Overview of Trustee Responsibility

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Purpose of Today's Training

- To ensure you understand the overall framework within which fiduciaries operate.
- To provide you with tools to enhance your ability to recognize fiduciary issues and carry out your duties as prudent fund trustees and stewards.
- To familiarize you with best practices for providing health and welfare benefits to covered employees and their families.

Overview of Today's Presentation

I. Welfare Plans/Background
II. Key Documents Every Trust Should Have and Avoiding Operational Failure
III. What It Means to Be a Fiduciary
IV. Key Takeaways

PART I: Welfare Plans/Background

Types of Benefits Provided by “Welfare” Plans Can Include

- Medical, Surgical & Hospital
- Dental
- Prescription drug
- Vision, hearing or other
- Retiree health
- Life insurance
- Accidental death and dismemberment

Types of Welfare Benefits *(continued)*

- Long and short term disability (income replacement)
- Prepaid legal services
- Severance
- Wellness programs, EAPs
- Cafeteria plans (Section 125 plans)
- Other

Welfare Plans Can Be

- Single employer plans
- Multiemployer plans
- Unilateral plans
- Collectively bargained plans
- Taft-Hartley plans (collectively bargained multiemployer plans)
- Government plans

What type of plan is yours?

ERISA Enacted in 1974

1974—ERISA signed into law on Labor Day by President Gerald Ford. It was considered by him and many others to be the most important piece of social legislation since the passage of the Social Security Act almost 40 years before.

ERISA Enacted in 1974

ERISA established reporting and disclosure obligations, participation, vesting and funding requirements, spelled out fiduciary standards and created a termination insurance program. It also preempted any and all state laws relating to employee benefit plans.

ERISA was based on the "common law" of trusts, which still governs non-ERISA trusts today.

ERISA Agency Responsibilities

- Regulatory authority was given to three different government agencies:
  - The Department of Labor oversees the reporting and disclosure and the fiduciary responsibility provisions of ERISA.
  - The Internal Revenue Service oversees the participation, vesting and funding provisions of ERISA.
  - The Pension Benefit Guaranty Corporation oversees the plan termination insurance program for defined benefit pension plans.
- Since the passage of ACA, HHS became the fourth major agency overseeing group health plans.

ERISA Plan Coverage

- Exempted from most provisions are:
  - **Governmental plans**
  - Church plans
  - Certain other plans including:
    - Those solely for compliance with workers' compensation, unemployment or disability laws
    - Non-U.S. plans primarily for non-resident aliens
    - Unfunded excess benefit plans

ERISA Plan Coverage

- So if **governmental plans** aren't covered by most of ERISA's provisions, why should you care about ERISA?
  - ERISA is based on the common law of trusts which continues to apply to non-ERISA covered trusts.
  - ERISA and the regulations and case law under it is the single best source of guidance for how fiduciaries of all types of plans, even those exempt from ERISA, should act.
  - Some would say it sets forth **best practices** for fiduciaries, others that **it has created a floor** for judicial and public expectations including governmental plans.

Today's Focus

- Of course, you must also comply with the applicable state law.
- We will be focusing mostly on "fiduciary" standards.
- However, first, it is important to remember that even governmental plans are also subject to certain IRS rules.
- Make sure to work with experienced, qualified professionals.

Tax Advantages of Qualified Plans

- Qualified plans are granted specific tax advantages including:
  1. The employee is not considered to be in receipt of the taxable income until received; and even then may not incur tax
  2. The contributions made by the employer to the plan are deductible as a business expense within specified limitations;
  3. Tax free buildup of trust corpus
- Which of these tax advantages might be important to your trust?

Plan Qualification

- In order to be "qualified" the IRC qualifications must be satisfied **<u>both in form and in operation</u>**:
  - Documents must comply with IRC, and
  - Those plan provisions must be followed.
- The IRS traditionally administered a determination letter program that enables plan sponsors to get advance assurance as to the form of their plan/trust document. Does your plan have one?

Plan Qualification

- The requirements for tax-advantaged status vary according to the type of plan.
- Some of these requirements include:
  - Written document
  - Exclusive benefit rule
  - Communication of plan
  - Nondiscrimination requirements
- Do any of those apply to your trust?

Taking Care of Your Trust

- Trustees should establish practices and procedures to ensure the plan is operated in accordance with the plan document so participants and beneficiaries receive their proper benefits.
- Be aware that the law and regulations in this area frequently change, especially post-ACA.

