

ICI Applauds ERISA Advisory Council's Report on Disclosure, May 2007

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Washington, DC, May 9, 2007 - Institute President Paul Schott Stevens today issued the following statement on the recent release of the ERISA Advisory Council report on disclosure for defined-contribution retirement plans, such as 401(k) plans:

"We applaud the ERISA Advisory Council for recommending that the Department of Labor close the gaps in information that 401(k) participants receive from different providers of investment products. If adopted, the Council's call for a consistent 'summary profile' for all 401(k) investment options would represent a major step forward in helping America's retirement savers make better investments for their future.

"The [Advisory Council's recommendations](#) echo ICI's long-standing positions. In September 2006 testimony before the Council, ICI's former general counsel, Elizabeth Krentzman, urged the Department to improve the information on all investment options provided to workers who participate in self-directed retirement plans like 401(k)s. Participants should receive consistent and concise information about all their investment choices, and the Department's rules on electronic delivery should be updated to reflect Americans' greater use of the Internet.

"We tip our hat to the to the Council for including these recommendations in the report."

The Advisory Council on Employee Welfare and Pension Benefit Plans was established by ERISA to advise the Secretary of Labor and includes representatives from all stakeholder groups. The 2006 Council formed a Working Group on a Prudent Investment Process to study numerous issues in managing plan assets. The desired result of the Working Group was to discover and present matters that would enhance the ability of fiduciaries to execute their responsibilities under ERISA.