

408(B)(2) PLAN SPONSOR SOLUTIONS TRANSCRIPT

Part G: What can I do about all this?

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Webinar Panel: Moderator: Edward M. Lynch, Jr., Founder and Chief Executive Officer of Fiduciary Planned Governance, LLC. ("Ed")

Panelists: Mary Rosen, Associate Regional Director of the Department of Labor EBSA in Boston. ("Mary")

Louis S. Harvey, Founder and Chief Executive Officer of DALBAR, Inc. ("Lou")



Question 6:

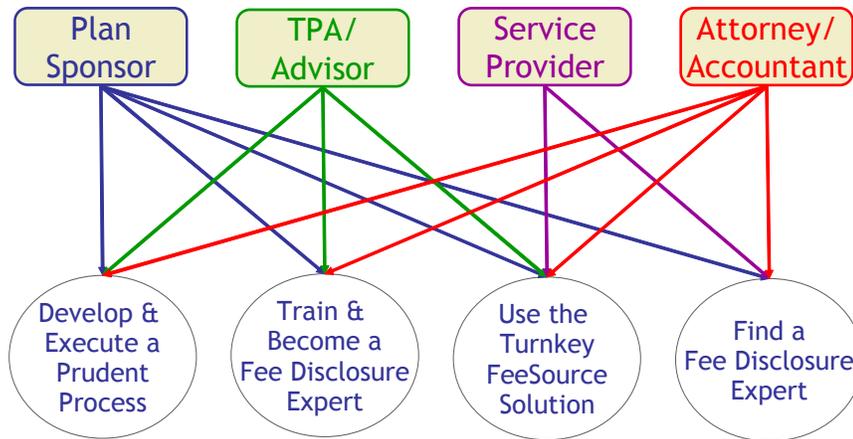
What can I do about all this?

Ed: So let's now turn and think about our audience today, which is a very diverse group based on the registrations that we've had. Let's try to answer what I think is a paramount question for most of our audience:

Okay, so what does this mean to me and what can I do about it, whether I'm an advisor, service provider, third-party administrator or a plan sponsor?

Lou?

Summary of Available Options...



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Lou:

We put this chart together to help describe what it is that it's all about.

Across the top we have four stakeholders in four different categories that characterizes what comprises the industry.

At the bottom, we have four different solutions. The first solution that any of these folks can have is to develop and execute their own prudent process. You can take on the responsibility of defining a prudent process and executing it.

That, needless to mention, is probably burdensome to most people who are in the business, so the next level would be to train on a process that exists, and I should point out that we have that process in place and that training in place to become an expert at the fee disclosure evaluation process.

The third category is to use a turnkey solution, where the entire evaluation is outsourced and the service that you offer, Ed, at Financial Fiduciary Planned Governance becomes a classic model for that.

The fourth is to find an expert, in other words, you don't want to be the expert yourself, at fee disclosure. That is also available at the website, www.erisafeedisclosure.com, where you can find the people that have already been trained.

The complexity of the chart reflects what the possibilities are. Start off by looking at the top-- the plan sponsor has all four options available. The plan sponsor could go off and develop their own prudent process, they could decide they want to be a fee disclosure expert and do that, but I don't think that's likely. It's much more likely that they're going to use a turnkey solution or find a fee disclosure expert.

The TPA or advisor can become much more engaged and become that fee disclosure expert by developing, getting trained, or using a solution.

You'll notice, based on what we were talking about before, the service provider is in a unique position. The service provider can be involved but not by becoming that fee disclosure expert for the reasons we talked about before, the obvious conflict. If the service providers are judging their own work, there's a real conflict of interest.

Finally, we have the attorneys and accountants. We've seen quite a bit of interest on the part of attorneys and accountants to become fee disclosure experts because it enhances their practice and expands the range of services that they can in fact offer.

The summary here tries to answer the question, what is it that you're going to do? If you're a plan sponsor, here are all of your options; you can take your pick. TPA's or advisors have it somewhat limited and service providers have an even more limited range. For attorneys and accountants, it's open season.

Ed: So many possibilities in terms of solutions for this. As we begin to wrap up, I want to emphasize that website that you just mentioned, www.erisafeedisclosure.com, is a resource that DALBAR has created that has, not only this information, but a lot of additional information on services and ways in which various parties can respond to the regulation and its impacts.

Now I return to Lou, you, and Mary, for any closing thoughts or comments as we begin to wind down this program.

Lou:

Let me just add that this presentation will be put on www.erisafeedisclosure.com, so if anybody wants to go through this and review it again, it will be there at the same website that we talked about.

Mary:

Ed, as you mentioned earlier, Frequently Asked Questions were posted last week on the Department of Labor's EBSA website. My understanding is that the focus of the national office will be to provide additional guidance on both the 408(b)(2) regulation and 404(a)(5) that will be forthcoming in the near future, as the regulation is effective July 1st and the 404(a)(5) on August 30th.

Ed:

Yes and I'll mention too that a week ago, there was a bulletin released in a Q&A format that actually is extremely informative and I would encourage anyone wanting to get the most up-to-date information from the department to visit the DOL EBSA website and look for Field Assistance Bulletin 2012-02, correct, Mary?

Mary:

Yes, and let me just tell you what that website is. It's www.dol.gov/ebsa.

Ed:

A tremendous resource, actually, for anyone who enjoys crawling the web-- there's a lot of information there. Well thanks, Mary; I appreciate your time in joining us today. Lou, as always, it's a pleasure, thanks for your information.

Lou:

Before you sign off, let me just add, following the presentation that we've looked at, in the same deck are a lot more details on the prudent process that we talked about.

We will be sending you a copy of this presentation and those details will be available and therefore if you have any other questions or thoughts, you can certainly communicate with us on that front.

Ed:

And also, if you are interested in exploring further the fee disclosure resource that DALBAR has created and is making available to trained practitioners, I'm sure you could contact DALBAR for additional information. Through DALBAR, if you are interested in our FeeSource disclosure management service, you could communicate that to us or reach us at www.fiduciaryplannedgovernance.com.

Thank you, any closing remarks from Lou or Mary?

Lou:

No, thank you very much Ed. I think you acted as a great policeman.

Mary: Thank you

Ed:

Thanks very much everyone, good-bye now.