

MEMO# 11845

May 1, 2000

401(K) PLAN FEE DISCLOSURE FORM - UPDATE

1 See Institute Memorandum to Pension Members No. 26-99 and Pension Operations Advisory Committee No. 35-99, dated July 15, 1999. [11845] May 1, 2000 TO: PENSION COMMITTEE No. 31-00 PENSION OPERATIONS ADVISORY COMMITTEE No. 32-00 RE: 401(K) PLAN FEE DISCLOSURE FORM - UPDATE

_____ As you are aware, at the request of the Department of Labor, the Institute, in cooperation with the American Bankers Association ("ABA") and the American Council of Life Insurers ("ACLI"), developed a uniform 401(k) plan fee disclosure form, which was released in July, 1999.¹ The purpose of the fee disclosure form was to help plan sponsors, particularly small employers, make "apples to apples" comparisons of 401(k) plan services and products. The Department has recently contacted the Institute, ABA and ACLI to request a meeting in anticipation of the one year anniversary of the fee disclosure form. Specifically, the Department is interested in discussing the experiences of our member firms regarding the disclosure form and what, if any, additional steps can be taken to promote or facilitate better fee disclosure. Therefore, in response to the Department's request, we are interested in gathering information regarding your experiences with the disclosure form. For example: (1) has your institution received a request to complete the form from a plan client or consultant, and if so, how often? (2) has your institution incorporated the form into its marketing materials or fee disclosure materials? Please call me at (202) 218-3563 to discuss these issues or send your responses via email to ricard@ici.org by COB Friday, May 19, 2000. Kathryn A. Ricard Associate Counsel

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