



News Release

Contact: Stephanie Ptak

SPtak@DALBAR.com

617-624-7134

SOLUTION FOR FEE DISCLOSURE QUAGMIRE

DALBAR AND FPR.COM COLLABORATE ON TURNKEY SOLUTION FOR BROKER/DEALERS

(Boston, February 15, 2011) Ever since the release of the regulations on July 15, 2010 broker/dealers have been seeking a method to reliably capture the data required to meet the effective date of July 16, 2011 (which has now been changed to January 1, 2012). These regulations mandate that every covered plan (virtually all 401(k) and most 403(b) plans) must receive prescribed disclosures by the effective date. The problem facing many firms is how to accurately identify all covered plans and secure the required information about each one, since records are not currently maintained in a way that permits compliance.

Today, DALBAR and FiduciaryPlanReview.com ("FPR.com") announce a joint venture to deliver the required disclosures by collecting the data through an automated interface with retirement plan record keepers, verified and complimented by input from advisors. The new service, 408(b)(2) Delivery is open for enrollment immediately so as to meet the new deadline of January 1, 2012.

Complying with this deadline is critical since the regulation includes an effective control system to detect and report compliance failures to the Department of Labor, IRS and ultimately to FINRA. Controls start with record keepers reporting payments made to broker/dealers. This informs the plan sponsors of the fact that they are supposed to receive disclosures from broker/dealers. Annual audits of plans then reveal any failures. Detected failures must then be reported to the Department of Labor and IRS on a notice provided for plan sponsors to avoid various penalties.

"In essence, the plan sponsors must report broker/dealer failures to avoid getting in trouble themselves" said Louis S. Harvey, DALBAR 's President. He added, "With such far reaching controls on the disclosure process, broker/dealers are at great risk for non-compliance."

The 408(b)(2) Delivery is the alternative for broker/dealers that do not have the data to comply or seek a solution that is expected to be the standard practice in the industry. Visit DALBAR.COM or e-mail info@DALBAR.COM for a description of the 408(b)(2) Delivery service.

About DALBAR

DALBAR, Inc. is the financial community's leading independent expert for evaluating, auditing and rating business practices, customer performance, product quality and service. Launched in 1976, DALBAR has earned the recognition for consistent and unbiased evaluations of investment companies, registered investment advisers, insurance companies, broker/dealers, retirement plan providers and financial professionals. DALBAR awards are recognized as marks of excellence in the financial community.

DALBAR.COM

About FiduciaryPlanReview.com

FPR.com is an independent fiduciary for ERISA plans providing highly automated investment selection and monitoring through access to record keeping system data. FPR.com assumes the investment management risk and relieves the plan sponsor, broker/dealer and their representatives from fiduciary responsibility under ERISA Sec 3(38). FPR.com complements and maintains the Advisor's valuable client relationship by meeting the plan's fiduciary duties with a minimum interference.

www.FiduciaryPlanReview.com

###

<http://dalbar.com>