



For Immediate Release

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VERMONT RETAIL & GROCERS ASSOCIATION LAUNCH MULTIPLE EMPLOYER 401K PLAN

Montpelier, Vt - In an effort to assist Vermont small business owners and their employees with access to a robust and cost-effective retirement savings vehicle, Vermont Retail & Grocers Association (VRGA) and affiliated entities, are pleased to announce the rollout of a Multiple Employer 401k Retirement Plan (MEP) for its members. VRGA has partnered with the Alliance of State Retail Associations (ASRA) to offer their multi-state MEP 401k. ASRA is a non-profit advocacy group which administers the MEP for many state retail associations. Currently, ASRA affiliate states include ME, NH, MA, CT, PA, MD, IN, IL, CO, and now VT.

“Retail in Vermont represents over 95,000 employees across the state and unfortunately, many employees of these small businesses do not have a retirement savings,” said VRGA President Erin Sigrist. “This new plan provides any retailer the opportunity to begin offering this valuable benefit with reduced costs and liability. Many time employers do not offer 401k programs due to the complexities of setting up a plan, burdensome regulations, liability of non-compliance, as well as costs associated. VRGA believes by leveraging the power of a MEP, Vermont employers and employees will be able to access these tremendous benefits in their quest for a comfortable retirement.”

The passage of the SECURE ACT has paved the way for the expansion of Multiple Employer Plans due to the ability to leverage economies of scale. By banding together many small to mid-sized businesses this structure can lower aggregate costs across the entire group. Additionally, a MEP structure provides centralized governance, administration, and regulatory oversight so these entities can focus on what’s most important, their business.

The structure of the VRGA MEP 401k offering is of a “Closed MEP” which is only available to retail-oriented businesses. This homogeneous composition affords the plan single-plan status in the eyes of the IRS and DOL and is a tremendous advantage as we can decrease the duplication of efforts and requirements of an open MEP structure or an individual plan, while retaining all the plan design flexibility for each participating employer.

Administratively the MEP files a single IRS Form 5500, single ERISA Audit, single ERISA Bond, Fiduciary Liability Policy, single recordkeeper, third party administrator, and all the administration and regulatory oversight is handled by the designated fiduciaries of the plan. This allows an employer to gain all the benefits of offering a retirement plan without the complexities and liability that often accompany such a benefit.

The recordkeeper for the MEP 401k is Lincoln Financial Group, a fortune 200 company and one of the largest retirement plan providers in the nation. The distribution of this solution is open to financial advisers who are properly licensed in the state of Vermont.

We feel that advisers play a critical role helping employer and employees understand the value of investing for their future and by leveraging their knowledge and expertise, we can help these individuals cross the finish-line strong.

Those interested in learning more, employers and financial advisers, please send us an email to info@vtrga.org for more information.

About Vermont Retail & Grocers Association:

The Vermont Retail & Grocers Association represents approximately 800 Vermont retail stores and 250 suppliers to the industry, including members of the Vermont Specialty Food Association. VRGA is an association of merchants and trade partners united to promote the sustainable growth of the industry through the educational, economic and public policy needs of its members. The association is the leading voice in the legislature representing members when it comes to proposed changes in laws surrounding employment regulations, taxation, environmental regulations, and much more.