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**SEBC's 40th ANNIVERSARY CELEBRATION
REGISTRATION FOR ANNUAL
EDUCATION CONFERENCE
WILL BE OPEN SOON**

The AEC is now only about 10 weeks away – the registration form will be on the website soon – hotel reservations can be made NOW. You can make reservations via the Grove Park Inn website at www.groveparkinn.com using the following group code **68F7GU**. So what are you waiting for!!! It is May 13-15 at the Grove Park Inn in Asheville, NC.

The Steering Committee has agreed that everyone that registers by the early registration deadline of April 14 will be entered into a drawing for a \$50.00 gift card. AND every new member (or member who had not paid their dues last year and rejoins this year) will be in a drawing for a \$50.00 gift card if they attend the AEC. These gift cards can be used for any service at the Grove Park Inn – as a credit on your room, that extra spa treatment, or in the gift shop. SO WHAT ARE YOU WAITING FOR?!?!?!?

And don't forget to make your reservation before the early registration deadline to take advantage of our exceptional room rate of \$219.00 per night.

At this year's AEC we will celebrate the SEBC's 40th anniversary – we will show off pictures from so many past AEC's. Right now we are working on identifying who is who. We will be calling on some of you for help in identifying folks. Keep in mind some of us might have changed slightly in the past 40 years.

All your leadership is actively involved in planning for this very special AEC – Tilda Kaplan is putting together the program for the celebration – do you have some ideas or memento's to share – drop Tilda an email at tildak@aol.com

The Program Committee has been hard at work – and it is shaping up to be an excellent program. No matter what the focus of your work in the industry there will be plenty for you to select from.

Sessions confirmed already include:

- **Ashley Gillihan** from Alston and Bird bringing us up to date on the changes required in health plans. The Stimulus Bill has brought about some extra work for those of you managing benefit plans – you will not want to miss this session.
- **Ric Ford** from ING (Plan Sponsor), Weston Tompkins from Watson Wyatt (consultant) and Pierre Couture (Money Manager) will discuss liability driven investing and how these three work together to solve common problems.
- **David Allegood** and **Bill Reigel** from The Hay Group will discuss long term incentives in the current environment – they are calling their presentation “A Riddle, Wrapped in a Mystery, Inside an Enigma.” This should be interesting!!
- And for lunch we will hear from **Michael Jablonski** who was heavily involved in the Obama Campaign in Georgia. Mike will share photos of the technology center used in the

Newsletter Editor:

Anne McKillips
Chair, Communications
Committee



DUES RENEWAL

It's time to renew your SEBC membership! Electronic membership renewals have been sent. You will find a link on the form to renew your membership in the email.

If you did not receive an electronic copy, you should receive a hard copy in the mail. Please make sure we have your updated contact information. You can always log on to www.sebc.org to update your membership status or contact Beth Phillips at bphillips@sebc.org or 703-234-4116.

We are always looking for new employee benefit professionals to join the SEBC. Please let us know if you have a new member referral.

The cost of an annual individual membership is only \$250.00.

Special note to Plan Sponsors: Remember, your corporate membership fee of \$250.00 will include unlimited members from your company. Make sure you take advantage of this benefit and invite co-workers from other departments within your organization. It's the best value in the South!

Hazelhurst Lamon Award

Patti Keesler is chairing the committee to review the nominations this year and will be happy to answer any questions you might have. pkeesler@benefitslawgroup.com or 404-995-9592. Nominations are due no later than April 17, 2009.

The Hazelhurst Lamon Award is presented to an exemplary individual as recognized by his or her peers at the SEBC Annual Educational Conference.

Criteria:

- be or have been in the employee benefits field working in one of our recognized disciplines.
- have ten years of industry experience.
- be or have been an SEBC member for a minimum of 5 years.
- should have demonstrated outstanding achievement in their respective profession.
- should have made some significant contribution(s) to society outside of the industry
- be a recognized leader within his/her organization or within the industry.

