
Securian creates 'open MEP'

By Editorial Staff Thu, Jun 7, 2018

'Open multiple employer plans' are defined contribution plans that many unrelated small firms can join. Legislation to ease their formation is pending in Congress.

Securian Financial is adding another fiduciary-friendly solution to its suite of products designed to expand access to employer-sponsored retirement plans in the small- to mid-sized business market.

MEPconnect is Securian Financial's new open multiple employer plan. A MEP is a type of retirement vehicle maintained as a single plan while allowing multiple, unrelated employers to participate, achieving economies of scale typically only attained by larger plans.

MEPs operate similar to traditional single employer retirement programs but with the majority of the administrative and fiduciary duties outsourced to retirement professionals—minimizing the adopting employer's involvement while maximizing fiduciary protection.

"As much as they'd like to offer it as a benefit to their employees, many small business owners know that sponsoring a retirement plan can take specialized knowledge and add time-consuming administrative and fiduciary obligations to their already busy workload," said Rick Ayers, Securian Financial's vice president of retirement solutions.

"MEPconnect incorporates the key features of an effective plan while transferring the bulk of the work and risk to third-party retirement professionals—making it easy for employers to stay focused on running their businesses."

Securian Financial provides complete recordkeeping services and a robust investment platform for MEPconnect, along with easy access to account tools and resources through a secure website. Securian Financial teamed up with two other industry professionals to complete the streamlined retirement plan for employers:

The Platinum 401(k) assumes the role of the ERISA 3(16) Plan Administrator and principal fiduciary for administrative functions of the plan.

Fidelis Fiduciary Management serves as the ERISA 3(38) Investment Manager, taking full fiduciary responsibility and discretion regarding the selection and monitoring of

investments offered under the plan.

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