

COMMENT LETTER

June 6, 2011

ICI Responds to DOL RFI on E-Delivery Rules (pdf)

Submitted via Federal eRulemaking Portal: <http://www.regulations.gov>. June 6, 2011 Office of Regulations and Interpretations Employee Benefits Security Administration Room N-5655 U.S. Department of Labor 200 Constitution Avenue, N.W. Washington DC 20210 Re: RIN 1210-AB50, Request for Information Regarding Electronic Disclosure by Employee Benefit Plans The Investment Company Institute¹ is pleased to respond to the Department of Labor's request for information on whether and how to expand the Department's standards for the electronic distribution of plan disclosures required under the Employee Retirement Income Security Act of 1974. The Institute and its members—who manage mutual fund investments for retirement savers in 47 million U.S. households²—urge the Department to modernize its existing delivery rules to reflect dramatic changes in technology over the last decade. Allowing plans to make e-delivery the default method for communicating with participants (but allowing participants to opt for paper) will enhance the effectiveness of ERISA communications, maintain security of information, and produce cost savings for the economy and plans that decide to opt for e-delivery, as we explain in response to the RFI questions. 1 The Investment Company Institute is the national association of U.S. investment companies, including mutual funds, closed-end funds, exchange-traded funds (ETFs), and unit investment trusts (UITs). ICI seeks to encourage adherence to high ethical standards, promote public understanding, and otherwise advance the interests of funds, their shareholders, directors, and advisers. Members of ICI manage total assets of \$13.41 trillion and serve over 90 million shareholders. 2 In May 2010, 46.9 million mutual fund-owning households held mutual funds through employer-sponsored defined contribution (DC) plan accounts, individual retirement accounts (IRAs), or variable annuities. See Bogdan, Sabelhaus, and Schrass, "Ownership of Mutual Funds, Shareholder Sentiment, and Use of the Internet, 2010," Investment Company Institute Fundamentals, vol. 16, no. 6 (Sept. 2010), available at www.ici.org/pdf/fm-v19n6.pdf. See the appendix for a description of ICI's Annual Mutual Fund Shareholder Tracking Survey, which provides information on households owning mutual funds as well as households not owning mutual funds. In May 2010, 52 percent, or about 61 million U.S. households, reported they owned DC plan accounts. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 2 of 53 Research shows that more than nine in 10 working U.S. households have Internet access, and percentages for Internet access are higher across all ages and income levels among working households owning DC plan accounts when compared with working households of similar age or income groups. ERISA plan participants of all ages and across all income and education levels actively use the Internet in all areas of their life, including in interactions with their retirement plans. Plans generally should be able to deliver information electronically, unless a participant

requests paper delivery. Below, the Institute first sets out principles we recommend should guide the Department's work in crafting new disclosure delivery rules.³ We then respond to the specific questions asked in the RFI. While our comments focus primarily on electronic delivery of information in connection with defined contribution (DC) plans—our area of expertise—we believe our recommendations are relevant to delivery of information by other types of ERISA plans as well.⁴

General Principles The Department should move away from the rule it adopted in 2002, which constrains the use of electronic delivery in many common employment settings, and allow plans to make e-delivery the default method for communicating with plan participants, while allowing participants to opt for paper if they prefer. There is nothing in ERISA that requires paper delivery or mandates that plans use paper delivery as the default unless a participant affirmatively agrees to electronic delivery or is required to use a computer at work, as the 2002 rule prescribes. Instead, the Department should propose and adopt new delivery rules with the following principles in mind:

- Electronic delivery is uniquely suited to facilitate understanding and response to information. The Department's rules for the content of required 401(k) plan disclosure appropriately focus on the decisions participants make and the information they need for those decisions. How information is delivered can help enhance the effectiveness of the communications by highlighting key information, making additional information readily available, and enabling recipients easily to take action on the information. Electronic delivery can do this more.

³ The Institute also helped support an academic paper setting out general principles for electronic delivery that will be published and filed with the Department in the next few days.

⁴ The RFI focuses on the Department's requirements for delivering information to ERISA plan participants. The data and analysis we present also supports electronic delivery of required information to plan sponsors. It is important for the Department to make clear that under the new section 408(b)(2) regulation, service providers can deliver required information to a plan electronically, unless the plan asks for paper delivery.

Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 3 of 53

effectively than paper delivery and the Department should not place impediments on electronic delivery. For example, the Department thoughtfully crafted the new participant disclosure regulations to require that key information be presented concisely and that plans have a website where participants can get more information, such as information about the risks associated with each investment and updated performance information. As adopted, when the rules go into effect next year, the existing delivery rules will require plans generally to use paper to deliver the required key information, including the comparative chart of investments that plan participants must receive upon enrollment and annually thereafter. Moving to electronic delivery would significantly enhance a participant's ability to understand and respond to the comparative information. Participants could click through to obtain risk or updated performance information on the website or take action to change any investments in response to fee and performance information presented in the chart.

- The Department should exercise leadership by adopting rules that make it easy, not hard, to use electronic delivery mechanisms that Americans are familiar and comfortable with, while preserving the ability of those participants who need or prefer paper to obtain it. Internet access among working U.S. households is almost universal. For example, ICI research found that in fall 2010, 80.8 percent of all U.S. households had Internet access, with 91.5 percent of working U.S. households having Internet access. Research also finds that 60 percent of DC plan participants accessed their DC plan website during 2010. Plans generally should be able to deliver information electronically, unless a participant opts out and requests paper.
- The Department should use as a model the standard Congress adopted in 2006 for certain new communications—which permits delivery in paper, electronic or other form “reasonably accessible to the participant or beneficiary.” To the extent Congress has

considered the use of electronic technology in connection with plans, it has embraced its use. Given widespread availability and use of electronic communications today, the Department should revise its existing regime to provide parity between paper and electronic delivery. Plans should be able to choose a delivery form that is “reasonably accessible to the participant or beneficiary” for all required ERISA communications. • Technology and best practice necessarily will continue to evolve and delivery rules must accommodate that development. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 4 of 53 The Department should establish general standards for electronic delivery, not prescriptive rules or safe harbors that soon will be outdated as technological innovations spread and access to the Internet becomes even more universal. For example, the Department could simply require that plans take appropriate measures reasonably calculated to ensure that the plan’s system for furnishing documents, whether electronic or paper, fosters actual receipt on a timely basis and protects confidentiality of personal information. This kind of standard would allow plans and the retirement industry to adapt to new technologies, develop best practices for those technologies and periodically review the effectiveness of delivery regimes and make any desirable changes. The one place where DC plans now commonly use electronic disclosure of ERISA information—benefit statements—demonstrates the effectiveness of allowing electronic delivery under a general, rather than a prescriptive, standard. The Pension Protection Act of 2006 specifically allows delivery of benefit statements in paper, electronic or other form “reasonably accessible to the participant or beneficiary.” The Department’s interim guidance in Field Assistance Bulletin 2006-03 (Dec. 20, 2006) allows plans to provide participants continuous access to benefit statement information through secure websites under general standards designed to apprise them, in a manner calculated to be understood by the average plan participant, how to obtain the web-posted information or request a paper copy. We encourage the Department, as it develops new rules governing information delivery, to use this successful standard as a model. Responses to RFI Questions DOL RFI Question 1: What percentage of people in this country has access to the Internet at work or home? Of this percentage, what percentage has access at work versus at home? Does access vary by demographic groups (e.g., age, socioeconomic, race, national origin, etc.)? The RFI indicates that 2009 research by the Census Bureau found that 80.3 percent of workers had access to the Internet from some location,⁵ and that of the workers who did not have personal access, 38.7 percent resided in a household where someone else had Internet access.⁶ These data are consistent with research the Investment Company Institute conducted in fall 2010 that found that Internet access ⁵ See Table 2 in www.census.gov/population/www/socdemo/computer/2009.html. ⁶ This suggests that, counting both own access and access through another individual in the household, 88 percent of workers had Internet access in 2009. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 5 of 53 among working U.S. households⁷ is almost universal and is not tied to use of a computer in a work place.⁸ ICI research found that in fall 2010, 80.8 percent of all U.S. households had Internet access.⁹ In addition, 91.5 percent of working U.S. households had Internet access. Among working U.S. households, 61.5 percent reported Internet access at work, 86.3 percent reported Internet access at some other location, and 56.3 percent reported Internet access both at work and some other location (see Figure 1.1).

