

## Regulation Section 2550.404a-5 – Plan Fee-Related and Other Disclosures to Plan Participants FAQs

The regulation requires certain plan sponsors (generally, plans subject to ERISA):

- To provide plan participants with basic information on the plan itself and its designated investment options on a periodic basis.
- To provide plan participants access to more product information online and upon request.
- To provide participants with a quarterly disclosure for certain expenses charged to a participant's account (e.g., sales loads).

### Frequently Asked Questions

#### How do I know if my plan is subject to ERISA?

Thrivent Financial cannot determine if your plan is subject to the Employee Retirement Income Security Act of 1974 (ERISA). Please discuss this question with your attorney, tax advisor and/or plan administrator. The following are guidelines that may assist with identifying plans subject to ERISA:

- A plan that covers, or has covered, at least one employee other than a sole proprietor (and spouse), partners in a partnership (and spouses) or the sole shareholder-employee of a corporation is subject to Titles I, III or IV of ERISA. In determining if a plan is subject to Titles I, III, or IV of ERISA, the spouse of a shareholder-employee of a "C" or an "S" corporation counts as an "employee." In determining if a plan is subject to Titles I, III or IV of ERISA, the spouse of a sole proprietor or the spouse of a partner in a partnership does not count as an employee.
- In determining if a plan is subject to Titles I, III or IV of ERISA, a parent, grandparent, child, or grandchild of an owner counts as an employee.
- Plans that have never covered anyone other than a sole proprietor and spouse, partners in a partnership and spouses, or the sole shareholder-employee of a corporation are not subject to Titles I, III, and IV of ERISA.
- Plans maintained by any agency of the federal, state, or local government and other government plans are generally not subject to ERISA.
- Plans maintained by a church and other church plans are generally exempt from ERISA unless the plan administrator elects to have the plan be covered under ERISA.

#### What if I am no longer contributing to this plan or my plan is inactive?

If your plan is subject to ERISA, you must prepare and distribute the required disclosures. If your plan is inactive, you may want to consider termination of your plan. An option to defer taxation of your plan assets at the time of plan termination is a rollover of plan assets to a traditional IRA. Please discuss with your tax advisor and contact your Thrivent Financial representative to discuss investment options for your plan assets.

#### Why doesn't Thrivent Financial prepare this disclosure for me?

The disclosure is the responsibility of the plan sponsor. Thrivent Financial, its affiliates and financial representatives do not provide administrative services, legal, tax and accounting advice to plan sponsors. The plan-level information is unknown by Thrivent Financial and its affiliates, and plan investment options may be offered by companies other than Thrivent Financial.

## **Where can I find more DOL Plan Participant Disclosure information?**

- Department of Labor (DOL) website: <http://www.dol.gov/ebsa/>
- Thrivent.com (Products & Services): <https://www.thrivent.com/products/>

## **How often does the disclosure need to be provided to participants?**

Plans need to provide the initial disclosure to all plan participants by August 30, 2012, and annually thereafter. Plan sponsors need to provide the disclosure to new employees prior to the date that participants can direct the investment options for the plan.

The participant-specific fee information needs to be provided to the participant quarterly (with such initial disclosures to be provided no later than November 14, 2012).

## **Will the Thrivent Mutual Funds account quarterly fee information be available in an electronic format?**

No, the Thrivent Mutual Funds account-specific expenses are not available in an electronic format at this time.

## **When can I expect to begin receipt of requested Thrivent Mutual Funds account specific expenses information mailings?**

October 2012, if you requested receipt of this information. You will receive the expense information mailings quarterly in January, April, July and October.

## **My plan needs to receive the DOL mutual fund account specific fee information and I have not received it yet. How do I get added to the recipient list?**

If you would like to automatically receive the Thrivent Mutual Funds account specific expense information each quarter, please contact the Investment Interaction Center at 800-847-4836 (800-Thrivent).

## **My organization or business does not need the quarterly Thrivent Mutual Funds account specific expense information. How can I be removed from the recipient list?**

You will only receive the quarterly Thrivent Mutual Funds account specific expense information if you requested receipt of this information. If you requested receipt of this information and then choose to no longer receive it, please contact the Investment Interaction Center at 1-800-847-4836 (800-Thrivent).



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