Re-enrollment may help put participants on the path to better retirement outcomes, but some common Misperceptions could be preventing plan sponsors from leveraging this strategy.

**WHAT’S HOLDING PLAN SPONSORS BACK?**

1. **“IF I CONDUCT A RE-ENROLLMENT, MY PARTICIPANTS WILL PUSH BACK.”**
   - Of participants, 61% would rather push the easy button.
   - Of participants, 86% are supportive or neutral toward employers conducting a re-enrollment.

2. **“A RE-ENROLLMENT IS TOO MUCH OF A FIDUCIARY RISK.”**
   - Of plan sponsors, 40% are not aware of the potential to receive fiduciary protection for assets defaulted into the plan’s QDIA during a re-enrollment.
   - ERISA safe harbor protection may be available for assets re-enrolled into a qualified default investment alternative (QDIA).

3. **“MY PLAN IS WELL DIVERSIFIED AT AN AGGREGATE LEVEL, SO EVERYTHING IS FINE.”**
   - Only 1 in 3 participants are confident they know which of their 401(k) plan investment options they should invest in.

4. **“I ADDED TARGET DATE FUNDS (TDFs) TO THE PLAN’S LINEUP, BUT THERE’S NOTHING I CAN DO ABOUT MY PARTICIPANTS NOT TAKING ACTION.”**
   - A re-enrollment can dramatically increase TDF utilization rates.

For more re-enrollment resources or to explore our 2019 Defined Contribution Plan Sponsor Survey Findings further, visit jpmorgan.com/dcresearch.
DID YOU KNOW?

A plan re-enrollment is a process by which participants are notified that their existing assets and future contributions will be invested in the plan’s qualified default investment alternative (QDIA), which may be a target date fund based on their date of birth. All participants’ assets are automatically moved into the QDIA on a certain date unless the participant makes a new investment election during a specified time period.

Before conducting a re-enrollment, a plan sponsor must engage in a prudent process for determining whether a re-enrollment is appropriate for the plan and its participants.

PARTICIPANT BENEFITS

• Potential for improved asset allocation
• Helps new and existing participants

PLAN SPONSOR BENEFITS

• Potential for protection from investing liability
• Better participant experience

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