

# SUCCESS STORY

## THE COMPANY

Colton Groome and Co.

## WEBSITE

coltongroome.com

## CLIENT TYPE

Financial Services Consulting Firm

## CONTACT

Dave Nelson  
Retirement Plan Advisor

*PenChecks is easy to work with, and provides very responsive, personalized service.*

*I talked to the same person throughout the 403(b)-plan cleanup process, which saved a lot of time because I didn't have to bring someone else up to date every time I got on the phone with them.*

## Objective

Assist a Colton Groome client in locating missing participants and cleaning up a 403(b) plan in which nearly 100 terminated participants had account balances less than \$5,000.

## Company Situation

Colton Groome and Company is Western North Carolina's oldest independent financial strategies firm. They specialize in helping retirement plans achieve higher performance, lower costs by keeping the plan under one roof, stay compliant and reduce liability exposure.

Recently, the company began working with a 403(b) plan that had approximately 200 accounts with balances, 120 of which were for terminated employees. Of the terminated participants, more than 90 had balances less than \$5,000. The client wanted to remove the terminated employees from the plan, which was on an old group annuity product. The original documents did not allow for force-out provisions, and had not been restated for the new approved 403(b) plan documents.

Dave Nelson, a Retirement Plan Advisor for Colton Groome, had previous experience working with PenChecks Trust<sup>®</sup>, using our Participant Search services to help locate missing participants in order to terminate a plan. In this case, he asked us to help locate the terminated participants and take the account rollovers for participants who didn't respond within the allotted time frame.

## The PenChecks Trust<sup>®</sup> Solution

Colton Groome was able to amend the plan documents to allow for mandatory distributions up to \$5,000. Using our participant search process, which queries 82 billion public records from more than 10,000 diverse sources, PenChecks attempted to locate 100 terminated participants through a mailing campaign to the current address.

Participants were able to respond and process their benefit elections, while the non-responsive participants were moved into an Automatic Rollover IRA with PenChecks Trust in accordance with Department of Labor Safe Harbor guidelines and the amended plan documents.

» **Turnkey solutions that help clients do what they do best—grow their business.**

## Results

Colton Groome's client was able to remove a total of 90 terminated participants with balances less than \$5,000 from the plan, thereby substantially reducing administrative work and plan costs.

Going forward, the plan now uses the same process for terminated employees who are lost, missing or non-responsive with balances under \$5,000.

*PenChecks has a very efficient process for locating terminated participants and providing Automatic Rollover IRA services so plan sponsors can move small-balance accounts out of the plan, thereby reducing their fiduciary liability and plan costs.*

*When I asked PenChecks if they would take the rollover accounts from participants in the 403(b) plan who didn't respond to our disclosure notice, they took them all right down to the penny.*



## About Us

PenChecks Trust Company of America (PenChecks Trust) is a state-chartered, non-depository trust company and the largest independent provider of outsourced benefit distribution services and Automatic Rollover/Missing Participant IRAs in the country. With over 25 years in business, the PenChecks family of companies is an expert and industry-leading provider of unique and comprehensive solutions for a myriad of trust resolution issues. Services include automated and branded solutions for benefit payment processing, uncashed / stale dated checks, Abandoned Plan/QTA services and Taxable Savings Accounts. Customers include financial institutions, third party administrators, plan advisors, and plan sponsors.

**Focus  
on your  
business.**