

## **New Fee Disclosure Compliance Deadlines Extended**

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The Department of Labor (DOL) recently announced that the deadlines for complying with new plan service provider and participant fee disclosure rules have been extended. As a result, plan administrators who were working toward a Jan. 1, 2012, implementation date will now have slightly more time to get the required disclosures from plan service providers and to make fee disclosures to plan participants.

### **Plan service provider fee disclosures**

The deadline for retirement plan service providers to disclose certain information regarding their fees, services, and fiduciary status to plan fiduciaries is extended by three months to April 1, 2012.

Originally, the deadline for these disclosures was July 16, 2011. This date was later extended to Jan. 1, 2012. (Please see our prior advisory regarding this extension.)

The extension is needed, according to the DOL, to allow service providers to make needed changes in their systems and to reflect any changes that are included in the final regulations on service provider fee disclosures (anticipated to be issued before the end of 2011).

### **Participant fee disclosures**

Last year, the DOL published final regulations mandating certain disclosures to participants and beneficiaries regarding plan fees, expenses, and comparative investment information. The disclosures must be provided to participants and beneficiaries in participant-directed defined contribution plans before they can make their initial investment directions under the plans.

The first such initial participant disclosures must be made no later than the later of (a) 60 days after the first day of the plan year beginning on or after Nov. 1, 2011, or (b) 60 days after the effective date of the plan service provider fee disclosure requirements (April 1, 2012, as described above). The DOL has announced this delay in order to help plan fiduciaries obtain the information needed to comply with the rules.

The DOL also announced that the first participant disclosure of quarterly fee information must be provided no later than 45 days after the end of the quarter in which the initial participant disclosures (described above) must be provided.

This means that for calendar year plans, the first initial participant disclosure must be provided by May 31, 2012, and the first quarterly participant disclosure must be provided by Aug. 14, 2012.

### **Questions**

Please contact us if you have any questions regarding the new fee disclosure requirements.

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