!"#\$%&'()*(' *+)',-\$.&/-01.2'344&..'5-'5/&'675&%7&5' !"#\$%&'()*+),-.)/*01"/*231)'%3)4*#56%(),.-)/*01"/*231)46&/)7%&'#%&')\$ \$"11)89)2*\$'&6*%)*+)7%&'#%&')\$ \$"11:)+22) ;<=)7?7)&'802'&6*%)*+)@+A)BC%6D"2).0#E"9)F'&')GH"E"C8"#)'%3)F"\$"C8"#);<=)7?7)&' 802'&6*%)*+)@+A)BC%6D"2).0#E"9)F'&')GH"E"C8"#)'%3)F"\$"C8"#);<=&' !"# \$"%&'()*+)4*#56%(),.-)/*01"/*231)46&/)7%&'#%&')\$ \$"11)89)/*01"/*23)6%\$*C")'%3)2*\$'&6*%)*+)7%&'#%&')\$

\$"11:)+'22)
;<=)7?7)&'802'&6*%)*+)@+A)BC%6D"2).0#E"9)F'&')GH"E"C8"#)'%3)F"\$"C8"#);<=)7?7)&'802'&6*%)*+)@+A)BC%6D"2).0#E"9)F'&')GH"E"C8"#)'%3)F"\$"C8"#);<=)7?7)&'802'&6*%)*+)!"4)K"1""#\$/)?"%&"#L1)7%&"#%"&)M)NC"#6\$'%)O6+"!)#*P"\$&)Q""2&/)D#'\$56%().0#E"9)G."J&"C8"#) ;<=-7#'9-%:"7#'*+)' ,-\$.&/-01.'FG7"7#H&A"7&1'I-75%";\$5"-7'344-\$75.';<'3#&' !"#\$"%&'(")*+)4*#56%(),-.-
)/*01"/*231)*4%6%()F?)'\$ \$*0%&1)46&/)7%&"#%"&)'\$ \$"11)89)'("'%3)2*\$'&6*%)*+)7%&"#%"&)'\$ \$"11:)
+'22);<=)7?7)&'802'&6*%)*+)@+A)BC%6D"2).0#E"9)F'&')GH"E"C8"#)'%3)F"\$"C8"#);<=-7#'9-%:"7#',-\$.&/-01.'FG7"7#H&A"7&1'I-75%";\$5"-7'344-\$75.';<' ,-\$.&/-01'674->&'!"#\$"%&'(")*+)4*#56%(),-.-
)/*01"/*231)*4%6%()F?)'\$ \$*0%&1)46&/)7%&"#%"&)'\$ \$"11)89)/*01"/*23)6%\$*C")'%3)2*\$'&6*%)*+)7%&"#%"&)'\$ \$"11:)+'22);<=)7?7)&'802'&6*%)*+)@RA)BC%6D"2).0#E"9)F'&')GH"E"C8"#)'%3)F"\$"C8"#);<=-7#',-\$.&/-01.'FG7"7#H&A"7&1'I-75%";\$5"-7'344-\$75.';<'&@1'-A' ,-\$.&/-01'B1\$4@5"-7' !"#\$"%&'(")*+)4*#56%(),-.-
)/*01"/*231)*4%6%()F?)'\$ \$*0%&1)46&/)7%&"#%"&)'\$ \$"11)89)/""3)*+)/*01"/*23)"30\$'&6*%)*+)'%3)
2*\$'&6*%)*+)7%&"#%"&)'\$ \$"11:)+'22);<=)7?7)&'802'&6*%)*+)@+A)BC%6D"2).0#E"9)F'&')GH"E"C8"#)'%3)F"\$"C8"#);<=&' !"#\$"%&'(")*+),-.-
)'302&1)4(*)/'E")3*%"")*%26%"")8'%56%(;)1"2"\$&"3)3'&"1!!
.0#\$">)7?7)&'802'&6*%)*+)!"4)K"1""#\$/L1)7%&"#%"&)M)NC"#6\$'%)O6+"!)#*P"\$&)D#'\$56%().0#E"9! Institute research also shows DC plan participants are familiar with using the Internet to access private financial information. Among DC-owning households who access the Internet, more than 80 percent overall and 70 percent of retired households owning DC accounts reported that they had used the Internet for financial purposes in the previous 12 months,14 including, for example, accessing bank or investment accounts and obtaining investment information.15 13 See Figures A.1 and A.2 in the appendix for a comparison of the Pew data to the other surveys. See
www.pewinternet.org/Trend-Data/Online-Activities-20002009.aspx for Pew analysis of a variety of online activities. 14 Results are from ICI's Annual Mutual Fund Shareholder Tracking Survey conducted in May 2010, which provides information on households owning mutual funds as well as households not owning mutual funds. The survey covers a national representative sample of 4,200 U.S. households, of which 52 percent owned DC accounts. A household is identified as "retired" if the head of the household responded affirmatively to "are you retired from your lifetime occupation?" See note 2 and Figure A.6 in the appendix for additional detail. 15 More than three-quarters of households with DC accounts accessed financial accounts, such as bank or investment accounts; half obtained investment information; and nearly one in five bought or sold investments online. Households could do more than one of these activities; multiple responses are included. See note 2 and Figure A.6 in the appendix for additional detail. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 15 of 53 The most direct evidence the Institute has of the use of the Internet by DC plan participants to obtain private financial information comes from data the Institute obtained in a recent survey of DC plan recordkeepers. That research finds that 60 percent of DC plan participants accessed their DC plan website during 2010 (see Figure 2.5).16 DC plan website use varied little by age of the participant or the tenure of the participant with the plan. !"#\$"%&'8)C'3'L@M-%"5<'A'HI'N0@7'N@%5"4"O@75.'344&..'K/&"%'N0@72.'9&..'5&'!"#\$"%&'(")*+)F?)J2'%)J'#&6\$6J'%&1)4(*)'\$ \$"11"3)&/"6#)J2'%L1)4"816&")30#6%()&/")9""#:);<=).'CJ2")*+);S)C6226*%()F?)J2'%)J'#&6\$6J'%&)'\$ \$*0%&1)'1)*+)9""#T"%3);<=<-).0#\$">)7?7)!#&6\$6J'%&)F61\$2*10#"')%3)7%&"#'"\$&6*%().0#E"9! 16 ICI surveyed a cross

section of DC plan recordkeepers representing a range of type of recordkeepers (e.g., mutual fund companies, insurance companies, banks, brokerage firms, third-party administrators) and a range of sizes of DC plans in their systems. In total, at year-end 2010, the recordkeepers surveyed covered 27 million DC accounts. Figures reported are participant-weighted. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 16 of 53 The recordkeeper survey also collected information on phone center representative use among DC plan participants. During 2010, phone center representative use is lower than website use; the survey finds that 29 percent of DC plan participants spoke with phone center representatives (see Figure 2.6). Older DC plan participants were more likely to use a phone center representative (34 percent of DC plan participants aged 60 or older called the phone center during 2010) compared with younger participants (17 percent of DC plan participants younger than 30 called the phone center during 2010).

Profit Sharing/401k Council of America (PSCA) surveys indicate that plan sponsors have increasingly embraced Internet delivery of plan services and transactions. Participant access to plan activities via the Internet has risen over time. In 2009, 93 percent of companies provided plan services via the Internet, compared with 64 percent of companies in 1999 (see Figure 2.7). In 2009, examples of services commonly available by Internet are balance inquiries (available at 92 percent of companies); investment changes (available at 91 percent of companies); and contribution changes (available at 70 percent of companies).

Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 17 of 53 Profit Sharing/401k Council of America (PSCA) surveys indicate that plan sponsors have increasingly embraced Internet delivery of plan services and transactions. Participant access to plan activities via the Internet has risen over time. In 2009, 93 percent of companies provided plan services via the Internet, compared with 64 percent of companies in 1999 (see Figure 2.7). In 2009, examples of services commonly available by Internet are balance inquiries (available at 92 percent of companies); investment changes (available at 91 percent of companies); and contribution changes (available at 70 percent of companies).

Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 18 of 53 DOL RFI Question 3: What percentage of pension benefit plans covered by ERISA currently furnish some or all disclosures required by ERISA electronically to some or all participants and beneficiaries covered under these plans? Please be specific regarding types of plans (e.g., single-employer plans versus multiemployer plans, defined benefit pension plans versus defined contribution pension plans, etc.), types of participants and beneficiaries (e.g., active, retired, deferred vested participants) and types of disclosures (e.g., all required title I disclosures versus select disclosures). We do not have data on the number of plans that currently furnish all or some disclosures electronically to all or some participants. Our response analyzes delivery of benefit statements because FAB 2006-03 allows plans more flexibility to deliver benefit statements electronically. It is important to note that participants that receive ERISA-required disclosures in paper also may receive, or access on their own (see Figure 2.5), plan information electronically. ICI recently surveyed DC plan recordkeepers to determine how plans furnish benefit statements.¹⁹ For purposes of this survey, electronic delivery included any e-delivery methods permitted by the Department (including but not limited to the

