

Recent Trends:

- ▲ Class action litigation remains heightened, especially cases targeting plan fees
- ▲ Fiduciary liability insurance premiums continue to rise
- ▲ Highly detailed client questionnaires from insurers are becoming the norm



Key Observations

- Key questions focus on:
 - Frequency of Plan fee benchmarking
 - Fund expense ratios/Evaluation of lower cost share classes
 - Any inquiries received from several class action litigation law firms
- A recent industry survey* of 12 leading insurers reviewed key drivers of fiduciary liability insurance premiums, with several takeaways:
 - 88% said periodic plan fee benchmarking was the biggest driver
 - 88% said offering company stock significantly impacts premiums
 - Formal meeting minutes remain extremely important



Key Considerations

- Use your consultant as a resource for questionnaires
- Ensure proper plan fee & share class due diligence is being conducted
- Benchmark plan recordkeeping fees periodically as a fiduciary best practice (especially if not done in recent timeframe)