Part II: Key Documents Every Trust Should Have and Avoiding Operational Failures

Key Plan Documents

- Trust Document
- Plan
- IRS letter
- Collective bargaining agreement(s)
- Annual Audited Financial Statements
- Policies of Insurance
- Summary plan description/certificates of insurance/wrap around document
- Policies and Procedures
- Minutes of meetings
- Written contracts with all vendors

The Trust

- Trust Document—what are some key provisions it should cover?
  - Sets forth the plan sponsors
  - States the purpose of the trust
  - Defines terms
  - Provides for the composition of the Board of Trustees and how Trustees are appointed and removed

The Trust

- Trust Document—what are some key provisions it should cover? *(continued)*
  - Sets forth the duties and powers of the Trustees (general, investment, collection, audit, hiring staff, leasing space, etc.)
  - Determines how and when meetings can be called and the voting process
  - Governs how the Trustees will vote, including a provision for arbitration
  - Gives the Trustees discretion to interpret the Trust
  - Determines how amendments to the Trust may be made and how the Trust may be terminated.

The Plan of Benefits

- Plan
  - Provides what the plan of benefits is
  - Sets forth eligibility rules, waiting periods, etc.
  - Provides procedure for participants to apply for benefits
  - Sets out appeal process for those denied benefits

Plan Amendments

- The terms of the plan may be amended.
- Be very wary of eliminating or cutting back benefits retroactively. Even where not legally required, best practice is always to provide sufficient advance notice of the change under the circumstances.
- How might that come up in your plan?

IRS Letters and CBAs

- IRS letter
- Collective bargaining agreement(s)
  - Provides for the establishment of a trust and its purpose
  - Determines the contribution requirement

Other Key Plan Documents

- Annual Audited Financial Statements
- Policies of Insurance
- Summary plan description/certificates of insurance/wrap around document
- Minutes of meetings
- Written contracts with all vendors

Key Plan Documents

- Policies and Procedures
  - Code of Conduct/Ethics
  - Trustee Education and Expenses
  - Procurement and other policies that may be directed or influenced by state law
  - Investment
  - Privacy/HIPPA

Key Plan Documents

- Policies and Procedures
  - Cybersecurity/Technology/Electronic Communication
  - Social Media
  - Harassment/Non-Discrimination/EEO
  - Employee Handbook

Taking Care of Your Trust

- Trustees should establish practices and procedures to ensure the plan is operated in accordance with the plan document so participants and beneficiaries receive their proper benefits.
- Be aware that the law and regulations in this area frequently change, especially post-ACA.

Part III: What it Means to Be a Fiduciary

- Who is a fiduciary?
- What is the standard of care for fiduciaries?
- What are the penalties for breaching your fiduciary duties?
- Can you delegate fiduciary duties and how?
- When might one fiduciary be liable for the breach by another?

Who Is a Fiduciary?

- ERISA requires that plans name one or more fiduciaries in their written documents.
- Named fiduciaries are generally the plan administrator and plan trustees.
- Others may be fiduciaries to the plan if their function or conduct falls within the definition of fiduciary.

Definition of a Fiduciary, ERISA, Section 3(21)A

- "... a person is a fiduciary with respect to a plan to the extent (i) he <u>exercises any discretionary authority or discretionary control</u> respecting management of such plan or exercises any authority or control respecting management or disposition of its assets;

Definition of a Fiduciary, ERISA, Section 3(21)A *(continued)*

(ii) he <u>renders investment advice</u> for a fee or other compensation, direct or indirect, with respect to any moneys or other property of such plan, or has any authority or responsibility to do so, or (iii) he has any <u>discretionary authority or discretionary responsibility in the administration</u> of such plan."

Two Hats

- Fiduciaries may wear two hats, e.g., may be employer or union representatives.
- When acting as Trustees, you must act for the exclusive benefit of plan participants, not in your own interest or in the interest of your employer or your union.

Questions for Discussion

- Are you a named fiduciary?
- Are you a functional fiduciary?
- Are you both?
- Why?

Questions for Discussion

- How about your professional advisors? Are they fiduciaries? Some of them? All of them?
- What about the collective bargaining parties?
  - Is the union a fiduciary?
  - Is the employer a fiduciary?