website delivery method permitted by FAB 2006- 03). The survey found that 52 percent of DC plan participants in the surveyed recordkeeper systems received quarterly benefit statements only electronically. The survey shows that the recordkeepers mailed paper quarterly benefit statements to 48 percent of their DC plan participants. However, some of the participants who received paper also could be receiving or accessing the benefit statement information electronically. DOL RFI Question 5: What are the most common methods of furnishing information electronically (e.g., e-mail with attachments, continuous access Website, etc.)? Plans commonly use all of the examples in the Department's question—e-mail with attachments or with a link to a secure website and continuous access to a website—to furnish information to plan participants electronically (see question 29 for our response on best practices for current e-delivery methods). 19 See note 15 for a description of the ICI Participant Disclosure and Interaction Survey. Statistics are participant-weighted. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 19 of 53 DOL RFI Question 6: What are the most significant impediments to increasing the use of electronic media (e.g., regulatory impediments, lack of interest by participants, lack of interest by plan sponsors, access issues, technological illiteracy, privacy concerns, etc.)? What steps can be taken by employers, and others, to overcome these impediments? Institute members that work with plans on complying with ERISA disclosure requirements report that regulatory impediments are the most significant barriers to increasing the use of electronic media in 401(k) plans. Lack of interest by plan sponsors and plan participants are not impediments to e- delivery of information and electronic interface between plans and participants. Because (as we stated in response to question 2) participants increasingly rely on the Internet to engage in transactions in connection with their 401(k) accounts, it is not technological illiteracy or lack of interest in using electronic media that prevents increased use of electronic media in plans. Access also is not an impediment. As our answers to questions 1 and 2 show, almost all working Americans have access to the Internet today. Privacy concerns also are not issues. As our answer to question 9 below shows, electronic delivery of information, particularly personal information, is more secure than mailing paper documents to American workers and robust systems and protocols exist and routinely are used to safeguard the handling and communication of this information. We therefore believe that any low rates of the specific participant-by-participant affirmative consents required by the 2002 rule most likely are due to factors, such as participant inertia or the administrative burdens associated with obtaining individual consents. The single most important way to remove impediments to electronic delivery is for the Department to adopt a rule that encourages, rather than constrains, e-delivery. And the best way to address any remaining concerns the Department has about technological illiteracy or privacy would be to impose a general standard on plans to take appropriate measures to ensure the plan's system for furnishing documents fosters actual receipt and protects confidentiality of personal information. This standard would further encourage employers to take necessary steps to deal with any technological illiteracy of any worker groups or privacy issues in connection with moving to electronic delivery. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 20 of 53 DOL RFI Question 7: Is there evidence to suggest that any increase in participant and beneficiary access to, and usage of, the Internet and similar electronic media in general equates to an increased desire or willingness on the part of those participants and beneficiaries to receive employee benefit plan information electronically? If so, what is it? Most 401(k) plans today provide several ways a participant can interface with the plan, for example, to obtain information about his or her account, change a deferral rate or investment allocation, or designate a beneficiary. Increasingly, participants in plans that allow electronic interface use the Internet for these activities rather than calling a customer service center or using

an automated response system, as our answer to question 2 shows. That participants use the electronic interface when they initiate transactions with the plan is strong evidence, in our view, that they would be equally willing to receive electronically information and notices that plans are required to send to them. ICI household survey data find that U.S. households with DC accounts have experienced increasing access to and use of the Internet over time. U.S. households with Internet access and DC accounts also have increased the frequency of their use of the Internet over time. In 2005, 61 percent of these households indicated that they used the Internet at least once a day (see Figure 7.1). By 2010, 78 percent indicated Internet use at least once a day. Internet use is common among both retired and non-retired households with Internet access and DC accounts: 68 percent of these retired households indicated at least daily Internet use in 2010²⁰ and 80 percent of these non-retired households indicated at least daily Internet use in 2010.²¹ Among retired DC-owning households with Internet access in 2010, 68 percent accessed the Internet at least once a day; 11 percent accessed the Internet three to five days a week; 6 percent accessed the Internet one to two days a week; 8 percent accessed the Internet less than once a week; and 7 percent had not accessed the Internet in the past 12 months. A household is identified as “retired” if the head of the household responded affirmatively to “are you retired from your lifetime occupation?” See note 2 and Figure A.5 in the appendix for additional detail. ²¹ Among non-retired DC-owning households with Internet access in 2010, 80 percent accessed the Internet at least once a day; 9 percent accessed the Internet three to five days a week; 4 percent accessed the Internet one to two days a week; 5 percent accessed the Internet less than once a week; and 2 percent had not accessed the Internet in the past 12 months. See note 2 and Figure A.5 in the appendix for additional detail. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 21 of 53

!"#\$%&'R) (! H@ "0 < '*. &' -A'5/&'675&%7&5'!
!"#\$%&'(")*+),-.-
)/*01"/*231)46&(/)7%&"#%"&)'\$\$"11)=)'%3)F?)'\$\$*0%&1);)&/'&)01")&/'/)7%&"#%"&)'&)2""1
&)*%\$")'3'9:) 1"2"\$&"3)9""#1!' ! "#\$%&'&\$%&!())&*!+\$),-
. &*!())&*!%!/!%0& !#\$%&'&\$%&! (%/0/1&2!3/42!/'!*/1&!/ %0&'! ,/)(%+/\$5! 678!()/)-\$%*!+\$),-
. &!()/)-\$%*!+\$!9:";4<2!9:=;><2!9?@2!/'!/%0&'!78!A,(\$*5!
H*&">)D"/)Y0"1&6*%)4'1)*%&6%\$203"3)*%&("/);<)7%E"1&C"%&)*?CJ'%9)7%1&6&0&")N
%%0'2)Z0&0'2)R0%3)./'#"/*23"#)D#'\$56%().0#E"9!' The DC plan recordkeeper data also indicate that DC plan participants use the Internet more often than phone center representatives for their interactions with their plans. (See Figures 2.5 and 2.6 and accompanying text in answer to question 2). DOL RFI Question 8: Are there any new or evolving technologies that might impact electronic disclosure in the foreseeable future? While it is not possible to predict how technology will continue to evolve, it seems certain electronic communication will become more pervasive and user-friendly in all areas of life. For example, the development and increasing popularity of new mobile devices has brought electronic access to more Americans. The Pew research on Internet usage by race/ethnicity (as of September 2010) shows that, while African-Americans have lower Internet usage at home than their white counterparts (57.9 percent compared with 74.6 percent), African-Americans have higher access to the Internet through mobile phones (among cell phone owners, 51.3 percent of African-Americans have mobile phone Internet usage, compared with 34.0 percent of their white counterparts; see Figure 8.1). Hispanics similarly have higher mobile phone Internet usage compared with their white counterparts (48.2 percent compared with 34.0 percent, among cell phone owners), but they have lower work Internet access compared with their white Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 22 of 53 counterparts (37.8 percent of working Hispanics use the Internet at work compared with 59.0 percent of working whites). !"#&'&'S)(" 675&%7&5'*.&';<'E@4&' !"#&'&'(")*+),-.-

)'302&1)89)#'\$\$.)."J&"C8"#);<=&% "4@7' ,".O@7"4' B\$C!#\$%&'\$&%!-*(D&! @=5?! @@59! EE5"! E"5E! F/1&!#\$%&'\$&%!-*(D&! EG5H! @95E! ?@5G! ?@59! I/'4!#\$%&'\$&%!-*(D&!;(1/\$D!3/'4+\$D!0/-*&0/,.*+,&!A0/\$&!#\$%&'\$&%!-*(D&! ==5:! 6G5"! 9:5@! 9:5@! J/>+,&!A0/\$&!#\$%&'\$&%!-*(D&!;(1/\$D!)&,,!A0/\$&K /3\$&'*)7?7)&'802'&6*%)*+)! "4)K"1""#\$/)?"%&"#L1)7%&"#%"&)"M)NC"#6\$%)O6+"!)!#*P"\$ &)Q""2&/)D#'\$56%().0#E"9)G."J&"C8"#) ;<=-7# '9-%:&%.',@.'E".&7'FD&% 'K">&' !"#\$\$"%&'(")*+),.-)4*#5"#1)4/*)01")&("/")7%&"#%"&:)1"2"\$&"3)3'&"1! ! .*0#\$\$">)7?7)&'802'&6*%1)*+)?0##"%&)*!J02'&6*%).0#E"9)3'&)" 29 See 67 Fed. Reg. 17264, 17264 (April 9, 2002). 30 See Figure A.3 in the appendix. 31 See Figure A.2 in the appendix for additional details. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 26 of 53 The other prong of the 2002 rule – the affirmative consent requirement – is cumbersome and unnecessary and also should be eliminated. The ability of plans to obtain participant-by-participant consents is low, notwithstanding the fact that participants overwhelmingly have electronic access and increasingly use e-communications to interface with their plans (as discussed in question 2 above). At the same time, where electronic delivery is used as a permissible means of delivery, few participants opt out. According to a large recordkeeper, only about 9 percent of participants in plans that deliver participant benefit statements electronically under the Department’s interim guidance opt out and ask for paper delivery. Simply put, the affirmative consent requirement in the 2002 rule places burdens on plans, and on electronic commerce, as we discuss in response to question 19. Electronic disclosure is better disclosure. The Department’s recent 401(k) disclosure initiatives appropriately focus on communicating the right amount of information to participants and avoiding information overload. For example, the new rules for disclosure to 401(k) plan participants about plan investments and fees focus on the decisions participants need to make and the information they need to make those decisions. How information is delivered can help enhance effectiveness of the communications by highlighting key information, making additional information readily available, and enabling recipients easily to take action on the information. Electronic delivery is uniquely suited to meet this objective. In the case of the new participant disclosure regime, the regulation requires plans to furnish participants on enrollment and annually thereafter key information presented concisely in a comparative format and make available a website where participants can get more information, such as information about the risks associated with each investment and updated performance information. Allowing and facilitating electronic delivery of the required information and comparative chart would significantly enhance a participant’s ability to understand and respond to the comparative information. Participants could click through to obtain risk or updated performance information on the website or take action to change any investments in response to fee and performance information presented in the chart. Similarly, continuing to allow plans to furnish benefit statements electronically under FAB 2006-03 will allow participants easily to use the functionality of a website for accessing information that helps increase understanding of their accounts and consider making any changes to the account. A large recordkeeper indicates that generally information provided via e-mail yields response rates that are three times higher than those from print communications. E-mail communication also provides a quicker way for plans to learn about a bad address. As we discuss in more detail in question 24, in seeking to ensure that the address on file for the participant is current, plans monitor bouncebacks—and e-mails typically bounce back almost instantly if the e-mail address is “bad.” In contrast, when paper mail has a bad address, it takes longer for the letter to come back. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 27 of 53 Electronic disclosure can be more secure. For 401(k) plans, security challenges in connection with the delivery of personal information to participants center on

