

SUCCESS STORY

THE COMPANY

Blue Ridge ESOP Associates

WEBSITE

blueridgeesop.com

CLIENT TYPE

Retirement Administration and
Services for ESOP Companies

CONTACT

Peter Shuler
Partner

Ask anyone in the retirement world and they will tell you distributions are the hardest part. We will handle distributions for our clients, but we are not set up to handle them in large amounts. When a client's distributions get into the hundreds or thousands, we recommend they use PenChecks.

They specialize in taking a slow, cumbersome task and turning it into a highly efficient process that makes it easier for Blue Ridge and our clients.

Objective

Assist a client in processing a large amount of distributions from a terminating ESOP within days of selling the company.

Company Situation

As the largest independent ESOP and 401(k) third-party administration and recordkeeping firm, Blue Ridge works with ESOP and 401(k) plans ranging in size from 10 to over 30,000 employees. Although their services include distribution services, Blue Ridge is not set up to quickly handle large numbers of payouts.

When one of Blue Ridge's clients was acquired by another company, the client only had a few days after the transaction closed to start distributing the proceeds. Blue Ridge and the ESOP trustee needed a solution that could process a lot of distributions faster than normal. If the distributions could not be offered quickly it was possible the deal would have to be renegotiated, a time-consuming and costly process.

The PenChecks Trust[®] Solution

Fortunately, Peter Shuler, a partner in Blue Ridge, had experience using PenChecks Trust's **Premier Level** distribution services with other clients. This turnkey service includes participant outreach, processing of lump sum and rollover plan payments, administration of tax withholding, reporting and 1099-Rs, and resolution of uncashed plan disbursements. Shuler expressed his confidence in PenChecks' ability to compete all the distributions within the given deadline, and the client gave the go-ahead to proceed.

Working closely with a dedicated onboarding representative, Shuler spearheaded the process of making sure PenChecks received all the participant data and corresponding funding in a timely manner. With more than 1,800 employees and close to \$1 billion in assets involved in the distribution, PenChecks went onsite to the client's two locations to assist and answer any questions the employees had about the process.

PenChecks used its highly efficient payment processing technology to mail and process all the benefit elections and complete the entire group of distributions within the required deadline. Afterwards, PenChecks followed through with all the tax remittance and reporting requirements—so neither Blue Ridge nor their client would have to.

» Let PenChecks do
the work.

Streamline process,
increase efficiency.

Results

Everyone involved in or affected by the transaction was delighted with PenChecks' fast, efficient distribution services. The ESOP transaction was able to proceed without delay.

Plan participants were happy to transfer their money to the new plan quickly. Shuler and his team were able to assist one of their best clients in completing a very important deal.

In addition to doing what they say they're going to do, PenChecks is easy to work with. Their staff is very responsive, and they're good with our clients.

One of our core values is being responsive to clients, and we won't work with a partner that doesn't feel the same way. PenChecks makes our staff more efficient and our clients happy. That's what I call a win-win relationship.



Seamless
Turnkey
Solutions.

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 almost 30 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.