Examples

- Trustees, the Plan Administrator, and Investment Managers are generally fiduciaries.
- Those who are generally not fiduciaries:
  - Accountants
  - Actuaries
  - Attorneys
  - Health Providers
- The decision as to who is and who is not a fiduciary is quite fact specific.

Fiduciary Status—Facts Count

- In Reich v. Lancaster, 55 F.3d 1034 (5th Cir. 1995), a broker advised unsophisticated fund trustees to switch from group term life insurance for plan beneficiaries to individual whole life policies.
- The court found that the broker crossed the line from professional consultant to fiduciary.
- This was because the broker effectively exercised control over plan assets since the trustees were entirely guided by his advice.

What Is the Fiduciary Standard of Care?

A. Duty of Loyalty and its corollary, the Exclusive Benefit Rule

B. Duty of Care/Prudence

C. Duty to Diversify Plan Investments

D. Duty to Act in Accordance with Plan Documents

E. Duty to Avoid Prohibited Transactions

F. Duty With Regard to Co-Fiduciaries

General Fiduciary Obligations, ERISA, Section 404(a)(1)

"(a) Prudent Man Standard of Care—

(1) . . . A fiduciary shall discharge his duties with respect to a plan **solely in the interest** of the participants and beneficiaries and—

General Fiduciary Obligations, ERISA, Section 404(a)(1) *(continued)*

(A) for the **exclusive purpose** of:

(i) providing benefits to participants and their beneficiaries; and

(ii) defraying reasonable expenses of administering the plan;

General Fiduciary Obligations, ERISA, Section 404(a)(1) *(continued)*

(B) with the care, skill, prudence, and diligence under the circumstances then prevailing that a **prudent man acting in a like capacity and familiar with such matters** would use in the conduct of an enterprise of a like character and with like aims;

General Fiduciary Obligations, ERISA, Section 404(a)(1) *(continued)*

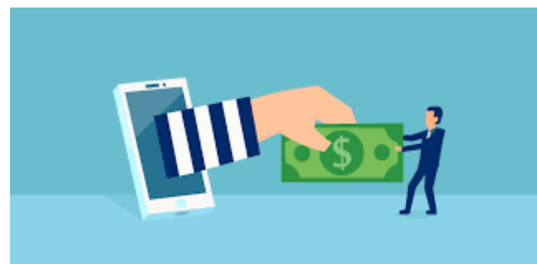
(C) by **diversifying** the investments of the plan so as to minimize the risk of large losses, unless under the circumstances it is clearly prudent not to do so; and

General Fiduciary Obligations, ERISA, Section 404(a)(1) *(continued)*

(D) **in accordance with the documents and instruments governing the plan** insofar as such documents and instruments are consistent with the provisions of this title and title IV."

Enhanced Prudent Man Role

- If you don't have the expertise, seek it.
- Fail to do so at your own peril!



Prohibited Transactions

Prohibited Transactions—ERISA § 406

In addition to breaches of fiduciary duties, fiduciaries are prohibited from engaging in certain transactions known as "prohibited transactions." Engaging in these transactions would also be a breach of fiduciary duty as well as a prohibited transaction subjecting the fiduciary not only to the remedies described above, but also to excise taxes.

Prohibited Transactions—ERISA § 406

Prohibited transactions can be basically broken down into two categories:

1. Party in interest transactions
2. Self-dealing transactions

Prohibited Transactions—Party in Interest

- Why?
  - Generally speaking, parties in interest are people with a statutorily defined connection to the plan that have direct or indirect access to plan assets such that there is an opportunity for abuse
  - ERISA starts by banning all of these transactions as a prophylactic measure . . . and then dials it back
  - Let's explore . . .
  - But don't forget New York law

Prohibited Transactions— Party in Interest

- Party in interest includes:
  - Plan fiduciary, counsel or employee
  - Service provider
  - Contributing employer
  - Employee organization whose members are covered (i.e., union)
  - Employee, officer, director or 10% shareholder of a fiduciary, the union or a contributing employer
  - Certain other relative, owners or entities owned by a party in interest

Examples of Prohibited Transactions

1. Sales or exchange or leasing of property
2. Lending of money or other extension of credit
3. Furnishing of goods services or facilities
4. Transfer to or use by or for the benefit of a party in interest of plan assets

Examples of Prohibited Transactions
(continued)

5. Dealing with Plan assets for one's own account
6. Acting on behalf of a party adverse to the plan
7. Receiving consideration for one's personal account from a party dealing with the plan

Ask:

- Are others illegal under New York law?
- Are there applicable exemptions?