protecting funds in a participant's account from being misappropriated and protecting the participant's personal information from being misappropriated to perpetrate identity theft. The retirement industry makes use of technology to combat these threats. Today, plans and recordkeepers that use common e-delivery systems, such as websites and e-mail, employ security measures that at least are as secure as, and in some aspects more secure than, paper. For these reasons, among others, modernizing the Department's e-delivery rules would not increase a material risk of harm to participants, as we discuss in response to question 19. These measures include sophisticated authentication procedures to protect participants' personal information delivered electronically. As we discuss in our answers to questions 5 and 29, e-mails to participants typically do not include personal information but direct participants to a secure website and these websites require an authentication logon. Authentication and security procedures for e- systems are continuously being enhanced, a process we expect to continue. The financial industry uses these or similar robust procedures for all types of accounts to combat effectively any threats of misappropriation and identity threats. We should point out that the risk of misappropriating a participant's account actually is less than with many other financial accounts because of the Internal Revenue Code's restrictions on withdrawals. Mail communications, on the other hand, are more vulnerable to misappropriation, because there are no authentication procedures for getting the right mail in the right mail box or preventing mail from being stolen. There are many instances when U.S. postal service delivers mail to the wrong address or to the correct address on the mailing but where a participant no longer resides, allowing an unauthorized individual to view any participant communications, including personal information. Even mail correctly delivered exposes participants to risk of identity theft as mail theft and looking through trash remain common ways for criminals to obtain personal information to perpetrate identity theft.³² See Combating Identity Theft - The President's Identity Theft Task Force Report, at 14 (Apr. 2007), available at <http://www.idtheft.gov/reports/StrategicPlan.pdf>. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 28 of 53 Expanding e-delivery in ERISA plans is consistent with Executive Order 13563. Executive Order 13563 issued on January 18, 2011, Improving Regulation and Regulatory Review, instructs agencies to modify, streamline, expand or repeal existing rules that may be outmoded, ineffective, insufficient, or excessively burdensome to ensure that regulations "use the best, most innovative, and least burdensome tools for achieving regulatory ends."³³ Our responses to the Department's questions in the RFI show the Department's existing framework for delivering required information to participants is outmoded due to changes in technology; ineffective in facilitating the use of the best and most innovative means to deliver information and allow participants to act on it; and that its affirmative consent requirement is excessively burdensome. Shifting the presumption to e-delivery as a default option, with a right to request paper, will allow plans to communicate with their participants in a more innovative and cost- effective way, consistent with the Order's mandate. Moreover, modernizing the Department's existing e-delivery rules is appropriate and lawful under E-SIGN. E-SIGN provides that the Department can eliminate affirmative consent to eliminate a substantial burden on electronic commerce if it will not increase material risk of harm to consumers. Our answer to question 19 shows the E-SIGN standards clearly are met. DOL RFI Question 10: If the safe harbor should be revised, how should it be revised? Please be specific. The Department should rescind the 2002 rule and replace it with a rule that would require that communications and notices required by ERISA must be delivered in paper, electronic or other appropriate form to the extent the form is reasonably accessible to the participant or beneficiary, a standard modeled after the Pension Protection Act's provisions for defined benefit plan funding notices and plan benefit statements. The Department could supplement this standard with a further requirement

that plans take appropriate measures reasonably calculated to ensure that the plan's system for furnishing documents fosters actual receipt on a timely basis and protects the confidentiality of personal information.³⁴ We recommend that these general standards apply whether plans furnish 33 See <http://www.gpo.gov/fdsys/pkg/FR-2011-01-21/pdf/2011-1385.pdf>. 34 The Department's current rule requires plans to take measures calculated to "ensure" the delivery system "results in actual receipt." Because no delivery system – including first-class mail –always results in actual receipt, we recommend using the word "fosters" instead. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 29 of 53 communications in paper or electronically. However, with respect to electronic delivery, the Department could require plans to allow participants and beneficiaries to request and receive instead paper copies of notices, in order to assure that the needs of the minority of participants and beneficiaries without access to, or not interested in electronic communications, continue to be served. The Department also could impose additional general conditions for all documents (similar to those under the 2002 rule) that would require that delivered documents are prepared and furnished in a manner that is consistent with the style, format and content requirements applicable to the particular document and that participants are apprised of the significance of a document when it is not reasonably evident. We strongly urge that any new or revised rule the Department adopts rely on general principles and not prescribe detailed or specific conditions or safe harbors. Instead, the Department should provide helpful or needed guidance to plans on how to comply with the general standards through informal assistance posted on the Department's website or issued as Frequently Asked Questions. If detailed conditions or safe harbors are in the rule itself, the rule will be quickly outdated, once again. At a minimum, a new or revised rule should allow plans to deliver communications electronically to all those participants for whom they have e-mail addresses. (The recent ICI Participant Disclosure and Interaction Survey shows that plan recordkeepers have valid e-mails for 62 percent of the DC plan participants in their systems.³⁵) As we discuss in more detail in question 14, the Department also should permit plans to provide most plan communications continuously on a secure plan website, provided the plan furnishes notification to participants and beneficiaries explaining that information the plan is required to deliver will be available on a website and how it can be accessed and apprising them of their right to request and obtain paper copies of that information instead. Finally, as we discuss in response to question 12, the Department could deal with time-sensitive communications simply by requiring that plans make ERISA disclosures on a timely basis. This standard effectively would require plans to "push out" time-sensitive notices but would not require that plans only do so in paper. 35 ICI surveyed a cross section of DC plan recordkeepers representing a range of type of recordkeepers (e.g., mutual fund companies, insurance companies, banks, brokerage firms, third-party administrators) and a range of sizes of DC plans in their systems. In total, at year-end 2010, the recordkeepers surveyed covered 27 million DC accounts. Figures reported are participant-weighted. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 30 of 53 DOL RFI Question 11: Should a revised safe harbor have different rules or conditions for different types of employee benefit plans (e.g., pension versus welfare plans)? If so, why and what differences? Our letter focuses on the reasons for expanded use of electronic delivery of required information in connection with DC plans. We believe the principles and recommendations in our letter are appropriate for other types of plans as well. We recognize, however, that some might view the benefits and cost savings of electronic delivery to be greater for DC plans (where layered disclosure may be more important) as compared to certain other kinds of plans. We also recognize that the data we present in response to question 2 showing very high Internet access (a 96 percent

rate) is limited to working DC-owning households (see Figure 2.1). We do not know whether access by households covered in other types of plans might be lower or not. However, the household survey data suggest at least three-quarters of all U.S. households had Internet access in 2010.³⁶ If any differences in connection with other types of plans would make the Department hesitate to facilitate electronic delivery of information for all plans, it should bifurcate its next steps and move forward with e-delivery reform for DC plans while it continues to consider e-delivery for other types of plans.

DOL RFI Question 12: Should a revised safe harbor have different rules or conditions for different types of disclosures (e.g., annual funding notice, quarterly benefit statement, COBRA election notice, etc.)? If so, why and what differences? No. The Department should not have different delivery rules for different documents. Instead it should simply require plans to furnish time-sensitive communications to participants on a timely basis. This would require plans to “push out” time-sensitive notices such as blackout notices. The Department should not require that plans only do so in paper. In fact, if a plan has current e-mail addresses for large numbers of participants, it should be able to deliver a blackout notice to those participants electronically. Electronic delivery in this case generally is more effective than paper delivery because it allows the participant easily to act on the notice (making contemplated changes now to avoid being shut out during the blackout) and also allows the plan easily to send a repeat e-mail notice as a reminder before the time period to act ends. For example, where the plan does not have e-mail addresses, or e-mails bounce back, it may be expected to push out the notice (or a notification of the notice) to those participants in paper or ³⁶ See Figure A.1 in appendix for ICI and GfK Omnitel results for 2010 (and 2009 CPS results, as well). Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 31 of 53 other medium (see our response to question 24). The electronic medium allows more opportunity to highlight or make critical information more prominent. In our view, it is imperative that the Department’s rules foster and facilitate electronic delivery in all cases where the purpose of the notice is to permit a participant to take action based on the information.

DOL RFI Question 13: Should a revised safe harbor have different rules or conditions for different recipients entitled to disclosures (active employees, retirees, COBRA Qualified Beneficiaries, etc.)? If yes, why, and how should the rules or conditions differ? The Department’s electronic disclosure rules should not have different rules or conditions for different types of recipients. Our household research finds that any differences in Internet access among non-retired and retired DC-owning households are relatively small. Overall, 90 percent of U.S. households owning DC accounts report Internet access in May 2010. This decomposes to 78 percent of retired households with DC accounts having Internet access and 92 percent of non-retired households with DC accounts having Internet access (see Figure 13.1).³⁷ In addition, the recent ICI Participant Disclosure and Interaction Survey shows that plan recordkeepers have valid e-mails for 62 percent of the DC plan participants in their systems and little variation in the presence of e-mails by DC plan participant age (see Figure 13.2).³⁸ Thus, it would be inappropriate to exclude either group from revisions to the rule. Rather, the Department should require that all participants have the right to opt out of electronic delivery. This would preserve the ability of workers or retirees that have a need or preference for receiving paper copies of disclosures to obtain them in paper.

