



404(c) Information Checklist

Section 404(c) of the Employee Retirement Income Security Act of 1974 (ERISA) relieves plan fiduciaries of responsibility for investment losses resulting from participant investment decisions. In order for the protections of Section 404(c) to apply, the plan must satisfy various requirements set forth in regulations issued by the Department of Labor under Section 404(c). One of these requirements is that participants must be provided or have the opportunity to obtain sufficient information to make informed investment decisions. If your plan seeks to be 404(c) compliant, you may wish to use the following checklist to confirm that you or your service providers are providing participants with the specific types of information set forth in the Section 404(c) regulations. The checklist is designed for use with plans invested in mutual funds.

The participant must be provided with the following information:

- ✧ **ERISA 404(c) Plan** Explanation that the plan is intended to be a 404(c) plan, and that fiduciaries may be relieved of liability for losses which are the direct and necessary result of investment instructions given by participants.
- ✧ **Investment Options** Description of available investment alternatives and, with respect to each alternative, a general description of the investment objectives and risk and return characteristics of each such alternative, including information relating to the type and diversification of assets comprising the portfolio of the designated alternative.
- ✧ **Investment Instructions** An explanation of the circumstances under which participants may give investment instructions and explanation of any specified limitations on such instructions under the terms of the plan, including any restrictions on transfer to or from a designated investment alternative, and any restrictions on the exercise of voting, tender and similar rights relating to a participant's investment in an investment alternative.
- ✧ **Transaction Fees and Expenses** A description of any transaction fees and expenses which affect the participant's account balance in connection with purchases or sales of interests in investment alternatives (e.g., commissions, sales loads, deferred sales charges, redemption or exchange fees).
- ✧ **Contact Person for "Upon Request" Information** Name, address and phone number of plan fiduciary or designee responsible for providing "upon request" information and a description of such "upon request" information.
- ✧ **Prospectuses** A copy of fund prospectus. Must be provided immediately prior to or immediately following the participant's initial investment in a fund.
- ✧ **Voting Materials** Following a participant's investment in an investment alternative, any materials provided to the plan relating to the exercise of voting, tender or similar rights which are incidental to the holding in the participant's account of an ownership interest in such alternative to the extent that such rights are passed through to participants under the terms of the plan, as well as a description of or reference to plan provisions relating to the exercise of voting, tender or similar rights.

404(c) Information Checklist

The participant must be provided with the following information:

- | | |
|--|---|
|  Annual Operating Expenses | Description of annual operating expenses of each investment option (e.g., investment management fees, administrative fees, transaction costs) which reduce the rate of return to participants, and the aggregate amount of such expenses expressed as a percentage of average net assets. |
|  Fund Prospectuses and Reports | Copies of any prospectuses, financial statements and reports, and of any other materials relating to the investment alternatives available under the plan, to the extent such information has been provided to the plan. |
|  Value of Shares or Units and Performance Information | Information concerning the value of shares or units in investment alternatives held in the account of participants. |
|  Value of Shares or Units in Participant's Account | Information concerning the value of shares or units in designated investment alternatives held in the account of the participant. |



For more information, or to discuss a retirement plan opportunity with one of our consultants, call today.

888.967.7252
nppretirement.com

Advise  Empower  Secure

3850 E Baseline Rd Suite 121 Mesa AZ 85206 ph 888.967.7252 fax 480.892.0927
Securities offered through LPL Financial. Member FINRA/SIPC