Prohibited Transaction Question

- Which of these are prohibited transactions?
  1. Employer is delinquent in making contributions
  2. Plans shares office space with union or employer
  3. Plan hires wife of trustee
- None of the above?
- All of the above?
- What about New York laws?

Lots of Things We Do We Might Think Okay May Be Prohibited Transactions!

1. Employer is delinquent in making contributions
   - Extension of credit between plan and PII
2. Sharing office space
   - Leasing of property between plan and possible PII
3. Plan hires wife of trustee
   - Furnishing of services between plan and PII
     3A. Adds self-dealing to the mix

OK. So now what?

Prohibited Transaction Exemptions (PTEs)

- There are certain transactions that are exempted from the prohibited transaction sections of ERISA. These exemptions are provided by:
  - Statute
  - Class exemptions
  - Individual exemptions
- Look to state law-the following are ERISA examples

PTEs—Delinquent Contributions

- Prohibited Transaction Class Exemption 76-1
  - Arrangement to delay receipt of contribution is allowed if:
    - Plan made an effort to collect
    - Terms of extension are in writing
    - Arrangement to extend collection time is for the exclusive purpose of facilitating collection

PTEs—Delinquent Contributions

- Plan can agree to accept less than the whole contribution if:
  - Plan made reasonable, diligent and systematic efforts to collect the contribution
  - Terms of agreement are in writing
  - Terms of agreement are reasonable under the circumstances based upon the likelihood of collecting the contribution or the expense that would be incurred if the Plan continued to attempt to collect the contribution

PTEs—Delinquent Contributions

- Plan can deem contributions uncollectible if:
  - Prior to the determination, plan made reasonable, diligent and systematic efforts as are appropriate under the circumstances to collect
  - Determination is in writing
  - Determination is reasonable and appropriate based on the likelihood of collecting the contribution or the approximate expenses if the plan continued to collection efforts

PTEs—Delinquent Contributions

- Takeaways
  - Adopt a written policy covering grace periods and audits
  - Adhere to the policy
  - Review the policy periodically to ensure that it remains reasonable
  - Document decisions to make changes to the policy—how do we justify the level of effort
  - In specific cases, ensure that there is a reasoned, independent decision made in each case about how to proceed, when to settle and when to write off
  - Document the decisions and reasons in those cases!

PTEs—Service Providers

- Section 408(b)(2) allows contracts or arrangements with a party in interest to provide services (or ancillary goods) or office space to the plan if:
  - Necessary for the establishment or operation of the plan
  - No more than reasonable compensation is paid
  - Contract or arrangement is reasonable
    - Must be terminable by the plan on reasonably short notice under the circumstances
    - Certain covered service providers of covered (pension) plans must disclose compensation-related information to a responsible plan fiduciary if the covered service provider reasonably expects over $1,000 in compensation

PTEs—Service Providers

- Takeaways
  - Make sure you document why you are hiring a service provider so it is clear that the service is necessary
  - Review compensation when you hire the provider and on an ongoing basis to ensure that it is reasonable
    - If the provider makes disclosures, review those disclosures
    - Note: plan does not have to accept the lowest bid!—DOL Informal Letter to SEIU regarding selection of health care providers (2/19/98)
  - Never enter into an arrangement until you are sure that no disclosure is required or that you received full disclosure

PTEs—Service Providers

- Make sure the contract is terminable on reasonably short notice without penalty
- Make sure the other terms of the arrangement are reasonable
  - DOL Adv. Opinion #2002-08A addresses attempts of service providers to limit liability and the process for selection of service providers.
- Review service providers on an ongoing basis
  - DOL Regulations § 2509.75-8, Q&A FR-17—The performance of service providers should be reviewed at reasonable intervals
  - Don't forget state procurement law if applicable

Office Space

- Two common prohibited transactions
  - Leasing between a plan and a PII (union, related plan, employer association)
    - Another plan may or may not be a PII (e.g., is it a contributing employer to the other plan, does it provide services to the other plan?)
  - Conflicts of interest for trustees
    - Same group of trustees decides the rent that one plan pays to another
    - Trustees is also head of the union or association to which space is leased
- Multiple PTEs depending on the particular parties, type of space, and who is leasing to whom

Prohibited Transaction Exemption: Lease of Office Space

- Plans may contract or make reasonable arrangements with a party in interest for office space, or legal, accounting, or other services necessary for the establishment or operation of the plan, if no more than reasonable compensation is paid therefore.
- Who can vote on it?

