

# Summary of Plan Sponsor Responsibilities

**A**s the plan sponsor/administrator, you have sole responsibility to comply with all plan administration; implementation; amendments; filing; reporting; and disclosure and plan compliance requirements imposed by the plan, ERISA, the Internal Revenue Code, or any other applicable law, specifically including but not limited to the following:

- Reviewing the sample plan documents provided by Aflac (Plan Document, Summary Plan Description, Salary Redirection Agreements, and nondiscrimination information) with tax or legal counsel, executing the Plan Adoption Agreement before the first day of the plan year, and distributing the Summary Plan Description to employees on or before their enrollment date.
- Ensuring that only common-law employees participate in the plan [employees of companies described in IRC Section 414 (b), (c) or (m) and listed in the plan as participating affiliates may also participate] and that the terms of the plan document are enforced.
- Conducting initial and annual enrollments, and collecting signed Salary Redirection Agreements from employees prior to their effective date of participation. (In the absence of a valid change in status, currently eligible employees should be enrolled *prior* to the plan effective date.)
- Executing a Flexible Spending Account Reimbursement Services Agreement (only if your plan is a full plan) if Aflac Administrative Services processes your flexible spending account claims. Aflac Administrative Services must receive the signed Reimbursement Services Agreement at least ten days before the plan effective date.
- Ensuring that benefits offered under the plan qualify for inclusion in a Section 125 Cafeteria Plan.
- Determining whether election changes are permissible in accordance with the provisions of the plan and Internal Revenue Code requirements.

- Performing nondiscrimination testing required by the Internal Revenue Code (including but not limited to ensuring that a nondiscriminatory classification of employees is eligible for the plan, that contributions and benefits do not discriminate in favor of highly compensated employees, and that no more than 25 percent of the total pre-tax benefits are received by officers and owners). Additional nondiscrimination testing may be required for the component benefits offered through the cafeteria plan (including insurance and flexible spending account benefits). Aflac does not automatically perform nondiscrimination testing. **Upon written request** submitted to the Aflac Wingspan Benefit Services department, Aflac may provide limited assistance with certain of the nondiscrimination tests. Nondiscrimination testing should be performed shortly after enrollment and again if there is a significant change in employee participation. Services will be performed only in accordance with the terms and conditions (including applicable fees) of the written agreement provided by Aflac and signed by the plan sponsor.
- Retaining documentation relating to plan operations that may be requested in an IRS or Department of Labor audit of plan operations, including but not limited to nondiscrimination testing information and executed copies of the plan documents—including a description of each eligible benefit, Salary Redirection Agreement, plan amendment, and resolution adopting the plan—for seven years after the close of each plan year.

*Use these dedicated toll-free lines:*

Toll-Free IVR:	1.877.353.9487
Toll-Free Claims Fax Line:	1.877.353.9256
Toll-Free SRA Fax Line:	1.877.353.9772

