

## COMING SOON!

### NRS CLIENT PORTAL & NRS FINANCIAL ADVISOR PORTAL

Within the next few months NRS will be formally launching its new **Client Portal!** This Portal will include encrypted messaging, interactive data transmission between NRS and Plan Sponsors, and make available certain plan reports and documents. Without question, the Portal will provide a more effective and efficient way to transmit Plan data and communicate pertinent Plan information. Also, the Portal is designed for easy use for all NRS clients and will eliminate repetitive requests for information by storing data which can be easily revised and edited. Ultimately, the NRS Client Portal will provide for a much easier and streamlined administrative process for all NRS clients.

Shortly after launching the NRS Client Portal, NRS will launch its new **Financial Advisor Portal.** This NRS Portal will provide each Financial Advisor with a list of plans serviced by NRS and by that Financial Advisor, Plan specifications, administrative status and the name of the NRS Account Manager servicing each plan will be included. NRS believes that the new DOL regulations and requirements promote the need for Financial Advisors to be closely involved with their retirement plan clients. In this regard, the NRS Financial Advisor Portal will act as an important tool that will keep Financial Advisors well informed of their plans and respective administrative status, while allowing them to easily communicate with an NRS Account Manager when preparing for critical client meetings.

This is definitely a value-added proposition for all Financial Advisors, and all the more reason for Financial Advisors to place their business with NRS!

## FEE DISCLOSURES UNDER BOTH 408(B)(2) AND 404A-5

By now, all NRS clients should have received a communication required by ERISA 408(b)(2) regulations concerning NRS fees; both direct and where applicable, indirect revenues. Among other things, that communication provided a new Plan Services Agreement and requested that the client review, sign, and return the Agreement. If you are an NRS client and you have not yet returned your Agreement, please do so at your earliest convenience. On a related note, NRS is sending a letter to clients affected by the 404a-5 regulation. This letter will provide detailed information concerning the plan participant disclosures that this regulation requires. Therefore, if you are the Sponsor of a Plan that permits participants to direct the investment of all or part of their retirement account, you should expect to receive this letter. The letter will include specific information regarding participant fees related to participant initiated transactions that must be communicated to plan participants no later than August 30, 2012.

## IRS SCRUTINIZES COMPANIES USING LEASED EMPLOYEES

The *Employee Plans Compliance Unit* (“EPCU”) branch of the Employee Plans IRS section recently turned its attention toward employers who utilize the services of leased employees (see our April 2012 Newsletter for a discussion of Leased Employees). This special EPCU project resulted in the conclusion that most employers were not familiar with the special retirement plan rules that apply to Leased Employees, since about 65% completed incorrect Form 5500 entries concerning Leased Employee issues. The EPCU conducts inquiries, rather than examinations and does so by mail, rather than by personal visitations. Information that the Unit gathers is often used as a

basis for determining future areas for formal IRS examinations. If you are an NRS client and have any concerns over how employee leasing may affect your retirement plan, you can contact your Account Manager for assistance.

## **IRS IDENTIFIES NEW DEFINED BENEFIT AUDIT ITEMS**

In an effort to provide training for its agents, the IRS has released a list of audit items for defined benefit plans that largely relate to the various requirements of the Pension Protection Act and the associated Code section 436. The audit topics include the annual funding notice, employer funding elections, actuarial increases for late benefits, missed or late quarterly contributions, relative value disclosures for pending annuity distributions, non-deductible employer contributions, and the correct interest rate for determining minimum lump sum benefits under the plan. These highly technical topics underscore the value of a defined benefit plan sponsor using the services of a firm that employs actuaries who specialize in these and related issues.

## **REMINDERS FOR JUNE 2012**

- All calendar year plans are required to file the Form 5500 series by July 31 or else file an extension Form 5558.
- Calendar year single employer plans who had participants terminate in 2010 with unpaid deferred vested benefits must file Form 8955-SSA by July 31 or else file extension Form 5558.
- Quarterly funding may be required by July 15 for Defined Benefit Plan Years ending either on December 31, March 31, June 30, or September 30.

**FOR MORE INFORMATION OR TO  
REQUEST A PROPOSAL, PLEASE  
VISIT OUR WEBSITE AT  
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