



Questions You May Have About Your Role and MAP Fiduciary Services

1. When did I become a fiduciary?

If you sponsor a 401(k) plan, you are automatically considered a fiduciary under federal law. That status does not require a separate signature or election. By establishing and maintaining the plan, you assume responsibility for how it operates and whether it complies with applicable regulations.

Many business owners do not realize this because the role develops gradually. The plan is set up. Service providers are hired. Processes are established. Over time, it can feel as though others are handling it. Legally, however, certain responsibilities remain with the plan sponsor unless they are formally delegated.

2. What does fiduciary responsibility actually include?

Fiduciary responsibility extends beyond selecting investments. It includes oversight of plan operations such as timely payroll deposits, distribution of required notices, approval of loans and withdrawals, maintaining documentation, and correcting operational errors.

These responsibilities require consistency, accuracy, and documentation. If something is delayed or handled incorrectly, the sponsor may be held accountable for the impact on participants.

3. Am I personally liable?

In certain situations, fiduciary breaches can carry personal liability. This does not mean mistakes are common or inevitable. It means the law holds fiduciaries accountable for fulfilling their duties prudently and in the best interest of participants.

Many sponsors assume liability rests entirely with their service providers. In practice, responsibility depends on how roles have been formally structured. Clarifying that structure is often the first step toward reducing exposure.

4. Is my advisor or recordkeeper already handling this?

Your advisor and recordkeeper each play important roles. However, unless administrative fiduciary responsibility has been formally delegated in writing, the ultimate responsibility for plan operations may still rest with you.

Delegation is not implied. It must be intentional and documented. Without that structure, tasks may be outsourced, but fiduciary accountability may not be.

5. What does it mean to delegate administrative fiduciary responsibility?

Delegating administrative fiduciary responsibility means formally appointing a firm to assume defined operational duties and the fiduciary accountability associated with those duties.

This structure is often referred to as a 3(16) arrangement. In practical terms, it means day-to-day administrative functions are overseen by a named fiduciary whose role is to ensure they are handled correctly, consistently, and in compliance with regulatory requirements.



6. If I delegate, do I lose control of my plan?

No. You retain authority over the overall direction of the plan, including decisions such as plan design and provider selection. Delegation shifts responsibility for executing and overseeing operational administration.

Think of it as setting the destination while assigning a qualified professional to drive the vehicle responsibly.

7. How does MAP Chauffeur fit into this?

MAP Chauffeur is MAP's delegated administrative fiduciary service. Under this structure, MAP formally assumes defined administrative fiduciary responsibilities for plan operations.

This includes oversight of transactions, required notices, documentation, corrections, and coordination with your advisor and payroll provider. The goal is to reduce operational burden while clarifying accountability.

8. Will this reduce my team's workload?

In most cases, yes. Delegating administrative fiduciary responsibility typically reduces the number of operational tasks and compliance oversight items that require internal attention.

More importantly, it reduces the need for internal monitoring of whether every administrative detail has been handled correctly and on time.

9. How do I know whether I should consider this?

You may want to explore delegated fiduciary services if:

- ◆ **You are unsure where fiduciary responsibility currently sits.**
- ◆ **Retirement plan administration feels like a distraction from your core business.**
- ◆ **You want to reduce personal exposure tied to operational errors.**
- ◆ **You prefer defined accountability rather than shared assumptions.**

A short review of your current structure can clarify whether delegation makes sense for your organization.

10. What is the next step?

The next step is a conversation. We will review how your plan's responsibilities are currently structured, identify where accountability rests today, and outline what would change under a delegated administrative fiduciary arrangement.

There is no obligation. The objective is clarity. From there, you can decide whether shifting responsibility to MAP aligns with your goals and comfort level.



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