

ERISA 404(c) Requirements Guide



Complying with ERISA section 404(c) affords sponsors and other plan fiduciaries of retirement plans with participant-directed investments protection from liability for investment decisions made by plan participants. Use this guide as a reference for the requirements which must be met by plan fiduciaries to qualify for ERISA 404(c) protection. Please consult with your company's or the plan's legal counsel for advice regarding compliance with the law and your role as a fiduciary.

Requirements		How providers can assist you with complying		
Key Elements	What Nationwide® Provides To Assist You With Complying	Investment Professional	Retirement Plan Administrator	Plan Sponsor Actions
Offer a broad range of investment alternatives — at least three investment alternatives that are diversified and provide different risk and return characteristics (core investment options).	Nationwide's programs and products offer a wide range of investment options from dozens of fund managers with varying risk levels and management styles.	Provides information such as fund performance and prospectuses to assist with fund selection and monitoring.		Select a broad range of investments and monitor them. Seeking protection under ERISA 404(c) does not eliminate the duty to prudently select and monitor the plan's investments.
Allow participants to elect to transfer funds between core investment options at least quarterly or with a frequency which is appropriate relative to the investment's volatility.	Participants can move their money as often as daily by phone or online.		Ensures that the plan document permits participants to direct the investment of their own accounts.	
Required Participant Notification				
Provide the following notification to participants via either a written letter or the Summary Plan Description: <ul style="list-style-type: none"> Participants will be able to direct investments The plan intends to comply with ERISA 404(c) and the plan fiduciaries may be relieved of liability for losses, and The name, address and phone number of the 404(c) plan fiduciary responsible for providing information upon request and for receiving and complying with participant investment instructions 	Nationwide provides a sample 404(c) Questions and Answers (Q&A) brochure that you may use to help you craft your notice to participants.		Distributes the written notification to participants in enrollment meetings and/or assists with communication via the SPD. The plan administrator or the plan's legal counsel may modify and complete the written notification.	Determine who should serve as the 404(c) plan fiduciary and provide this information to your plan administrator. Assist your plan administrator with the distribution of the written notification. Remember to provide the written notification and the SPD to new employees when they become eligible to participate in the plan. Your plan administrator may assist you with providing this information to new participants in the plan.
Provide a description of investment alternatives available in the plan, including a general description of the investment objectives and risk/return characteristics of each alternative.	Investment information and fund performance is available to participants at nationwide.com. Other information is available upon request.	Provides information at enrollments and other client meetings via the written notification, the Investment Profiles and performance summary.	Assists with the completion and distribution of the written notification, the Investment Profiles and performance summary.	Provide the written notification and information on investment alternatives to new plan participants.
Provide a description of all charges and fees deducted from participant accounts.	Nationwide asset fees and fund-level fee information are provided with the Investment Profiles, performance summary and investment information available at nationwide.com.		Provides information to participants using the written notification, the Investment Profiles and performance summary.	Provide the written notification, Investment Profiles and performance summary to new plan participants.
Explain to participants how they can provide investment instructions and any applicable limitations.			Provides information to participants using the written notification.	
Explain to participants that they have a right to obtain written confirmation of their investment instructions.	Participants may print confirmations for transactions processed via the Internet. Other confirmations are available upon request.		Provides information to participants using the written notification. Provides written confirmations upon request.	
Identify designated investment managers, if any.			Provides information to participants using the written notification and Investment Profiles.	
Provide a copy of the most recent prospectus provided to the plan, to be given immediately before or after a participant's initial investment in a mutual fund.	Nationwide makes prospectuses available to plan fiduciaries for distribution.	Assists with obtaining and distributing prospectuses.	Assists with obtaining and distributing prospectuses.	Assist with distribution of prospectuses.
If company stock is an investment option, provide a written description of the procedures for maintaining confidentiality of purchase and sale information of the stock and procedures for exercising voting, tender and other shareholder rights.				Provide information to participants, if applicable. Assistance of legal counsel should be sought to determine the appropriate written description and procedures when employer stock is offered in the plan.

Participants May Obtain Upon Request:

- Annual operating expenses that apply to each investment option.
- Copies of any prospectuses, financial statements and reports provided to the plan.
- A list of the investment portfolio holdings or the name of the insurance company issuing group annuity contracts.
- Information concerning the value of shares or units in designated investment alternatives.

Contact your plan administrator or investment professional to obtain the requested information and provide it to participants.

Helping you comply with ERISA 404(c) requirements

ERISA 404(c) Guide
Retirement Plans



For additional support fulfilling your fiduciary responsibilities, please contact your financial advisor.



This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

Please be aware that to obtain the protections of 404(c), the participants must be given sufficient information to enable them to make informed investment decisions. The 404(c) regulations list items that constitute the minimum threshold for complying with this requirement. In certain circumstances, it may be necessary to provide more information. This guide addresses only the items specifically listed in the regulations.

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Before investing, understand that mutual fund, annuities and/or life insurance products are not insured by the FDIC, NCUSIF, or any other Federal government agency and are not deposits or obligations of, guaranteed by, or insured by, the depository institution where offered or any of its affiliates. Annuities and/or life insurance products that involve investment risk may lose value.

The Nationwide Group Retirement Series includes unregistered group fixed and variable annuities and trust programs. The unregistered group fixed and variable annuities are issued by Nationwide Life Insurance Company. Trust programs and trust services are offered by Nationwide Trust Company, a division of Nationwide Bank. Nationwide Investment Services Corporation, member FINRA. Nationwide Mutual Insurance Company and Affiliated Companies, Home Office: Columbus, OH 43215-2220.

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PNM-0160AO.8 (01/17)