

**MEMO# 10767**

March 2, 1999

## **INSTITUTE'S REVISED 401(K) PLAN FEE DISCLOSURE FORM**

[10767] March 2, 1999 TO: PENSION COMMITTEE No. 11-99 AD HOC COMMITTEE ON 401(k) PLAN FEE DISCLOSURE FORM RE: INSTITUTE'S REVISED 401(k) PLAN FEE DISCLOSURE FORM

\_\_\_\_\_ The Institute held a meeting in on February 3, 1999, to discuss the issue of a uniform 401(k) plan fee disclosure form and to comment on the Institute's draft disclosure form. Attached for your review is a revised draft of the Institute's proposed 401(k) plan fee disclosure form. Based on our discussion at the February 3rd meeting, the 401(k) plan fee disclosure form was modified as follows: (1) an "overview" section was added, which describes the purpose of the disclosure form and how 401(k) plan fees are calculated; (2) the "total plan expenses" section was streamlined to include totals of investment product fees, plan administration fees and start-up or termination charges, with references to schedules containing additional detail; (3) schedule A (investment product fees) was modified to include a chart of fees for each type of investment product offered to the plan, including mutual funds, insurance products and others; (4) a bundled services checklist was added to schedule B (plan administration expenses); and (5) schedule E (definition of terms) was added, which is to be completed pursuant to further discussion. A conference call has been scheduled to discuss the revised disclosure form on Thursday, March 11, 1999 at 1:30 p.m. EST. If you would like to participate on this call, please fill-out the response form attached below and send it to Melanie Washington by COB Tuesday, March 9. If you have any questions or comments concerning this 401(k) plan fee disclosure form, please call myself at (202) 218-3563 or Russ Galer at (202) 326-5835. Kathryn A. Ricard Assistant Counsel

Attendance Form for Conference Call on Institute's 401(k) Plan Fee Disclosure Form Thursday, March 11, 1999 - 1:30 EST Please fax this form by Tuesday, March 9, 1999 to Melanie Washington at (202) 326-5841. Yes, I will participate on the Conference Call regarding the Institute's revised 401(k) plan fee disclosure form on Thursday, March 11, 1999 at 1:30 p.m. EST. To participate in the call, dial 1-800-523-5415 and ask for the 401(k) fee call. \_\_\_\_\_

Committee Member Company Phone \_\_\_\_\_