It is named in honor of Blackburn H. Hazelhurst and Harry V. Lamon, Jr., co-founders of the SEBC. Prior winners include Lana Jordan, Paul Troup and Anne McKillips.

Don't wait for someone else to nominate that one person you are thinking of - the form to nominate someone is at this link on the website:

http://www.sebc.org/mem_hazelhurst_lamon_Award.php

SEBC Committee Updates

So what are the committees and what do they do? Not sure which committee, feel free to call on any of the officers or any Steering Committee Member. Your Leadership is available to answer any questions at any time.

Program Committee

Chair - Kevin Callahan - ING Investments kevin.callahan@inginvestment.com

This committee creates the program for both the Annual Educational Conference which is held each spring - this year May 13-15 in Asheville, NC. And they create the program for the SEBC Fly In which will be held October 1 at the Georgia Tech Global Learning Center in Atlanta - the same place it was held last year. Working with Kevin in planning the programs is Glenn Weiner who can be reached at weiner.ga@gmail.com They are always looking for topic ideas and ideas for speakers.

Fundraising Committee

Chair - Tom Geraghty – Schwab Retirement Services thomas.geraghty@schwab.com

The Fundraising Committee is responsible for securing corporate sponsorships. There are a number of sponsorships available at various levels. The SEBC has sponsorships opportunities to meet all budgets.

Membership Committee

Chair – Sara Reineman – Principal Financial - Reineman.Sara@principal.com

The Membership Committee is responsible for recruiting new members which is the backbone of the organization. Know someone who might be interested in joining the SEBC, just let Sara know.

Communications Committee

Chair – Anne McKillips – The McKillips Group, LLC – ahmckillips@gmail.com

The Communications Committee produces the newsletter and oversees all communications to the members.

While the Leadership of the SEBC is made up of volunteers, we depend heavily on our management team at Drohan Management. Our team is led by Beth Phillips and she is always happy to answer any questions you have. bphillips@sebc.org or (703) 234-4116

The SEBC is by far the premier organization for benefit professionals in the Southeast. Serving on a committee is a great way to get involved and it increases the value of your membership. Volunteering for a committee is a great way to get the most out of your membership – the relationships and friendships will last long past your committee membership.

MEET SOME OF THE LEADERSHIP

In each newsletter we will introduce you to some of the leadership of the SEBC

Howard Whitehead

Steering Committee member Howard Whitehead has been involved with the SEBC since the early '90s. Before joining the Steering Committee over a year ago, he served two years on the Program Committee. In both roles, Howard has been able to provide the SEBC with some valuable feedback from the Plan Sponsor point of view. As the US Benefits Manager for Cisco Systems, Inc. in Atlanta since 2006, and Scientific-Atlanta, Inc., Murata Electronics North America and The Salvation Army for 25+ years before that, Howard has seen lots of change through the years. He has broad benefits experience with retirement plans and health care, including the merger of S-A into Cisco, strategic re-alignment of benefits plans, and the implementation of a High Deductible Health Plan with an HSA. He is happy for the perks of his job - 2 days off each week and ½ days (“any 12 hours I choose”).

He sees the SEBC as made up of positive relationships, high quality programs and contacts for the local and regional benefits professional. But he also sees that, as with all businesses, the SEBC faces some serious challenges in these times. It is more difficult now than ever for people to travel to conferences and he sees a challenge for the SEBC in how to continue to market and brand itself and draw attendees to these informative sessions. Certainly, there is no question in his mind about the quality of the programs and the need to continue learning and stay current. It's finding new ways to get the message out that will make the difference. He noted one of the helpful changes the SEBC made (and he advocated) was to move the AEC to the Spring, away from open enrollment and filing deadlines that clog up his Fall.

Howard sees the next big challenge to benefits professionals as “trying to predict what the Obama administration will do with health care and retirement reforms”. With COBRA changes already enacted and uproar over pension funding and health care, it's sure to be an exciting time.

