

One Minute Memo[®]



Deadline for New 401(k) Plan Disclosures Postponed to August 30

The Department of Labor has postponed from May 31, 2012, to August 30, 2012, the date by which 401(k) plans must begin providing participants with detailed new disclosures regarding the plan's fee structure and investment options. For a more detailed description of the new disclosure requirements, see our Management Alert called *Plan and Investment Disclosure Requirements*, dated July 26, 2011.

The new effective date is a direct result of the Department's issuance of revised regulations under ERISA Section 408(b)(2) requiring service providers to provide more detailed disclosures concerning their fees to qualified retirement plans (details in a soon to be released One Minute Memo). In connection with the revisions and to provide time for compliance with the changes, service providers must now comply with the disclosure requirements by July 1, 2012 (postponed from April 1, 2012).

Since the deadline for providing the participant disclosures was previously set at 60 days after the effective date of the service provider regulations, the effect of postponing the effective date of the service provider regulations is to postpone the participant disclosure deadline as well. For calendar year plans, the initial annual disclosure must now be provided by August 30, 2012 (previously May 31, 2012). The initial quarterly disclosure of fees and expenses charged to individual accounts must be provided by November 14, 2012 (previously August 14, 2012), reflecting fees and expenses deducted from a participant's or beneficiary's account during the third calendar quarter of 2012 (July through September).

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