



BCG
Benefit Consultants Group
 Building financial security since 1958

BCG's New Client Value Proposition

BCG continually strives to enhance our products, operational processes, and client service for the benefit of our clients. That's why we have developed our client value proposition.

What is a value proposition? It's a short statement that clearly communicates the benefits that clients enjoy as a result of taking advantage of a particular product or service. The addition of our client value proposition is the most recent component of our continued effort to enhance the quality of our services. It is also representative of the spirit of innovation and continuous improvement that has been the hallmark of our company for over 50 years.

Our Client Value Proposition:

"Benefit Consultants Group offers you a simplified approach in designing a retirement plan to meet your unique needs, while providing superior service and expertise. You'll enjoy the peace of mind that comes from partnering with a leading retirement plan provider with over fifty years of experience.

We offer a unique value advantage through our ISO 9001 Registration for Quality Management. BCG was the first retirement plan provider in the country to receive this distinction and continuously adheres to strict independent quality auditing. Our advanced quality and workflow management technology allows us to maximize efficiency and performance, while consistently delivering service excellence.

To ensure you receive the support you deserve, your plan will be coordinated by your own Plan Account Manager, a dedicated specialist who knows you and your plan. Your PAM will contribute to your productivity by providing you with the highest level of support, resources, and administration expertise. You can rest assured knowing your needs will be promptly addressed to deliver the best outcome in the shortest possible time.

Hot Subjects

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[Advanced Plan Support for Plan Sponsors](#)
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FAQ's

Participant Terminations

Most 401(k) plans allow hardship distributions only upon satisfaction of the safe harbor rules. If you are regularly receiving requests for hardship distributions that cannot be granted under the safe harbor rules, it may be appropriate to consider the use of other standards that may be more helpful to your employees.

What are my responsibilities when a participant terminates employment with assets in the plan?

Ultimately, our goal is to provide you with service excellence that contributes to your success..."

We understand that there is a link between the value we deliver to our clients and our continued success. Communicating our value proposition is simply an enhancement to the process. Superior performing businesses like ours share one key attribute; they clearly define and obsessively deliver on their promises to their clients. We appreciate the confidence our clients have in our organization and we are committed to identifying additional opportunities to further enhance the overall BCG client experience.

commitment to excellence. Your Advanced Support Team is available to provide any level of support you need, from simply answering your retirement plan administration questions to assisting you with more complex matters, such as plan design.

Your PAM can be reached directly or through our Plan Sponsor Hotline at 800-524-4015, option 5, Monday through Friday, 8AM to 6:30PM ET.

Required Minimum Distributions Restored for 2010

In response to the economic downturn that began in 2008, Congress permitted suspension of required minimum distributions (RMDs) from qualified plans and IRAs for 2009. The rules for 2010 are those that were in effect prior to the suspension. We will examine how RMDs for 2010 will be affected by the skipped year of payouts.

Background on RMDs under Code Sec. 401(a)(9). Employer-provided defined contribution qualified retirement plans; IRAs and individual retirement annuities are subject to the RMD rules. Generally, RMDs must begin by the required beginning date (RBD), which usually is April 1 of the calendar year following the calendar year in which the individual (employee or IRA owner) reaches age 70 1/2. But for employer-provided qualified retirement plans, the RBD for non-5% company owners is delayed to April 1 of the year following the year in which the individual retires. For IRAs and defined contributions plans, the lifetime RMD for each year generally is determined by dividing the account balance as of the end of the prior year by a distribution period carried in a uniform table in IRS regulations. Special rules apply to annuity payments from an insurance contract.

Minimum distributions after the death of the qualified plan participant or IRA owner depend on whether he/she died before or after his RBD:

- If he died on or after his RBD, and designated a non-spouse beneficiary for the account, the account balance is paid out over

In recent years, a trend in participant education has changed from enrollment and contributions to giving more advice to job changers and retirees. Now, plan sponsors can and should explain the tax implications of taking cash distribution in the form of a lump sum, as well as alternative options.

