

News

Ashner Covers Defined Contribution Plans with PLANSPONSOR

ATTORNEYS & PROFESSIONALS

David Ashner

dashner@groom.com

202-861-6330

PUBLISHED

04/03/2024

SOURCE

PLANSPONSOR

SERVICES

[Employers & Sponsors](#)

- [Fiduciary & Plan Governance](#)
- [Retirement Programs](#)

Groom of counsel [David Ashner](#) was featured in the *PLANSPONSOR* article, “Know Your DC Plans,” where he examined the three types of defined contribution (“DC”) plans and their benefits to tax-exempt, church, and governmental sponsors.

PLANSPONSOR reported that, according to Ashner, “A 457(b) used by a tax-exempt employer is ‘a top-hat plan.’”

The outlet further reported that Ashner said that “403(b) plans, another DC plan type available to nonprofits and governmental institutions, are similar to 401(k)s. The primary trade-off is that 403(b)s have fewer testing and compliance requirements, while 401(k)s ‘typically have a wider range of investment options.’”

Ashner agreed that “the main reason for a nonprofit or government employer to offer a 401(k) is the ‘wider array of investment options,’ such as CITs and the option of self-directed accounts,” according to *PLANSPONSOR*.

To read the article, [click here](#).