

HICKS NOTES

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Legal and Pension Consultants

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July 2020

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TOUGH TIMES MAKE TOUGH PEOPLE

The old saying, “the only constant is change” is now truer than ever. Given the CARES Act, the response and effect of the coronavirus (COVID-19) and its’ effect on our current business environment, staying on top of all these issues is imperative, but not entirely possible for one person to do.

Those who can build competent teams of advisors with the knowledge and expertise, they can help alleviate the burden of new information overload. Knowing where to find the resources and the experts who adapt, survive, and even thrive in this fluid information environment is imperative.

You do not need to know everything, but you do need to know who to call and where to find the information and answers you need. Being able to recognize the issues is often enough to help start the dialog to search for the information you need. This is where we can help.

Asking open ended questions to clients or prospects is what brings value by providing the resources and answers they need. [Click here](#) for a quick outline you can use to help explore these areas of review and their related opportunities.

We, at NH HICKS, are constantly updating our web portal with links to vital up-to-date information. In addition, our staff is staying educated on all the latest laws, regulations, and notices regarding qualified retirement plans. [Check out](#) our links on the various COVID-19 regulations, relief notices and other informational guidance.

Given the effects of COVID-19 on small businesses, it is imperative that you take a proactive approach to service your clients. See how their businesses are affected. Have they had layoffs? Growth? Clearly their businesses are the hardest hit by the constantly shifting rules and regulations. As such, their retirement plans need attention.

In addition, clients who currently have SEPs may have new employees eligible this year. Setting up 401(k) plans will bring new value to these business owners. Also given the new expanded loan rules, a qualified plan can provide tax-free access to much needed cash.

The CARES Act was passed in March 2020 in response to the coronavirus emergency and changed many retirement plan rules. A basic understanding of this law will give you a marketing advantage as the timing and forms have changed our business calendar. For the basics on the CARES Act, [click here](#).

To comply with ERISA, retirement plan fiduciaries are required to act with “care, skill, prudence and diligence under circumstances then prevailing”. The COVID-19 pandemic certainly presents a unique set of circumstances, with an unstable market, mass layoffs and furloughs, business closings, and a dramatic shift in how work gets done. Conducting a comprehensive review of the plan’s investments, fees and performance is in order. Here are some considerations for navigating your fiduciary duties:

- Assess the performance of your investment managers,
- Identify potential litigation risks,
- Evaluate options for capital preservation,
- Engage and educate participants and
- Adhere to the plan’s investment policy.

To read more on fiduciary issues in today’s environment, [click here](#).

Finally, we have put together 4 one-hour free webinars to get you up to speed on retirement plan basics along with these new issues and regulations. Three of these webinars provide 1 hour each CE credit for CPA and CFP®. The other webinar is basic marketing of retirement plans and not eligible for CE credit. To view our agenda and register, [click here](#).

In conclusion, chaos and change can either bury you or provide an opportunity. Let us help be your experts on call to turn these changing times into business opportunities!

As always, contact us for questions or comments; Tom Hicks tomhicks@nhhicks.com or Debbie Rath drath@nhhicks.com.