³⁷ See Figure A.4 in the appendix for the variation in rates of Internet access across retired and non-retired households owning DC accounts, and by head or household age or education, or household income. ³⁸ ICI surveyed a cross section of DC plan recordkeepers representing a range of type of recordkeepers (e.g., mutual fund companies, insurance companies, banks, brokerage firms, third-party administrators) and a range of sizes of DC plans in their systems. In total, at year-end 2010, the recordkeepers surveyed covered 27 million DC accounts. Figures reported are participant-weighted. Office of Regulations and

Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011
Page 32 of 53 !"#%&'(=)(' 675&%7&5'344&..'6.'9"1&.O%&@1'3>-7# '300*)+)',-\$.&/-01.'
!"#\$"%&'(")*+),-./)*01"/*231)46&/)7%&"#%"&)'\$\$"11:=)Z'9);<=<) !
"#%&'\$&%!(())&**!+\$),-
.&*!())&**!%/%!%0&!#\$%&'\$&%!(%!0/1&2!3/'42!/'!*/1&!/ %0&'!/) (%+/\$5! 678!())/- \$%*!+\$),-
.&!())/- \$%*!+\$!9:";4<2!9:=;>><2!9?@!/'!/%0&'!78!A,(\$*5!! =L0&!0/-
&0/,!3(!)/\$*+.&'&.!&%+'&.!+M!%0&!0&(!/M!0/-
*&0/,!&*A/\$.&!(MM+'1(%+N&C!%!/O('&!C/-!'&%+'&.!M'/1!C/-!' ,+M&%+1&!/))-
A(%+/\$PQ!!
.*0#\$">)7%E"1&C"%&)*CJ"%9)7%1&6&0&")N%0'2)Z0&0'2)R0%3)/.'#"/*23"#)D#'\$56%(
)0#E"9) !"#\$%&'(=)8' +\$%D&<&1'E&4-%1:&&O&%.',@D&'BTL@"0.'A-%'L@M-%"5<'-
A'HI'N0@7'N@%5"4"O@75.'
!"#\$"%&'(")*+F?)J2'%))'#&6\$6J'%&1)46&/)"TC'62)'33#"11"1)*%)+62":);<=<) !
H*&">).'CJ2")*+);S)C6226*%)F?)J2'%))'#&6\$6J'%&)'\$\$*0%&1)'1)*+)9""#T"%3);<=<-)
.*0#\$">)7?7)!'&6\$6J'%&)F61\$2*10#"')%3)7%&"#'\$&6*%)0#E"9) Office of Regulations
and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6,
2011 Page 33 of 53 DOL RFI Question 14: To what extent should the Department encourage
or require pension and welfare benefit plans to furnish some or all disclosures required
under title I of ERISA through a continuous access Website(s)? In responding to this
question, please address whether and how frequently participants and beneficiaries should
be notified of their ability to access benefit information at the Website(s) and the most
appropriate means to provide such notice. For example, should participants and
beneficiaries receive a monthly notification of their ability to access benefit information or
should they receive a notification only when an ERISA-required disclosure is added to the
Website? How should such notifications be furnished (e.g., paper, e-mail, etc.)? Please also
address what steps would be needed to ensure that participants and beneficiaries
understand how to request and receive paper copies of the disclosures provided on the
Website(s). The Department's rules should allow (but not require) plans to furnish required
disclosures through a continuous access website, similar to the approach taken by the
Department in FAB 2006-03, as we discuss in response to question 10. This would be
consistent with the delivery provision Congress enacted in the Pension Protection Act for
benefit statements (and the Department's FAB under that requirement). It also would
complement the approach the Department took in the newly adopted participant disclosure
regulation which requires plans to provide access on a website to specified additional
information about 401(k) plan investment options, including risks and updated performance
information. As we discussed in response to question 9, using an electronic medium for
disclosure enhances the effectiveness of disclosure by allowing participants to click-through
to obtain additional information or implement any actions the disclosure might prompt
them to take. In addition, many 401(k) plan websites also provide educational materials
such as information on investments and financial markets; information and services on
asset allocation or retirement income planning; interactive tools participants can use to
help determine asset allocation for their accounts or consider the adequacy of their savings
to sustain an income stream in retirement; and connections to any plan third- party
investment advice program. When the website is where participants go to obtain benefit
statements or other required plan communications, they may be more incentivized and
easily will be able to take advantage of the services and tools the plan offers to help them
better understand retirement savings and manage their plan accounts. Websites provide
24/7 access that allow participants to engage with their accounts where and when they
want and to see the latest information on their accounts. The Department should not
prescribe that plans notify participants monthly that information is on the website, or notify
them each time ERISA-required information is added to the website. Rather, the

Department should allow plans flexibility in the approach to use to periodically make participants aware that information about their accounts, such as required benefit statements and participant disclosure charts, are available on a continuous basis on the website. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 34 of 53 The RFI asks what steps would be needed to ensure that participants understand how to request and receive paper copies of the disclosure provided on the website. The Department should not prescribe detailed steps but instead should use the approach in the participant disclosure regulation, where the rule requires the comparative chart to include a statement explaining how to request and obtain, free of charge, paper copies of the information required to be made available on a website.³⁹ DOL RFI Question 15: Who, as between plan sponsors and participants, should decide whether disclosures are furnished electronically? For example, should participants have to opt into or out of electronic disclosures? See Question 26. Individual participants always should have the right to opt out of electronic disclosure and request and receive required information in paper if plan sponsors make the decision to use e-delivery as the general method for communicating with participants with respect to that information. DOL RFI Question 16: Should a revised safe harbor contain conditions to ensure that individuals with disabilities are able to access disclosures made through electronic media, such as via continuous access Websites? If so, please describe the conditions that would be needed. Also, please identify whether such conditions would impose any undue burdens on employee benefit plans, including the costs associated with meeting any such conditions. What burden and difficulty would be placed on employees with disabilities if the Websites and/or other electronic communication were not accessible? We are not aware of any specific issues that would place individuals with disabilities at a disadvantage if the new rule allowed e-delivery to be a default option for plan communications. In fact, e-delivery can offer advantages and easier access to plan information. For example, with e-delivery, visually impaired individuals can use software to read e-notices to them or to increase the font size of e-communications. If a plan uses e-delivery, individuals with disabilities could access plan communications either via e-tools or by requesting a paper copy. 39 29 C.F.R. § 2550.404a-5(d)(2)(i)(C). Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 35 of 53 DOL RFI Question 17: If a plan furnishes disclosures through electronic media, under what circumstances should participants and beneficiaries have a right to opt out and receive only paper disclosures? Individual participants should have a right to opt out of electronic disclosure and request paper delivery of required information at any time. DOL RFI Question 18: The Department's current regulation has provisions pertaining to hardware and software requirements for accessing and retaining electronically furnished information. In light of changes in technology, are these provisions adequate to ensure that participants and beneficiaries, especially former employees with rights to benefits under the plan, have compatible hardware and software for receiving the documents distributed to their non-work e-mail accounts? Electronic document delivery currently relies on widely available technologies that most computers support. However, there is a wide variety of software products that implement those technologies, and software configurations in non-work computers can vary widely. The incompatibility of a particular computer with furnished documents should be rare, but also may be difficult to predict. Institutions furnishing electronic documents should test against a range of currently available software, and disclose known technical compatibilities or incompatibilities. However, because technology evolves so rapidly, the Department should not specify any particular technology or products in updating its electronic delivery rule. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 36 of 53 DOL RFI Question 19: Some have indicated that the affirmative consent requirement in the

Department's current electronic disclosure safe harbor is an impediment to plans that otherwise would elect to use electronic media. How specifically is this requirement an impediment? Should this requirement be eliminated? Is the affirmative consent requirement a substantial burden on electronic commerce? If yes, how? Would eliminating the requirement increase a material risk of harm to participants and beneficiaries? If yes, how? See section 104(d)(1) of E-SIGN. The affirmative consent requirement should be eliminated as it is an impediment to plans that otherwise would elect to use electronic media as the general method of communicating with participants. The affirmative consent requirement serves as a substantial burden to electronic commerce for two reasons. It prevents plans from using electronic communications technology to deliver information to participants who are comfortable with, and choose, the electronic medium when they initiate contact with their plan. And it denies participants the benefits that electronic communication offers in helping participants understand the information or readily act on it. The consent requirement further burdens commerce by causing plans to bear the costs of printing and mailing massive amounts of participant communications, as we discuss in response to question 25. Eliminating the affirmative consent requirement would not increase a material risk of harm to participants and beneficiaries. Rather, the general standard we recommend – that the plan take appropriate measures reasonably calculated to ensure that the plan's system for furnishing documents fosters actual receipt and protects confidentiality of personal information – would protect the interests of all plan participants in a plan using electronic delivery. Moreover, as our answer to question 9 explains, electronic delivery can be more secure than paper delivery. Providing that plan participants can opt out of electronic delivery at any time further would assure that the material risk of harm did not increase if plans made greater use of electronic delivery. E-SIGN is not a barrier to eliminating affirmative consent in the 2002 rule. E-SIGN provides that the Department can eliminate affirmative consent to eliminate a substantial burden on electronic commerce if it will not increase the material risk of harm to consumers. As our answer to this question shows, the E-SIGN standards clearly are met.