Howard is married with 3 grown children – a college professor (Spanish), an aerospace engineer, and a music instructor/pianist. Howard is a musician in his own right, and plays the trumpet, some piano and guitar. When his kids were younger, he recalled that he would organize them into the Whitehead family quartet during the holidays. The rumor that they hiked over the Alps after one concert is untrue.

In his spare time, he enjoys reading. Most recently he read *The Investment Think Tank* (Evensky and Katz), and he is currently reading *Retirement Income Redesigned* by the same duo. Occasion-

Frasier Ives

Frasier learned of the conference from his peer and mentor when he was in private practice. His mentor strongly encouraged him to not just join the conference but to also volunteer to work on the committees. Throughout the years, Frasier has served on essentially all the committees and is currently part of the steering committee.

When thinking about what he has gained from the conference, he breaks it down into two components: substantive knowledge and industry contacts. Being a regional conference, the SEBC has access to deep technical knowledge. There is thought leadership from plan sponsors, actuaries, providers, attorneys, and consultants covering a range of expertise including investment products and plan design across benefit plan types. In addition to the multi-discipline expertise, the networking opportunities are endless. Whether you just need to bounce an idea off of a peer or are looking for new insight to an issue, the contacts you have in the conference give you an instant network of industry professionals.

Finally, being a part of the conference requires a minimal time commitment. With just two main meetings each year, it is a great (*and fun!*) way to enhance your technical knowledge and renew relationships.

LEGISLATIVE UPDATE

DOL Issues Model Funding Notice for Defined Benefit Plans.

The Pension Protection Act of 2006 mandates that defined benefit plans must distribute a "funding notice" to all participants not later than 120 days after the end of each plan year, commencing with the 2008 plan year. For most calendar year plans, the funding notice must be distributed by April 30, 2009. On February 10, 2009, the DOL issued Field Assistance Bulletin 2009-1, which included a model for the funding notice and provided guidance on how the notice must be given.

Supreme Court Awards 401(k) Benefits to Ex-Spouse Despite Waiver.

On January 26, 2009, the Supreme Court issued its opinion in *Kennedy v. Plan Administrator for DuPont Savings and Investment Plan*. In short, the Court held that DuPont satisfied its duty by paying plan death benefits to the participant's former spouse in conformity with the participant's beneficiary designation under the plan, despite the former spouse's waiver of such benefits contained in a non-QDRO divorce decree. Central to the Court's analysis was the statutory duty under ERISA §404(a)(1)(D) to administer the plan in accordance with its plan documents.

IRS Offers Guidance on Correction of Certain Failures under IRC 409A.

On December 29, 2008, the IRS issued Notice 2008-113 to provide rules for correcting certain operational failures under Section 409A. The notice supersedes the previous correction program set forth in Notice 2007-100 and provides relief from the adverse tax consequences imposed under Section 409A for certain unintentional operational failures involving nonqualified deferred compensation plans. Without this relief, such inadvertent violations of Section 409A would require acceleration of income tax on all of the affected employee's deferred amounts which are vested in the year of the failure, an additional 20% excise tax, and interest at a premium rate measured from the year of deferral to the year of payment.

DOL Issues Final Regulations re Civil Penalties for Failure to Provide Documents.

On December 31, 2008, the DOL issued final regulations (29 C.F.R. § 2560) for implementing procedures for assessing civil penalties on plan administrators for failure to provide certain PPA-required notices to participants and other relevant parties. For single-employer plans, the required notices include the notice of funding-based limitations on benefits and benefit accruals that apply to plans falling below certain prescribed funding thresholds. The DOL will provide a written notice of its intent to assess a penalty. The plan administrator has 30 days to file a written statement of reasonable cause explaining why the penalty should be reduced or not assessed. The maximum penalty permitted is \$1,000 per day per violation, and the DOL will determine the amount to be assessed based on the "degree or willfulness of the failure or refusal to furnish" the required documents. The DOL may waive all or part of the penalty if the plan administrator shows compliance or mitigating circumstances. The plan administrator is *personally liable* for payment of any penalty under these regulations, and plan assets may not be used to pay the penalty. The regulations are effective as of March 3, 2008.
