the long run. For a retirement plan sponsor, the nature of maintaining a retirement plan is all about the long run because it's a long process in serving as a fiduciary and holding the retirement assets of their employees. So this article is about how a plan sponsor can go the distance over the long run and avoid the liability pitfalls along the way.

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



Fact That Small 401(k) Lawsuit Was Dropped Is Irrelevant .

Lawsuits cost money even if the plan sponsor wins.

While many of us in the retirement plan world were publicizing a class action lawsuit against a \$9 million 401(k) plan, apparently the plaintiffs had a change of heart.

The case was Damberg et al v.



LaMettry's Collision Inc. and the plaintiffs had alleged that the fiduciaries of their plan breached their duties under the ERISA by allowing excessive fees to be

charged for plan investments, record keeping and administration.

Why was the case voluntarily dismissed? Beats me, maybe the plaintiff's attorney figured there wasn't much of a recovery for a \$9 million 401(k) plan or maybe the plaintiffs had a change of heart. It really doesn't matter if you think about it.

Why isn't it important? Regardless of whether the plaintiffs would have recovered against the 401(k) plan, all that matters is that a small 401(k) plan was sued by plan participants. The headache of having to go through litigation takes enough time and money that it doesn't matter when the defendant 401(k) plan fiduciaries wins or not. I once knew a union that won a class action 403(b) lawsuit. They had \$1 million in legal fees which was paid by a fiduciary liability policy with a \$100,000 deductible. The union won, but at what cost? I'm sure they regret every minute of it.

So the point is that it doesn't matter that the plaintiffs had a change of heart, what matters is that a small 401(k) plan was sued because if one small 401(k) plan can get sued, there will be other small plans that will be too.

Introducing That 401(k) Site.

That401kSite.com.

Starting right after Labor Day, I will be launching a new 401(k)-centric website called that401k.com.

The website is a 401(k) Freedom Inc. production.

I'm sure many are asking why another 401(k) website? There are many great 401(k) news websites out there like 401khelpcenter.com; benefitslink.com; and 401kspecialistmag.com. The difference my site and the others ones is that we're not going to be a 401(k) news site. We're going to be a site that won't tell you what the Department of Labor did, we'll tell you how it will affect you as a plan sponsor and/or plan provider. Think of Bill Simmons' theringer.com meeting 401(k) plans.

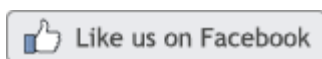


The site is geared towards both plan sponsors and plan providers. It will contain articles on how they can improve their standing by instituting good practices. It will talk about law changes and court decisions and how it will impact their duties as plan fiduciaries and plan providers. We're even going to run content that has nothing to do with 401(k) plans such as why Caddyshack II was one of the worst movie sequels of all time and why drinking light beer makes no sense.

I'll be a main writer on the site, but I won't be the only writer. If you can provide good and interesting content geared towards plan providers and/or plan sponsors, let me know by calling me or by [email](#). If you can provide content about pop culture, let me know too.

We can't run alone on content. We need advertising. If you're a plan custodian, mutual fund company, third party administrator, financial advisory firm, broker-dealer, ERISA auditor, or any other type of retirement plan provider, consider advertising on a website with a unique and direct audience. Advertising won't be just an ad and a link, there will be an area on the site for our advertisers to post sponsored content for the appropriate audience (plan sponsors/plan providers). Obviously, better ad placement will make the advertising rate vary, but there will be a special area for all advertisers (a plan provider directory) with rates as a fraction of the cost of a front web page ad. Founding sponsors will get "most favored nation status" upon annual renewal. Please contact me for more information about our rates.

As we get closer to Labor Day, I'll let you know about how the site is coming along in content and advertising.



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