

MEMO# 21345

July 10, 2007

Draft Institute Response to DOL Request for Information on Disclosure of Fees; Comments Requested by July 17

[21345]

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TO: PENSION COMMITTEE No. 19-07

PENSION OPERATIONS ADVISORY COMMITTEE No. 21-07 RE: DRAFT INSTITUTE RESPONSE TO DOL REQUEST FOR INFORMATION ON DISCLOSURE OF FEES; COMMENTS REQUESTED BY JULY 17

Attached for your review is a draft comment letter to the Department of Labor in response to DOL's Request for Information on Fee and Expense Disclosure to 401(k) Participants. [\[1\]](#)

The draft follows the approach adopted by the Institute's Board in its Policy Statement on Retirement Plan Disclosure, recommending that participants in all participant-directed plans receive a concise summary of each investment option available. The draft makes clear that fees are only one factor a participant should consider, and that the disclosure should focus on the decisions participants have to make. The draft recommends against participants receiving the same detailed and voluminous information that plan sponsors need, such as information on service provider arrangements. The draft also recommends against requiring individualized fee disclosures for each participant because of the costs involved. Finally, the draft repeatedly emphasizes leveraging the Internet.

Please provide comments by Tuesday, July 17, to Michael Hadley (mhadley@ici.org or 202-326-5810) or Mary Podesta (podesta@ici.org or 202-326-5826). The Institute's research and operations staff is continuing to review the draft and provide comments.

Michael L. Hadley

Assistant Counsel

[Attachment](#)

endnotes

[1] See [Memorandum](#) to Pension Committee No. 11-07 and Pension Operations Advisory Committee No. 11-07 [21080], dated April 25, 2007.

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