October 15, 2010 Federal Update

Federal Update: 40l(k)-Type Final Transparency Rules and Requirements

The U.S. Department of Labor's Employee Benefits Security Administration today announced a final rule to give participants covered by 401(k)-type retirement plans greater information regarding the fees and expenses associated with their plans in order to better manage their retirement savings.

The following are key resources and documents:

- **Regulation**
- **Fact Sheet**
- **Model Comparative Chart**
- **2009 Schedule C - Supplemental FAQ's**

In summary, the final regulation requires plan fiduciaries to:

1. Provide employees with quarterly statements of plan fees and expenses deducted from their accounts.
2. Provide employees core information about investments available under their plan including the cost of these investments.
3. Use standard methodologies when calculating and disclosing expense and return information to achieve uniformity across the spectrum of investments that exist in plans.
4. Present the information to employees in a format that allows employees to comparison shop among the plan's investment options.
5. Provide employees access to supplemental investment information in addition to the basic information.