Retirement Plan Hotlines

If you need to speak with the following service departments, please call: **800-524-401k**.

Plan Account Management
Option 5

Implementation Department
Option 3

Participant Service Representative
Option 4

Benefit Consultants Group

is the first retirement plan provider in the country to be ISO 9001 Registered.

For more information about our services, please call 800-524-

401k, or visit our web site

at www.bcgbenefits.com.



the longer of: (1) the remaining life expectancy of the designated beneficiary, using his attained age in the year immediately following the year of the account owner's death, or (2) the remaining life expectancy of the account owner, using the owner's attained age in the year of his death.

· If he dies before his RBD, and designated a non-spouse beneficiary for the account, there are two methods for satisfying the after-death RMD rules: (1) Under the five-year method, the individual's entire account must be distributed no later than December 31 of the calendar year containing the fifth anniversary of his death; (2) Under the life expectancy method, annual RMDs over the beneficiary's life or over a period not extending beyond his life expectancy, must begin no later than December 31 of the calendar year immediately following the calendar year in which the individual died.

More liberal rules apply if the sole beneficiary of the account is the account owner's spouse. For example, the spouse may roll over the account into his or her own IRA.

Failure to take an RMD triggers a 50% excise tax, payable by the account owner or his beneficiary. The tax is imposed during the tax year that begins with or within the calendar year during which the distribution was required. The tax may be waived if the distribution did not occur because of reasonable error and reasonable steps are taken to remedy the violation.

RMD suspension for 2009. Under the Worker, Retiree, and Employer Recovery Act (WRERA), no RMD was required for calendar year 2009 from IRAs and employer-provided qualified retirement plans that are defined contribution plans. The relief applied both to otherwise-required lifetime distributions to account owners and after-death distributions to beneficiaries. The change was made to help taxpayers who otherwise would have been forced to sell depressed-in-value stock or mutual fund shares held by their IRAs or retirement plan accounts in order to make RMDs.

RMDs back on track for 2010. Now that the RMD suspension for 2009 is history, here's a review of the types of taxpayers who are affected by restarted RMDs for 2010, and how.

(1) Taxpayers who attained age 70 1/2 before 2009. The RMD for 2010 for these taxpayers is based on account values as of Dec. 31, 2009, and the life expectancy factor in the IRS uniform life table. The skipped year of RMDs doesn't affect the method of calculating RMDs for 2010, although it likely will affect the amount (the account value as of the end of 2009 should be larger because of the skipped payouts, and the partial market recovery).

(2) Taxpayers who attained age 70 1/2 in 2009. A taxpayer's RBD is determined without regard to the 2009 temporary suspension rule for RMDs, for purposes of applying the RMD rules after 2009.

EXAMPLES: Account owner Deborah attained age 70 ½ in 2008, and took her first RMD (for 2008) on April 1, 2009. Her RMD for 2009 would have had to be paid by December 31, 2009, but was suspended by WRERA. However, because WRERA did not change the RBD for purposes of determining the RMD for calendar years after 2009, Deborah's RMD for 2010 must be made no later than the last day of calendar year 2010

Renee attained age 70 1/2 in 2009 and thus her RBD is Apr. 1, 2010. Under pre-WRERA law, the first year for which Renee would have had to take an RMD from her account was 2009. Under WRERA, no RMD was required for 2009, and, thus, no distribution for 2009 need be made by Apr. 1, 2010. However, because WRERA did not change the RBD for purposes of determining the RMD for calendar years after 2009, Renee's RMD for 2010 must be made no later than the last day of calendar year 2010.

Sylvia attains age 70 ½ in 2010; therefore, the one-year RMD suspension has no effect. Her RMD for the first distribution calendar year (2010) may be postponed until Apr. 1, 2011. However, taking advantage of this three-month grace period does not absolve Sylvia from taking an RMD for 2011 (the second distribution calendar year) on or before Dec. 31, 2011.

The general rules explained above are not meant to be a comprehensive review of the RMD rules. If you or any of your plan participants have any questions how these rules may apply in their specific situation, contact our Participant Services Group.
