

Retirement plan fee-disclosure regulations

Recently, the Department of Labor (DOL) released final fee-disclosure regulations for plan service providers.

- **Disclosure to plan fiduciaries:** Revisions to Regulations under Employee Retirement Income Security Act (ERISA) section 408(b)(2) require plan service providers-including financial advisers, through their broker-dealer, and registered investment advisers-to disclose plan fees, services and investment-related information to plan fiduciaries.
- **Disclosure to plan participants:** Revisions to regulations under ERISA section 404(a)(5) require plan administrators (typically employers) to disclose to their plan-eligible employees (participating and nonparticipating), as well as former employees and beneficiaries with an account balance, the fees paid directly or through their investments, as well as plan and investment information.

DOL Revises deadlines and details in final service provider regulations

- Service providers must disclose the required information to plan fiduciaries by **July 1, 2012**. (The interim final regulations had April 1, 2012 as the deadline.)
- Plan administrators must deliver disclosures to participants by **August 30, 2012** for plan years beginning November 1, 2011 through July 1, 2012. For later plan years, the deadline is **within 60 days** after the first day of the plan year.
- The first quarterly participant statements that must reflect the required new disclosure need to be delivered to participants by **November 14, 2012**.
- Service provider regulations require providers to disclose to plan fiduciaries investment-related information that must be provided to participants under ERISA section 404(a)(5) for **all of the plan's designated investment alternatives**.
- Changes to investment-related information must be made "at least annually," instead of within 60 days. Deadlines for disclosure of any other changes were not modified.