# Don't Go Into Business for Yourself: A Pro Wrestling Take on Compliance for 401(k) Plan Sponsors

**By Ary Rosenbaum, Esq.**

In the squared circle of the retirement plan world, plan sponsors are the promoters, the bookers, and, at times, they feel like the main-event talent. But if there's one piece of advice I've given more than any other over the years, it's this: don't go into business for yourself. That old wrestling phrase might be the most important mantra for any retirement plan sponsor who wants to stay out of compliance hell. If you're not a wrestling fan (and shame on you if you're not), "going into business for yourself" means ignoring the script, the match layout, or the agreed finish and deciding you're going to do what you want instead. It's when a wrestler thinks they know better than the people calling the shots, and decides to take the show into their own hands. That kind of stunt might get a cheap pop, but it often leads to getting blackballed, stiffed in the ring, or worse, dropped down the card. For plan sponsors, the same thing applies. If you start improvising with plan rules, second-guessing your advisors, or interpreting compliance like it's a loose script instead of a rigid playbook, you're going to find yourself jobbing to the IRS and the DOL in record time.

### The Compliance Booking Sheet

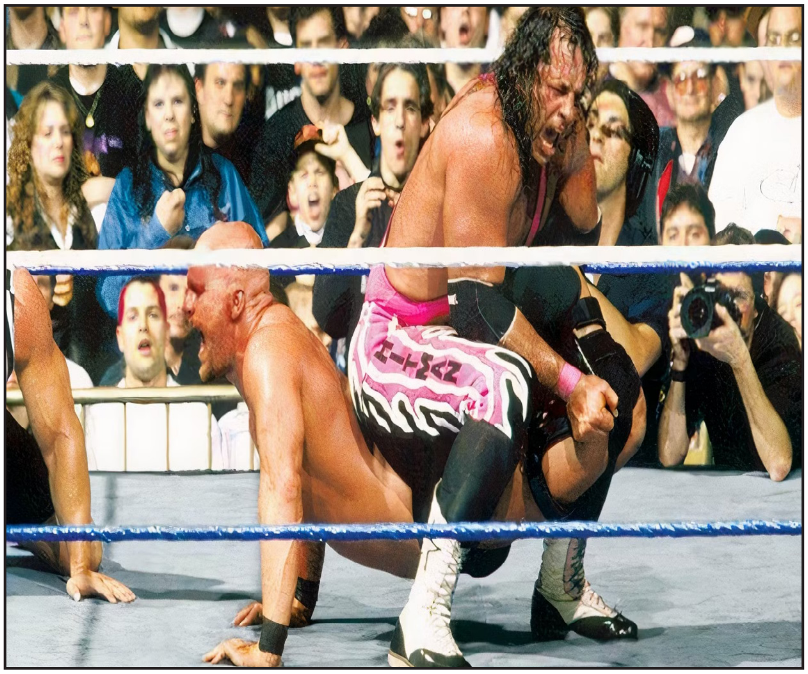
Running a retirement plan isn't like a barbed-wire deathmatch, it's not supposed to be chaos. It's more like a WrestleMania main event: carefully laid out, deliberate, and structured. The plan document is the script, and you follow it. You don't decide mid-match that you're going to change the finish because you think it makes you look better. For example, if your plan document says employer matching contributions are made once a year, you can't just decide you want to switch it to every payroll. That's changing the booking without clearing it with creative. The IRS doesn't care if you thought it would "make the match more exciting." They care about operational compliance.Sponsors who ignore plan documents and interpret them loosely are like that indie wrestler who calls himself "The Franchise" and wears a replica belt around town. It's cringey and it's going to get you hurt.

### Don't Work Stiff with the DOL

In wrestling, working stiff means laying your shots in too hard, trying to prove something instead of cooperating. When it comes to the Department of Labor, working stiff is the last thing you want to do. If you're not following the fiduciary duties under ERISA and decide that you know better, the DOL will bring the heat. And they don't work safe. Let's say you're self-directing plan investments, or worse, ignoring service provider disclosures and still charging unreasonable fees. That's like taking a chair shot to the head when the ref's not looking and thinking it'll pop the crowd. You might get away with it once, but eventually, someone's going to catch you on tape. That someone might be a participant, a plaintiff's attorney, or the DOL. If you don't want to take a compliance suplex through a flaming table, don't get cute with fiduciary responsibility. Follow the layout, protect your opponent (your participants), and keep it clean in the ring.