Office Space

- Takeaways:
  - Make sure that there is an exemption for the particular transaction and understand what it covers
    - Consider recusals where needed
  - Make sure reasonable compensation requirements are met
    - Out of date appraisals are a big problem area
  - Be able to demonstrate that the terms were at least as favorable to the plan as an arm's length transaction with an unrelated party or are reasonable
  - Document it—have a written lease, maintain records, document above determinations
  - Don't forget state law

What Are the Penalties for Breaching Your Fiduciary Duty?

Personal Liability for Breach, ERISA, Section 409(a)

"(a) Any person who is a fiduciary with respect to a plan who breaches any of the responsibilities, obligations, or duties imposed upon fiduciaries by this title shall be personally liable to **make good** to such plan **any losses** to the plan resulting from each such breach,

Personal Liability for Breach, ERISA, Section 409(a) *(continued)*

and to **restore** to such plan **any profits** of such fiduciary which have been made through the use of assets of the plan by the fiduciary, and shall be subject to such **other equitable or remedial relief** as the court may deem appropriate, **including removal** of such fiduciary."

Can Fiduciary Duties Be Delegated?

- A qualified yes, but
  - Plan document must allow for such delegation or allocation of fiduciary duties (other than trustee responsibilities.)

When Might One Fiduciary Be Liable for the Breach by Another?

- A fiduciary . . . shall be liable for a breach of fiduciary responsibility of another fiduciary . . .
  - He participates knowingly in, or knowingly undertakes to conceal, an act or omission of such other fiduciary, knowing such act or omission is a breach;

Co-Fiduciary Liability *(continued)*

– If by his failure to comply with of his specific responsibilities which give rise to his status as fiduciary, he has enabled such other fiduciary to commit a breach; or

Co-Fiduciary Liability *(continued)*

– If he has knowledge of a breach by such other fiduciary, unless he makes reasonable efforts under the circumstances to remedy the breach.

Co-Fiduciary Liability *(continued)*

- A plan fiduciary is not relieved of responsibility for the fiduciary breaches of another fiduciary simply because he or she is not committing the breach.
- The fiduciary who discovers the breach of another should take affirmative action to remedy the problem, or he could face liability for the fiduciary breach himself.

Co-Fiduciary Liability *(continued)*

- This action may include reporting the matter to the full board and demanding remedial action.
- If no action is taken by the board, the fiduciary then must consider whether the matter should be reported to the state attorney general or other appropriate authority.
- Resignation from the board without taking any remedial action is generally not enough to shield the fiduciary from liability for the breaches of other board members.

Recap: Fiduciary Standards

A. Duty of Loyalty and its corollary, the Exclusive Benefit Rule
B. Duty of Care/Prudent Fiduciary
C. Duty to Diversify Plan Investments
D. Duty to Act in Accordance with Plan Documents
E. Duty to Avoid Prohibited Transactions (conflicts of interest)
F. Duty With Regard to Co-Fiduciaries

And, of course, comply with applicable state law!

Duty of Loyalty

- Fiduciaries must not have dual loyalties.
- When acting as a trustee, the person owes an "unwavering duty of loyalty to the trust beneficiaries." NLRB v. Amax Coal, 453 U.S. 322 (1981).

Duty of Loyalty

- Plan must be operated for the exclusive benefit of the fund participants.
- Trust assets cannot be used for any purpose other than providing benefits for participants and defraying the reasonable costs of administering the trust.

Duty of Loyalty

- In the early 1970s in New York, public sector trustees, after careful and documented due diligence, purchased city bonds.
- The matter was litigated, and the trustees' actions were upheld because the court concluded it would have been worse for the participants if the trustees had not made the investment. Withers v. Teachers' Retirement System of NYC.
- The key to the decision was the extensive record of the trustees' study and care before taking their vote.

Duty of Loyalty

- What if it had been a multiemployer construction plan located in Florida which invested the bulk of the Funds assets in Florida real estate to try to keep its members employed on those development projects?

Duty of Prudence

- The use of professional advisors does not relieve the fiduciary from exercising prudence in decision-making.
- On a day-to-day basis, this obligation requires ongoing attention to the business of the fund; regular attendance at meetings; careful reading of correspondence from the administrator and fund professionals; and review of meeting minutes and other plan documents.

