



Ready, Aim, Retire.

Fiduciary Bond Insurance – Are Your Clients Covered? Led to a \$1.6 Million Sale

A recent IRS audit of 5500 filings uncovered that many small plans don't carry enough fiduciary bond insurance for their fiduciaries and administrators. Under the Employee Retirement Income Security Act (ERISA), plans generally are required to carry coverage equal to at least 10 percent of the funds handled, but no less than \$1,000 nor in most cases, more than \$500,000..

The audit looked at 50 filings of defined contribution plans with less than \$250,000 in assets, but more than \$100,000. Also uncovered was failure to amend the plan to comply with changes in current law and/or regulatory guidance on a timely basis. According to the IRS, failure to timely amend the plan "affects the qualified status of the plan."

Expertise Available to You and Your Clients

As their advisor, your clients may look to you for guidance on complying with IRS, ERISA and other investment-related guidelines. But you don't have to be an expert to offer help. Your RMS wholesaler understands many of the rules and regulations that govern qualified plans, and can be a valuable resource to you and your clients. From plan design to conversion and through the life of the plan, your wholesaler will work with both you and the plan sponsor to help with compliance while improving the overall health of the plan. It's just one more way we help you stay ahead of the competition and succeed in the retirement plans market.

[Click here](#) for more information about the IRS audit project.

Source: PLANSponsor, "IRS Audit Project Finds Low Bonding Coverage Problem," December 15, 2009

Annual Plan Reviews Help Improve Effectiveness

For plan sponsors, conducting an annual plan review is more than a fiduciary responsibility. It's an important activity that can help improve a plan's effectiveness and ensure its participants have a greater opportunity to achieve their retirement goals. It also can help to strengthen existing client relationships.

This month, Mutual of Omaha relationship managers will begin conducting annual plan reviews with clients. To provide plan sponsors with the information they need to objectively evaluate their plans, Mutual develops a comprehensive report, customized for each plan.

The report includes:

- **Plan Statistics** – a year-over-year review of plan assets, participation rates, average account balances, investment allocation and more
- **Investment Summary** – an overview of past year's general market performance along with specific performance returns for the plan's investments
- **Enhancement and Tools** – a summary of the product enhancements and plan tools added during the past year
- **Legislative Updates** – an overview of recent legislative changes impacting the retirement plans markets
- **Trends and Statistics** – objective commentary on several of the industry's key benchmarks and market trends
- **Action Plans** – important next steps the plan sponsor should consider to increase plan effectiveness and prepare for compliance testing

If you have an active plan with Mutual of Omaha, you also will receive a copy of your client's annual plan review. If you would like to take part in the meeting with your client, please call your plan's relationship manager.

Mutual of Omaha Earns 11 Best in Class Awards

PLANSPONSOR magazine recently announced the results of their 2009 Defined Contribution Survey. Mutual of Omaha received Best in Class awards in 11 categories, outperforming their primary competitors in the micro market.*

The categories include:

- **Plan Sponsor Services**
 - Account Rep Knowledge
 - Regulation Updates

- **Participant Services**
 - Communication Materials
 - Education Programs
 - Enrollment Assistance
 - Statement Clarity
 - Statement Accuracy
 - Asset Allocation
 - Range of Investments
 - Participant Service Fees
 - Call Center

Additionally, more than 90 percent of responding plan sponsors said they would recommend Mutual of Omaha, a strong testament to the value Mutual places on client service.

[Click here](#) to view a summary of the awards.

* Micro market consists of plans under \$5 million in assets Source: PLANSPONSOR, 2009 Defined Contribution Survey, November 2009



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Retirement Marketing Solutions, Inc. (RMS) is a national wholesaling organization that specializes in retirement products. With seasoned retirement experts located across the U.S., RMS provides sales support, proposal generation, education, enrollment support and ongoing services to independent brokers and advisors. RMS works diligently to develop relationships with select providers to secure quality products and competitive pricing arrangements on behalf of those who sell the products.

Investment options are offered through a group variable annuity contract (Forms 902-GAQC-09 or 902-GAQC-09(OR) or 901-GAQC-07 or 901-GAQC-07(OR)) underwritten by United of Omaha Life Insurance Company for contracts issued in all states except New York. United of Omaha Life Insurance Company is not licensed in New York. In New York, Companion Life Insurance Company, Hauppauge, NY underwrites the group variable annuity (Form 900-GAQC-07(NY)). Each company accepts full responsibility for each of their respective contractual obligations under the contract but does not guarantee any contributions or investment returns except as to the Guaranteed Account and the Lifetime Guaranteed Income Account as provided under the contract. Neither United of Omaha, Companion Life Insurance, nor their representatives or affiliates offers investment advice in connection with the contract.

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