

Hot Topics in Retirement Plans

Cyber Security

- Fraudulent individuals are targeting retirement plans
- A frequent strategy is to identify those with large balances over age 59 ½ and request in-service withdrawals
- It is suggested that any in-service withdrawal requests be verified directly with the participant
- We have implemented new security measures including using LexisNexis to verify participant's identity (including asking for previous addresses and make/model of car)
- We will be rolling out MFA (multi-factored authentication) this year - it will require a one time PIN in order to log into the site or request distributions/loans
- Make sure your cyber security policy covers your retirement plan



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Hardship Distributions - Finalized

- Elimination of the six-month deferral suspension requirement
- No longer a requirement to take a plan loan prior to withdrawal
- Earnings are now available for withdrawal
- Plan Administrators can rely on the participant's self-certification of their financial need
- Plan amendment will be required

Plan Limitations – Updated

- Deferral Limit \$19,500 (increase of \$500)
- Catch Up Limit 6,500 (increase of \$500)
- Maximum Contribution 57,000 (increase of \$1000)
- Maximum Compensation 285,000 (increase of \$5000)

Electronic Disclosures - Proposed

- For any participant who has given an email address can have Summary Plan Descriptions, Summary of material Modifications, Summary Annual report and participant statements delivered electronically
- Participants are deemed to have given email if they are assigned an email from the company

Beneficiary Designation Forms

- We recommend updating beneficiary forms every 3-5 years

Student Loans

- Private Letter Ruling allowing plan participants to pay off student loans and receive a matching contribution into the plan for the loan payments
- Only applies to the plan that submitted the Private Letter Ruling