

CADARET GRANT

July 10, 2017

Dear Cadaret, Grant Advisor,

Pursuant to the United States Department of Labor (DOL) rule 408(b)(2), Covered Service Providers are required to detail their services provided to Plan Sponsors and offer information regarding the fees and expenses being assessed by the plan. For plan fiduciaries, the rule applies to all ERISA-covered defined contribution and defined benefit plans, and for plan participants, all ERISA-covered participant-directed defined contribution plans. Please note, however, that IRAs, SEPs, and SIMPLE IRAs are excluded from the disclosure rule.

Initial disclosure must be made before entering into a new contract or arrangement. Disclosure of updates to investment-related information is required at least annually. Cadaret, Grant Advisors who are subject to the rule may meet the disclosure requirements in the following ways:

- ▲ METHOD I: Provide an overview 408(b)(2) disclosure form for Plan Sponsors that highlights the services being provided to the plan and participants by the advisor and Cadaret, Grant.
- ▲ METHOD II: Provide a detailed notice of plan information, describing services and compensation payable directly or indirectly to the advisor in connection with the Plan Account Services and TPA services that may be provided by the advisor.

Sample disclosure options (detailed above) and a spreadsheet for identifying accounts requiring 408(b)(2) disclosures are posted to the Cadaret, Grant Web site under *Library/Rules & Procedures/DOL Rule 408(b)(2)*. Please complete and return the Excel document to Cadaret, Grant Compliance by August 7, 2017. If you prefer to use a preformatted Excel spreadsheet and submit it electronically, it is available in your Cadaret, Grant Drop Box. The electronic version can be e-mailed to 408@cadaretgrant.com. A basic question and answer form, about the 408(b)(2) provisions, is also posted to the Web site under *Library/Rules & Procedures/DOL Rule 408(b)(2)*.

To learn more about how a third party may help maintain a comprehensive and competitive approach to offering Plan Sponsor services and meet future DOL disclosure requirements, please contact Cadaret, Grant Marketing at 800.288.8601. More information, including the contents in this mailing, is available at www.cadaretgrant.com/408.

Sincerely,

Cadaret, Grant & Co., Inc.