Office of Regulations and Interpretations
Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 37 of 53

DOL RFI Question 22: Do spam filters and similar measures used by non-workplace (personal) e-mail accounts, pose particular problems that should be taken into consideration? Financial institutions currently devote substantial efforts to ensuring that clients are able to receive their e-mail communications. These include adherence to technical protocols, management and evaluation of error messages, and direct engagement with e-mail service providers. Since filtering can occur in individual accounts as well as at the service provider level, institutions also must continue to educate clients (including retirement plan participants) about actions they need to take, such as adding the institution's domain name to a "safe" sender list. It is important to note that the decision whether to send attachments or hyperlinks to documents has an impact on how an e-mail message is treated by filters: messages with attachments are generally treated more strictly by filters than those without. Requiring a participant to click on a link and login in to a website provides the sender with a confirmation of successful delivery and verifies that the message was not trapped.

DOL RFI Question 23: What is the current practice for confirming that a participant received a time-sensitive notice that requires a participant response? Plans and their recordkeepers use various practices to alert participants to time-sensitive notices. Neither electronic nor mail delivery provides absolute certainty that a participant received a notice but both methods allow plans to take steps to find and provide the disclosure to a participant whose e-mail or regular mail comes back. As we discuss in responses to questions 9, 12 and 24, e-mail delivery provides quicker notification through a bounceback if an e-mail is "bad" and allows a plan to automatically switch to paper correspondence. As compared to paper, it also makes it easier to send any repeat notices as a reminder before

the time period ends. Sending multiple reminders of time-sensitive communications generally is not cost-effective in the paper regime. Finally, the functionality exists in electronic technology to track whether recipients open e-mails and/or links within those e-mails and some providers do so. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 38 of 53 DOL RFI

Question 24: What are current practices for ensuring that the e-mail address on file for the participant is the most current e-mail address? For example, what are the current practices for obtaining and updating e-mail addresses of participants who lose their work e-mail address upon cessation of employment or transfer to a job position that does not provide access to an employer provided computer? Plans commonly seek to ensure that an e-mail address on file for the participant is the most current e-mail address by monitoring bouncebacks. Typically, when an e-mail bounces back, a recordkeeper would send a letter to a participant's mailing address asking the participant to update this information. If a bounced e-mail contained a required notice, the recordkeeper also would mail that notice. Many companies would delete the "bad" e-mail from their system and switch to paper notices for all future communications if there are three bouncebacks. We also understand that most recordkeepers now are able to keep records for more than one e-mail address for a participant (e.g., e-mail provided by the employer and a personal e-mail supplied by a participant, for example, during a log-on). If an e-mail bounces back from one e-mail address, the system may e-mail the communication to the alternate address. Recordkeepers have advised us that personal e-mail addresses supplied by individuals may sometimes be "stickier" than a mailing address and allow companies to continue communicating by e-mail with participants for whom they no longer have a good mailing address. In addition to monitoring bouncebacks, recordkeepers remind participants periodically to update their contact information, including e-mail information. For example, participants may get this reminder when they log-on. DOL RFI Question 25: What costs and benefits are associated with expanding electronic distribution of required plan disclosures? Do costs and benefits vary across different types of participants, sponsors, plans, or disclosures? Are the printing costs being transferred from plans to plan participants and beneficiaries when information is furnished electronically? The e-delivery regime with a right to opt-out does not shift printing costs from plans to participants. Participants who want paper can request a paper copy rather than print their own documents. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 39 of 53 One of the major benefits from expanding electronic distribution of required plan disclosures is the potential savings associated with no longer printing and mailing paper disclosures. Depending on the number of participants in the plan and the type of disclosure, printing and mailing costs of paper disclosures can be expensive and burdensome to plan sponsors. With e-delivery as an option for required disclosure, plans can conduct their own cost-benefit analysis to assess whether the savings in printing and mailing costs exceeds any additional outlays for technology (hardware or software) and labor hours to maintain current e-mail address lists. To gauge the cost savings from not printing and mailing the comparative chart disclosure that DC plans will be required to send annually to all participants, we used estimates the mutual fund industry developed in connection with the SEC's summary prospectus rule.⁴⁰ We are unable to provide estimates of any costs plans may incur for technology or labor to set up e-delivery and maintain e-delivery to be in compliance with the proposed regulations, and, thus, we cannot estimate a net cost savings for allowing e-delivery as a default option. As noted earlier, this decision will be made plan-by-plan and is dependent on each plan's own specific circumstances. Nevertheless, in the absence of e-delivery as a default option, we estimate that printing and mailing costs of the comparative chart to DC plan participants are likely to range from \$37.4 million to \$49.3 million annually. • ICI's estimate of printing costs for a summary

prospectus assumed an average document length of four pages, the same average number of pages the retirement industry estimates, conservatively, for the comparative chart that would be developed for each DC plan. • Printing costs for a summary prospectus varied depending on whether a company used “digital print on demand” or “offset printing”.⁴¹ As a rule of thumb, if printing involved volumes greater than 5,000 identical documents, it was more economical per unit to use offset printing. (While less expensive, offset printing requires longer lead times to allow for document-specific typesetting.) Because most DC plans have fewer than 5,000 participants, the cost-savings of offset printing may only be available to relatively few large plans (see Figure 25.1).⁴² 40 See Investment Company Institute’s comment letter to SEC on Enhanced Disclosure and New Prospectus Delivery Option for Registered Open-End Management Investment Companies (Feb. 28, 2008), available at www.sec.gov/comments/s7-28-07/s72807-92.pdf. 41 Estimates reflect printing costs in 2007. 42 Figure 25.1 presents data tabulated from DOL Form 5500 for plan years 2007 and 2008 and summary statistics published in the DOL’s annual summary publications available at www.dol.gov/ebsa/pdf/2007pensionplanbulletin.pdf and www.dol.gov/ebsa/pdf/2008pensionplanbulletin.pdf. Office of Regulations and Interpretations Employee Benefits Security Administration E-Disclosure RFI June 6, 2011 Page 40 of 53 !"#%&'8C)('H".5%";\$5"-7'-

A'N@%5"4"O@75TH"%&45&1'H&A"7&1'I-75%";\$5"-7'N0@7.';<'N0@7'+ "V&! ! !!
8QQR'N0@7'W&@%' ! ! ! N@%5"4"O@75TH"%&45&1'HI'N0@7.(' ' N@%5"4"O@75.8'
X\$>;&%'-A' O@%5"4"O@75.'"7'O0@7' X\$>;&%' N&%4&75@#&' " X\$>;&%' ;1+,,+/\$*<'
N&%4&75@#&' R/\$&!/'!\$/%!'&A/'%&.! "E2=:6! =59S! ! :! :5:S! T&3&'!%0(\$! ?2::! 9E929=?!
GE56S! ! =@5:! ?"5=S! ?2::!/'!1/'&! "2H:H! :59S! ! =?5"! 9H5@S! L/%,(! 9H62?96! "":5:S! !
@65"! "":5:S! ! ! ! ! ! ! ! ! 8QQS'N0@7'W&@%' ! ! ! N@%5"4"O@75TH"%&45&1'HI'N0@7.(' '
N@%5"4"O@75.8' X\$>;&%'-A' O@%5"4"O@75.'"7'O0@7' X\$>;&%' N&%4&75@#&' "
X\$>;&%' ;1+,,+/\$*<' N&%4&75@#&' R/\$&!/'!\$/%!'&A/'%&.! "G2===! =5GS! ! :! :5:S!
T&3&'!%0(\$! ?2::! 9@E2G=?! G?5@S! ! =@5?! ?"56S! ?2::!/'!1/'&! "2H99! :59S! ! =?5@!
9H5HS! L/%,(! 9GH2""=! "":5:S! ! @=56! "":5:S! ! ! ! ! ! ! ! !

