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America's Low-Cost 401(k)SM

March 13, 2014

Office of Regulations and Interpretations
US Department of Labor
Employee Benefits Security Administration
Room N-5655
200 Constitution Ave., NW
Washington DC 20210

RE: RIN 1210-AB08; 408(b)(2) Guide

Dear Sir or Madam:

Employee Fiduciary, LLC (“Employee Fiduciary”) appreciates the opportunity to comment regarding a proposed amendment to Section 408(b)(2) requiring covered service providers to furnish a guide to assist plan fiduciaries in reviewing the disclosures required by the final rule if the disclosures are contained in multiple or lengthy documents.

Founded in 2004, Employee Fiduciary provides low-cost retirement plans to more than 2,200 companies nationwide. We advocate fee transparency and believe that every dollar spent in fees deserves a measurable return on investment.

Our Concerns

Under the current 408(b)(2) rules, covered service providers are allowed to choose the format of disclosure document, effectively tailoring the document to present the providers fees in the best possible light. In practice, we have seen highly technical disclosures which are difficult for the plan fiduciary to understand or conduct fee comparisons.

Our key concerns include:

- The lack of a standardized disclosure format can make it difficult to impossible for a plan fiduciary to compare fees between service providers, particularly when indirect compensation arrangements exist. Service providers who charge only direct fees are disadvantaged on most current summary disclosures where indirect fees are charged.
- Determining the “all-in” fee for certain investments (e.g., insurance/annuity products, individually managed funds) can be difficult. There is currently no standard that fees be expressed in all-in total dollars based on real-world assumptions as to plan asset values or employees covered by the plan.
- Full fund name, share class, ticker symbol and CUSIP (where applicable) are not currently required to be disclosed. Plan fiduciaries may not be able to discern if alternate share class investments are available.

Our Recommendations

We believe that a standardized disclosure summary, formatted to include particular disclosure items, is in the best interest of plan fiduciaries and participants. We propose that the following items be disclosed on the summary document:

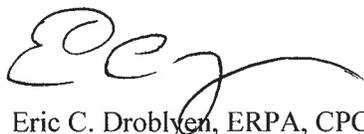
- A clear and unambiguous summary of the covered services provided;
- Underlying assumptions used in the summary (e.g., plan asset value);
- For each investment fund, the full name of the fund, share class, and trading symbol;
- The amount of covered service provider fees expressed in dollar values of fees to be withdrawn from each investment fund, based on the disclosed assumptions;
- The amount of direct fees, expressed in dollar values, to be paid by the employer or otherwise deducted from participant accounts in addition to fees received from the investment funds;
- A total fee amount, expressed in a dollar value of the total fees to be received by the provider for the services rendered.

Each of these requirements serves to make fees more transparent and easier for the plan fiduciary to understand and compare amongst service providers. We also believe the disclosure summary provides no significant additional burden to covered service providers, and may even make compliance easier to achieve.

We have included a proposed disclosure summary that incorporates our recommendations on the following two pages. The opening commentary for this summary was largely drawn from the DOL web site at: <http://www.dol.gov/ebsa/pdf/401kfein.pdf>.

Thank you again for the opportunity to comment on this important matter. Please contact me at (727) 324-4004 if you have any comments or questions. We very much appreciate your time and consideration.

Regards,



Eric C. Droblyen, ERPA, CPC, QPA
President
Employee Fiduciary, LLC

SAMPLE PLAN
401(k) PLAN FEE DISCLOSURE FORM
For Services Provided by Professional Services Firm⁽¹⁾

Overview

The Employee Retirement Income Security Act of 1974, as amended (ERISA) requires employee benefit plan fiduciaries to act solely in the interests of, and for the exclusive benefit of, plan participants and beneficiaries. As part of that obligation, plan fiduciaries should consider cost, among other things, when choosing investment options for the plan and selecting plan service providers.

This 401(k) plan fee disclosure form may assist you in making informed cost-benefit decisions with respect to your plan. The purpose of this form is to help you determine the total cost of the plan. It is also intended to provide you with a means to compare investment product fees and plan administration expenses charged by competing service providers, regardless of how a particular service provider structures its fees.

The 401(k) plan fees included in this disclosure form represent estimated 401(k) plan expenses for the period X/XX/XX through X/XX/XX. Additional investment product information regarding fees may be obtained from the product prospectus, annuity contract or other similar documents. Additional information relating to plan administration services and expenses is contained in documentation provided by the service provider, including the contract for plan services. Other plan expenses may include legal fees for initial plan design and ongoing amendments resulting from changes in pension law or plan design and the cost of a mandatory annual audit. You need to contact your legal advisor or accountant to determine these charges.

Selecting a service provider requires that you evaluate and differentiate services offered by competing companies. Cost is one of the criteria, but not the only criterion, for making this evaluation. Other factors of equal or greater importance to consider include the quality and type of services provided, the anticipated performance of competing providers and their investment products and other factors specific to your plan's needs. The service provider offering the lowest cost services is not necessarily the best choice for your plan.

Calculation of Fees

In general, fees are calculated in four ways:

- Asset-based: expenses are based on the amount of assets in the plan and generally are expressed as percentages or basis points.
- Per-person: expenses are based upon the number of eligible employees or actual participants in the plan.
- Transaction-based: expenses are based on the execution of a particular plan service or transaction.
- Flat rate: fixed charge that does not vary, regardless of plan size.

Fees may be calculated using one or any combination of these methods. Plan administration-related expenses can also be charged as one-time fees or ongoing expenses. One-time fees are typically related to start-ups, conversions (moving from one provider to another) and terminations of service. Ongoing fees are recurring expenses relating to continuing plan operation.

⁽¹⁾There may be plan expenses incurred by other providers, other than the company completing this form. For a complete list of expenses charged to your plan, please contact all plan service providers with whom you contract or may contract and request fee information with respect to their services.

**SAMPLE PLAN
401(k) PLAN FEE DISCLOSURE FORM
For Services Provided by Professional Services Firm
Total Plan Expenses**

Role(s) performed by service provider (check all that apply)

- Custodian/Trustee Record Keeper Third-Party Administrator
 Investment Professional Other (Describe): _____

Assumptions

Total Plan Assets _____ Asset Valuation Date _____
 Total Employees _____ Employees with Account Balances _____

Ongoing Fees

A. Ongoing fees to be paid from investment funds

Fund Name	Share Class	Ticker Symbol	Fund Balance	Fees
Fund 1 ⁽¹⁾			\$	\$
Fund 2			\$	\$
Fund 3			\$	\$
Fund 4			\$	\$
Fund 5			\$	\$
Fund 6			\$	\$
Fund 7			\$	\$
Fund 8			\$	\$
Fund 9			\$	\$
Fund 10			\$	\$

B. Ongoing fees to be deducted from participant accounts or paid by employer \$
 Total Ongoing Fees \$

One-Time Fees

Total Plan Start-Up or Conversion-Related Charges \$
 Total Plan Termination-Related Charges \$

⁽¹⁾Fund has transaction-based expenses and/or restrictions