

# Abandoned Plan Solution

Significant business events, such as bankruptcies, mergers, acquisitions and business closures often result in employers—particularly small employers—abandoning their retirement plans (e.g., 401(k) plans). Financial service providers are left holding abandoned plan assets without the authority to terminate plans or distribute benefits. The Department of Labor (DOL) Abandoned Plan Program provides a set of rules in response to the growing number of “orphaned” defined contribution plans.

## The DOL Abandoned Plan Program

The DOL Employee Benefits Security Administration (EBSA) developed rules to provide for a voluntary, safe and efficient process for winding up the affairs of abandoned individual account plans and the distribution of benefits. A plan generally will be considered abandoned if:

1. No contributions to or distributions from the plan have been made for a period of at least 12 consecutive months; and
2. Following reasonable efforts to locate the plan sponsor/administrator it is determined that the sponsor no longer exists, cannot be located or is “unable to maintain the plan”.

## Millennium Trust

The DOL dictates that the Qualified Termination Administrator (QTA) have custody of the assets and be eligible to serve as a trustee or issuer of an individual retirement plan under the Internal Revenue Code. As a leader in the Automatic Rollover market, we are uniquely qualified to recommend a QTA for abandoned plans and provide a rollover IRA at plan termination. Accustomed to large account conversions, Millennium customizes its solutions to meet specific requirements of the financial service provider.


## Termination and Winding-Up Process

“Terminating Plans must follow the required steps laid out in [Department of Labor FAB 2014-01](#) before finalizing their termination and “winding up activities”, including:

- Locating and updating plan records
- Retaining TPAs, attorneys and accountants and paying those expenses
- Calculating and distributing participant and beneficiary benefits
- Filing a summary special terminal report

## Rollover of Accounts

The regulations establish a fiduciary safe harbor for distributions from terminating plans. At the end of extensive search and the notification processes, Millennium rolls plan accounts to participants and into IRAs for the remaining missing and non-responsive participants.



As a leader in the Automatic Rollover market, Millennium Trust Company is uniquely qualified to help with abandoned plans.

# Abandoned Plan Solution

We are committed to ensuring retirement readiness is attainable at all levels of the retirement industry. From our institutional allies to the participants they serve, we are passionate about encouraging, protecting, and growing retirement savings.

## Service

Millennium Trust is wholly committed to providing exceptional service. From our institutional allies to our Fortune 1000 clients to our individual IRA clients, our goal is to provide the service and support required to create an environment where retirement readiness is the norm, not the exception.

## Access

We work with all levels of the retirement industry to ensure that every American benefits from the money they've earned. From reconnecting participants with their retirement funds to creating flexible and affordable workplace savings solutions for small businesses and their employees, Millennium is a leader in increasing retirement access.

## Expertise

As an original provider of solutions related to missing participants, Millennium Trust has grown as a company while simultaneously helping advance the retirement industry itself. With 19 years of experience and more than 350 employees, we are an industry leader that uses our accumulated expertise to drive positive change toward retirement readiness.

## ABOUT MILLENNIUM TRUST



Privately-owned trust company headquartered in Chicago area

Specializing in retirement and custody services



1.3 million client accounts



\$26.8 billion assets under custody

More than 100,000 plan sponsor agreements

Regulated by the State of Illinois

Established in 2000, Millennium Trust is an expert provider of retirement and custody solutions committed to the evolving needs of advisors, financial institutions, businesses, and individual investors. Millennium Trust empowers clients with trusted expertise, exceptional service and access to a wide range of custody solutions. Whether you are managing alternative assets, investment accounts or retirement funds, we are uniquely qualified to service your custody needs.

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