

MidAmerica 403(b)ulletin

FRIDAY, APRIL 6, 2012– VOL. XXIII

NEW OPTION FOR PAYMENT OF FEES

MidAmerica is pleased to announce that we are now able to offer a new option for fee payments. This option allows much more flexibility as to the vendors that you can offer to your participants. In addition to the three current payment methods, we now have the ability to offer a Dual Fee Payment structure allowing you to choose to have the fees for your plan paid by two different methods. The first being Vendor Paid and the second being either Participant Paid or Employer Paid. If you currently have your plan set up as a vendor paid plan, you will no longer have to disallow vendors if they will not agree to pay the fee. Those vendors who do not agree to pay the fee can continue to stay on your plan (or be added to your plan) and MidAmerica will use one of the other billing methods for those vendors. If the Employer is agreeing to pay those fees, MidAmerica will send invoices quarterly in arrears. If those fees are to be Participant Paid, MidAmerica will deduct the fee from contributions pro-rata prior to remitting to the vendors.

If you are interested in changing the fee structure for your plan, please contact Cheryl Thall in our Plan Implementation Department to discuss this new option for your plan. Cheryl.Thall@MidAmerica.biz

FINAL REGULATIONS FOR SERVICE PROVIDER DISCLOSURES

Many Employers have received notices from 403(b) plan vendors regarding Participant Fee Disclosure requirements. The Department of Labor (DOL) has issued final regulations under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974 (ERISA) requiring that certain service providers disclose all applicable retirement plan fees and expenses. This requirement applies to employers subject to ERISA and the deadline for the disclosure has been extended to July 1, 2012. Almost all of the 403(b) plans that MidAmerica administers are NOT subject to ERISA and therefore this requirement does not apply. For those Employers that are subject to ERISA MidAmerica is working with your Investment Providers to ensure that this requirement is met. While these regulations are not required for non-ERISA plans, the disclosures would provide good information to Plan Sponsors and Participants regarding service provider compensation and potential conflicts of interest.

If you are interested in exploring receiving these disclosures even if not required for your plan, please contact MidAmerica's Compliance Supervisor, Tammy Catlin, and we can assist you with this process.

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