"!U('%+)+A(\$%V.+&)%&.!A,(\$*!+\$),-
.&!%0/*&!A,(\$*!+.&\$%+M&.&.!+\$!%0&T/'1!??::!*-11('C!'&A/'%!(/*!0(N+\$D!A('%+)+A(\$%!
.+&)%+/\$!/M!*/1&!/'!(,/,/M!%0&!A,(\$!(**&%*5! 6!U('%+)+A(\$%!)/-
\$%*!('&!%/(,!A('%+)+A(\$%*!);)%+N&2!'&%+'&.2!(\$.*&A('('&.!N&%*&.!A('%+)+A(\$%*!
\$/%!C&%!+\$!A(C!*(%(-*<5! L0&.\$-1>&'!M!A('%+)+A(\$%*!(*!/+&),-.&*!./->, &!)/-
\$%+\$D!/M!3/'4&*!+\$!1/'&!%0(\$!/\$&!A,(\$5!
.*0#"\$1>)7?7)&'802'&6*%)*+R*#C)[[(<)3'&)+*#)J2'%)9""#1);<;&%' 8Q(Q'N&G' 8QQU"
IN+' 8QQU" IN+' 8QQU'YAZ' F>7"5&0' 8Q(Q'YAZ' F>7"5&0' 8QQU'6I6' K%@4:"7#'
8Q(Q'6I6' K%@4:"7#' E&.O-71&75'@#&! N302&1=) N302&1=) N302&1=) Q*01"T) /*231;)
Q*01"T) /*231;) Q*01"T) /*231;) Q*01"T) /*231;) Q*01"T) /*231;) "H!%/!=?! G"! HG! H:! H?!
HG! H@! HH! H9! =?!%/!9G! HE! @H! @H! HE! HH! HE! HH! H? !? !%/!E9! @G! @"! @:! H:!
H"! H=! @G! @@! E?!/'!/, &'! 9?! 99! 9:! ?! ?G! E! ?! ?G! ! ! ! ! ! ! ! ! !
E&.O-71&75'&1\$4@5"-7'! ! ! ! ! ! ! ! ! F+D0!*)0//,!ID'(-(%&!/'!,&*! E9! ?E! ?! ?G! E@! EG!
E! ?@! W/1&!)/,,&D&!/'! (**/)+(%&X*!&D'&&! HE! H=! H6! H9! HG! HE! HE! H9! 8/,,&D&!/'!
A/*%D'(-(%&!&D'&&! G9! G=! G:! G=! G?! G?! G6! G"! ! ! ! ! ! ! ! ! ! ,-\$&/-01""74->&= ! ! !
! ! ! ! ! Y&*!%0(\$!Z?:2::! EH! E?! ?@! E?! @6! @"! E6! ?G! Z?:2::!%/!ZGG2GGG! G9! G:!
H9! G=! G=! G9! G:! H@! Z":2::!%/!Z"9G2GGG! G@! G9! G6! GH! G@! G@! G9! GH!
Z"?:2::!/'!1/'&! G9! GE! G?! GG! GE! G?! GE! G?! ! ! ! ! ! ! ! ! ! B>O0-<>&75'.5@5\$.! ! ! ! ! !
! ! ! /'4+\$D!M-,V!/'!! A('%V%+1& G:! H9! H:! H@! G"! G6! HH! H@! R/!3/'4+\$D! E=! ?G!
??! E"! EG! E@! E! ?E! ! ! ! ! ! ! ! ! ! K-5@0' @G! @9! @:! @@! H"! H"! @@! @?! ' ! ! ! ! ! ! ! !
! L&>-['.@>O0&.'"V&' 626=?! =2::! "":29H6! ?92"G6! =2::! =2::! 926:"! 926::! ' ' ' ' ! ! ! !
! "B-,%*!('&!+\$&+N+.-(*!(D&!"H!/'!/, &'5! 6F/-
&0/,.!(\$,(C[&.!('&!%0/*&!0&(&.&.!>C!(\$!+\$&+N+.-(! (D&!"H!/'!/, &'5!

=L/%(!&A/'%&.!+*!0/-*&0/,!+\$)/1&!>&M/'&!%(\&*!+\$!%0&!A+'/'!C&('5!
H*&">)7%&"#%"&)'\$\$"11)6%\$203"1)'\$\$"11)&*)&/"')7%&"#%"&'&)/C":)4*#5:)*)1*C")*&/
"#)2*\$'&6*%-)!4)C"%&6*%1)C*862)" '\$\$"11)"`J26\$6&29V)&/"')*&/"#)10#E"91)3*)%*&-)
.0#\$"1>)7?7)&'802'&6*%1)*+)&/"')B\$&*8"#);<<^)?0##"%"&!)J02'&6*%).0#E"9:)7%E"1&
C"%&)?*CJ'%9)7%1&6&0&")N%%0'2)Z0&0'2)
R0%3)./'#"/*23"#)D#' \$56%().0#E"9:!)!"4)7%&"#%"&)D#' \$56%().0#E"9:)%3)@+A)BC%6&
2).0#E"9! Office of Regulations and Interpretations Employee Benefits Security
Administration E-Disclosure RFI June 6, 2011 Page 49 of 53 !"#\$%&'3)8'
675&%7&5'344&..-A'9-%:"7#*(+))'31\$05.'@71'9-%:"7#*(+)),-.\$/-01.'
!"#\$%&'(")+4*#56%(),.-)'302&1=)'%3)4*#56%(),.-
)/*01"/*231;)46&/)7%&"#%"&)'\$\$"11.);<<^_;<=>;&% ' 8Q(Q'N&G' 8QQU' IN+' 8QQU' IN+'
8QQU'YAZ' F>7"5&0' 8Q(Q'YAZ' F>7"5&0' 8QQU'6I6' K%@4:"7# ' 8Q(Q'6I6' K%@4:"7# ' !
U*#56%() '302&1=) U*#56%() '302&1=) U*#56%() '302&1=) U*#56%() /*01"/*231;)
U*#56%() /*01"/*231;) U*#56%() /*01"/*231;) U*#56%() /*01"/*231;) U*#56%()
/*01"/*231;) E&.O-71&75'@#&' ! ! ! ! ! "H!%/!=?! G9! G:! H=! H@! G=! G6! G!: G:
=?!%/!9G! G:! H9! H6! G:! G"! G=! G"! HG! ?!%/!E9! H@! @G! @H! HE! G"! G6! H@! H?!
E?!/!/!,&'! E6! ?H! E"! @:! @9! H6! @E! @?! ! ! ! ! ! ! ! ! ! E&.O-71&75'&1\$4@5"-7'! ! ! ! ! !
! F+D0!*)0//,! D'(-(%&!/'!,&**! @G! E@! E6! @=! @@! H"! @@! @9! W/1&!)//,,&D&!/!
(**)+(%&X*!.&D'&& G9! G:! H@! G:! G?! G9! G=! G:! 8/,,&D&!/! A/*%D'(-(%&!.&D'&&
GH! G@! G9! G@! GG! GG! GE! GH! ! ! ! ! ! ! ! ! ! ,-\$./-01'"74->&= ! ! ! ! ! ! ! !
Y&**!%0(\$!Z?:2:::! H"! @E! EH! @H! H9! H9! @@! @E! Z?:2:::!/!/!ZGG2GGG! G@! G6! HH!
G?! G?! GE! G6! G!: Z":2:::!/!/! Z"9G2GGG! G@! GE! G?! GG! GG! GG! GH! GH!
Z"?:2:::!/!/!'&! GE! ":! G@! GG! GE! G?! GH! GE! ! ! ! ! ! ! ! ! ! K-5@0' G!: H9! H!: H@! G"
G6! HH! H@! ' ! ! ! ! ! ! ! L&>-['.@>00&."V& "2"@! "2??6! E"2GH@! ==2"H@! "2E?@!
"2@:E! 62?6@! 62?:?! "B.-,%*!('&!+\$+.N+.-(*!(D&!"H!/'!/,.&'5! 6F/-
&0/,.(\$(,C[&.!('&!%0/*&!0&(.&.!>C!(\$!+\$+.N+.-.(,!(D&!"H!/'!/,.&'5!
=L/%(!&A/'%&.!+*!0/-*&0/,!+\$)/1&!>&M/'&!%(\&*!+\$!%0&!A+'/'!C&('5!
H*&">)7%&"#%"&)'\$\$"11)6%\$203"1)'\$\$"11)&*)&/"')7%&"#%"&'&)/C":)4*#5:)*)1*C")*&/
"#)2*\$'&6*%-)!4)C"%&6*%1)C*862)" '\$\$"11)"`J26\$6&29V)&/"')*&/"#)10#E"91)3*)%*&-)
.0#\$"1>)7?7)&'802'&6*%1)*+)&/"')B\$&*8"#);<<^)?0##"%"&!)J02'&6*%).0#E"9:)7%E"1&
C"%&)?*CJ'%9)7%1&6&0&")N%%0'2)Z0&0'2)
R0%3)./'#"/*23"#)D#' \$56%().0#E"9:!)!"4)7%&"#%"&)D#' \$56%().0#E"9:)%3)@+A)BC%6&
2).0#E"9! Office of Regulations and Interpretations Employee Benefits Security
Administration E-Disclosure RFI June 6, 2011 Page 50 of 53 Evidence of Trends in Internet
Use in the United States Figure 9.1 in our response to question 9 in the RFI above presented
tabulations of CPS data. Pew also reports a long time series for Internet use among U.S.
adults (see Figure A.3). !"#\$%&'3)= ' 675&%7&5*'.@#&',@.'E".&7'FD&%'K">&
!"#\$%&'(")+4*#56%(),.-)'302&1)4/*)01"&/"')7%&"#%"&:)1"2"\$&'3)3'&"1
H*&">).0#E"91)+*#)Z'#\$/);<<<_Z'9);<=<)'#"&/"')!"4)7%&"#%"&)M)NC"#6\$'%)O6+"!)#*
P'\$&).0#E"91-)N22)10#E"91))#6*#)&*)
Z'#\$/);<<<4"#")\$*%30\$&'3)89)&/"')!"4)K"1"#\$/)?""&"#)+*#!"*j2")M)&/"')!#"11-
)R*#)= ^ ^[:)7%&"#%"&)01"#1)6%\$203")
&/'1")4/*)"E"#)01")')/C":)4*#5)*#)1\$/**2)\$*CJ0&"#)'%3)C*3"C)&*)\$*%%"\$&)&*)\$*CJ0&"#)
8022'&6%)8*'#31:)
6%+*#C'&6*%)1"#E6\$"1)10\$/)'1)?*CJ0."#E")*#)!#*36(9:)*#)\$*CJ0&"#1)'&)*&/"#)2*\$'&6*
%1-)R*#)= ^ ^a)&*)= ^ ^\:)7%&"#%"&)
01"#1)6%\$203")&/'1")4/*)"E"#)01")')/C":)4*#5)*#)1\$/**2)\$*CJ0&"#)'%3)C*3"C)&*)\$*%%"
\$&)46&/)\$*CJ0&"#1)*E"#)&/"')
7%&"#%"&:&/"')U*#23)U63")U"8:)*#)46&/)6%+*#C'&6*%)1"#E6\$"1)10\$/)'1)NC"#6\$')B%
26%"*)#!#*36(9-)R*#);<<<)&*);<WW444-J"46%&"#%"&-
*#(W.&'&6\$T!('1WD#"3TF'&'W7%&"#%"&TN3*I&6*%-'1|`-)