### Tag Team with Your Providers

You can't carry the whole match on your own. That's the beauty of a good tag team. You do your part, they do theirs, and together, you get over with the crowd. The best plan sponsors know how to tag in the right partners—TPAs, ERISA attorneys, investment advisors, recordkeepers, and let them do their thing. But when sponsors go into business for themselves and try to micromanage plan administration or ignore the advice of their providers, they're like that guy who refuses to tag out and ends up eating a double-team finisher. Don't be that guy. I've seen sponsors ignore their ERISA counsel because they "didn't like the tone of the memo." I've seen them ignore their TPA's deadline reminders because "they're too busy." That's the equivalent of no-selling your tag partner's hot tag because you're trying to get yourself over. And what happens next? A compliance botch that ends with a 5500 rejection or a missed amendment. Then you're in the locker room trying to explain yourself to HR and Finance like it's Gorilla position.




**Botched Spots and Operational Failures**

We all love a good botch compilation video—unless it's your plan that's botching the spot. Operational compliance failures are the botched moonsaults of plan administration. Maybe the plan says only employees over age 21 are eligible, but you enrolled an enthusiastic 20-year-old intern. That's a missed cue that could lead to a correction. Maybe you forgot to auto-enroll someone when they hit eligibility. Maybe your matching contribution formula was applied inconsistently. That's the wrestling equivalent of forgetting your cue, missing your finisher, and ending the match with a count-out. And trust me, the DOL does not like count-outs.The problem is that sponsors don't often know they've blown the finish until months later—usually when someone pulls the footage (or a participant files a complaint). And just like in wrestling, once the fans notice the blown spot, the heat is hard to shake.

**Heels, Faces, and Fiduciary Loyalty**

In the wrestling world, there are heels (bad guys) and faces (good guys). As a plan sponsor, you're a babyface whether you like it or not. You're supposed to act in the best interests of your participants. You're supposed to be the guy who never cheats, never takes shortcuts, and always fights for what's right. But the moment you start acting in your own interest—say, pushing assets to a buddy's RIA firm, or trying to reduce company match contributions without notice, you turn heel, and fast. And here's the catch: there's no crowd chanting "You sold out!"—it's auditors and regulators asking for documentation and trying to unwind the damage. Loyalty in the plan sponsor role isn't to the company. It's to the participants. If you confuse that, you're in for a storyline nobody wants: the one where you end up in court explaining why you thought you were the next Ric Flair when you were really just screwing the undercard.

**Don't Go Off Script During a Promo**

Plan communications are the promos of the retirement plan world. You've got a mic (usually in the form of emails, participant notices, and SPD distributions), and you have to use it wisely. But I've seen too many plan sponsors cut shoot promos, telling participants they can do things the plan doesn't allow, or promising benefits that don't exist. Once you've made a misstatement in writing, it's hard to walk it back. That email you sent saying "everyone gets 5% match guaranteed" becomes a legal liability when your plan only matches 3% and it's discretionary. That's not kayfabe, that's a lawsuit waiting to happen. Be the smart veteran in the locker room. Stick to the approved script. Review your plan communications. Tag in your providers to help with the messaging. Don't cut unscripted promos unless you're ready to eat a compliance superkick.

**Every Plan Sponsor Needs a Gimmick, But Not a Work**

A gimmick is fine. Maybe you pride yourself on offering a generous match or a slick ESG investment lineup. That's all good branding. But don't work the participants. Don't pretend to be something you're not. If you tout yourself as a best-in-class fiduciary, then back it up. Conduct regular reviews. Benchmark fees. Review investment lineups. Train your fiduciary committee. Hold regular meetings. Take minutes. Don't claim you're the "Nature Boy" of plan sponsors when you're actually running a bingo hall show with one folding chair and a rusty turnbuckle.

**Learn From the Veterans**

In wrestling, you're always taught to listen to the vets. The guys who've been around, who've worked every territory, who've been in the business long enough to see the patterns. Same goes for plan sponsors. Talk to your TPA. Listen to your ERISA attorney. Take advice from people who've seen dozens of audits and thousands of plans. You don't need to reinvent the wheel or try some high spot that's never been done before. Sometimes the best match is a simple one, tight, well-timed, with no blown spots.

**Final Bell: Stay Over by Staying In Line**

At the end of the day, being a successful plan sponsor isn't about trying to be the Hulk Hogan of the benefits world. It's about consistency, humility, and teamwork. It's about working the plan the way it's written, not the way you wish it was. It's about putting the participants over every time. So if you're a plan sponsor thinking about going into business for yourself, don't. It might feel like a power move, but all it takes is one compliance misstep to get squashed in the first minute of the match. Be the steady hand. Be the locker room leader. And for the love of Gorilla Monsoon, don't shoot on your own plan.

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