Duty of Prudence *(continued)*

- In Schoenholtz v. Doniger, 628 F.Supp. 1420 (S.D.N.Y. 1986), the court concluded that a trustee violated his fiduciary duties by failing to attend trustee meetings.
- Fiduciaries cannot simply "rubber stamp" the decisions of other trustees or rely blindly on the advice of professionals.
- "A pure heart and an empty head are not enough" to satisfy the Duty of Prudence. Donovan v. Cunningham, 716 F.2d 1455, 1467 (5th Cir. 1983).

Duty to Act in Accordance With Plan Documents

- Section 404(a)(1)(D) of ERISA states that a fiduciary must operate the plan under the terms of the relevant plan documents.
- Each plan must have documents that spell out the benefits available to the participants and beneficiaries, and the fiduciaries must operate the plans in compliance with these documents.
- It is a particular challenge for health plans to compile, distribute, keep up-to-date, and follow the terms of their benefit programs. You may have dental benefits from one provider, vision from another, dependent care from a third, hearing from a fourth, life insurance from a fifth . . .

Duty to Act in Accordance With Plan Documents

- Plan documents should grant the trustees or other appropriate fiduciaries with the discretion
  - (a) to make all eligibility and benefit interpretations and
  - (b) to delegate their responsibilities where appropriate.
- Fiduciaries are not permitted to enforce any illegal terms of a plan.

Hypothetical—Duty to Act in Accordance With Plan Documents

- A state trooper gets into a bad car accident while off-duty. He is rushed to the hospital, and undergoes a routine drug screen while being stabilized. The drug screen reveals that the trooper has illegal drugs in his system.
- This trooper just had received a commendation from the Governor for single-handedly apprehending a dangerous prison escapee with no injuries to the prisoner, the trooper, or the public. He is very popular within the State Police.
- The health plan specifically prohibits paying for care for injuries that occur while a participant is "under the influence of illegal drugs or otherwise engaging in illegal activities."

Questions

- Should the health plan pay the claim?
- Does it change your answer if he took the drugs after attending a department function?
- What if it were alcohol rather than drugs?
- What if it were medical marijuana?
  - More on this subject in the next hour.

Duty to Follow the Plan

- What is an "operational failure"?
  - A failure that arises solely from the failure to follow plan provisions. IRS Revenue Procedure 2016-51.
  - Other types of failures include plan document failures, demographic failures, and employer eligibility failures.

Operational Failure

- Plans must satisfy both:
  - Statutory and regulatory requirements
  - Plan document provisions, as long as they are consistent with statutory and regulatory requirements

Importance of Plan Documents Under ERISA

- ERISA and state law provide a framework, but within that framework, plan sponsors have significant discretion in designing their plans.
- BUT: Once the plan sponsor designs and adopts its plan, the plan must be operated in accordance with its own terms.

Following Plan Documents as a Defense

- Failure to operate in accordance with plan documents can have serious consequences for a plan, plan fiduciaries, and plan participants and beneficiaries.
- But following plan documents can act as a strong defense to claims brought related to actions brought against plans and plan fiduciaries.

How to Avoid Operational Failures

- **READ YOUR DOCUMENTS!**
  - Many operational failures can be avoided when those administering the plan take the time to familiarize themselves with the plan's documents (Applicable statutes, plan document, SPD, policies, etc.).
  - When a question arises, the first place to go for answers is your plan document.
- Develop policies and procedures to help ensure operations continue in accordance with plan terms.

How to Avoid Operational Failures

- Regular internal reviews or internal audits can help ensure plan operations are running in accordance with plan documents and can detect failures to allow for correction.
  - Early detection is important, as once the IRS begins an examination, it may be too late to avoid penalties.

Part IV: Key Takeaways

- Always act in the best interest of participants and beneficiaries
- Do your homework
- Exercise prudence
- Diversify investments
- Avoid conflicts of interests

Part VII. Key Takeaways

- Pay attention to state laws
  - Conflicts of interest/ethics
  - Procurement
  - Open meeting/sunshine law
  - Public record/transparency

Part VII: Key Takeaways

- Maintain written plan documents
- Make sure those plan documents provide the right to amend and to construe and interpret the plan
- Operate plan in accordance with your plan documents
- Provide for discretion, but always exercise it wisely, well, and consistently
- Hire qualified, experienced professionals

Questions?