

## Disclosure Deadlines Extended—Slightly

6-1-2011 by George L. Whitfield, Justin W. Stemple

The U.S. Department of Labor (DOL) announced on May 31 proposed extensions for its separate disclosure regulations:

- The service provider regulations require fiduciaries of all qualified plans to obtain fee disclosure and conflict information from plan service providers. Failure to obtain the disclosure makes the service provider contract a prohibited transaction.
- The participant disclosure regulations require fiduciaries to provide plan and investment-related information to defined contribution plan participants and beneficiaries eligible to direct the investment of their accounts. Failure to provide the disclosures is a breach of fiduciary responsibility under ERISA.

The notice confirms the DOL's previously announced intention to extend the initial deadline for service provider disclosure from July 16, 2011, to January 1, 2012, regardless of the applicable plan year.

Although the notice did not change the applicability dates of the participant disclosure rules, which are plan years beginning on or after November 1, 2011, the notice extends the first year transition rule from 60 to 120 days. Therefore, the initial deadline for annual participant disclosure for calendar year plans is April 30, 2012, instead of March 1, 2012. The notice clarifies that the extended transition rule date applies to new participants who become eligible to direct investments during the 120-day transition period. In addition, it specifies that the initial deadline for quarterly disclosure of expenses for calendar year plans will be May 15, 2012.

View the DOL notice [here](#).

This is good news. However, it boils down only to confirmation of the previously announced extension of the service provider disclosure date to January 1, 2012, and a mere 60-day extension of the transition period for initial annual participant disclosures. It does appear to clarify the initial disclosure date for new participants during the transition period and for initial quarterly expense disclosures to participants. **This notice does not modify our strong recommendation to get going with preparation for these burdensome disclosure requirements as soon as possible.**

Additional information on service provider disclosures is available [here](#).

Additional information on participant disclosures is available [here](#).

If you'd like to discuss the rules or have questions, please contact George Whitfield ([gwhitfield@wnj.com](mailto:gwhitfield@wnj.com) or 616.752.2102), Justin Stemple ([jstemple@wnj.com](mailto:jstemple@wnj.com) or 616.752.2375) or any

A Better Partnership®



other member of the Employee Benefits or Executive Compensation practice groups at Warner Norcross & Judd.

GRAND RAPIDS | HOLLAND | LANSING | MUSKEGON | SOUTHFIELD | STERLING HEIGHTS

[wnj.com](http://wnj.com)