

**EMPLOYEE BENEFITS IN THE METROPLEX-
ISSUES AND PROBLEMS IN THE CURRENT ECONOMIC ENVIRONMENT
SERIES X**

September 16, 1998

**Westin - Galleria Hotel
Dallas, Texas**

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Moderator: Stuart M. Bumpas

8:00 a.m. Registration, Continental Breakfast, Introduction

8:30 a.m. Managing Plan Conversions: Legal and Practical Issues

You may have survived a conversion of your 401(k) plan from quarterly to daily valuation, or from one recordkeeper/vendor to a new recordkeeper/vendor. Or you may be facing a scheduled conversion of your 401(k) plan in the near future. In today's market, plan fiduciaries frequently must deal with the risks of legal exposure arising from plan conversions, as well as the practical issues of managing participant expectations during the conversion process. This presentation will include a checklist for pre-planning conversions and tips for dealing with vendors and employee communications.

Speaker: Linda A. Wilkins

9:00 a.m. Fiduciary Duty Update

As we all know, Plan sponsors are required to act prudently in the administration of their plans. The Department of Labor recently reaffirmed that this duty applies to the manner in which administrative and investment fees are charged to 401(k) plans and, as well, addressed the need for employee benefit plan sponsors to protect benefits from the looming year 2000 software problem.

This discussion will review the extent to which 401(k) fees and expenses both may be charged to participant accounts and must be disclosed to individual plan participants. The discussion will also review the issues arising from the year 2000 software problem and focus on the steps plan fiduciaries should take to address this problem.

Speaker: Edward A. Razim III

9:30 a.m. Coffee Break

10:00 a.m. Emerging Health Plan Issues

With 1999 rapidly approaching, health plan sponsors are busily preparing requests for proposals, reevaluating health plan designs, updating enrollment and plan documents, and making other preparations for their next plan year while remaining sensitive to potential Congressional action

on health care reform proposals. As part of this process, health plan sponsors and administrators must be ready to cope with significant increases in health care claims and administrative costs, while adjusting their vendor selection and contracting procedures to comply with recent Department of Labor guidelines. In addition, plan sponsors and administrators will need to review and update health and cafeteria plan documents and enrollment procedures to comply with the new IRS regulations under Section 125, new claims-processing, administration and notification rules expected to be issued by the Department of Labor in September, the Supreme Court's recent COBRA decision in *Giessel*, and a host of other new administrative and judicial decisions, regulations and enforcement initiatives affecting the design and administration of health plans. This discussion will focus on these and other developments affecting 1999 welfare and cafeteria plan preparations, provide tips for streamlining compliance preparations, and review strategies for evaluating and contracting with health and welfare plan vendors to minimize compliance and legal risks and to maximize flexibility.

Speaker: Cynthia Marcotte Stamer

10:30 a.m.

Employee Benefits Issues in Mergers and Acquisitions

Human Resources executives are increasingly aware of the financial impact of employee benefits issues in mergers and acquisitions. Underestimating liabilities arising from the plans of an acquired company, or failing adequately to consider the impact of the acquisition of a company on the overall employee benefit program of an acquiring company can have serious consequences. Moreover, there are a variety of practical and legal complexities in assimilating employee benefit programs of the target company. Finally, the transition rules that apply to mergers and acquisitions contain traps for the unwary.

This discussion will provide an overview of the significant tax and legal issues related to employee benefits encountered in merger and acquisition transactions. Additionally, we will outline the due diligence issues and suggested warranties and representations applicable to both the acquiring company and the target company. Finally, we will describe the steps that an acquiring company may take to combine acquired plans with its existing plans.

Speaker: E. Philip Bush

11:00 a.m.

Questions and Answers

11:30 a.m.

Lunch - Galleria Ballroom II

12:00 p.m.

Luncheon Presentation

Speaker:

Stephen James
Mid-States Key District
INTERNAL REVENUE SERVICE

12:45 p.m.

Adjournment