

PLAN ADMINISTRATION AND FIDUCIARY ISSUES

OVERVIEW

On a daily basis we participate in the ongoing, long-term maintenance and management of our clients' plans. We stay apprised of changing laws and important issues and provide an ongoing dialogue about best practices. The support we provide in connection with plan administration includes:

- Maintaining a master list of approximately 700 tax qualified retirement plans and assume responsibility to keep such plans in documentary compliance with developing laws thereby releasing our clients of this responsibility;
- Advising plan fiduciary regarding the structuring of transactions to avoid engaging in prohibited transactions;
- Reviewing plans for legal compliance and filing required government reports;
- Counseling on legislative issues;
- Advising and educating executives, plan trustees, compensation committees and administrators on matters relating to general administrative compliance;
- Counseling and training on fiduciary obligations and liabilities;
- Plan restructuring in connection with corporate transactions, including plan mergers, spin-offs and termination; and
- Counseling plan sponsors about alternatives in bankruptcy.

Representative examples of our experience in this area include:

- Performed a complete restructuring of a client's retirement plans, consolidating over 35 benefit structures into two plans and reducing the client's range of projected annual costs by \$17 million.
- Regularly provide fiduciary training programs and comprehensive governance audits with respect to clients' qualified retirement plans.

- Discovered that the target in a proposed merger had terminated and cashed out an ESOP at sub-fair market values nine months prior to the proposed transaction. By careful revision of the merger document and a combination of escrows and securities, we fully insulated the buyer, our client, from the \$10 million settlement and all related costs of the class action lawsuit which was filed three days post-closing.
- Negotiated a foreign corporation's acquisition of a large US manufacturing concern with significant retiree health care obligations.
- Designed a joint venture vehicle allowing a pension plan sponsored by a Fortune 200 company to enter an agreement to develop and manage a real estate development project with our client, a major US manufacturer of computer equipment.
- Represented a major institutional investment manager and trustee for tax-qualified retirement plans; handled various matters, including prohibited transaction issues associated with pass-through of expenses of common trust funds to participating plans.
- Represented an insurance company and certain of its affiliates during the complete restructuring and transfer of trust operations between affiliates.
- Represented a Fortune 500 company in negotiating a performance guarantee agreement with a third-party record keeper, where the maximum financial penalties payable exceeded \$1 million.

MEET THE TEAM



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RELATED PRACTICE AREAS

- ESOP Team