. *0#"\$1>)"4)7%&"#%"&)M)NC"#6\$"%O6+"")!#*P"\$&).0#E"91:)Z'#\$/);<<<_Z'9);<=-7# '3
00*)+)',-\$.&/-01.' !"# \$"%&'(")*+),-.)/*01"/*231)46&/)7%&"#%"&)'\$\$"11:=)Z'9);<=&?' !!!
! Y&**!%0(\$!Z?:2::! ?G! @H! E9! H=! Z?:2::!%!/ZGG2GGG! H@! G6! H?! G=!
Z":2::!%!/Z"9G2GGG! GH! GH! GE! GH! Z"?:2::!/'!1/'&! G?! G?! HE! G@! ! ! ! ! K-5@0'
@?! G:! @H! G6! ' ! ! ! ! L&>-[.'@>O0&'."V&' 926::! 62"G?! =H"! "2H"9!
"# \$"%&'\$&%!()&**!+ \$),-
.&*!()&**!%!/!%0&!# \$"%&'\$&%!(%!/0/1&2!3/'42!/'!*/1&!/%0&'!./)(%+/\$5! 678!()/)/-\$%*!+ \$),-
.&!()/)/-\$%*!+ \$!9:";4<2!9:=;><2!9?@!/'!/%0&'!78!A,(\$*5! =L0&!0/-
&0/,!13()!/\$*+.&'&.!&%+ '&.!+M!%0&!0&(!/M!0/-
*&0/,!&'&A/\$.&!(MM+'1(%+N&,C!%!/O('&C/-!'&%+ '&.!M'/1!C/-!' ,+M&%+1&!/))-
A(%+/\$PQ!! 9L/%(,!&A/'%&.!+*!0/-*&0/,!+ \$)/1&!>&M/'&!%(\&*!+ \$!6::G5!
. *0#"\$>)7%E"1&C""%&)*CJ"%9)7%1&6&0&")N"%0'2)Z0&0'2)R0%3)./'#"/*23"#)D#'\$56%(
) .0#E"9! Office of Regulations and Interpretations Employee Benefits Security
Administration E-Disclosure RFI June 6, 2011 Page 52 of 53 Frequency of Internet use was
high among all households with access to the Internet at home, work, or some other
location. Seventy-two percent of U.S. households with Internet access went online at least
once a day (see Figure A.5). Nearly eight in 10 DC account-owning households with Internet
access went online at least once a day. Non-retired DC account-owning households with
Internet access were more likely to go online at least once a day than were retired DC
account-owning households. Daily use of the Internet was still high among retired DC
account-owning households with Internet access with 68 percent reporting at least daily
use of the Internet. !"# \$"%&'3)C' !%&\$&74<' -A'675&%7&5*.'&' !"# \$"%&'(")*+),-.
)/*01"/*231)46&/)6%&"#%"&)'\$\$"11:=)89)+#"Y0"%\$9)*+)7%&"#%"&)01":Z'9);<=<')))
))) *)+)' /-\$.&/-01.' -G7"7# 'H! '@44-\$75.8' ! 300*)+)" /-\$.&/-01.' 300' E&5"%&1='
X-5'%&5"%&1' B%! ,&(*%!/ \$)&!(. (C! @6! @H! EH! H: ! =!%!/?!.(C*!(!3&&4! " :! " :! ""! G!
"!%!/6!.(C*!(!3&&4! E! ?! E! 9! Y&**!%0(\$!/\$)&!(!3&&4! H! ?! H! ?!
R&N&'!+ \$!%0&!A(*%!"6!1/\$%0*! 9! 6! @! 6! "# \$"%&'\$&%!()&**!+ \$),-
.&*!()&**!%!/!%0&!# \$"%&'\$&%!(%!/0/1&2!3/'42!/'!*/1&!/%0&'!./)(%+/\$5!! 678!()/)/-\$%*!+ \$),-
.&!()/)/-\$%*!+ \$!9:";4<2!9:=;><2!9?@!/'!/%0&'!78!A,(\$*5! =L0&!0/-
&0/,!13()!/\$*+.&'&.!&%+ '&.!+M!%0&!0&(!/M!0/-
*&0/,!&'&A/\$.&!(MM+'1(%+N&,C!%!/O('&C/-!'&%+ '&.!M'/1!C/-!' ,+M&%+1&!/))-
A(%+/\$PQ!
. *0#"\$>)7%E"1&C""%&)*CJ"%9)7%1&6&0&")N"%0'2)Z0&0'2)R0%3)./'#"/*23"#)D#'\$56%(
) .0#E"9)! The Internet has become central to many households' management of their
finances. Three-quarters of U.S. households using the Internet went online for financial
purposes, such as to check their bank or investment accounts, obtain investment
information, or buy or sell investments (see Figure A.6). Eight in 10 DC account-owning
households using the Internet went online for financial purposes with non- retired DC
account-owning households being more likely to use the Internet for financial purposes
than retired DC account-owning households. Nevertheless, 70 percent of retired DC
account-owning households went online for financial purposes between June 2009 and May
2010. Office of Regulations and Interpretations Employee Benefits Security Administration
E-Disclosure RFI June 6, 2011 Page 53 of 53 !"# \$"%&'3)P' L-.5*.'&5/&'675&%7&5'A-
%!'!7@74"@0'N\$%O-.&.' !"# \$"%&'(")*+),-.
)/*01"/*231)46&/)7%&"#%"&)01")6%&("/)J'1&=;)C*%&/1)89)*%26%")'\$&6E6&6"1:=:);)Z'9)
;<=@'0' G6! G=! G: ! G9! *.&1'675&%7&5'A-% '@'A"7@74"@0'O\$%O-.&]5-5@0^' @?! H"!
@: ! H= ! !B))&**&.((\$C!%CA&!/M!M+ \$(\$)+ (, !()/)-\$%2!*-)0!(*)>(\$4!/'!! !+ \$N&*%1&\$%!()/-
\$%*! @"! @H! E@! H: ! !^>%(+ \$&.!+ \$N&*%1&\$%!(+ \$M/'1(%+/\$! 9=! ?"! 9E! ?6! ! !/_-
D0%!/!'!*,.!+ \$N&*%1&\$%*!/\$, + \$&! "E! "H! "9! "G! *.&1'675&%7&5'A-
% '@'7-7A"7@74"@0'O\$%O-.&]5-5@0^' HH! G6! H6! G=! ! !^>%(+ \$&.!+ \$M/'1(%+/\$!(>/-
% !A'/.-)%*!(\$.!*&'N+)&*!! !/%0&'!%0(\$!+ \$N&*%1&\$%*! @G! H=! @6! H?! ! !/_-

D0%!/!'*/,.!*/1&%0+\$D!/0&'!%0(\$!+\$N&*&1&\$%*!/\$,+&\$! @E! H"! EG! H=!
" ^\$,+&\$!()%) +N+%+&*!('&!>(*&./!\$!%0&!*/,&!/'!)/V.&)+*+/\$1(4&'!M/'!0/-
&0/,.! (N+\$D!(\$.!+\$N&*&+\$D5! 6T/'!%0+*!*-N&C2!%0&!A(*%!"6!1/\$%0*!3&'&!` -
\$&!6::G!%0'/-D0!J(C!6:"!5! =78!()/)/-\$%*!+\$),-.&!()/)-
\$%*!+\$!9:";4<2!9:=;><2!9?@!/'!/'!%0&'!78!A,(\$*5! 9L0&!0/-
&0/,.!3(!)/\$*+.&'&.!&%+'&.!+M!%0&!0&(!/M!0/-
*&0/,.!'&*A/\$.&!(MM+'1(%+N&C!%/!O('&!C/-!'&%+'&.!M'/1!C/-!' ,+M&%+1&!/))-
A(%+/\$PQ!!
H*&">)7%&"#%"&)'\$ \$"11)6%\$203"1)'\$ \$"11)&*)&/")7%&"#%"&)'&)/ *C":)4*#5:)*#)1*C")*&/
"#)2*\$'&6*%-)
.*0#\$ \$">)7%E"1&C"%&)*CJ'%9)7%1&6&0&")N%%0'2)Z0&0'2)R0%3)./'#"/*23"#)D#'\$56%(
)0#E"9)!

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.