

## 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 prospectuses. Must be provided immediately prior to or immediately following the participant's initial investment in each individual 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.

#### For Financial Professional use with plan sponsors.

This document is intended for general informational purposes only. Neither this document nor any information or services provided by your Financial Professional constitute legal, tax or investment advice. Plan fiduciaries should consult with their legal counsel to understand the full scope of their responsibilities under ERISA, including Section 404(c) and the regulations thereunder. Neither your Financial Professional nor your Financial Professional's firm shall be deemed to be acting as a "fiduciary" under ERISA in furnishing services to your plan.

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